

SOL PLAATJE MUNICIPALITY

ANNUAL BUDGET (MARCH)

2019/20 – 2021/22



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a) Mayor's Budget Speech

**THE SPEECH OF THE EXECUTIVE MAYOR, SP MABILO ON THE
OCASSION OF THE APPROVAL OF IDP REVIEW FOR 2018/2019, THE
ANNUAL BUDGET FOR 2019/2020 MEDIUM TERM REVENUE AND
EXPENDITURE FRAMEWORK, BUDGET POLICIES AND PROPOSED
TARIFF INCREASES FOR 2019/2020**

28 MARCH 2019

Madam Speaker

Esteemed Members of the Mayoral Committee

Honourable Councillors

Acting Municipal Manager

Executive Directors

Officials

Members of the Media

Community members

Good morning and warm greetings to each and every one of you.

In celebrating 25 years of a free and democratic nation, I have consciously chosen to present this budget speech for 2019/2020 Medium Term Revenue and Expenditure Budget Policy (MTREF)

within the context of the liberation and attainment of human rights, all who live in our beautiful country

Since our democratic dispensation, Madam Speaker, we have changed the lives of many through the access of basic services, namely, water, housing, electricity and have experienced major milestones and evident progress in the livelihood of our people. Therefore within this spirit, Madam Speaker that as we are about to conclude Human Rights Month, we honour and pay homage to liberation stalwarts for their contribution to the freedom and constitutional democracy we enjoy today.

Madam Speaker, this year we celebrate 25 years of a free and just nation as we head to the polls for the sixth democratic election, where all who live in it can enjoy the hard earned liberation that our struggle stalwarts fought for. This year we will engage in an important democratic process when we will once again have the opportunity to make our voices heard by way of our votes.

As the capital city of our beloved province, we have the opportunity to turn the page, rewrite our past and once again restore hope and confidence in the Sol Plaatje Municipality and continue to improve the quality of life of our people. To this end, we take encouragement from the wise words of the President South Africa, Mr. Cyril Ramaphosa, for us to answer the call of the Thuma Mina, Send Me movement in making meaningful and

progressive change to the lives of all the people in our communities.

Therefore, fellow colleagues and residents, we must consider it an honour and privilege this morning to be part of the new dawn which to me, is a period of renewal and rejuvenation; a period of changing the discourse for the better; and a period where residents can tangibly feel improvement in their quality of lives. Indeed, we dare not fail as we set new service delivery and accountability benchmarks for others to follow

Madam Speaker, the budget for 2019/2020 follows a very challenging 2018 and an equally demanding one is forecast for 2019/2020 MTREF. Collectively we have emerged from many trials and tribulations in the recent past and this has indeed made us wiser

While upholding the rights of residents to engage in peaceful protest we are simultaneously resolute that we must work together to resolve problems amicably. We have learnt from our mistakes and we are moving forward to maintain stability at the municipality. Ladies and gentlemen we need to hold hands and work together.

Madam Speaker, in order for us to remain a viable and vibrant city, we need to work as a collective to turn the fortunes of the city around. Municipalities across the country are feeling the brunt

of the economic meltdown and as a result National Treasury issued a statement whereby 70% of municipalities were classified as being in financial distress. Luckily we are not as we have sound fundamentals in place.

We however cannot rest on our laurels but need to address the pressing issues which beset our city. Madam Speaker, we have to be frank and admit that service delivery such as water and sanitation challenges remains our main priority as a municipality. We will reclaim our public spaces, namely; parks, walkways, stadia and cemeteries as we embark on a rigorous cleaning and greening project. We will in turn our communities into green, dynamic and vibrant settlements

In order for us to grow we need to repair and maintain our infrastructure. A city with miniscule infrastructure problems, is normally a city that flourishes. We want to create this modern vibrant city with job opportunities for the youth and at the same time create amenities for both young and old to enjoy. This is the ideal we envisage for our beloved city of Kimberley.

Honourable Speaker, the issue of non- payment of municipal accounts has assumed drastic proportions. We are by law compelled to pay our creditors within 30 days but we in turn do not receive revenue for services rendered.

I am happy to announce that we have received commitments from sector departments to pay outstanding municipal debts. Government must come to the party and be exemplary in the

payment for services rendered by the municipality. We call on all businesses, government departments, residents and all other stakeholders to continue paying in order that quality services are delivered.

Our ability to provide services to the people of Kimberley is severely hampered by those not willing to pay. We sincerely thank those who do honour their commitments towards the municipality and I once again make a plea to those not paying to do so. Together we can bring the shine back to the city.

Madam Speaker, despite our limited resources, we can be proud of our achievements in 2018/2019. We have rolled out the following projects to improve the quality of life of our people. Huge cash injections have been made in projects, namely;

- The Riverton Pump Station and the high lift pumps
- The Lerato Park sewer and water Project that will service 4600 households
- The ongoing Storm water project in Galeshewe
- Upgrading of the Gogga Pump Station,
- The number of roads paved and upgraded in Galeshewe, Roodepan, Homelite and Colville,
- Ritchie's water augmentation project,
- The electrification projects in Roodepan and Galeshewe,
- The refurbishment of the Florianville Swimming pool
- Refurbishing of the De Beers stadium and the upgrading of the Galeshewe stadium is but a few that spring to mind.

Madam speaker, we are committed to make a difference in the lives of all people.

As the Sol Plaatje administration and Council, we are determined to provide quality services to our people, therefore in 2018, Madam Speaker, the municipality embarked on a massive electrification project, that has powered 1515 residents of Snakepark, Kutlwanong, Platfontein, Santa Centre and Mathibe. Madam Speaker, we thank the Department of Cooperative Governance and Traditional Affairs (Cogtsa) for playing their part in providing new RDP homes for the indigent people within the Sol Plaatje Municipality. New residential areas like Snake Park and other areas namely, Platfontein, Santa Centre, Kutlwanong, and Mathibe are being provided with electricity through funding from the Integrated National Electricity Program in 2018/2019 to a tune of R24 million and set to be completed by June this year.

Furthermore, I am happy to announce we will be launching the Caters Glen substation transformer, which will bring much needed capacity on the power grid and relieve the Galeshewe station. We are proud to mention that we continue to bring dignity to our people through the acceleration of quality service delivery.

We are a Council at work!

Ladies and gentlemen, the 2019 State of the Nation Address by President Cyril Ramaphosa, provided a ray of hope considering

the comments received from various role players. The restructuring of Eskom also seems to be a decision which bodes well for the future. The alignment in terms of what came out of the President's speech and projects seems to be in perfect harmony with our own hope and aspirations.

Madam Speaker, it is my concerted view that we must highlight critical views that emanate from this year's State of the Nation Address. Here are some critical issues that came out SONA are worthy of repetition and these are:

- The acceleration of economic growth and creating jobs.
- The development of skills
- Improving the conditions of life for all South Africans, especially the poor
- Stepping up the fight against corruption and state capture; and
- Strengthening the capacity of the State to address the needs of the people.

Madam Speaker, when we took office we immediately embarked on a turnaround trajectory, namely;

1. Outcry of a filthy city. Today there has been significant and tremendous improvement in cleaning the city.
2. The municipality has stabilised and we have brought about

3. We have reached out to community leaders and have started strengthening relations with community members and all residents
4. Through engagement with crime fighting forums such as Wanya Tsotsi, we have witnessed the handing over of weapons and the reduced levels of crime within our municipal jurisdiction.

Madam Speaker, we could certainly apply these five priorities to our own municipal environment as they speak directly to what the goals and aims of municipalities are.

Honourable Speaker, capital grants gazette amount to R157 285 000 **(One hundred and fifty seven million, two hundred and eighty-five thousand rand)** for **2019/2020**, R153 497 000 **(One hundred and fifty three million, four hundred and ninety seven thousand rand)** for **2020/2021** and R168 266 000 **(One hundred and sixty eight million, two hundred and sixty six thousand rand)** for **2021/2022**.

The capital plan budget for 2019/2020 is approximately R185million. The following projects are those benefitting from the grants of R158million received as per the Division of Revenue Act. Madam Speaker this is a clear indication that as a municipality we have accelerated service delivery as we instituted massive progress made with the following:

- The Homevale Satellite Fire station will continue and be finalised as a result of an allocation of R12.6million from the Integrated Urban Development Grant

- The Lerato Park link sewer upgrade – R24.8million funding from the Integrated Urban Development Grant.
- Upgrading of gravel roads: Wards 6,7,9,10,15 in Galeshewe. Total allocation of R13.4million from the Integrated Urban Development Grant.
- Reconstruction of ablution facilities in Galeshewe – allocated amount R10million from the Water Services Infrastructure Grant.
- Replacement the Seleke/Homevale Outfall sewer line – allocated funding of R15million from the Water Services Infrastructure Grant.
- Carters Ridge Sewer Pump Station – R5million funding from the Water Services Infrastructure Grant.
- The upgrade of storm water in Galeshewe will continue – Grant allocation for 2019/2020 is R40million.

An amount of R30 998 000 (**Thirty million, nine hundred and ninety eight thousand Rand**) has been earmarked to electrify the following informal areas:

- Ramora
- Witdam
- Golf Course
- Donkerhoek and
- Waterloo

R6 million has been allocated for the replacement of our ailing fleet. Funding is provided from the Capital replacement reserve.

This is to bring fundamental change to the lives of our communities.

We have addressed service delivery challenges such as water outages, potholes and sanitation that are faced by our residents.

We have received the incentive grant on energy saving projects, with R5million for 2019/2020 and R11 million allocated for the outer two years. As the municipality we continue to encourage our communities to use water sparingly and not waste water. As the Executive Mayor and as a collective we will explore new and innovative ideas to manage the usage of water in the city, including the promotion of grey water for domestic use. We all need to play our role in preserving this scarce and precious resource. With regard to sanitation, we will utilise new technology to respond to the waste, namely, urine and faeces.

The tariffs applied for at the National Energy Regulator (NERSA) are as recommended in the guideline memorandum issued by the Regulator for Inclined Blocked Tariff. This will enable those who compare energy charges to do so more accurately and fairly.

Madam Speaker, the Budget will be assessed by National Treasury and we are confident it will be informed by the following; credible, relevant and be funded. The collection of debt will be instrumental in determining the credibility of the budget and financial viability of the municipality.

At the forefront of the agenda of the municipality, we have identified that staff and all employees will be advanced through capacity building. Through the MSIG incentive grant, we will be working with Coghsta to enhance capacity and skills enhancement for our councillors and staff members. The memorandum of understanding between ourselves and Coghsta needs to be signed in order for the funds to be released. Over R2million is available for this purpose.

Madam Speaker, the youth remains the future of our city and country and as a municipality we want to be the employer of choice. Through skills development we will give young people the opportunities to job creation and entrepreneurship. The Municipal Finance Management Grant is also available in order for us to appoint Finance interns. This will enable unemployed graduates to gain valuable work experience in the different spheres of finance and hopefully with the necessary endeavour and hard work be absorbed in the municipal setup. Contracts run for 2 years and graduates are in a position to apply for employment in the municipality during the period of their internship.

Current initiatives, I as the Executive Mayor has been exploring is to ensure that we intensify youth training programmes with the relevant SETAs. As the Executive Mayor and the collective we have to ensure all persons are represented in employment and benefiting from procurement, particularly women and those who are living with disabilities.

We are in strategic discussions with renowned universities to increase skills development and opportunities for the youth.

Madam Speaker,

The following tariff increases are proposed for 2019/2020:

- | | |
|--------------------|----------------|
| 1. Rates and taxes | 6.0% |
| 2. Water | 6, 0% |
| 3. Sanitation | 6.50% |
| 4. Refuse removal | 7.50% |
| 5. Electricity | 11.40%, |

These increases are below the recommended tariff of 6, 84% by NERSA. We are awaiting the outcomes of the application and the NERSA approval is the final approval of tariff increases to be effected from 1 July 2019.

It is important to note that there will be consultations with stakeholders including, business and community members on these proposed tariff increases.

Budget Policies have been revised and are tabled for approval as per the Council resolution.

In the 2019/2020 financial year, our focal point as this council would be as follows:

- Short and long term financial sustainability
- Cleaning of the city.
- Vigorously pursue our debt collection
- Addressing water, electricity and sanitation issues
- Marketing the city to draw investment
- Optimizing the potential of the Fresh Produce Market.
- Prepare bankable plans for funding to address our road and storm water issues.
- Staff discipline and performance
- Change the perception and image of the City.
- Strengthening bilateral relations

Madam Speaker and Honourable Councillors, we received a qualified audit opinion for 2018 which is a regression from the previous unqualified opinion. 2019/2020 will be the year where we will redress it and will we go full thrust ahead to ensure that this does not happen again. We are striving for a clean audit and this should be our goal and objective to achieve it within the next five years.

Before I close Honourable Councillors, the demand for basic services is huge and we are at the forefront of this. How will we be able to provide such services without the necessary resources? The collection of outstanding debt is imperative and we as a collective together with National and Provincial Treasury must consider arranging an Indaba to take the bull by the horns. Our very survival depends on our ability to collect monies due to us.

As the Executive Mayor, I want to say to the administration and also my fellow councillors: let us strive and work together as a unit to bring the former glory back to the city. Let us make decisions to benefit the city, to grow the city, to instil confidence, to uplift our communities and to become the city we all desire to live in. We have the manpower, the expertise and the resources to achieve this. Madam Speaker, together we can collectively grow our city.

Madam speaker, there will be ongoing consultations and engagements with all stakeholders including, organised business, schools, non-governmental organisations and youth formations.

I therefore present the IDP Review 2018/2019, the Annual Budget for 2019/2020 MTREF, the proposed tariffs increase and the Budget Policies as per item two and three of the agenda.

In conclusion, Madam Speaker, I would like to take this opportunity to thank the staff in my office, the office of the Acting Municipal Manager, Executive Directors, the Mayoral Committee and Councillors and all Sol Plaatje Municipality employees working diligently who made this occasion a success. I would also like to thank those individuals and groups who took it upon themselves to assist in cleaning the city and the suburbs and who continue to do so. You are truly very loyal and patriotic 'Kimberlites' who care. Thank you for your gesture and we hope this initiative will continue unabated.

Together we will bring the glory back to the city. Let us play our part in growing our city in this period of hope and renewal where

a new dawn has beckoned in Kimberley and indeed the rest of South Africa.

I thank you.

Presented by:

S P Mabilo

Executive Mayor

Sol Plaatje Local Municipality

Date: 28 March 2019.

b) Council Resolutions

ITEM NUMBER

Tabling of the Annual Budget for 2019/20 MTREF

Executive Mayor Cllr P.S. Mabilo

12 March 2019

Purpose

Tabling of the Annual Budget of the Sol Plaatje Local Municipality for the financial year 2019/20 and indicative allocations for the two projected outer years 2020/21 and 2021/22, 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 to 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. E Baise

Budget Steering Committee

Executive Management Team

Mayoral Committee

Contact Person

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Acting Chief Financial Officer

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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 2019/20; and indicative allocations for the two projected outer years 2020/21 and 2021/22, 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;
 - 2.2 Budgeted Cash Flow: Section 5/Annexure 1 – Table A7;
 - 2.3 Cash backed reserves and accumulated surplus reconciliation: Section 5/Annexure 1 – Table A8;

- 2.4 Asset Management: Section 5/Annexure 1 – Table A9; and
- 2.5 Basic service delivery measurement: Section5/Annexure1–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 2019/20 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.

Acting Municipal Manager
B. Dhlwayo

Date

PART 1

ANNUAL BUDGET

1.1 THE EXECUTIVE SUMMARY

1.1.1 Introduction

The year in focus will be indeed by the most challenging in the history of the city. Whilst the next cycle of the IDP will continue, we need to take an in depth look at the resources at our disposal to try and improve on a very troubled year which was 2018/2019. Priorities should be looked at critically and those linked to income generating be placed on top of the pile.

The economic outlook is bleak with a hint of recession but we need to press ahead and not renege on our mandate of providing affordable, quality services to our people. A lot of capital work will be done during this year. The commissioning of the Riverton High lift pumps, the upgrading of the Gogga Pumpstation, the Galeshewe Stormwater projects as well as the Lerato Park water and sewer linking projects is but a few of the projects where huge sums of money has been invested.

The Thlageng Dam will be strengthened as a direct result of funding through the Neighborhood Development Partnership Grant. This exercise will bring welcome relief to those staying close to the attenuation pond who experienced a lot of hardships in years gone by. The new construction of sink toilets in the Galeshewe area will also alleviate the need for sanitation facilities in the area.

The need to create jobs is pressing and government and business need to take hands and try to find common ground to create jobs in an unfavourable environment. The state of the economy is in such a state that as a result of a low growth rate forecast of less than 2%), it will be nigh impossible to create employment.

The climate of economic uncertainty has led to non-payment of essential services which placed a huge burden on the municipality to deliver on its mandate. It further negatively impacts on council's cash flow and the ability to remain a going concern. Innovative ideas to improve our revenue streams is of utmost importance to keep us afloat. Grant funding to the municipality has decreased placing further strain on the municipality's resources.

Tariff increases in 2018/19 was kept to minimum but is unlikely to be maintained as electricity tariffs will increase more depending on the outcome of Nersa decision on Eskom's application for a higher tariff. The tariff increases for 2019/20 will be more than 2018/19 based on preliminary assumptions. Everything will be done to keep it affordable as possible. The tariffs will be inflation aligned where possible.

Our road network (800km plus) is pivotal in attracting investors and we have in the last few years injected almost R100million in the network and hope to spent an additional R20million on the upgrade of roads for 2019/20. However due to absence of preventative maintenance over a period of time, the road surfaces has disintegrated and much more needs to be done in order to improve our road surfaces.

Tariff increases for 2018/19 was in the main kept very low but the same scenario will not repeat itself in 2019/20 as a result of the scrapping of the basic charge which needs to be recovered. An increase is inevitable but we hope to keep it as low as possible. Electricity tariffs will obviously be determined on what the Nersa outcome is. It is assumed that the tariff increases will be above the prevailing inflation rate.

1.1.2 Political overview

With the change of guard and more political stability on the horizon, the state of the nation address was delivered in an environment of hope and expectations and was received in that spirit. Change brought about some divisions and discord but evidently these will lead to a more stringent and cohesive leadership and build confidence within the nation. A spirit of a new enlightened South Africa could be felt in the air, a sort of a new renaissance.

The volatility of the rand is still a concern, coupled with the unpredictability of the oil prices as well as the commodity prices could however place a damper on business confidence. The promise that corruption will be dealt with and rooted out, will instil hope and confidence in our nation. We are eagerly awaiting the new dawn to come to the fore.

The people want to see visible leaders who are always available with a caring heart and a listening ear. They does want only to see them electioneering and then to be discarded or forgot about until the next elections. Government is under extreme pressure to provide the impetus for the economy to grow and create jobs. The job market looked bleak for those entering it although on a slightly positive note unemployment decreased marginally from 27.5% to 27.1% for the period ending 31 December 2018.

The constant bailing out of ailing parastatals like Eskom, South African Airways and the ongoing saga at South African Broadcasting Services does not instil much confidence and alternative means have to be looked at turn around the fortunes of those mentioned. It is a great strain on the fiscus. By the same token the ongoing investigation in the Gupta saga and other relevant institutions once again demonstrate government's commitment in stamping out corruption at its roots.

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Year on year the economy advanced 1.1 percent in the fourth quarter of 2018, after an upwardly revised 1.3 percent growth in the prior period and compared with market consensus of a 0,6 percent advance. Considering the full 2018, GDP advanced with 0.8%, well below revised projections of 1.4 percent in 2017.

The annual inflation rate in South Africa declined to 4.0 percent in January 2019 from a 4.5 percent in December 2018 and below market expectations of 4.3 percent. It is the lowest inflation rate since March 2018 and can be attributed to the falling fuel prices. Inflation rate in South Africa averaged 9.03 percent from 1968 until 2019, reaching an all time high of 20.70 percent in January of 1986 and a record low of .20 percent in January 2004.

Herewith some key announcements from the 2019 budget speech by Minister Mboweni.

- A new Illicit Economy Unit to be launched in April 2019, will fight the trade in illicit cigarettes and tobacco;
- SARS is strengthening its IT team and its IT systems and this is crucial for our tax collection efforts; and
- information sharing agreements with allies will help fight cross-border tax evasion schemes.

1.1.3 m-SCOA Implementation

The municipal standard chart of accounts or mSCOA was developed by National Treasury to standardise financial reporting and related information across all municipalities in the country. It was evident that municipalities find it difficult to align mSCOA original budget data string to the original budget adopted by municipal council. The root was identified as being a result of municipalities not planning properly, test and generate the Schedules A1 directly from the financial systems but prepare the schedules A1 manually on excel spreadsheets and then captured the table and original budgets on the system (or worse, the core system vendor does it for them) after these were tabled and adopted by council.

Furthermore, some municipalities prepared their tabled budgets in the financial system but made changes to it during community consultation and council meetings. These changes were effected to the schedule A that served before council but never made on the Financial system. Hence, the municipality started transacting against the tabled budget on the system

instead of the adopted budget. In terms of the mSCOA Regulations, the budget must be approved and locked on the financial system prior to the municipality transacting against it on the financial system.

In terms of the MFMA and Municipal Budget and Reporting Regulations, errors in the Budget can only be corrected during the adjustments budget process. Municipalities should therefore ensure that their adjusted budget strings align to Schedule B adopted by the municipal council. National and provincial treasuries will undertake a verification process on the adjusted budgets in relation to the data strings and Schedule B in advance for verification purposes to ensure that aligned documents are adopted by municipal council by 28 February 2019.

The 2019/2020 MTREF will be drafted with version 6.3 of mSCOA. NT MFMA Circular No 93, dated 07 December 2018, announce the implementation of mSCOA version 6.3.

1.2

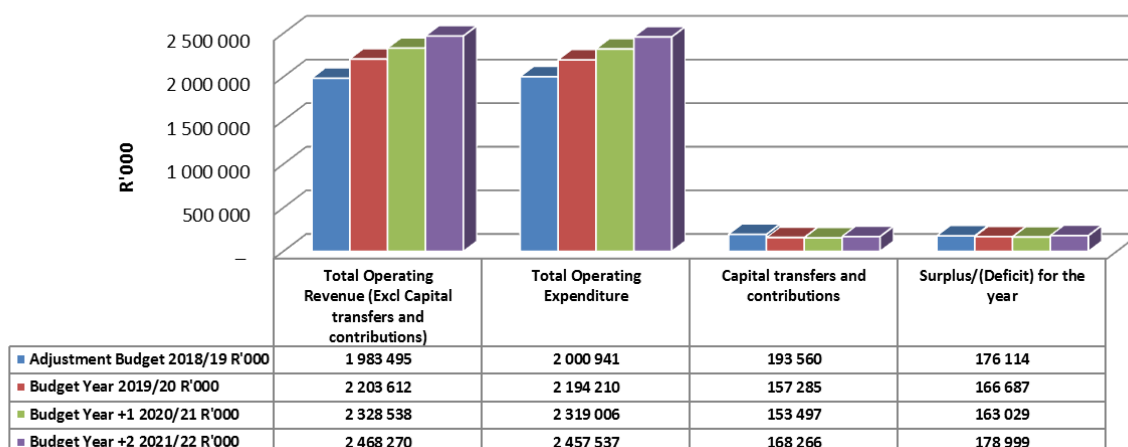
1.2.1 Budget Overview

There are three budgets tabled for approval by council, the operating expenditure budget, the operating revenue budget and the capital budget.

Consolidated Overview of the 2019/20 MTREF	Adjustment Budget 2018/19 R'000	2019/20 Medium Term Revenue & Expenditure Framework			
		Budget Year 2019/20 R'000	Budget Year +1 2020/21 R'000	Budget Year +2 2021/22 R'000	Total over the MTREF R'000
Total Operating Revenue (Excl Capital transfers and contributions)	1 983 495	2 203 612	2 328 538	2 468 270	7 000 420
Total Operating Expenditure	2 000 941	2 194 210	2 319 006	2 457 537	6 970 753
Operating Surplus	(17 447)	9 402	9 532	10 733	29 667
Capital transfers and contributions	193 560	157 285	153 497	168 266	479 048
Surplus/(Deficit) for the year	176 114	166 687	163 029	178 999	508 715
Total Capital expenditure	231 113	184 285	180 497	209 266	574 048

The revenue strings of the municipality remains which is customary like levying of rates and taxes, services provided like electricity, water, sanitation and cleansing as well as other services which includes renting out of facilities and other revenue sources.

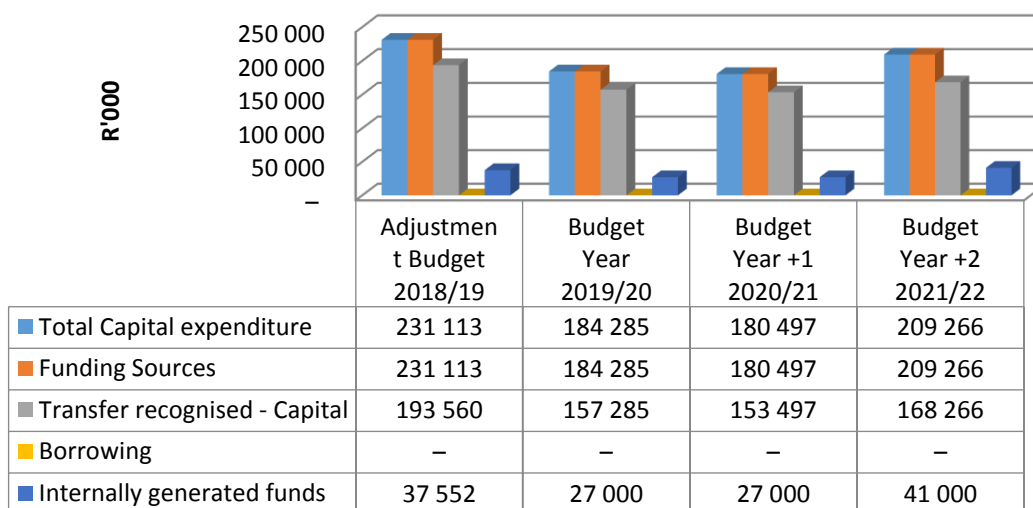
Consolidated Overview of the 2019/20 MTREF



Costs of bulk are borne by the municipality and the suppliers as such are the municipality prioritised creditors.

Budget Schedule A1 of the Budget indicates the total budget of the municipality. The focus at this point shall be operating revenue and expenditure as follows. The table below presents the budget overview summary:

Capex Funding: MTREF 2019/20 - 2021/22



There is no significant increase in overall revenue as the totals are increasing from R1, 983 495 billion (adjusted budget 2018/19) to R2, 203 612 billion (2019/2020), thus a 11.10% year on year increase.

The expenditure is estimated at R2, 194 210 billion in 2019/2020. After having considered all the factors, the budget for 2019/2020 MTREF shall generate surpluses, though very limited in amounts. However, the budget remains funded for the duration of the MTREF.

Capital grants and subsidies recognised are all conditional grants gazetted as per the Division of Revenue Act 2019.

1.3 THE OPERATING EXPENDITURE FRAMEWORK

The total operating expenditure budget amounts to R2 194 210 000.00 for 2019/2020 financial year. The operating expenditure budget is presented by type, by vote and by GFS classification as per Schedule A, attached as an annexure to this report, See table A1, A2, A3 and A4. The major operational expenditure budget allocations include:

Employee related costs equates to 35.13% of the total operating budget. This amounts to R770 966 000.00. The 2019/2020 cost of living increase as per SALGBC wage agreement of 7% was used when calculating the total employee costs. This provision includes additional allowances and benefits as per council procedures in this regard. These include the upper limit gazette for remuneration of councillors, municipal managers and managers reporting directly to the Municipal Manager.

Bulk purchases of water and electricity with the total budget of R808 725 000.00. The estimates were based on the current demand and the projected growth in demand, and have taken into account the guidelines for price increases as informed by NERSA and Department of Water and Sanitation. Costs of bulk are 36.86% of operating expenditure budget.

Finance charges consist of repayment of interest on long term borrowing (cost of capital). The amount budgeted for 2019/2020 is R24 661 000, equivalent to 1,21% of the total operating expenditure budget.

Contracted services allocation is R51 605 000.00 which includes repairs and maintenance provisions and budgetary alignments as per mSCOA classification. This budget includes additional enhancements which were allocated to various directorates during the budget interactions internally.

1.4 OPERATING REVENUE FRAMEWORK

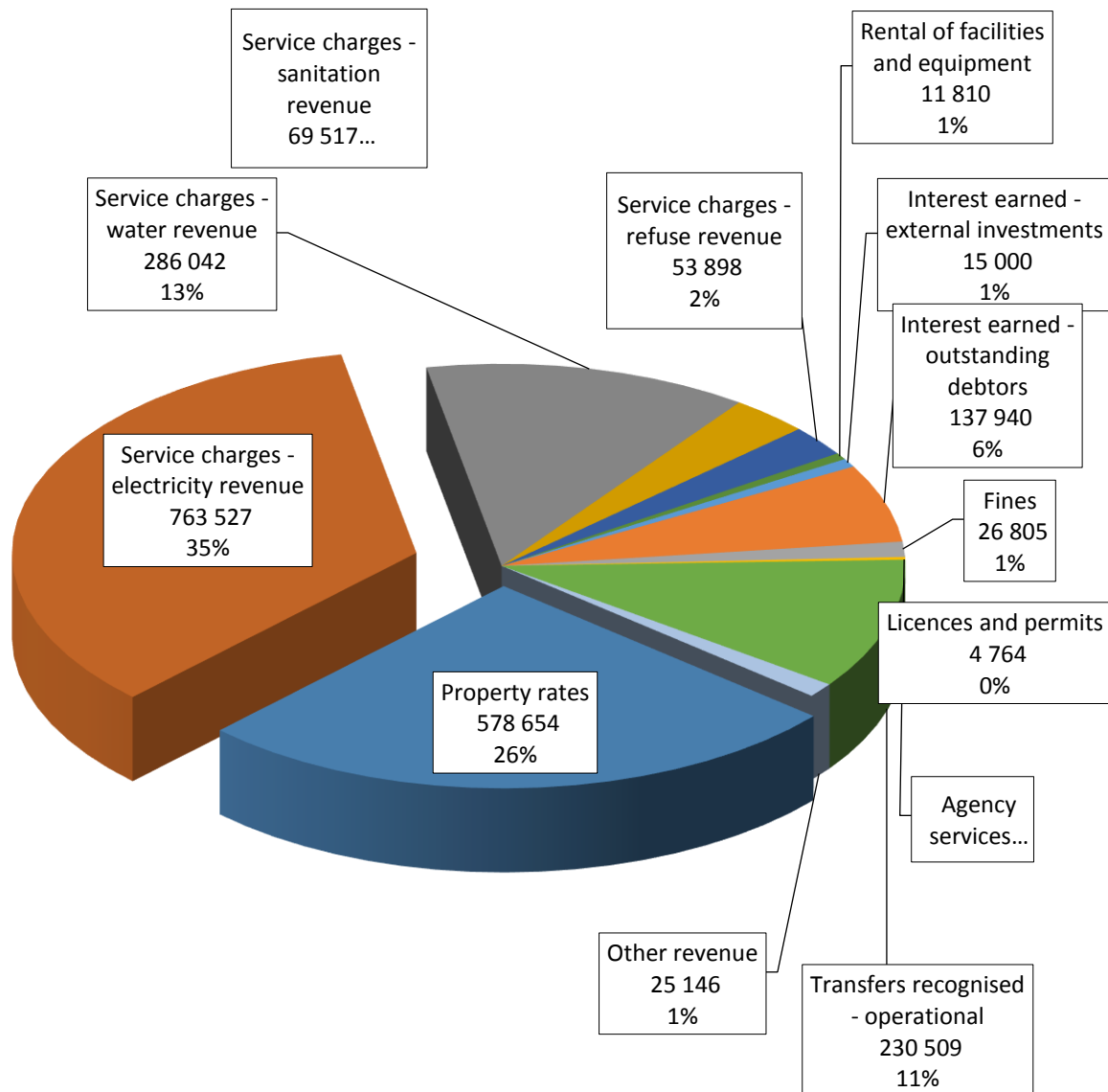
The municipality generates revenue from exchange and non-exchange transactions. Exchange transactions are instances where there is a transaction concluded at arms-length based on measured consumption as well as a result of existing service agreements. Revenue from non-exchange transactions is revenue 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 operation and maintenance of infrastructure, servicing of municipal debt acquired as long term borrowings and the costs of bulk water and electricity.

During this budget process, all tariffs had been revised to ensure that they are relevant and easy to implement. The municipality had a tariff for dog-licensing which was recovered through the normal billing and settling of accounts. This revenue was used to make a grant to the SPCA who is running a domestic animal pound. Due to complexities in implementing the tariff, this section has now been deleted.

The pie-chart below represent the percentage weighting of each revenue source against the total revenue estimated for the financial years 2019/2020, 2020/2021 and 2021/2022.

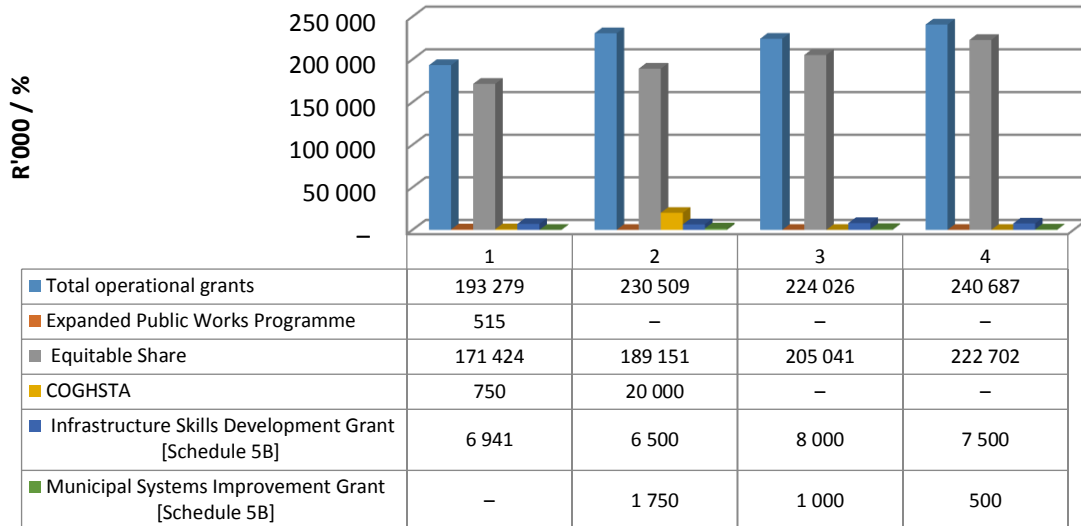
Revenue per Source: Budget Year 2019/20



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.

Grants and subsidies made comprises of equitable share in the amount of R189, 151 million for 2019/2020, R205, 041 million for 2020/2021 and R222, 702 million for 2021/2022. Other minor grants and subsidies received are as follows:

Year-on-Year Increase/ (Decrease) on National Grants MTREF 2019/20



1.5 CAPITAL EXPENDITURE FRAMEWORK

The capital budget for 2019/2020 is R184 285 000 funded as per the table below. Capital grants and donations make up 85% of the total funding sources, and own funds contribute 15%.

NC091 Sol Plaatje - Table A1 Budget Summary							
Description	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousands							
Capital expenditure & funds sources							
Capital expenditure	333 241	231 113	231 113	98 225	184 285	180 497	209 266
Transfers recognised - capital	296 795	193 560	193 560	83 849	157 285	153 497	168 266
Borrowing	–	–	–	–	–	–	–
Internally generated funds	36 446	37 552	37 552	14 375	27 000	27 000	41 000
Total sources of capital funds	333 241	231 113	231 113	98 225	184 285	180 497	209 266

The MIG will be replaced by the IUDG for the 2019/2020 MTREF in pilot municipalities identified by National Treasury. Sol Plaatje Municipality has been identified as a recipient of this grant. It is foreseen that in future all grants will all be incorporated in the IUDG.

1.6 OPERATING REVENUE

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.

1.5.1 Revenue by Source

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

NC091 Sol Plaatje - Table A4 Budgeted Financial Performance (revenue and expenditure)								
Description	Ref	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	1	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue By Source								
Property rates	2	541 312	541 312	541 312	415 258	578 654	625 994	674 739
Service charges - electricity revenue	2	727 992	617 992	617 992	403 999	763 527	820 800	863 653
Service charges - water revenue	2	268 108	268 108	268 108	184 670	286 042	302 997	324 944
Service charges - sanitation revenue	2	63 813	68 813	68 813	46 921	69 517	73 766	78 731
Service charges - refuse revenue	2	47 595	60 395	60 395	43 147	53 898	57 317	60 690
Rental of facilities and equipment		11 257	11 257	11 257	7 494	11 810	12 307	12 983
Interest earned - external investments		20 000	15 000	15 000	2 769	15 000	21 000	22 000
Interest earned - outstanding debtors		130 490	141 490	141 490	93 391	137 940	130 262	126 478
Dividends received		–	–	–	–	–	–	–
Fines, penalties and forfeits		25 735	25 735	25 735	3 243	26 805	28 413	29 976
Licences and permits		3 450	3 450	3 450	8 571	4 764	5 002	5 277
Agency services		–	–	–	–	–	–	–
Transfers and subsidies		188 874	194 729	194 729	174 080	230 509	224 026	240 687
Other revenue	2	25 213	25 213	25 213	18 430	25 146	26 654	28 110
Gains on disposal of PPE		–	10 000	10 000	579	–	–	–
Total Revenue (excluding capital transfers and contributions)		2 053 839	1 983 495	1 983 495	1 402 554	2 203 612	2 328 538	2 468 270
Expenditure By Type								
Employee related costs	2	716 652	698 652	698 652	435 142	770 966	818 205	864 258
Remuneration of councillors		29 335	29 685	29 685	17 901	31 753	33 817	35 846
Debt impairment	3	227 000	207 000	207 000	207 000	226 000	240 800	259 984
Depreciation & asset impairment	2	69 250	69 250	69 250	–	71 600	76 724	81 747
Finance charges		25 799	26 299	26 299	13 138	24 661	23 543	22 343
Bulk purchases	2	552 500	566 500	566 500	362 071	617 500	669 370	709 325
Other materials	8	170 612	172 946	172 946	104 520	191 225	178 868	195 314
Contracted services		50 901	43 711	43 711	27 465	51 605	54 694	57 697
Transfers and subsidies		9 670	6 970	6 970	3 342	7 670	7 710	7 749
Other expenditure	4, 5	195 138	179 929	179 929	119 587	201 231	215 276	223 274
Loss on disposal of PPE		–	–	–	–	–	–	–
Total Expenditure		2 046 856	2 000 941	2 000 941	1 290 166	2 194 210	2 319 006	2 457 537
Surplus/(Deficit)		6 983	(17 447)	(17 447)	112 388	9 402	9 532	10 733
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		285 063	193 560	193 560	3 900	157 285	153 497	168 266
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	6	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		292 046	176 114	176 114	116 288	166 687	163 029	178 999
Taxation								
Surplus/(Deficit) after taxation		292 046	176 114	176 114	116 288	166 687	163 029	178 999
Attributable to minorities								
Surplus/(Deficit) attributable to municipality		292 046	176 114	176 114	116 288	166 687	163 029	178 999
Share of surplus/ (deficit) of associate	7							
Surplus/(Deficit) for the year		292 046	176 114	176 114	116 288	166 687	163 029	178 999

1.5.1.1 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 total estimated revenue from property rates is as per the table below:

NC091 Sol Plaatje - Table A1 Budget Summary							
Description	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
R thousands	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Financial Performance							
Property rates	541 312	541 312	541 312	415 258	578 654	625 994	674 739

The above stated revenue shall be generated from property categories as indicated in the table above.

1.5.1.2 Service Charges Revenue

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

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

Electricity Tariffs	2018/19	2019/20		2020/21		2021/22		Increase over MTREF (c/kwh)
	R-Value (c/Kwh)	% Increase	R-Value Increase (c/Kwh)	% Increase	R-Value Increase (c/Kwh)	% Increase	R-Value Increase (c/Kwh)	
Block 1 (0-50 Kwh) (Conventional & prepaid; 2019/20, Summer: 0-350 Kwh)	1.0500	86.67%	0.9100	7.14%	0.1400	7.14%	0.1500	1.2000
Block 2 (51-350Kwh) (Conventional & prepaid; 2019/20, Summer: > 350 Kwh)	1.3500	80.00%	1.0800	7.00%	0.1700	7.31%	0.1900	1.4400
Block 3 (351-600Kwh) (Block 1: Conventional & prepaid; 2019/20, Winter: 0-350 Kwh)	1.9000	-100.00%	-1.9000	#DIV/0!	-	#DIV/0!	-	-1.9000
Block 4 (> 600 Kwh) (Block 2: Conventional & prepaid; 2019/20, Winter: > 350 Kwh)	2.2400	-100.00%	-2.2400	#DIV/0!	-	#DIV/0!	-	-2.2400

The municipality charges Basic Charges R126.50 for households that are valued above R650 000, the tariff indicated above recovers the following costs:

- Demand and network charges
- Access charges
- Energy costs

The municipality estimates that small household monthly consumption of electricity is 300 kWh or units, medium households are 600 kWh and for large households is +600 kWh.

	2018/19	2019/20	2020/21	2021/22
INDUSTRIAL AND BUSINESSES				
Basic charge per month				
<75 KVA	1 150.00	1 840.00	1 978.00	2 080.86
>75<100 KVA	2 300.00	3 047.50	3 276.06	3 446.42
>100	3 910.00	4 232.00	4 549.40	4 785.97
Network Demand Charge R/kVA	153.31	170.79	183.60	193.14
Network Access Charge R/kVA	51.97	57.89	62.24	65.47
Energy Charges R/Kwh				
Low Demand Season: (September - May) Summer				
<u>Peak</u>				
<75 KVA	1.7457	1.9375	2.0828	2.1911
>75<100 KVA	1.7457	1.9549	2.1015	2.2108
>100	1.7457	1.9811	2.1297	2.2404
<u>Standard</u>				
<75 KVA	1.2632	1.3642	1.4665	1.5428
>75<100 KVA	1.2632	1.3705	1.4733	1.5499
>100	1.2632	1.4147	1.5208	1.5999
<u>Off-peak</u>				
<75 KVA	1.0463	1.2880	1.3846	1.4566
>75<100 KVA	1.0463	1.4375	1.5453	1.6257
>100	1.0463	1.5525	1.6689	1.7557
High Demand Season: (June - August) Winter				
<u>Peak</u>				
<75 KVA	4.6308	4.8624	5.2270	5.4988
>75<100 KVA	4.6308	4.9087	5.2768	5.5512
>100	4.6308	5.0476	5.4262	5.7083
<u>Standard</u>				
<75 KVA	1.5847	1.7115	1.8398	1.9355
>75<100 KVA	1.5847	1.7210	1.8501	1.9463
>100	1.5847	1.7749	1.9080	2.0072
<u>Off-peak</u>				
<75 KVA	1.0860	1.4168	1.5231	1.6023
>75<100 KVA	1.0860	1.6100	1.7308	1.8207
>100	1.0860	1.7388	1.8692	1.9664

1.5.1.3 Income from Agency Services

The municipality used to act as an agent for the Provincial Transport department with regard to the collecting of licence fees and whereby a predetermined commission fee is paid over to the municipality. However, as from the third quarter of April 2019, this function has been taken over by the South African Post Office.

1.5.1.4 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 municipality also rents out property held as municipal rental stock. The National Human Settlements Department issued an Enhanced Extended Discount Benefit Scheme (EEDBS) which was formulated to support decisions regarding the transfer of pre-1994 housing stock. However, the implementation of the EEDBS was held in abeyance, and these discussions will have to be resumed and pave way forward.

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 are still in progress in this regard. The transfer of these assets will add to the rental stock held by the municipality. The municipality invited interested bidders for the management of the CRU's which was withdrawn due to changes in the National Housing Code on Social and Rental Intervention. This requires the review of the specification and the alignment of such with the new framework.

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 tenants being indigent and depending on state grants for survival. As part of the tariff review during the 2019 Budget Process, this matter will be looked at serious and the discussions will revive the debate around the implementation of EEDBS.

1.5.1.5 Bulk Infrastructure Contribution Policy Implementation

Recent developments in the city had unveiled a vacuum created by the absence of a clear cut Bulk Infrastructure Contributions Policy. This results in uncertainty experienced by

investors when considering the costs of putting down the required infrastructure to support the development.

The municipality plans its bulk infrastructure upgrade as per the development agenda expressed in the Integrated Development Plan. As such, any development outside this plan would require cooperation between the municipality and the developer through a negotiation process. The Bulk Infrastructure Contribution Policy shall serve as a guideline for such negotiations. This will create consistency in determining the required contribution as per the planned development.

The municipal programme in terms of the IDP is to develop and install infrastructure for basic human needs and not necessarily for private development. The constitutional obligation refers to ensuring access to basic services. As such, the BIC pays towards the increase impact on municipal services such as roads, water, storm water and sewerage which have already been provided or must be provided for by the municipality. It is allowed that a developer connects to the external bulk services provided that there is sufficient capacity as will be advised during the approval of the intended development plan procedures.

The following instances shall trigger the contributions tariffs:

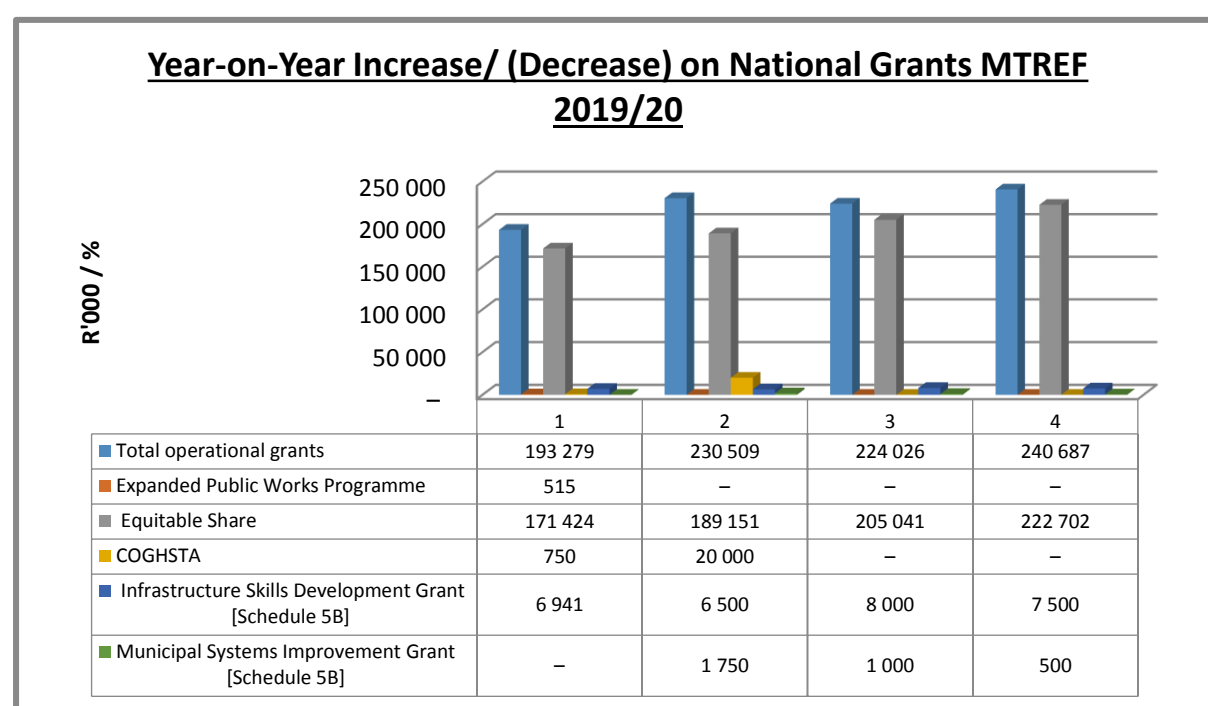
- i) Any rezoning that will have an impact on bulk services such as rezoning's from residential to business/industrial, from agriculture to commercial and from commercial to residential
- ii) Increase in land use which requires additional bulk
- iii) Subsidised housing which receives 100% discount on BIC
- iv) Social Housing (Gap Market) which is aimed at ensuring access to housing for low income (between R3 500 to R15 000) earning group, which is cost based

1.5.1.6 Grants and Subsidies – Unconditional

The municipality receives Equitable Share (EQS) from 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 Finance Management Grant is utilised to fund the costs to company of all interns including costs of training and tools of trade. The Infrastructure Skills Development Grant is used for the stipend and associated training costs for interns in Town Planning and Engineering Services.

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 the 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 2019/2020 MTREF.



1.5.1.7 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 income 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 total cost of FBS budgeted for 2019/2020, 2020/2021 and 2021/2022 is indicated in the table below. The funding is provided from the EQS allocation per annum. Though not regarded as grant to indigent households, due to the reducing allocation of EPWP Incentive Grant, the municipality contributes R6 million per annum from EQS for Job Creation Project. 10 Persons per ward in all 33 wards are hired annually and provided with tools and equipment for projects as will be identified with the collaboration of Environmental Health Services and Political Offices Heads.

The municipality is further considering introducing special concessions to indigents in respect of cemetery fees. However, this matter has not been finalised as yet. On special merits, a free grave is provided as will be recommended by the Ward Councillor and approved by the office of the Executive Mayor for budgetary control purposes.

Further detail relating to FBS are contained in Table A10 of the Budget Statement.

Operating revenue budget amounts to R2 203 107 612.00 for 2019/2020 financial year. Major revenue sources include the following:

Property rates amounts to R578 654 000.00 and is mainly influenced by the General Valuation (GV) 2015 outcome. The focus was to drive the completion of all objections and appeals in an effort to stabilise the property rates income stream. In addition, the implementation of the real time/expediting rates billing in terms of the amendment MPRA improved the Rates Revenue considerably. The Rates growth parameter is attributed to a revenue quantum increase of 6% and a growth of 0.5% for 2019/2020.

Service charges – electricity revenue of R763 527 000 is projected and is based on the assumptions related to inflation as projected for 2019/2020 being 11.40% whilst water revenue is R286 042 000.00(increase of 6.00%) and Sanitation Revenue in the amount of R69 517 000.00 (an increase of 6.50%), whilst refuse removal revenue of R53 898 000.00

has been projected. Refuse tariff increase amount to 7.50%. Transfers recognised amounts to R230 509 000.

1.5.1.8 Service tariffs and rates

The proposed tariff increases in the table below are averages for services. 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 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.

Property rates revenue is determined after the calculation of price for all other services, to ensure that all activities and functions of the municipality are fully funded, and avoid excessive income generated or billed.

The municipality shall be introducing Bulk Infrastructure Contribution Policy, the Water Restriction Policy as well as the acceptable tariff structure for excess energy generated by Small Scale Embedded Generation (SSEG) and Photo Voltaic Installations. The Department of CoGTA issued guidelines for the rates ratio of various property categories and this is adhering to.

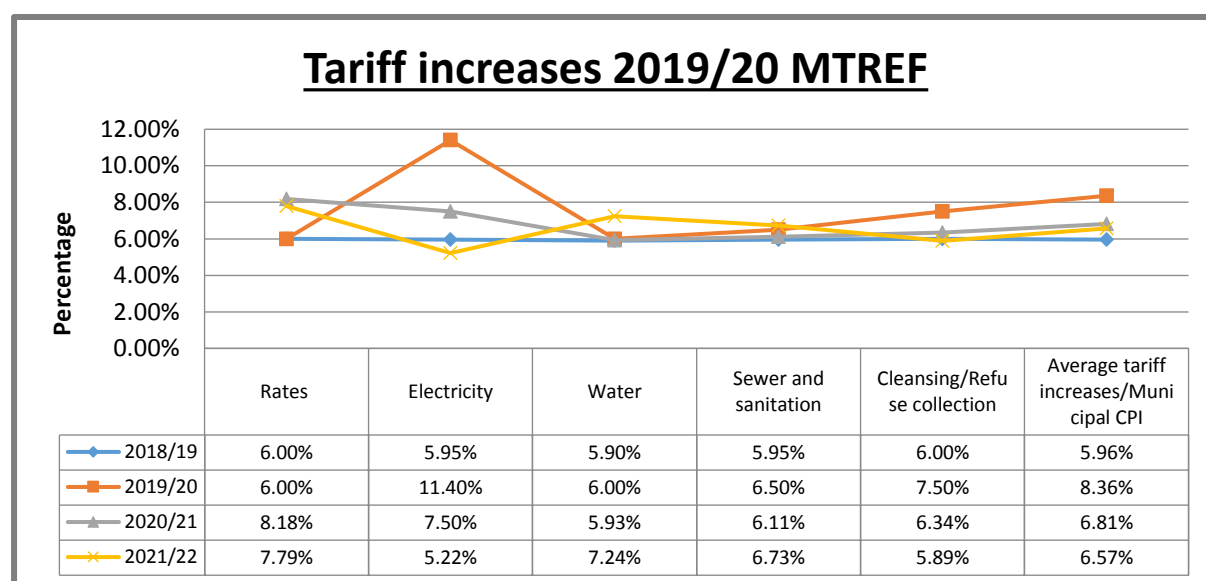
Whereas tariffs for trading services must be all inclusive of direct and indirect cost, and as such must be cost reflective, the municipality follows the guidelines for tariff increases as issued by the Energy Regulator. A consultation paper has been issued in this regard and inputs shall be made. In as far as bulk water, an increase within the inflation range is considered to make sure than the increase does not negatively impact on the affordability levels of the citizenry.

Tariffs	2018/19	2019/20	2020/21	2021/22
Rates	6.00%	6.00%	8.18%	7.79%
Electricity	5.95%	11.40%	7.50%	5.22%
Water	5.90%	6.00%	5.93%	7.24%
Sewer and sanitation	5.95%	6.50%	6.11%	6.73%
Cleansing/Refuse collection	6.00%	7.50%	6.34%	5.89%
Average tariff increases/Municipal CPI	5.96%	8.36%	6.81%	6.57%

The approved GV 2015 is valid for a four-year period, and the next date of a new GV is 1 July 2019. 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.

Revenue By Source	2019/20 Tariff Increase	% Growth Original 2019/20	% Growth Adjusted 2018/19	2020/21 Tariff Increase	% Growth	2021/22 Tariff Increase	% Growth
Property rates	6.00%	6.90%	6.90%	8.18%	15.64%	7.79%	7.79%
Service charges - electricity revenue	11.40%	4.88%	23.55%	7.50%	32.82%	5.22%	5.22%
Service charges - water revenue	6.00%	6.69%	6.69%	5.93%	13.01%	7.24%	7.24%
Service charges - sanitation revenue	6.50%	8.94%	1.02%	6.11%	7.20%	6.73%	6.73%
Service charges - refuse revenue	7.50%	13.24%	-10.76%	6.34%	-5.10%	5.89%	5.89%

Rebates and concessions are granted to certain categories of property usage and or property owner profile. The definitions of listing categories are reflected in the Rates Policy and are attached as Annexure 6 of the Executive Summary.



All other service charges increases are informed by the operational costs of providing the service and the projected demand for services. It is safe to say that for electricity, the NERSA guidelines issued on the 9th of May 2018 informed the tariff increases for 2019/2020 and the two outer years. The municipality has noted the minimum percentage increase of 6,84% increase on average for local authorities. CPI for 2019/2020 is projected at 5,3% as per Circular 91 issued by National Treasury.

1.6 Operating revenue budget

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 2019/2020 MTREF classified by revenue source.

NC091 Sol Plaatje - Table A4 Budgeted Financial Performance (revenue and expenditure)								
Description	Ref	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	1	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue By Source								
Property rates	2	541 312	541 312	541 312	415 258	578 654	625 994	674 739
Service charges - electricity revenue	2	727 992	617 992	617 992	403 999	763 527	820 800	863 653
Service charges - water revenue	2	268 108	268 108	268 108	184 670	286 042	302 997	324 944
Service charges - sanitation revenue	2	63 813	68 813	68 813	46 921	69 517	73 766	78 731
Service charges - refuse revenue	2	47 595	60 395	60 395	43 147	53 898	57 317	60 690
Rental of facilities and equipment		11 257	11 257	11 257	7 494	11 810	12 307	12 983
Interest earned - external investments		20 000	15 000	15 000	2 769	15 000	21 000	22 000
Interest earned - outstanding debtors		130 490	141 490	141 490	93 391	137 940	130 262	126 478
Dividends received		-	-	-	-	-	-	-
Fines, penalties and forfeits		25 735	25 735	25 735	3 243	26 805	28 413	29 976
Licences and permits		3 450	3 450	3 450	8 571	4 764	5 002	5 277
Agency services		-	-	-	-	-	-	-
Transfers and subsidies		188 874	194 729	194 729	174 080	230 509	224 026	240 687
Other revenue	2	25 213	25 213	25 213	18 430	25 146	26 654	28 110
Gains on disposal of PPE		-	10 000	10 000	579	-	-	-
Total Revenue (excluding capital transfers and contributions)		2 053 839	1 983 495	1 983 495	1 402 554	2 203 612	2 328 538	2 468 270

The following table indicates revenue as a percentage of total revenue budget for the MTREF.

In line with the formats as prescribed in terms of the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from operating statement, as inclusion of these revenues will distort the calculation of operating surplus or deficit.

Rates and service charges make up almost 80% of the municipality's total revenue. Property rates is the second largest revenue source after electricity totalling 26% of the total revenue or R578 654 000.00 for 2019/2020.

NC091 Sol Plaatje - Table A4 Budgeted Financial Performance (revenue and expenditure)								
Description (R thousand)	Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget	Weighting %	Budget Year 2019/20	Weighting %	Budget Year +1 2020/21	Weighting %	Budget Year +2 2021/22	Weighting %
Revenue By Source								
Property rates	511 595	27%	578 654	26%	625 994	27%	674 739	27%
Service charges - electricity revenue	671 106	36%	763 527	35%	820 800	35%	863 653	35%
Service charges - water revenue	254 046	13%	286 042	13%	302 997	13%	324 944	13%
Service charges - sanitation revenue	60 582	3%	69 517	3%	73 766	3%	78 731	3%
Service charges - refuse revenue	44 309	2%	53 898	2%	57 317	2%	60 690	2%
Rental of facilities and equipment	11 115	1%	11 810	1%	12 307	1%	12 983	1%
Interest earned - external investments	20 000	1%	15 000	1%	21 000	1%	22 000	1%
Interest earned - outstanding debtors	97 629	5%	137 940	6%	130 262	6%	126 478	5%
Fines	15 430	1%	26 805	1%	28 413	1%	29 976	1%
Licences and permits	2 905	0%	4 764	0%	5 002	0%	5 277	0%
Agency services	4 000	0%	-	0%	-	0%	-	0%
Transfers recognised - operational	175 342	9%	230 509	10%	224 026	10%	240 687	10%
Other revenue	22 055	1%	25 146	1%	26 654	1%	28 110	1%
Gains on disposal of PPE								
Total Revenue (excluding capital transfers and contributions)	1 890 115	100%	2 203 612	100%	2 328 538	100%	2 468 270	100%

Operating transfers and subsidies amount to R230 509 000.00 and increases to R224 026 000 by 2020/21 financial year. This is a normal increase of equitable share annually.

NC091 Sol Plaatje - Supporting Table SA18 Transfers and grant receipts							
Description	Ref	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand							
RECEIPTS:	1, 2						
Operating Transfers and Grants							
National Government:		180 061	183 202	183 202	202 709	215 741	232 402
Local Government Equitable Share							
Equitable Share		171 424	171 424	171 424	189 151	205 041	222 702
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		3 137	3 137	3 137	3 608	–	–
Infrastructure Skills Development Grant [Schedule 5B]		3 800	6 941	6 941	6 500	8 000	7 500
Local Government Financial Management Grant [Schedule 5B]		1 700	1 700	1 700	1 700	1 700	1 700
Municipal Disaster Grant [Schedule 5B]		–	–	–	–	–	–
Municipal Human Settlement Capacity Grant [Schedule 5B]		–	–	–	–	–	–
Municipal Infrastructure Grant		–	–	–	–	–	–
Municipal Infrastructure Grant [Schedule 5B]		–	–	–	–	–	–
Municipal Systems Improvement Grant [Schedule 5B]		–	–	–	1 750	1 000	500
Neighbourhood Development Partnership Grant		–	–	–	–	–	–
Provincial Disaster Recovery Grant [Schedule 5B]		–	–	–	–	–	–
Water Services Operating Subsidy Grant [Schedule 5B]		–	–	–	–	–	–
Provincial Government:		8 813	10 078	10 078	27 800	8 285	8 285
Capacity Building		–	–	–	–	–	–
Expanded Public Works Programme		–	515	515	–	–	–
Health		–	750	750	–	–	–
Libraries, Archives and Museums		8 813	8 813	8 813	–	–	–
Specify (Add grant description)		–	–	–	27 800	8 285	8 285
District Municipality:		–	1 450	1 450	–	–	–
14/15: AWARENESS PROGRAMMES		–	–	–	–	–	–
Finance and Admin		–	1 450	1 450	–	–	–
IT Related Projects		–	–	–	–	–	–
Public Safety		–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–
MIG ops							
Other grant providers:							
Total Operating Transfers and Grants	5	188 874	194 729	194 729	230 509	224 026	240 687

1.6.1 Property tax

The property rates are to be levied in accordance with existing Council policies, the Local Government Municipal Property Rates Act 2004 (MPRA), the MPRA Amendment Act 2014 (MPRAA), the MPRA Regulations and the Local Government Municipal Finance Management Act 2003. The Rates Policy was compiled taking into account feedback received from the Finance Portfolio Committee, Councillors, ratepayers and clients since the adoption of the 2016/17 Property Rates Policy in May 2016. In addition, it was informed by the Public Participation Process conducted during April 2017.

The Total Municipal Account (TMA) was modelled to assess the impact of all the billed Council charges on households spread over all valuation brackets to assess the affordability of the package of tariff increases. Property rates are based on values indicated in the General Valuation Roll 2019 (GV) with the date of valuation being 1 July 2019. The Roll is being updated for properties affected by land sub-divisions, alterations to buildings, demolitions and improvements through Supplementary Valuations.

Accordingly, the rates levied per individual property will depend on that property's value compared with the valuation of all the rateable properties in the municipal area. Rebates and concessions are granted to certain categories of property usage and/or property owner. The definitions and listing of categories are reflected in the Rates Policy attached. The proposed cent in the rand tariff for various property categories are as per table SA13a below.

NC091 Sol Plaatje - Supporting Table SA13a Service Tariffs by category						
Description	Ref	Provide description of tariff structure where appropriate	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
				Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Property rates (rate in the Rand)	1					
Residential properties		Residential	0.0108	0.0098	0.0107	0.0110
Residential properties - vacant land						
Formal/informal settlements						
Small holdings						
Farm properties - used		Agricultural farms	0.0027	0.0024	0.0027	0.0028
Farm properties - not used		Agricultural business	0.0027	0.0024	0.0027	0.0028
Industrial properties		Industrial	0.0347	0.0312	0.0343	0.0353
Business and commercial properties		Business/Residential	0.0321	0.0293	0.0333	0.0342
State-owned properties		State/Public schools	0.0758	0.0585	0.0537	0.0497
Exemptions, reductions and rebates (Rands)						
Residential properties						
R15 000 threshold rebate			15 000	15 000	15 000	15 000
General residential rebate			15 000	15 000	15 000	15 000
Water tariffs						
Domestic						
Basic charge/fix ed 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
Water usage - Block 1 (c/kl)		Residential (7-20kl)	25	27	28	30
Water usage - Block 2 (c/kl)		Residential (21-40kl)	28	30	32	34
Water usage - Block 3 (c/kl)		Residential (41-60kl)	30	32	34	36
Water usage - Block 4 (c/kl)		Residential (more than 60kl)	32	34	36	39
Other	2					
Waste water tariffs						
Domestic						
Basic charge/fix ed fee (Rands/month)		Basic charge	155	165	175	187
Electricity tariffs						
Domestic						
Basic charge/fix ed fee (Rands/month)			-	127	136	145
Meter - IBT Block 1 (c/kwh)		Block 1 (0-50Kwh) (Conventional & Prepaid; 2019/20, Summer: 0-350Kwh)	1	2	2	2
Meter - IBT Block 2 (c/kwh)		Block 2 (51-350Kwh) (Conventional & prepaid; 2019/20, Summer: > 350 Kwh)	1	2	3	3
Meter - IBT Block 3 (c/kwh)		Block 3 (351-600Kwh)	2	-	-	-
Meter - IBT Block 4 (c/kwh)		Block 4 (> 600Kwh)	2	-	-	-
Meter - IBT Block 5 (c/kwh)		(fill in thresholds)				
Prepaid - IBT Block 1 (c/kwh)		Block 1 (0-50Kwh) (Conventional & Prepaid; 2019/20, Winter: 0-350Kwh)	1	2	2	2
Prepaid - IBT Block 2 (c/kwh)		Block 2 (51-350Kwh) (Conventional & prepaid; 2019/20, Winter: > 350 Kwh)	1	3	3	3
Prepaid - IBT Block 3 (c/kwh)		Block 3 (351-600Kwh)	2	-	-	-
Prepaid - IBT Block 4 (c/kwh)		Block 4 (>600Kwh)	2	-	-	-
Prepaid - IBT Block 5 (c/kwh)		(fill in thresholds)				
Other	2					
Waste management tariffs						
Domestic						
Street cleaning charge						
Basic charge/fix ed fee		Basic charge	111	118	125	134
80l bin - once a week						
250l bin - once a week						

1.6.2 Sale of water and sanitation

Water is metered and read monthly to determine the consumer bill. A stepped tariff has been in place and it encourages conservation of water. The municipality has further approved a policy dealing with water restrictions in times of droughts and as pronouncements will be made by the Minister in this regard.

Sanitation is charged on a fixed monthly tariff based on the user categorisation.

1.6.3 Free Basic Services

The municipality has adopted an Indigent Household Policy and maintenance 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 16 000 in 2019/20 and 17 000 in 2020/21 and 18000 for 2021/2022. This is based on the estimated number of applicants as a result of low cost housing development as per the IDP.

1.6.4 Tariff Raising Strategies – Unmetered Services

Property rates revenue is derived from non-exchange transactions. It is a form of tax obligation on each property holder excluding the municipality. Property rates are based on a cent in the Rand (tariff) against the value of the said property. Rates are payable by no later than 30 September each year. The municipality also allows for monthly billing (prorate billing of annual rates) without charging interest as such.

The municipality has its own Property Taxation Unit responsible for Valuations as well as Rates Section. The Valuations of property section uses a mass valuation approach taking into account factors that influence the property values. Reliance is also placed on recent sales of property in that specific area. The municipality makes use of technology to assist with the valuations being the GIS and Pictometry.

Revenue generated from rates is equitable amongst all categories of properties. The following are the ratios of revenue contribution per category:

Refuse removal tariff as well as sanitation are cost reflective and tariff increases are basically incremental, based on the required revenue to cover the costs and contribute towards the rates revenue.

1.6.5 Tariff Raising Strategies – Metered Services

With the exception of prepaid metered services, electricity and water must be read on a monthly basis as per the by-laws. Seeing that most residential customers are at work during office hours when reading is done, the customer services policy allows for owner reading, but this does not take away the reading rights and obligations of the municipality.

The municipality has conducted door to door audit and has found that there are properties who have straight connections especially at old projects of low cost housing development, where no stand meter was installed. However, these customers are billed on a flat rate of 9kl per month.

The meter remains the property of the municipality, as such tampering with the meter may lead to theft and the customer may face jail term with regards to this crime. Water meters are usually on the pavement, whilst electricity meter may be inside dwelling, at close proximity to the distribution board. Customers are required to report leaks through their councillor and the call centre of the municipality.

Interim readings determine the obligation of the customer based on the invoice, after taking of actual reading, and adjustment is made between what has been billed and what should have been billed, and the variance becomes the new obligation with due date in the future.

1.6.6 Analysis of Revenue Budget – year on year

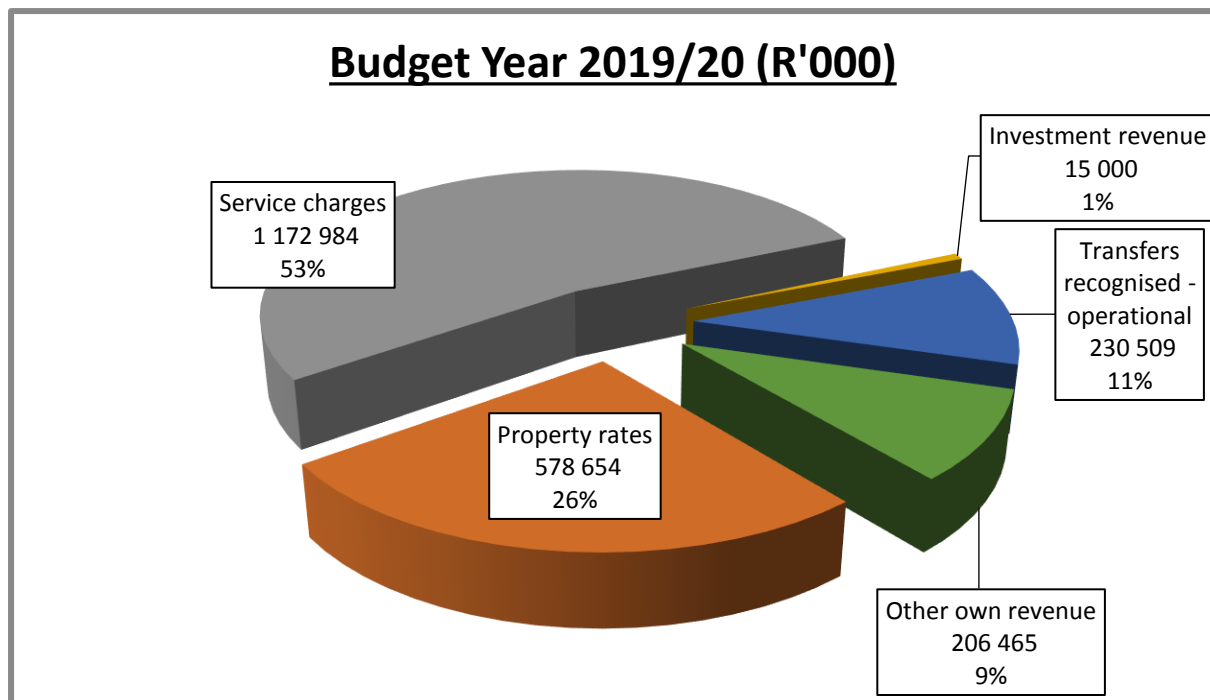
Revenue is generated in a more equitable manner and price hikes that are significant are avoided. The income ratio for different sources is also kept at the same averages year on year.

NC091 Sol Plaatje - Table A4 Budgeted Financial Performance (revenue and expenditure)								
Description (R thousand)	Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget	Weighting %	Budget Year 2019/20	Weighting %	Budget Year +1 2020/21	Weighting %	Budget Year +2 2021/22	Weighting %
Revenue By Source								
Property rates	511 595	27%	578 654	26%	625 994	27%	674 739	27%
Service charges - electricity revenue	671 106	36%	763 527	35%	820 800	35%	863 653	35%
Service charges - water revenue	254 046	13%	286 042	13%	302 997	13%	324 944	13%
Service charges - sanitation revenue	60 582	3%	69 517	3%	73 766	3%	78 731	3%
Service charges - refuse revenue	44 309	2%	53 898	2%	57 317	2%	60 690	2%
Rental of facilities and equipment	11 115	1%	11 810	1%	12 307	1%	12 983	1%
Interest earned - external investments	20 000	1%	15 000	1%	21 000	1%	22 000	1%
Interest earned - outstanding debtors	97 629	5%	137 940	6%	130 262	6%	126 478	5%
Fines	15 430	1%	26 805	1%	28 413	1%	29 976	1%
Licences and permits	2 905	0%	4 764	0%	5 002	0%	5 277	0%
Agency services	4 000	0%	–	0%	–	0%	–	0%
Transfers recognised - operational	175 342	9%	230 509	10%	224 026	10%	240 687	10%
Other revenue	22 055	1%	25 146	1%	26 654	1%	28 110	1%
Gains on disposal of PPE								
Total Revenue (excluding capital transfers and contributions)	1 890 115	100%	2 203 612	100%	2 328 538	100%	2 468 270	100%

There are no significant revenue base increases as a result of new developments or investments for 2019/2020. The revenue projections are based on proposed tariff increases solely. However, in the case of new properties becoming ready for rating purposes, a supplementary valuation will be processed and these will be taken on, immediately after the approval of such a roll.

The municipality has adopted the Small Scale Embedded Energy Generation and Photo Voltaic Installations, a register has been developed in this regard and the prerogative to approve any installation vests with the municipality.

Total revenue from own sources comprises 91% of all income, and only 9% alludes to the operational grants gazetted such as equitable share and other allocations from the province.

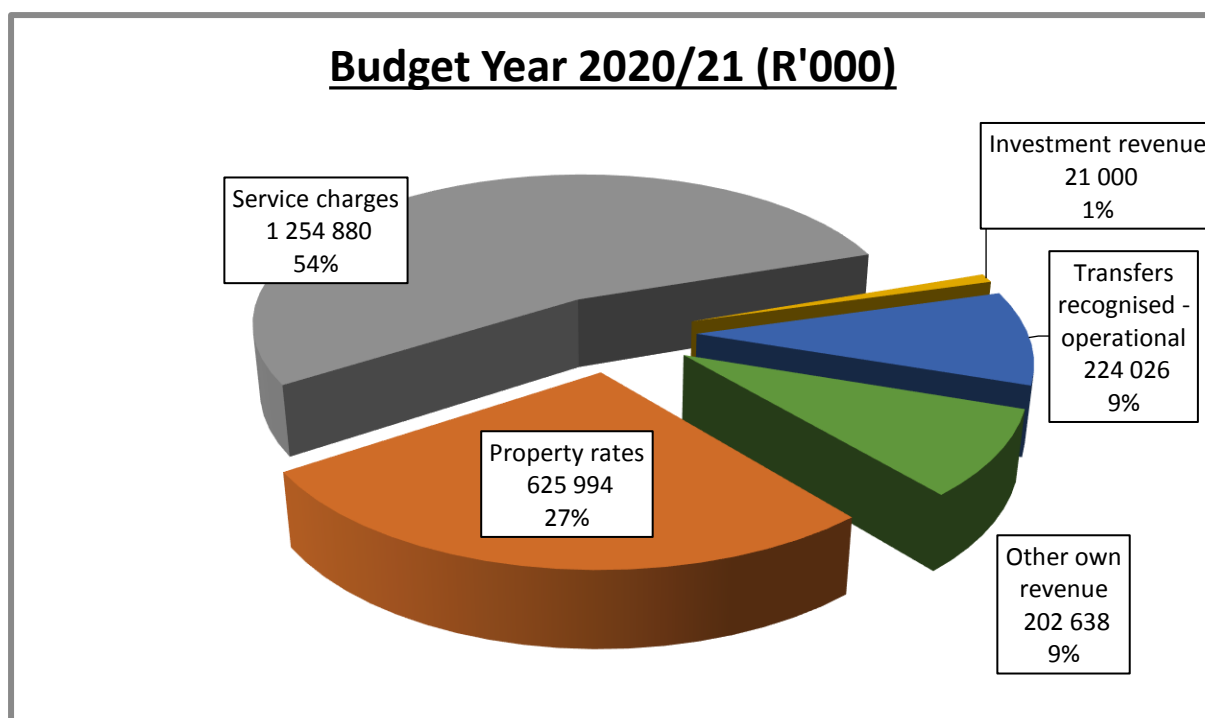


A total of R1 172 984 000.00, thus 53% of total revenue will be generated from service charges of water, electricity, sanitation and refuse collection. This clearly indicates the extent the credit control policy and debt collection efforts should be effective.

An action plan which basically reiterates what is in the policy has been presented to the Finance committee and consent was obtained. Additional to other efforts, the municipality will be introducing a step of credit profiling of all applicants for municipal services and consider the risk profile as such. A higher deposit for consumers who are high risk will be requested as a form of security. These customers will further have a prepaid electricity meter installed before signing off the contract for revenue protection and enhancement purposes.

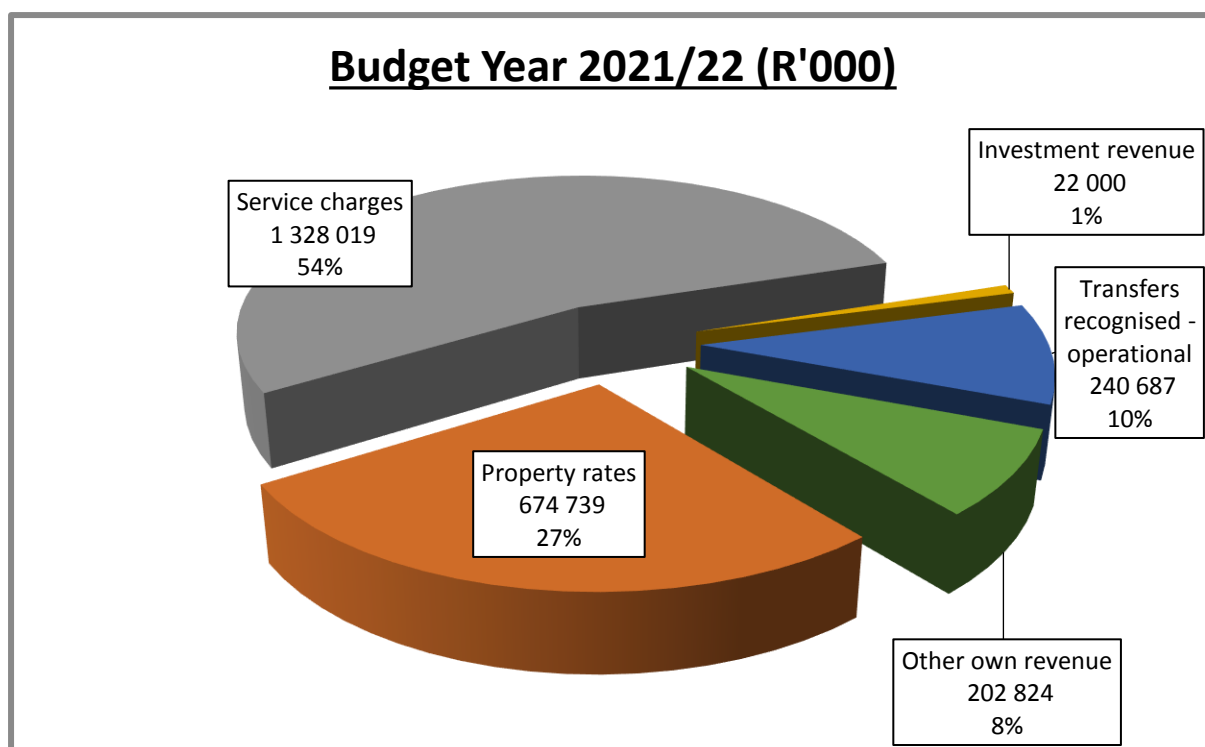
Further to the above, the municipality further considers to hold a certain percentage of prepaid purchase value, at the point of sale, for all customers who have accounts in arrears for more than 90 days, and customers who default three or more times on arrangements shall be blacklisted with the Credit Bureau.

Property rates are 26% of total revenue. This income stream is as critical in as far as collectability. All other services other than trading services are funded from rates income. This puts at risk cash flow projections if they do not materialise. Other income makes up 21% of total revenue.



For 2019/20, the percentage weighting of revenue sources is maintained. This indicates a thorough budget process and tariff determination. The revenues for rates, do not take into account the new GV to become effective on 1 July of 2019. The final amounts will be determined in the next budget cycle. Though the GV may change, but the percentage contribution of rates to total income shall be maintained at between 24% to 27% as has been previously.

For 2020/21, being the 4th year of the current IDP Cycle, again, the percentages are kept at same levels for the MTREF.



1.6.7 Sale of electricity and impact of tariff increases

The proposed revisions to the tariffs have been formulated in accordance with the municipality's Tariff and Rates Policy and complies with Section 74 of the Municipal Systems Act as well as the recommendations of the National Energy Regulator of South Africa (NERSA). In terms of section 75A of the Local Government Municipal Systems Act, any fees, charges or tariffs which a municipality may wish to levy and recover in respect of any function or service of the municipality, must be approved by a resolution passed by the municipal council with a supporting vote of a majority of its members.

In terms of the municipal budget for 2019/2020 and in accordance with the Electricity Regulation Act requires that proposed revisions to the electricity consumption based tariffs be submitted to the Regulator for approval prior to implementation. Provisional approval will therefore be requested with the express proviso that any alterations required by Council will be submitted to the Regulator as soon as possible.

The Consumptive Tariff Schedule includes a note indicating that the tariffs are applied in accordance with the terms and conditions as contained in the Municipal By-Laws on Electricity. On 28 February 2018, NERSA Benchmark guidelines for tariff increases for 2019/2020. Consultations are ongoing and an official statement will be made on the average

increases for Local Authorities for consultation. This however, does not take into account any impact for system growth (either positive or negative). However, it is noted that the projected CPI is 5.7%.

The above items result in the Electricity Generation and Distribution Department requiring a revenue increase from Sale of Electricity of 5,95%. Present electricity tariffs were approved by Council on 31 May 2018 and by NERSA on 30 June 2018, and were implemented with effect from 1 July 2019.

For the 2019/2020 financial year, the following is proposed for the Residential tariffs. From 1 July 2019, the Inclined Block Tariff which includes fixed costs of access, supply and metering will apply. Indigent customers will receive free 50 units per month subsidised at IBT Block 1.

1.6.8 Overall impact of tariff increases on households

NC091 Sol Plaatje - Supporting Table SA14 Household bills

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20 % incr.	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Rand/cent											
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates		478.56	497.72	525.10	556.60	556.60	556.60	(10.0%)	501.01	541.99	584.21
Electricity: Basic levy		—	—	—	226.09	226.09	226.09	(51.3%)	110.00	118.25	124.42
Electricity: Consumption		1 715.09	1 843.70	1 862.57	1 591.45	1 591.45	1 591.45	23.6%	1 966.50	2 113.99	2 224.34
Water: Basic levy											
Water: Consumption		453.73	471.84	497.81	527.04	527.04	527.04	6.0%	558.69	591.82	634.67
Sanitation		104.46	108.63	114.61	121.42	121.42	121.42	65 060.0%	129.32	137.22	146.45
Refuse removal		74.53	77.51	81.77	86.68	86.68	86.68	6.5%	92.32	98.17	103.95
Other											
sub-total		2 826.37	2 999.40	3 081.86	3 109.28	3 109.28	3 109.28	8.0%	3 357.84	3 601.44	3 818.04
VAT on Services		328.69	350.23	360.16	382.90	348.99	348.99	119 140.0%	428.52	458.92	485.07
Total large household bill:		3 155.06	3 349.63	3 442.02	3 492.18	3 458.27	3 458.27	8.4%	3 786.36	4 060.36	4 303.11
% increase/-decrease			6.2%	2.8%	1.5%	(1.0%)	—		9.5%	7.2%	6.0%
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates		338.83	352.40	371.79	394.09	394.09	394.09	(10.0%)	354.73	383.75	413.64
Electricity: Basic levy		—	—	—	226.09	226.09	226.09	(100.0%)	—	—	—
Electricity: Consumption		802.48	862.67	878.89	646.58	646.58	646.58	41.0%	911.50	979.86	1 031.01
Water: Basic levy											
Water: Consumption		357.96	372.24	392.77	415.79	415.79	415.79	6.0%	440.79	473.41	507.26
Sanitation		104.46	108.63	114.61	121.42	121.42	121.42	6.5%	129.32	137.22	146.45
Refuse removal		74.53	77.51	81.77	86.68	86.68	86.68	6.5%	92.32	98.17	103.95
Other											
sub-total		1 678.26	1 773.45	1 839.83	1 890.65	1 890.65	1 890.65	2.0%	1 928.66	2 072.41	2 202.31
VAT on Services		187.52	198.95	205.53	224.48	190.57	190.57	51 720.0%	236.09	253.30	268.30
Total small household bill:		1 865.78	1 972.40	2 045.36	2 115.13	2 081.22	2 081.22	2.3%	2 164.75	2 325.71	2 470.61
% increase/-decrease			5.7%	3.7%	3.4%	(1.6%)	—		4.0%	7.4%	6.2%
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates		199.11	207.08	218.47	231.58	231.58	231.58	(10.0%)	208.45	225.50	243.70
Electricity: Basic levy											
Electricity: Consumption		402.24	432.41	440.54	293.89	293.89	293.89	31.9%	387.50	416.56	438.31
Water: Basic levy											
Water: Consumption		238.18	247.69	261.39	276.65	276.65	276.65	6.0%	293.31	315.01	337.53
Sanitation											
Refuse removal											
Other											
sub-total		839.53	887.18	920.40	802.12	802.12	802.12	10.9%	889.26	957.07	1 019.54
VAT on Services		89.66	95.22	98.27	85.58	85.58	85.58	193 270.0%	102.12	109.74	116.38
Total small household bill:		929.19	982.40	1 018.67	887.70	887.70	887.70	11.7%	991.38	1 066.81	1 135.92
% increase/-decrease			5.7%	3.7%	(12.9%)	—	—		11.7%	7.6%	6.5%

The table above 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':

1.7 Operating expenditure budget

The municipality has a staff establishment with 2 701 positions established, of which 1 785 are filled as at 28 February 2019, thus a vacancy rate of 40%. There are 65 councillors,

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

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.

The municipality purchases its bulk water and electricity from the Department of Water and Sanitation and from ESKOM respectively. The Budget and Treasury Office is responsible for the processing of payments accordingly.

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 35 Mega Litres a day Sewerage Treatment Plant and other small sewerage treatment plants across the city including Ritchie. There is an intent to build a new 2-5 Mega Litres a day plant in Riverton in support of the Tourism and Leisure Precinct as well as low cost housing development intended in that area. 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.

These are some of major cost drivers than informs the expenditure framework for 2017/18 MTREF.

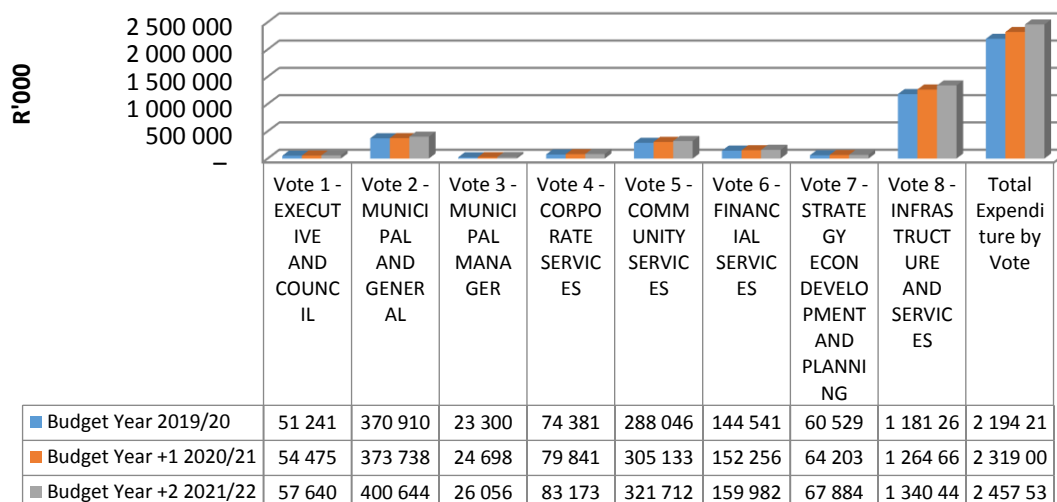
National Treasury Circular 72 is used as a benchmark for sustainability, liquidity, and grant dependency. The following diagrams reflect the weighting of each expenditure by type against the total operational expenditure for the next 3 years.

NC091 Sol Plaatje - Table A4 Budgeted Financial Performance (revenue and expenditure)								
Description	Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework					
R thousand	Adjusted Budget	Weighting %	Budget Year 2019/20	Weighting %	Budget Year +1 2020/21	Weighting %	Budget Year +2 2021/22	Weighting %
Expenditure By Type								
Employee related costs	698 652	35%	770 966	35%	818 205	35%	864 258	35%
Remuneration of councillors	29 685	1%	31 753	1%	33 817	1%	35 846	1%
Debt impairment	207 000	10%	226 000	10%	240 800	10%	259 984	11%
Depreciation & asset impairment	69 250	3%	71 600	3%	76 724	3%	81 747	3%
Finance charges	26 299	1%	24 661	1%	23 543	1%	22 343	1%
Bulk purchases	566 500	28%	617 500	28%	669 370	29%	709 325	29%
Other materials	172 946	9%	191 225	9%	178 868	8%	195 314	8%
Contracted services	43 711	2%	51 605	2%	54 694	2%	57 697	2%
Transfers and grants	6 970	0%	7 670	0%	7 710	0%	7 749	0%
Other expenditure	179 929	9%	201 231	9%	215 276	9%	223 274	9%
Loss on disposal of PPE	–	0%	–	0%	–	0%	–	0%
Total Expenditure	2 000 941	100%	2 194 210	100%	2 319 006	100%	2 457 537	100%

Expenditure per vote

	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Expenditure by Vote			
Vote 1 - EXECUTIVE AND COUNCIL	51 241	54 475	57 640
Vote 2 - MUNICIPAL AND GENERAL	370 910	373 738	400 644
Vote 3 - MUNICIPAL MANAGER	23 300	24 698	26 056
Vote 4 - CORPORATE SERVICES	74 381	79 841	83 173
Vote 5 - COMMUNITY SERVICES	288 046	305 133	321 712
Vote 6 - FINANCIAL SERVICES	144 541	152 256	159 982
Vote 7 - STRATEGY ECON DEVELOPMENT AND PLANNING	60 529	64 203	67 884
Vote 8 - INFRASTRUCTURE AND SERVICES	1 181 262	1 264 663	1 340 447
Total Expenditure by Vote	2 194 210	2 319 006	2 457 537
Surplus/(Deficit) for the year	166 687	163 029	178 999

Operational Expenditure per Municipal Vote



1.7.1 Remuneration of Employees

The municipality approved the new organisational structure which became effective from 1 July 2016. The budget assumptions for employee costs assumed that the old organogram was replaced by the new organogram and that posts in the old organogram migrated over to the new organogram. A position occupied and has since become redundant in the new organogram will be carried as well and efforts will be made to convert the old post into the new organogram provided that the incumbent has relevant skills and knowledge and meets the job specification of the new position.

It was further assumed that vacant positions were only vacant in the old organogram and these were not carried over as budget assumptions were made. Only vacant and funded positions were carried over only in cases where such positions existed in the new organogram. In line with council resolution, new positions are not funded and as such cannot be filled. As funds become available from redundant but funded positions, freezing of posts to avail funds for new and critical positions, management must have consensus on this and make submissions to council in terms of Regulation 4 of Government Gazette xxxx.

It is further agreed that despite the new organogram and the positions created, total employee costs shall remain between 31% to 33% over the MTREF and management must work hard to reduce these costs from 35,01% to 33% by 2020/21 and from 2021/22, employee costs should be between the 31% and 33%.

Accordingly, the municipality remunerates the Municipal Manager and Senior Manager reporting directly to the Municipal Manager using the Upper Limits Gazette for the remuneration of such staff of the municipality. The Upper Limits Gazette distinguishes between managers appointed before 1 July 2014 and those appointed after this date. Senior Managers appointed before 1 July 2014 shall be remunerated on the remuneration system applied by the municipality prior to the promulgation of these upper limits.

Other staff members are remunerated using a Tuned Assessment of Skills and Knowledge (TASK), with entry level of T3. The highest TASK level for staff excluding Senior Managers reporting to the Municipal Manager is T17, and these are mainly for position providing tactical support to the Senior Managers, and are all professionals with a minimum of NQF Level 7, have professional registration with a Body to ensure quality and professional ethics.

Employee benefits include employer contributions to medical aid, group life and pension fund as well as statutory contributions to UIF, SDF Levies. For certain positions, the municipality provides travelling allowance which shall be fixed for the duration of employment, unless otherwise recommended by the Executive Director for Corporate Services to Senior Management and supported by the Chief Financial Officer, and endorsed by the Budget Steering Committee, during the Budget Process.

To ensure timely attendance of staff, the municipality secures a contract for transport services. Staff who are on T3 to T4 levels receive have an option to take this benefit. If not, staff may elect to be provided with a bicycle every two years, or receive a monthly allowance for travelling, which is taxable. Line Managers in conjunction with Human Resources manages the exercise of options and Financial Services implements through the payroll system and issue tickets or process an allowance as such.

The municipality also provides ex-gratia benefits for staff who worked on contract for more than 10 years consecutively. Ex-gratia is determined per case based on employee records available.

Post-employment benefits are provided for in terms of the applicable GRAP Standards, the liability or asset is determined at year end.

When preparing the employee costs budget, the following was assumed:

- That only vacant and funded positions shall continue into 2016/17 to 2019/2020
- That as these positions become vacant, they shall be filled during the MTREF
- Any new position funded shall be disclosed as such, and funding shall become part of Budget Resolutions

- Established and non-funded positions are not budgeted for in the 2019/2020 financial year, except for newly created positions that will be funded to the amount of R6,8 million available. Consensus is yet to be reached at Executive Management Level on the list of critical and urgent positions to be filled.
- That staff move notches at the date of anniversary, and a 1% of total employee budget provides for this
- That there is no promotion policy. Staff is promoted during the normal course of filling funded vacancies
- The recruitment policy allows for lateral transfer of staff under prescribed conditions, without unduly benefitting such an employee over the others
- The municipality subscribes to the principles of skills development and affirmative action, and as such affirmative action budget may be used to compensate identified personnel or cover training costs as may apply.

In terms of the statement issued by the South African Local Government Bargaining Council, An agreement has been signed with regard to annual staff increases.

The Municipal Manager and Senior Manager's remuneration are estimated to increase by the 7% as well and the final increase shall be as per the gazette that will be issued by the Minister.

The table below presents the budgeted employee costs for the financial year 2019/2020.

NC091 Sol Plaatje - Supporting Table SA22 Summary councillor and staff benefits							
Summary of Employee and Councillor remuneration	Ref	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand							
	1	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)							
Basic Salaries and Wages		–	–	–	–	–	–
Pension and UIF Contributions		–	–	–	–	–	–
Medical Aid Contributions		–	100	100	–	–	–
Motor Vehicle Allowance		–	–	–	–	–	–
Cellphone Allowance		1 960	1 960	1 960	3 088	3 289	3 486
Housing Allowances		–	–	–	–	–	–
Other benefits and allowances		27 375	27 625	27 625	28 665	30 528	32 360
Sub Total - Councillors		29 335	29 685	29 685	31 753	33 817	35 846
% increase	4	3.3%	1.2%	–	7.0%	6.5%	6.0%
Senior Managers of the Municipality	2						
Basic Salaries and Wages		7 469	7 469	7 469	8 307	8 800	9 278
Pension and UIF Contributions		1 206	1 206	1 206	932	987	1 040
Medical Aid Contributions		152	152	152	203	215	227
Overtime		–	–	–	–	–	–
Performance Bonus							
Motor Vehicle Allowance	3	1 720	1 720	1 720	1 876	1 987	2 094
Cellphone Allowance	3	202	202	202	202	214	225
Housing Allowances	3	36	36	36	49	52	55
Other benefits and allowances	3	67	67	67	105	112	117
Payments in lieu of leave		–	–	–	–	–	–
Long service awards		43	43	43	40	42	45
Post-retirement benefit obligations	6						
Sub Total - Senior Managers of Municipality		10 897	10 897	10 897	11 714	12 407	13 080
% increase	4	7.9%	–	–	7.5%	5.9%	5.4%
Other Municipal Staff							
Basic Salaries and Wages		380 416	371 930	371 930	413 084	438 010	462 246
Pension and UIF Contributions		65 353	65 353	65 353	71 691	76 008	80 292
Medical Aid Contributions		49 847	49 847	49 847	53 378	56 728	60 015
Overtime		28 630	28 730	28 730	31 567	33 468	35 343
Performance Bonus		29 437	29 437	29 437	32 316	34 263	36 194
Motor Vehicle Allowance	3	46 042	46 037	46 037	48 333	51 148	53 922
Cellphone Allowance	3	1 394	1 394	1 394	1 494	1 584	1 673
Housing Allowances	3	2 822	2 822	2 822	2 971	3 146	3 320
Other benefits and allowances	3	32 802	33 196	33 196	34 740	36 799	38 838
Payments in lieu of leave		14 000	7 000	7 000	15 000	16 125	17 173
Long service awards		15 904	15 901	15 901	17 317	18 358	19 391
Post-retirement benefit obligations	6	39 109	36 109	36 109	37 359	40 161	42 772
Sub Total - Other Municipal Staff		705 755	687 755	687 755	759 252	805 798	851 178
% increase	4	10.8%	(2.6%)	–	10.4%	6.1%	5.6%
Total Parent Municipality		745 987	728 337	728 337	802 718	852 022	900 104
		10.4%	(2.4%)	–	10.2%	6.1%	5.6%
TOTAL SALARY, ALLOWANCES & BENEFITS		745 987	728 337	728 337	802 718	852 022	900 104
% increase	4	10.4%	(2.4%)	–	10.2%	6.1%	5.6%
TOTAL MANAGERS AND STAFF	5,7	716 652	698 652	698 652	770 966	818 205	864 258

1.7.2 Remuneration of Councillors

Councillors are remunerated as per the Upper Limits Gazette. The gazette is published annually with effective date of 1 July each year. The table below indicates the projected costs of councillors in respect of their allowances for 2019/2020 financial year.

NC091 Sol Plaatje - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)									
Disclosure of Salaries, Allowances & Benefits 1.	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package	Total Package	% Increase
Rand per annum							2019/20	2018/19	
Councillors									
Speaker	1	909 267					909 267	873 253	4.12%
Chief Whip		–					–		
Executive Mayor	1	1 124 707					1 124 707	1 082 381	3.91%
Deputy Executive Mayor		–					–		
Executive Committee	10	8 554 062					85 540 620	78 721 760	8.66%
Total for all other councillors	54	21 164 747					1 142 896 338	937 172 321	21.95%
Allowances								350 000	
Total Councillors	66	31 752 783	–	–			1 230 470 932	1 018 199 715	20.85%

The above packages are for budget purposes and are not intended to raise any expectations.

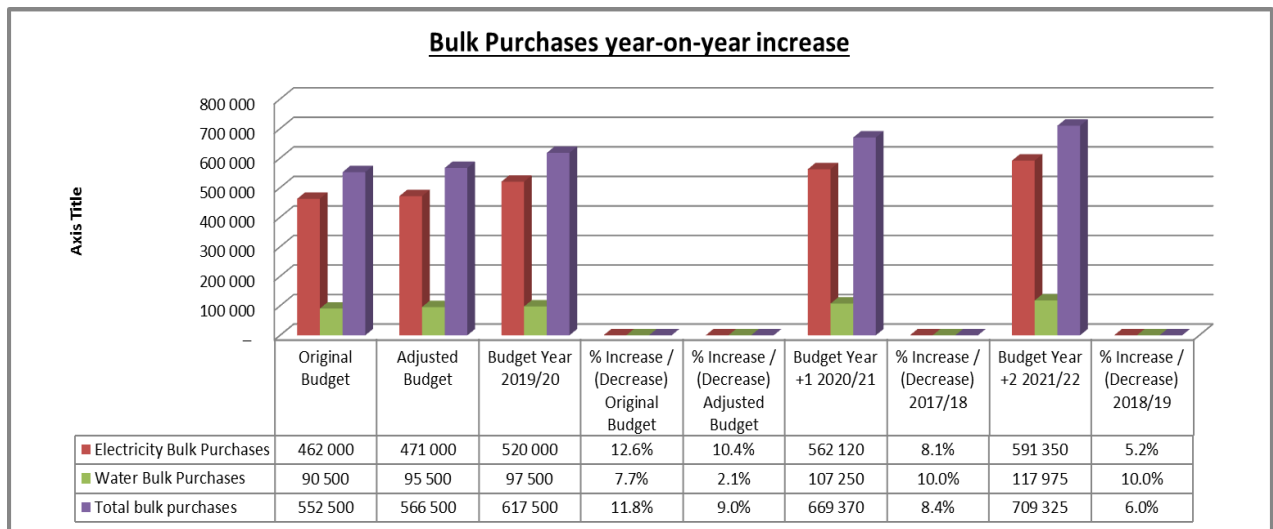
1.7.3 Costs of Bulk Purchases

The municipality purchases bulk electricity from Eskom. The National Energy Regulator as well as National Treasury gave consultation paper as well as guidelines for expected increases on bulk supply of electricity. It is envisaged that bulk electricity shall increase by 6% in 2019/2020 whilst the minimum allowed percentage increase on municipal tariffs is 8.36%. The process to finalise tariffs is still in progress.

Increases in the costs of bulk water are normally inflation linked, as such it is expected that bulk water costs shall increase by 9.00% for 2019/2020.

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

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand									
Bulk purchases									
Electricity Bulk Purchases	387 544	422 426	420 968	462 000	471 000	471 000	520 000	562 120	591 350
Water Bulk Purchases	66 466	69 541	80 366	90 500	95 500	95 500	97 500	107 250	117 975
Total bulk purchases	454 010	491 966	501 334	552 500	566 500	566 500	617 500	669 370	709 325



1.7.4 Small Scale Embedded Generation (SSEG) and PV Installations Policy

The municipality is proposing a SSEG and PV Installations Policy for implementation with immediate effect. The policy seeks to regulate the installations as well as connections to the municipal grid.

The implementation has not resumed as yet but the following is anticipated:

- Most of all private installations are for own consumptions
- That SSEG and PV Installations still requires connections to the grid to ensure consistency of supply of power
- That the infrastructure may not be compatible to the requirement of a bi-directional metering for flow into and flow out of during low demand periods at the site where SSEG or PV Installation has been made. This may lead to revenue loss to the municipality
- The municipality will have to monitor the installation and may have to certify the installation for safety and security reasons
- If connections are not regulated, this may expose the municipal employees to danger during times of maintenance of infrastructure

Where excess energy is generated from SSEG or PV, the municipality may negotiate for buy-back of such energy which may impact on cost of bulk electricity purchases, and if significant enough, may impact on tariffs in the long run.

1.7.5 Maintenance Budget

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 maintenance purposes.

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

Description R thousand	Re f 1	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<u>Repairs and maintenance expenditure by Asset Class/Sub-class</u>							
-							
<u>Infrastructure</u>		192 329	190 806	190 806	201 884	217 511	232 942
Roads Infrastructure		40 528	40 936	40 936	42 380	47 896	53 392
<i>Roads</i>		33 968	34 376	34 376	35 820	38 302	40 765
<i>Road Structures</i>							
<i>Road Furniture</i>		6 560	6 560	6 560	6 560	9 594	12 626
<i>Capital Spares</i>							
Storm water Infrastructure		600	600	600	600	642	684
<i>Drainage Collection</i>		600	600	600	600	642	684
<i>Storm water Conveyance</i>							
<i>Attenuation</i>							
Electrical Infrastructure		59 739	56 062	56 062	61 400	65 426	69 417
<i>Power Plants</i>							
<i>HV Substations</i>		1 020	1 020	1 020	1 320	1 399	1 476
<i>HV Switching Station</i>		3 873	5 081	5 081	4 070	4 315	4 556
<i>HV Transmission Conductors</i>							
<i>MV Substations</i>		1 460	1 371	1 371	1 600	1 696	1 789
<i>MV Switching Stations</i>		5 735	4 750	4 750	5 590	5 925	6 251
<i>MV Networks</i>		2 180	2 180	2 180	1 300	1 378	1 454
<i>LV Networks</i>		15 100	13 000	13 000	15 040	16 102	17 204
<i>Capital Spares</i>		30 371	28 660	28 660	32 480	34 609	36 686
Water Supply Infrastructure		42 438	36 711	36 711	44 662	47 342	49 946
<i>Dams and Weirs</i>							
<i>Boreholes</i>							
<i>Reservoirs</i>		5 250	2 500	2 500	5 250	5 565	5 871
<i>Pump Stations</i>		1 500	1 240	1 240	1 500	1 590	1 677
<i>Water Treatment Works</i>		2 250	2 811	2 811	2 250	2 385	2 516
<i>Bulk Mains</i>		3 750	750	750	3 750	3 975	4 194

<i>Distribution</i>	27 938	27 660	27 660	30 162	31 972	33 731
<i>Distribution Points</i>						
<i>PRV Stations</i>						
<i>Capital Spares</i>	1 750	1 750	1 750	1 750	1 855	1 957
Sanitation Infrastructure	25 426	32 823	32 823	28 074	29 759	31 395
<i>Pump Station</i>	5 750	11 727	11 727	7 150	7 579	7 996
<i>Reticulation</i>	17 976	18 941	18 941	19 224	20 378	21 498
<i>Waste Water Treatment Works</i>	700	600	600	700	742	783
<i>Outfall Sewers</i>						
<i>Toilet Facilities</i>	1 000	1 555	1 555	1 000	1 060	1 118
<i>Capital Spares</i>						
Solid Waste Infrastructure	22 237	22 106	22 106	23 196	24 778	26 345
<i>Landfill Sites</i>	21 987	20 356	20 356	22 946	24 512	26 062
<i>Waste Transfer Stations</i>						
<i>Waste Processing Facilities</i>	250	1 750	1 750	250	266	282
<i>Waste Drop-off Points</i>						
<i>Waste Separation Facilities</i>						
<i>Electricity Generation Facilities</i>						
<i>Capital Spares</i>						
Rail Infrastructure	-	-	-	-	-	-
<i>Rail Lines</i>						
<i>Rail Structures</i>						
<i>Rail Furniture</i>						
<i>Drainage Collection</i>						
<i>Storm water Conveyance</i>						
<i>Attenuation</i>						
<i>MV Substations</i>						
<i>LV Networks</i>						
<i>Capital Spares</i>						
Coastal Infrastructure	1 361	1 568	1 568	1 571	1 669	1 765
<i>Sand Pumps</i>						
<i>Piers</i>						
<i>Revetments</i>						
<i>Promenades</i>						
<i>Capital Spares</i>	1 361	1 568	1 568	1 571	1 669	1 765
Information and Communication Infrastructure	-	-	-	-	-	-
<i>Data Centres</i>						
<i>Core Layers</i>						
<i>Distribution Layers</i>						
<i>Capital Spares</i>						
Community Assets	3 541	3 539	3 539	4 250	4 470	4 719
Community Facilities	3 150	3 140	3 140	3 810	4 018	4 240
<i>Halls</i>	100	100	100	850	901	951
<i>Centres</i>						

<i>Crèches</i>						
<i>Clinics/Care Centres</i>						
<i>Fire/Ambulance Stations</i>	200	200	200	200	212	224
<i>Testing Stations</i>						
<i>Museums</i>						
<i>Galleries</i>						
<i>Theatres</i>						
<i>Libraries</i>	75	75	75	75	80	84
<i>Cemeteries/Crematoria</i>	635	641	641	640	676	713
<i>Police</i>						
<i>Parks</i>	1 945	1 929	1 929	1 850	1 943	2 049
<i>Public Open Space</i>	195	195	195	195	207	219
<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>	391	399	399	440	452	479
<i>Indoor Facilities</i>	330	330	330	370	396	420
<i>Outdoor Facilities</i>	61	69	69	70	56	59
<i>Capital Spares</i>	1	1	1	1	1	1
<u>Heritage assets</u>	-	-	-	-	-	-
<i>Monuments</i>						
<i>Historic Buildings</i>						
<i>Works of Art</i>						
<i>Conservation Areas</i>						
<i>Other Heritage</i>						
<u>Investment properties</u>	6 681	6 681	6 681	6 880	7 293	7 725
<i>Revenue Generating</i>	6 681	6 681	6 681	6 880	7 293	7 725
<i>Improved Property</i>	6 181	6 181	6 181	6 380	6 763	7 164
<i>Unimproved Property</i>	500	500	500	500	530	562
<i>Non-revenue Generating</i>	-	-	-	-	-	-
<i>Improved Property</i>						
<i>Unimproved Property</i>						
<u>Other assets</u>	8 964	13 075	13 075	10 953	11 616	12 270
<i>Operational Buildings</i>	8 964	13 075	13 075	10 953	11 616	12 270
<i>Municipal Offices</i>	7 964	11 765	11 765	9 953	10 551	11 131
<i>Pay/Enquiry Points</i>						
<i>Building Plan Offices</i>						

<i>Workshops</i>		1 000	1 310	1 310	1 000	1 065	1 140
<i>Yards</i>							
<i>Stores</i>							
<i>Laboratories</i>							
<i>Training Centres</i>							
<i>Manufacturing Plant</i>							
<i>Depots</i>							
<i>Capital Spares</i>							
Housing		-	-	-	-	-	-
<i>Staff Housing</i>							
<i>Social Housing</i>							
<i>Capital Spares</i>							
<u>Biological or Cultivated Assets</u>		-	-	-	-	-	-
Biological or Cultivated Assets							
<u>Intangible Assets</u>		-	-	-	-	-	-
Servitudes							
Licences and Rights		-	-	-	-	-	-
<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>							
<u>Computer Equipment</u>		-	-	-	-	-	-
Computer Equipment							
<u>Furniture and Office Equipment</u>		1 849	3 595	3 595	1 758	1 865	1 969
Furniture and Office Equipment		1 849	3 595	3 595	1 758	1 865	1 969
<u>Machinery and Equipment</u>		21 860	20 721	20 721	23 378	24 878	26 564
Machinery and Equipment		21 860	20 721	20 721	23 378	24 878	26 564
<u>Transport Assets</u>		11 588	7 287	7 287	10 947	11 604	12 250
Transport Assets		11 588	7 287	7 287	10 947	11 604	12 250
<u>Land</u>		-	-	-	-	-	-
Land							
<u>Zoo's, Marine and Non-biological Animals</u>		-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals							
Total Repairs and Maintenance Expenditure	1	246 813	245 704	245 704	260 050	279 235	298 440

1.7.6 Municipal Running Costs

Municipal running costs comprises of costs of administration and other costs. These are budgeted for per line item as per the mSCOA Expenditure Segment

1.7.7 Inventory

Inventory excludes bulk purchases as these are classified separately. As such inventory includes all stores materials necessary for service provision and delivery and utilised for capital and operational projects.

1.7.8 Grants and Subsidies Made

The municipality make grants and subsidies for worthy causes that supports the vision of the municipality of being the entertainment destination, as embraced in the Tourism Strategy of the Municipality. Destination tourism with events as attraction has shown a great potential in marketing the city.

The municipality has supported 3 major events and various other minor events over the past three years. At the same time, the municipality has its own event known as the Diamond and Dorings, which had been running for almost 20 years in succession. Table SA21 provides a detail of some events sponsored by the municipality as well as other sporting and cultural activities preferred for sponsoring in the 2019/2020 MTREF.

NC091 Sol Plaatje - Supporting Table SA21 Transfers and grants made by the municipality											
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 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 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Cash Transfers to Organisations											
<i>Non-Prof:Oth Inst/Grants&Don Diam & Dor</i>		2 124	2 500	2 730	3 000	2 000	2 000	–	2 500	2 500	2 500
<i>Non-Prof:Oth Inst/Grants&Don Oth Pub Gra</i>		1 381	2 484	2 720	2 500	2 500	2 500	1 498	2 500	2 500	2 500
<i>Non-Prof:Oth Institut/Gariep</i>		1 300	1 500	1 600	1 700	–	–	–	–	–	–
<i>Non-Prof:Oth Institut/Sport Council</i>		120	–	–	–	–	–	–	–	–	–
<i>Non-Prof:Other Institutions/Spca</i>		1 700	1 500	1 600	1 700	1 700	1 700	1 700	2 000	2 000	2 000
Total Cash Transfers To Organisations		6 625	7 984	8 650	8 900	6 200	6 200	3 198	7 000	7 000	7 000
Cash Transfers to Groups of Individuals											
<i>Hh Oth Trans: Housing - Individual Supp</i>		–	–	539	600	600	600	100	500	530	559
<i>Hh Ssp Soc Ass: Grant In Aid</i>		–	–	136	170	170	170	45	170	180	190
Total Cash Transfers To Groups Of Individuals:		–	–	675	770	770	770	145	670	710	749
TOTAL CASH TRANSFERS AND GRANTS	6	6 625	7 984	9 325	9 670	6 970	6 970	3 342	7 670	7 710	7 749

The municipality's expenditure for the 2019/2020 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 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.

In addition, a differentiated budgeting approach for the 2018/19 MTREF was adopted. The principles of cost containment and elimination of wasteful expenditure, reprioritisation of spending and attainment of savings, i.e. effectively a zero-based budgeting approach, were the technical themes of the budget.

The following table presents the operational expenditure by type for 2019/20 to 2021/22.

NC091 Sol Plaatje - Table A4 Budgeted Financial Performance (revenue and expenditure)								
Description	Ref	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	1	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Expenditure By Type								
Employee related costs	2	716 652	698 652	698 652	435 142	770 966	818 205	864 258
Remuneration of councillors		29 335	29 685	29 685	17 901	31 753	33 817	35 846
Debt impairment	3	227 000	207 000	207 000	207 000	226 000	240 800	259 984
Depreciation & asset impairment	2	69 250	69 250	69 250	–	71 600	76 724	81 747
Finance charges		25 799	26 299	26 299	13 138	24 661	23 543	22 343
Bulk purchases	2	552 500	566 500	566 500	362 071	617 500	669 370	709 325
Other materials	8	170 612	172 946	172 946	104 520	191 225	178 868	195 314
Contracted services		50 901	43 711	43 711	27 465	51 605	54 694	57 697
Transfers and subsidies		9 670	6 970	6 970	3 342	7 670	7 710	7 749
Other expenditure	4, 5	195 138	179 929	179 929	119 587	201 231	215 276	223 274
Loss on disposal of PPE		–	–	–	–	–	–	–
Total Expenditure		2 046 856	2 000 941	2 000 941	1 290 166	2 194 210	2 319 006	2 457 537

1.7.9 Analysis of Expenditure Budget – year on year

NC091 Sol Plaatje - Table A4 Budgeted Financial Performance (revenue and expenditure)								
Description	Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework					
R thousand	Adjusted Budget	Weighting %	Budget Year 2019/20	Weighting %	Budget Year +1 2020/21	Weighting %	Budget Year +2 2021/22	Weighting %
Expenditure By Type								
Employee related costs	698 652	35%	770 966	35%	818 205	35%	864 258	35%
Remuneration of councillors	29 685	1%	31 753	1%	33 817	1%	35 846	1%
Debt impairment	207 000	10%	226 000	10%	240 800	10%	259 984	11%
Depreciation & asset impairment	69 250	3%	71 600	3%	76 724	3%	81 747	3%
Finance charges	26 299	1%	24 661	1%	23 543	1%	22 343	1%
Bulk purchases	566 500	28%	617 500	28%	669 370	29%	709 325	29%
Other materials	172 946	9%	191 225	9%	178 868	8%	195 314	8%
Contracted services	43 711	2%	51 605	2%	54 694	2%	57 697	2%
Transfers and grants	6 970	0%	7 670	0%	7 710	0%	7 749	0%
Other expenditure	179 929	9%	201 231	9%	215 276	9%	223 274	9%
Loss on disposal of PPE	–	0%	–	0%	–	0%	–	0%
Total Expenditure	2 000 941	100%	2 194 210	100%	2 319 006	100%	2 457 537	100%

The above table further indicates the ratio of each expenditure by type against overall expenditure budget. The employee costs remain 35% of the total operational budget, whilst materials and contracted services amounts to 9%, and bulk purchases at 28%. Municipal

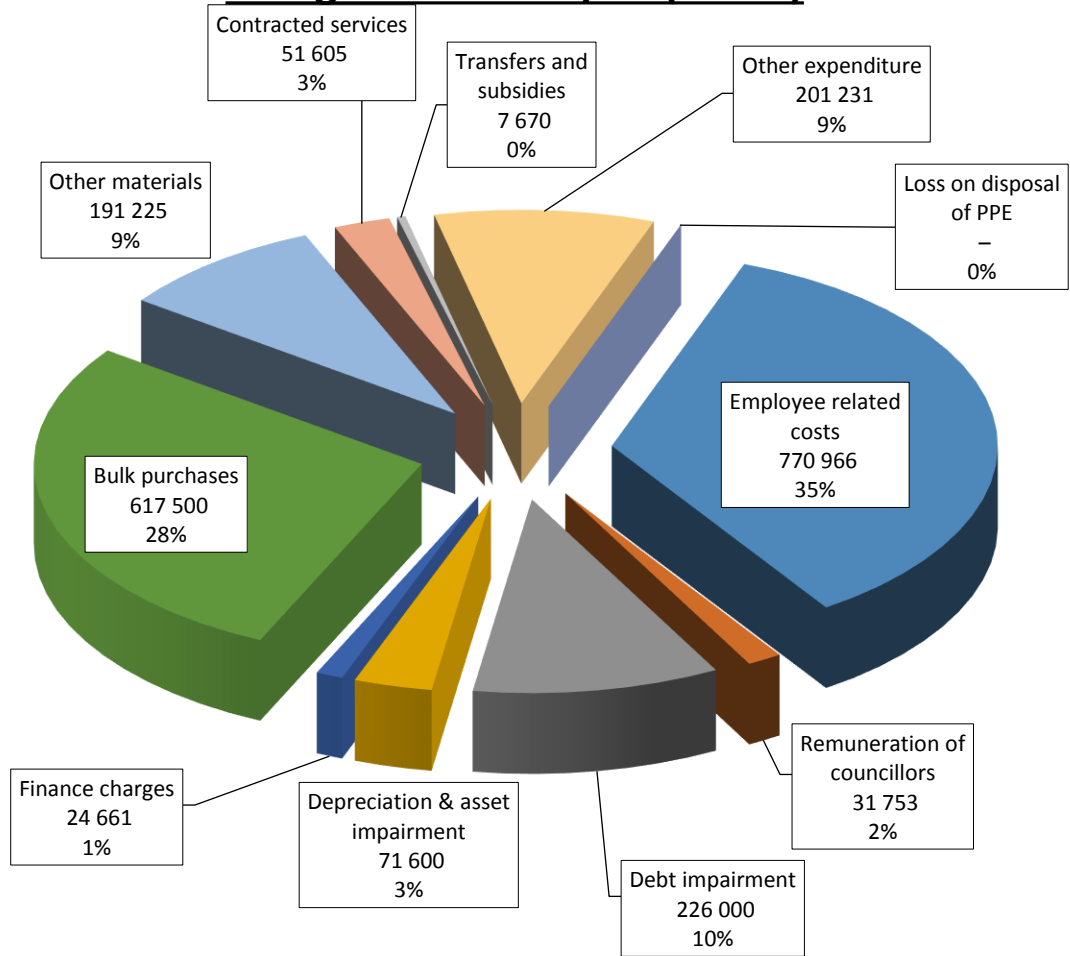
running costs as indicated by other expenditure comprises 11% of the budget. Municipal running costs are critical for service delivery.

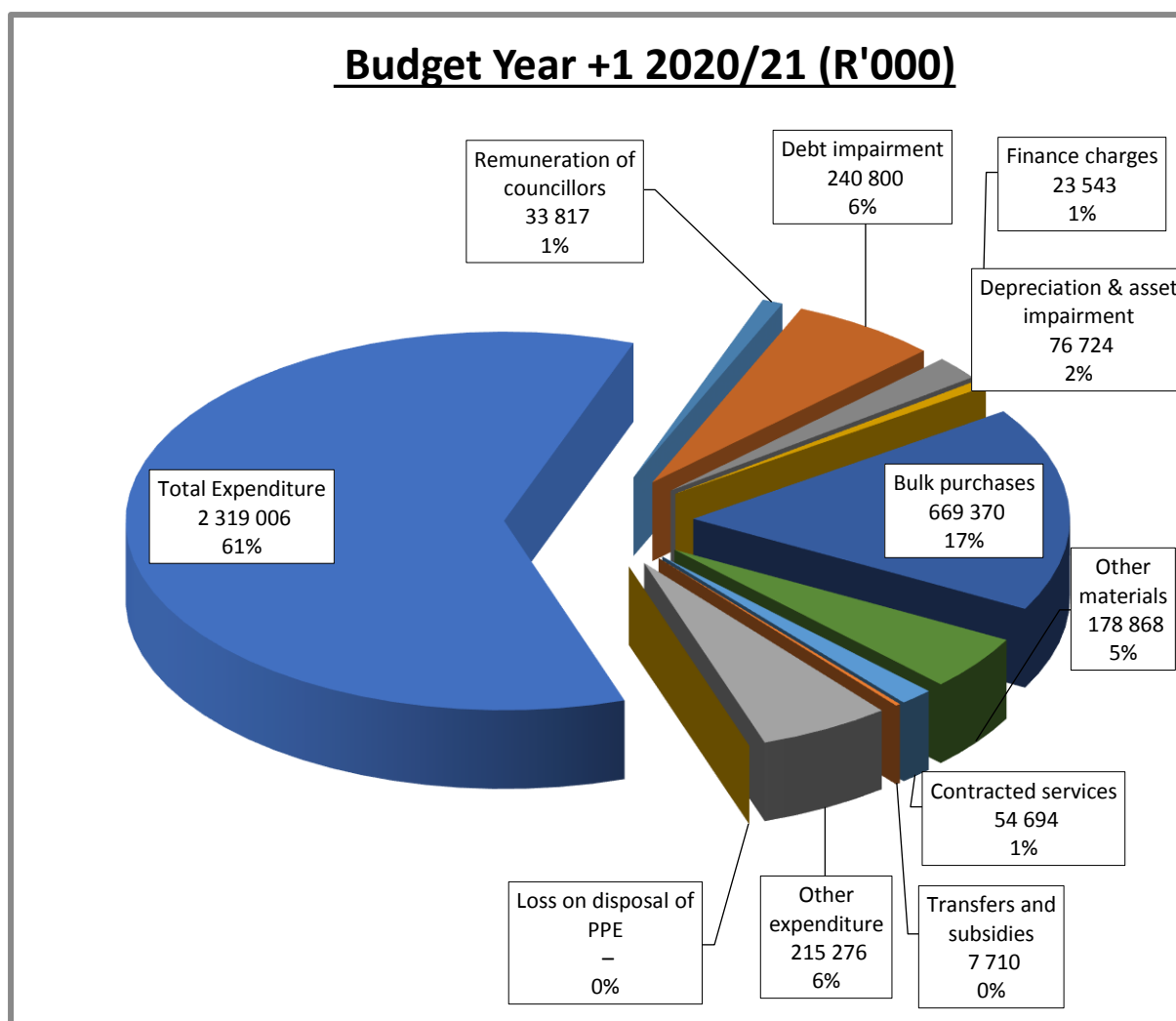
The municipality has adopted a new organogram with 2 701 positions established. Only 1785 of these positions were filled as at 28 February 2018. During October 2017, input was received from the Executive recommending organisational renewal with emphasis on service delivery, efficiencies, and compliance, as we move towards a clean audit.

Management is still considering these inputs and will of course influence the budget process of the next MTREF being 2019/20 to 2020/21.

Maintenance of existing infrastructure is critical. Though there are no maintenance plans in place, the development of sector plans will now enable the engineers to plan thoroughly the asset replacement, maintenance and new installations. The municipality has been increasing the maintenance budget over the years, and the target of 8% which is also in line with norms and standards circular of ratios, has been achieved. Put differently, the maintenance expenditure per annum must be 10% of the total asset value of the previous audited financial statements.

Budget Year 2019/20 (R'000)





1.7.10 Cost containment strategies

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

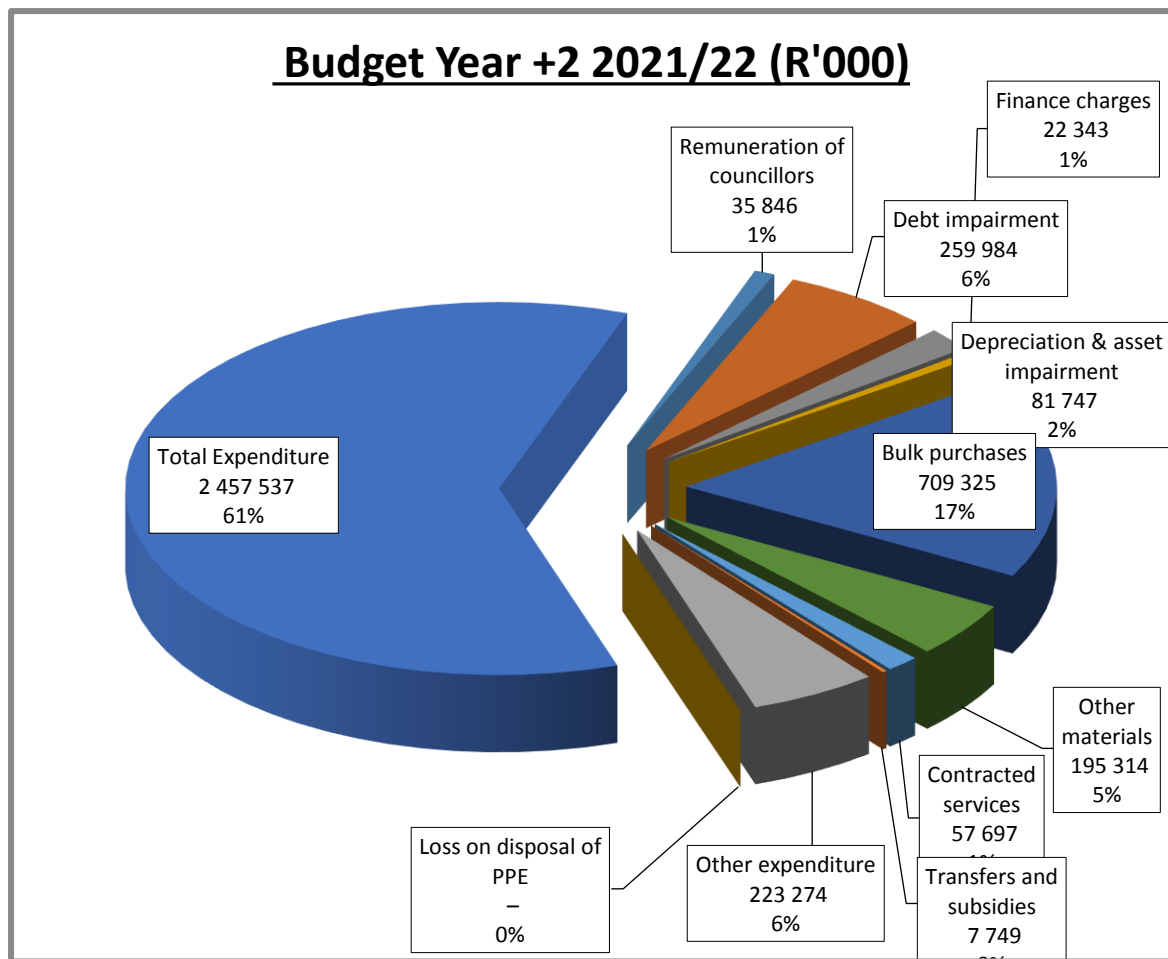
Travel and accommodation: that travelling must be absolutely necessary. Attendance of conferences and seminars that are paid for will be approved by the relevant Executive Director or Municipal Manager, and this must be linked to skills development and capacitation of the individual. All seminars or conferences must earn the attendee a minimum of 2 CPD points. A year plan will be instituted whereby the movement of staff will be monitored and controlled.

Newspapers: it will be encouraged that politicians and senior management rather subscribe for access to daily and weekend newspaper. Each person will choose between a local daily newspaper and national newspaper, and one weekend newspaper. This will save costs of overtime for those whose papers are delivered by the messengers as well as the costs of subscription are far less than the costs of newspaper delivered.

All office telephones will come pre-loaded with the budget and differentiation will be made between officials whose work entail inbound and outbound, internal only, cellphone etc. employees who exceed their budget allocations will have their statements scrutinised and identify private calls from the detailed call list. Should the private calls be more than the official calls, no adjustment will be made and the employee may be called in for disciplinary proceedings for abuse of privileges.

The municipality has installed vehicle tracking devices to monitor use and abuse of municipal vehicle. It was further alleged that employees have tendencies of syphoning fuel out of vehicles and sell it. There have been improvements on reports about municipal vehicles that are driving all over the city. Constant monitoring on the condition and maintenance of the fleet is exercised.

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 off the asset.



1.7.11 Debt Recovery Project

With increasing financial pressures on household's income, the non-payment of municipal debt is becoming a threat to the going concern ability, as well as sustainability of service provision. Municipalities are already faced with the situation of eroding gross profit margins as a result of increasing cost of sales, being costs of bulk for trading services. The growth in demand for services leaves no choice to municipalities but to increase its capacity to deal with the demand, both in terms of infrastructure and human resources.

The efforts of prevention of debt accumulation through implementation of credit control actions seem inadequate as people fall into arrears and default regularly on their own arrangements. It is for this reason that the municipality resolved to co-source the services of debt collecting agent.

The debt collecting agents are experts and specialise in this function. They had already invested on technology and systems and the economies of scale reduce the costs per debtor. The advantage of co-sourcing debt collection agent are as follows;

- Use of in-house resources in the process of debt collection, thus reducing other costs associated with setting up call centres
- Skills transfer becomes implementable as after the contract expires, the agents who served under the supervision of the debt collection company can continue with the task, thus ensuring continuity beyond the contract period
- The municipality avoids the costs of systems and may enter into a new Service Level Agreement for LicenseWare, thus ensuring sustainability of the project and collection ratio
- Saving costs of debt collection as the faster the debt is paid, the lower the collection costs to be borne by the municipality
- Reduction of arrears is the ultimate benefit as debtors convert into cash. This enables the municipality to be stronger in terms of solvency and there will be an increased capacity to contribute to Municipal Infrastructure Investment Framework and to the Spatial Development Framework of the municipality

The municipality had appointed NICS for this purpose and the project had resumed. Detailed progress report shall be provided as we finalise the budget. No revenue has been budgeted from overdue accounts and the assumptions for debt collection are excluding the impact of this project as such.

1.7.12 Municipal Standard Classification (MSC) (MFMA Vote)

The municipality generates revenue from various sources managed within votes, as represented by directorates. In its vote structure, the municipality has the following directorates, which are also a presentation of revenue by municipal standard classification.

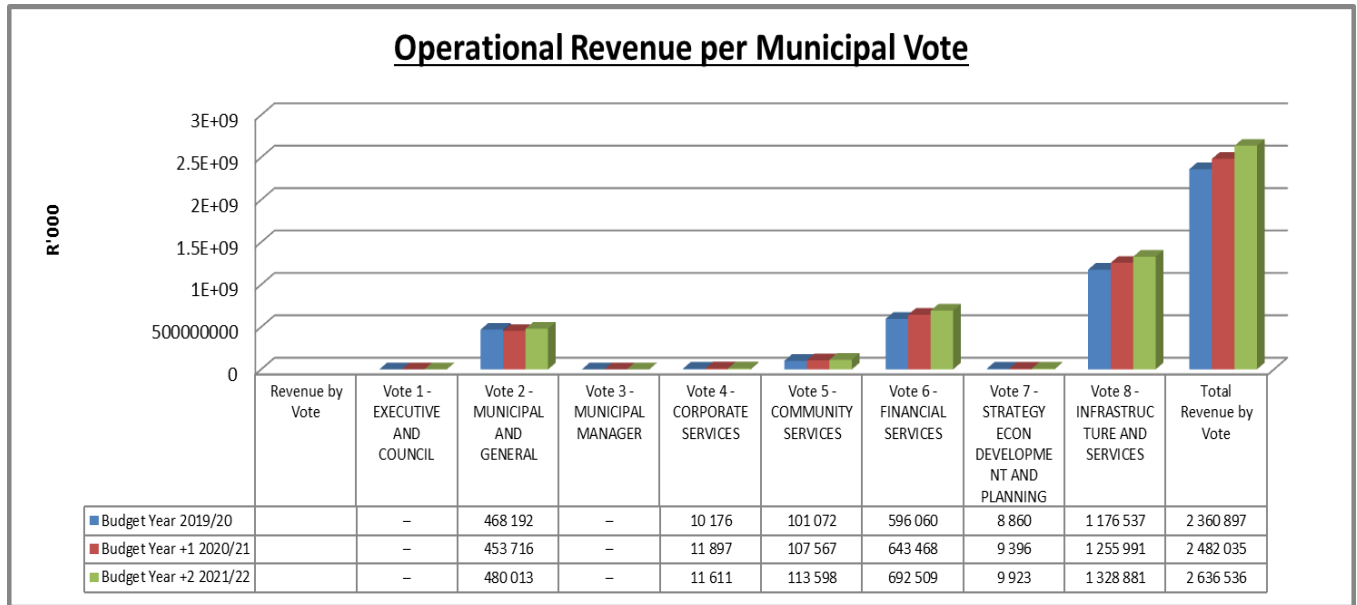
NC091 Sol Plaatje - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue - Functional										
<i>Governance and administration</i>		862 314	839 882	1 012 732	1 119 176	1 040 797	1 040 797	1 074 878	1 109 558	1 184 636
Executive and council		362 563	361 481	492 849	554 304	472 784	472 784	468 192	453 716	480 013
Finance and administration		499 751	478 401	519 882	564 872	568 013	568 013	606 686	655 842	704 623
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		23 269	24 656	23 615	26 995	26 995	26 995	25 995	27 380	28 431
Community and social services		9 702	11 418	9 900	12 644	12 644	12 644	11 008	11 686	11 873
Sport and recreation		3 869	3 276	3 615	3 710	3 710	3 710	3 730	3 975	4 194
Public safety		140	195	253	170	170	170	285	302	319
Housing		9 529	9 692	9 790	10 401	10 401	10 401	10 901	11 343	11 967
Health		30	75	58	70	70	70	70	74	78
<i>Economic and environmental services</i>		12 721	22 381	25 773	19 426	17 158	17 158	18 223	19 323	20 398
Planning and development		2 722	2 575	4 627	6 511	4 243	4 243	3 923	4 163	4 402
Road transport		9 998	19 807	21 145	12 915	12 915	12 915	14 300	15 160	15 996
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		943 139	1 004 389	1 079 647	1 165 163	1 083 963	1 083 963	1 232 289	1 315 742	1 392 487
Energy sources		595 477	618 301	663 235	740 342	630 342	630 342	777 527	833 520	877 073
Water management		223 498	255 594	283 299	288 458	299 458	299 458	306 392	324 368	347 336
Waste water management		70 994	74 755	75 664	75 813	80 813	80 813	81 517	86 546	92 278
Waste management		53 171	55 739	57 449	60 550	73 350	73 350	66 853	71 308	75 800
<i>Other</i>	4	13 102	13 668	14 909	8 142	8 142	8 142	9 512	10 032	10 584
Total Revenue - Functional	2	1 854 546	1 904 976	2 156 676	2 338 902	2 177 055	2 177 055	2 360 897	2 482 035	2 636 536

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 vote:

NC091 Sol Plaatje - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)										
Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue by Vote	1									
Vote 01 - Executive & Council		–	–	–	–	–	–	–	–	–
Vote 02 - Municipal And General		395 258	400 430	492 849	554 304	472 784	472 784	468 192	453 716	480 013
Vote 03 - Municipal Manager		–	–	2 037	2 268	–	–	–	–	–
Vote 04 - Corporate Services		2 706	5 358	4 553	7 564	10 705	10 705	10 176	11 897	11 611
Vote 05 - Community Services		75 499	89 884	103 311	93 894	106 694	106 694	101 072	107 567	113 598
Vote 06 - Financial Services		496 684	472 723	514 881	556 928	556 928	556 928	596 060	643 468	692 509
Vote 07 - Strategy Econ Development And Planning		7 185	6 640	6 861	8 895	8 895	8 895	8 860	9 396	9 923
Vote 08 - Infrastructure And Services		877 213	929 941	1 032 183	1 115 049	1 021 049	1 021 049	1 176 537	1 255 991	1 328 881
Total Revenue by Vote	2	1 854 546	1 904 976	2 156 676	2 338 902	2 177 055	2 177 055	2 360 897	2 482 035	2 636 536



1.7.13 Revenue by GFS

The municipality performs core and non-core functions which both have a potential of revenue generation, directly or indirectly. The Government Financial Statistics classifies functions into core and non-core. Core functions are defined as those municipal functions that are critical and closely related to the mandate of local government as contained in the constitution of the Republic of South Africa. The non-core functions are those that are considered outside the normal activities and are incidental by nature. For the purpose of this report, there is no distinction between core and non-core functions. Revenue is reported by GFS as per table A3 of the Budget Statement.

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

Functional Classification Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue - Functional										
<i>Governance and administration</i>		862 314	839 882	1 012 732	1 119 176	1 040 797	1 040 797	1 074 878	1 109 558	1 184 636
Executive and council		362 563	361 481	492 849	554 304	472 784	472 784	468 192	453 716	480 013
Finance and administration		499 751	478 401	519 882	564 872	568 013	568 013	606 686	655 842	704 623
Internal audit		–	–	–	–	–	–	–	–	–
<i>Community and public safety</i>		23 269	24 656	23 615	26 995	26 995	26 995	25 995	27 380	28 431
Community and social services		9 702	11 418	9 900	12 644	12 644	12 644	11 008	11 686	11 873
Sport and recreation		3 869	3 276	3 615	3 710	3 710	3 710	3 730	3 975	4 194
Public safety		140	195	253	170	170	170	285	302	319
Housing		9 529	9 692	9 790	10 401	10 401	10 401	10 901	11 343	11 967
Health		30	75	58	70	70	70	70	74	78
<i>Economic and environmental services</i>		12 721	22 381	25 773	19 426	17 158	17 158	18 223	19 323	20 398
Planning and development		2 722	2 575	4 627	6 511	4 243	4 243	3 923	4 163	4 402
Road transport		9 998	19 807	21 145	12 915	12 915	12 915	14 300	15 160	15 996
Environmental protection		–	–	–	–	–	–	–	–	–
<i>Trading services</i>		943 139	1 004 389	1 079 647	1 165 163	1 083 963	1 083 963	1 232 289	1 315 742	1 392 487
Energy sources		595 477	618 301	663 235	740 342	630 342	630 342	777 527	833 520	877 073
Water management		223 498	255 594	283 299	288 458	299 458	299 458	306 392	324 368	347 336
Waste water management		70 994	74 755	75 664	75 813	80 813	80 813	81 517	86 546	92 278
Waste management		53 171	55 739	57 449	60 550	73 350	73 350	66 853	71 308	75 800
<i>Other</i>	4	13 102	13 668	14 909	8 142	8 142	8 142	9 512	10 032	10 584
Total Revenue - Functional	2	1 854 546	1 904 976	2 156 676	2 338 902	2 177 055	2 177 055	2 360 897	2 482 035	2 636 536

1.8 Capital Plan and Budgeting

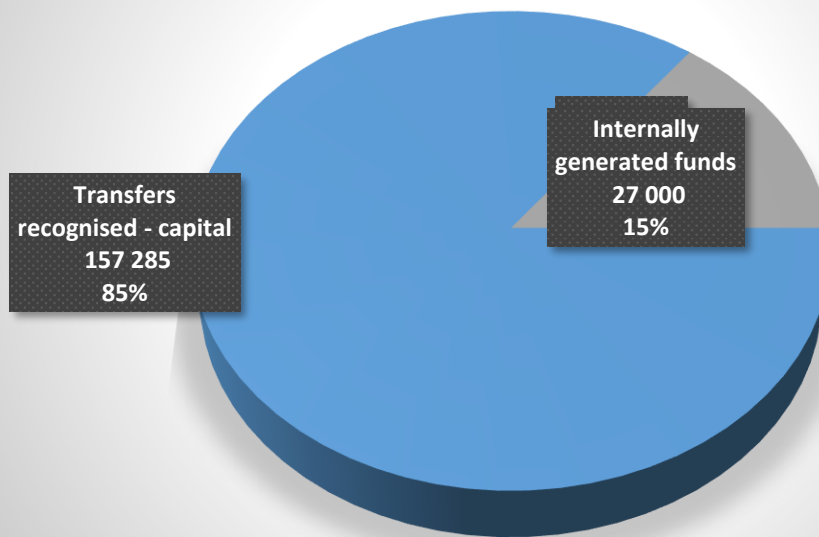
The Municipal Capital Plan comprises planned projects ranging from upgrade of existing infrastructure, refurbishment and new assets. A detailed project list is found in Annexure A, SA Table 36.

1.8.1 Funding the capital plan

The table below presents the funding available for the capital plan 2019/2020.

Funding sources of capex	2019/20 Medium Term Revenue & Expenditure Framework		
	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
	R'000	R'000	R'000
Funded by:			
National Government	157 285	153 497	168 266
Provincial Government	–		
Transfers recognised - capital	157 285	153 497	168 266
Borrowing	–		
Internally generated funds	27 000	27 000	41 000
Total Capital Funding	184 285	180 497	209 266

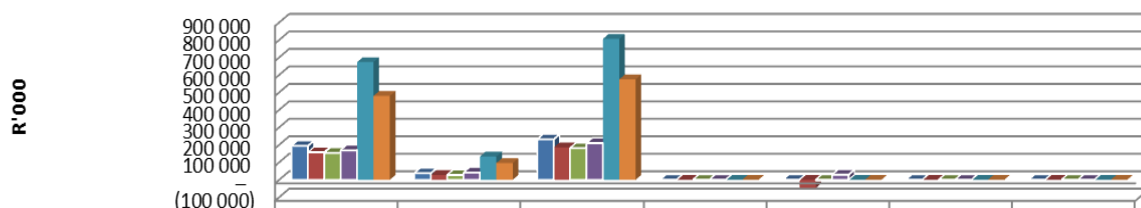
Capital funding sources - 2019/20 MTREF
(R'000)



1.8.2 Capital plan by funding source

Funding sources of capex	2019/20 Medium Term Revenue & Expenditure Framework				Total Capex from 2017/18 to 2020/21	Total Capex over MTREF
	Adjustment Budget 2018/19	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22		
	R'000	R'000	R'000	R'000	R'000	R'000
Total Capital Budget	231 113	184 285	180 497	209 266	805 161	574 048
Total government grants	193 560	157 285	153 497	168 266	672 608	479 048
Internally generated funds	37 552	27 000	27 000	41 000	132 552	95 000
Total Capital Funding	231 113	184 285	180 497	209 266	805 161	574 048
Year-on-year % (Increase / Decrease) in Capex	–	-20%	-2%	16%	–	–
Year-on-year R-Value (Increase / Decrease) in Capex	–	(46 828)	(3 788)	28 769	–	–
Weighting Gov. Grants	84%	85%	85%	80%	84%	83%
Weighting Internally Generated Funds	16%	15%	15%	20%	16%	17%
Total	100%	100%	100%	100%	100%	100%

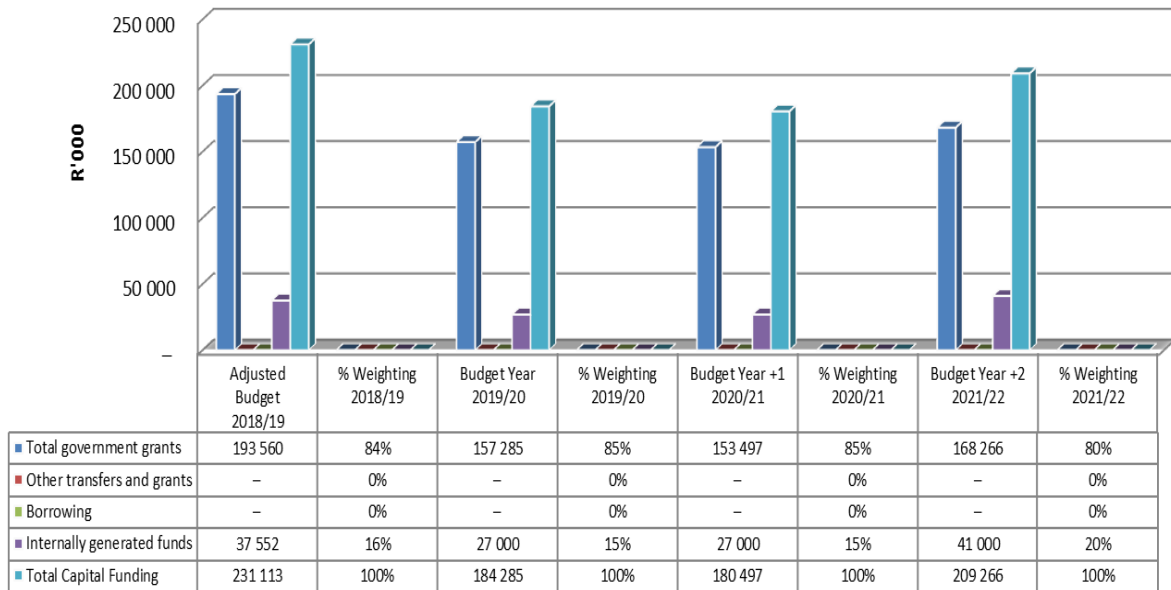
Funding sources Capital Expenditure 2019/20 MTREF



	Total government grants	Internally generated funds	Total Capital Funding	Year-on-year % (Increase / Decrease) in Capex	Year-on-year R-Value (Increase / Decrease) in Capex	Weighting Gov Grants	Weighting Internally Generated Funds
■ Adjustment Budget 2018/19	193 560	37 552	231 113	–	–	84%	16%
■ Budget Year 2019/20	157 285	27 000	184 285	-20%	(46 828)	85%	15%
■ Budget Year +1 2020/21	153 497	27 000	180 497	-2%	(3 788)	85%	15%
■ Budget Year +2 2021/22	168 266	41 000	209 266	16%	28 769	80%	20%
■ Total Capex from 2017/18 to 2020/21	672 608	132 552	805 161	–	–	84%	16%
■ Total Capex over MTREF	479 048	95 000	574 048	–	–	83%	17%

Capex MTREF 2018/19	Adjusted Budget 2018/19	% Weighting 2018/19	Budget Year 2019/20	% Weighting 2019/20	Budget Year +1 2020/21	% Weighting 2020/21	Budget Year +2 2021/22	% Weighting 2021/22
Total government grants	193 560	84%	157 285	85%	153 497	85%	168 266	80%
Other transfers and grants	–	0%	–	0%	–	0%	–	0%
Borrowing	–	0%	–	0%	–	0%	–	0%
Internally generated funds	37 552	16%	27 000	15%	27 000	15%	41 000	20%
Total Capital Funding	231 113	100%	184 285	100%	180 497	100%	209 266	100%

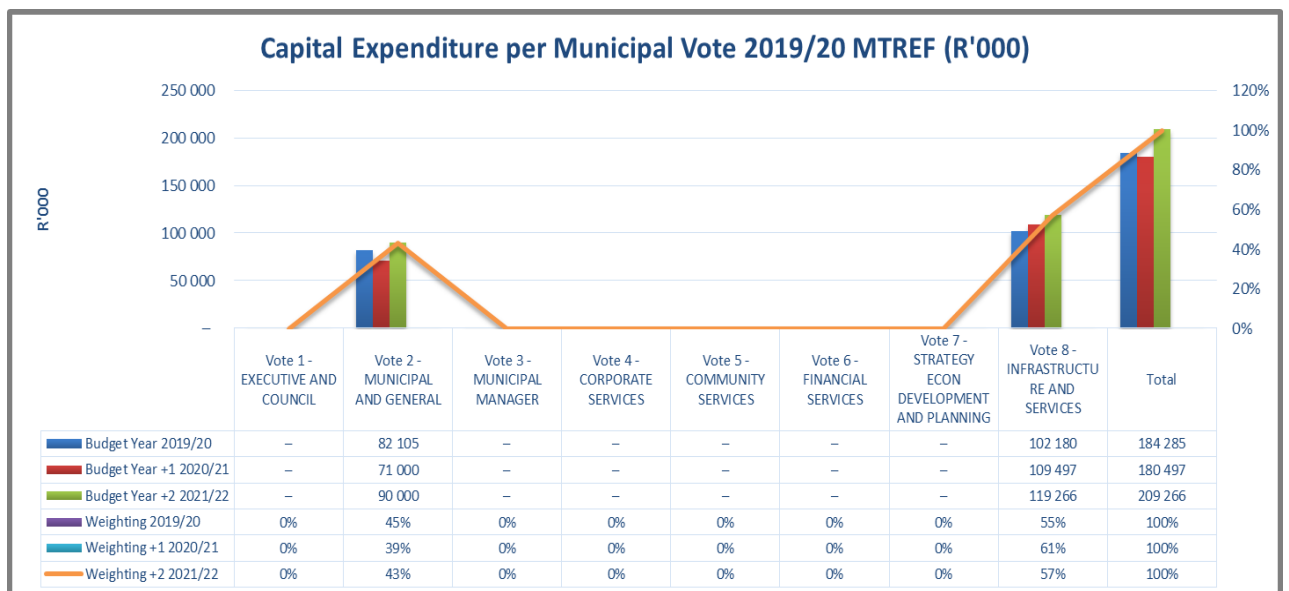
Capex Funding Sources MTREF 2019/20 - 2021/22



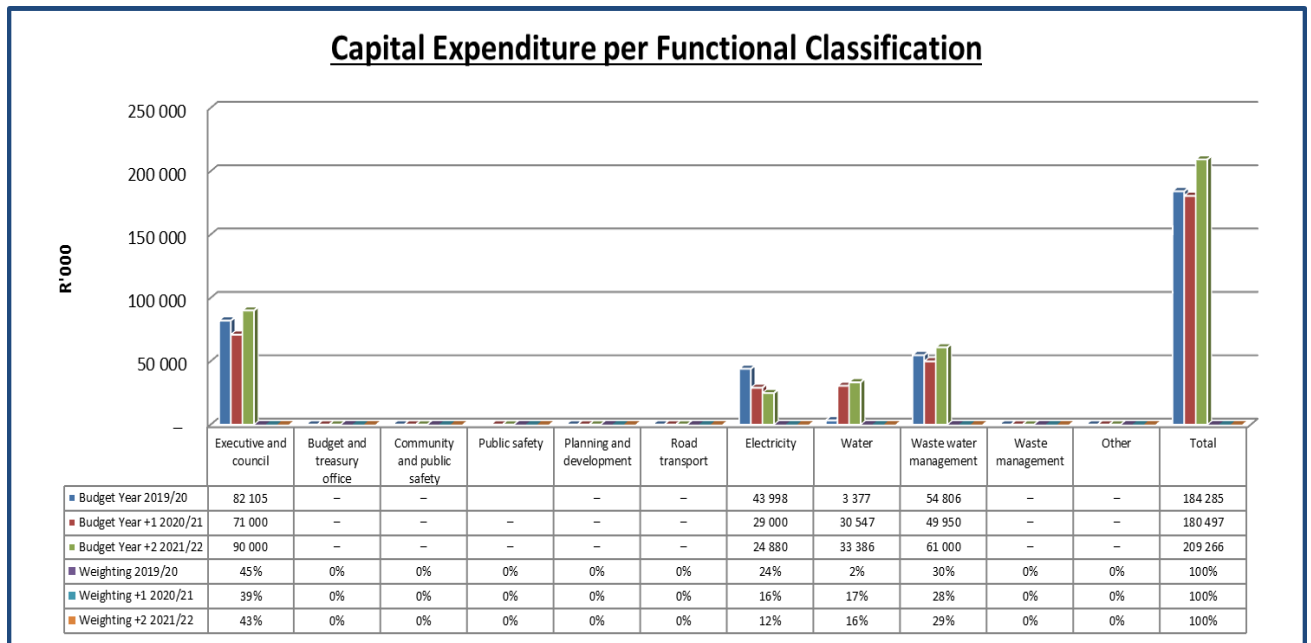
1.8.3 Capital plan by Municipal Standard Classification (MFMA vote)

Vote Description	Ref	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	1	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Capital expenditure - Vote								
Multi-year expenditure to be appropriated	2							
Vote 01 - Executive & Council		-	-	-	-	-	-	-
Vote 02 - Municipal And General		177 796	81 161	81 161	36 627	68 668	71 000	90 000
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		81 393	101 823	101 823	51 521	16 000	34 547	41 110
Capital multi-year expenditure sub-total	7	259 189	182 984	182 984	88 147	84 668	105 547	131 110
Single-year expenditure to be appropriated	2							
Vote 01 - Executive & Council		-	-	-	-	-	-	-
Vote 02 - Municipal And General		7 715	9 190	9 190	4 246	13 436	-	-
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		66 337	38 939	38 939	5 832	86 180	74 950	78 156
Capital single-year expenditure sub-total		74 052	48 129	48 129	10 078	99 617	74 950	78 156
Total Capital Expenditure - Vote		333 241	231 113	231 113	98 225	184 285	180 497	209 266
Capital Expenditure - Functional								
Governance and administration		185 511	90 351	90 351	40 872	82 105	71 000	90 000
Executive and council		185 511	90 351	90 351	40 872	82 105	71 000	90 000
Finance and administration								
Internal audit								
Community and public safety		-	-	-	-	-	-	-
Community and social services								
Sport and recreation								
Public safety								
Housing								
Health								
Economic and environmental services		-	-	-	-	-	-	-
Planning and development								
Road transport								
Environmental protection								
Trading services		147 730	140 762	140 762	57 353	102 180	109 497	119 266
Energy sources		53 997	47 997	47 997	17 003	43 998	29 000	24 880
Water management		55 932	41 450	41 450	20 416	3 377	30 547	33 386
Waste water management		37 801	51 315	51 315	19 934	54 806	49 950	61 000
Waste management		-	-	-	-	-	-	-
Other								
Total Capital Expenditure - Functional	3	333 241	231 113	231 113	98 225	184 285	180 497	209 266
Funded by:								
National Government		296 795	193 560	193 560	83 849	157 285	153 497	168 266
Provincial Government		-	-	-	-	-	-	-
District Municipality								

Vote Description	Ref	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	1	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Capital expenditure - Vote								
<u>Multi-year expenditure to be appropriated</u>	2							
Vote 01 - Executive & Council		-	-	-	-	-	-	-
Vote 02 - Municipal And General		177 796	81 161	81 161	36 627	68 668	71 000	90 000
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		81 393	101 823	101 823	51 521	16 000	34 547	41 110
Capital multi-year expenditure sub-total	7	259 189	182 984	182 984	88 147	84 668	105 547	131 110
<u>Single-year expenditure to be appropriated</u>	2							
Vote 01 - Executive & Council		-	-	-	-	-	-	-
Vote 02 - Municipal And General		7 715	9 190	9 190	4 246	13 436	-	-
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		66 337	38 939	38 939	5 832	86 180	74 950	78 156
Capital single-year expenditure sub-total		74 052	48 129	48 129	10 078	99 617	74 950	78 156
Total Capital Expenditure - Vote		333 241	231 113	231 113	98 225	184 285	180 497	209 266



	2019/20 Medium Term Revenue & Expenditure Framework					
	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22	Weighting 2019/20	Weighting +1 2020/21	Weighting +2 2021/22
Capital Expenditure - Standard						
Executive and council	82 105	71 000	90 000	45%	39%	43%
Budget and treasury office	–	–	–	0%	0%	0%
Community and public safety	–	–	–	0%	0%	0%
Planning and development	–	–	–	0%	0%	0%
Road transport	–	–	–	0%	0%	0%
Electricity	43 998	29 000	24 880	24%	16%	12%
Water	3 377	30 547	33 386	2%	17%	16%
Waste water management	54 806	49 950	61 000	30%	28%	29%
Waste management	–	–	–	0%	0%	0%
Other	–	–	–	0%	0%	0%
Total	184 285	180 497	209 266	100%	100%	100%



1.8.4 Capital plan by project

NC091 Sol Plaatje - Supporting Table SA36 Detailed capital budget		2019/20 Medium Term Revenue & Expenditure Framework		
Municipal Vote/Capital project	Program/Project description	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand				
Parent municipality:				
List all capital projects grouped by Municipal Vote				
Finance And Administration	Capital:Infrastructure:Existing:Renewal:Roads Infrastructure:Roads	-	-	-
Finance And Administration	Capital:Infrastructure:Existing:Renewal:Storm Water Infrastructure:Storm W	-	-	-
Finance And Administration	Capital:Infrastructure:Existing:Upgrading:Roads Infrastructure:Roads	53 436	55 000	55 000
Finance And Administration	Capital:Infrastructure:New:Storm Water Infrastructure:Storm Water Conve	-	-	-
Finance And Administration	Capital:Non-Infrastructure:Existing:Renewal:Community Assets:Commun	-	-	-
Finance And Administration	-Infrastructure:Existing:Renewal:Community Assets:Sport And Recreation	-	-	-
Finance And Administration	Capital:Non-Infrastructure:Existing:Upgrading:Community Assets:Comm	-	-	-
Finance And Administration	Capital:Non-Infrastructure:Existing:Upgrading:Community Assets:Comm	-	-	-
Finance And Administration	Capital:Non-Infrastructure:New:Computer Equipment	5 000	5 000	20 000
Finance And Administration	Capital:Non-Infrastructure:New:Furniture And Office Equipment	3 000	3 000	3 000
Finance And Administration	Capital:Non-Infrastructure:New:Heritage Assets:Monuments	-	-	-
Finance And Administration	Capital:Non-Infrastructure:New:Intangible Assets:Computer Software And	-	-	-
Finance And Administration	Capital:Non-Infrastructure:New:Intangible Assets:Unspecified	-	-	-
Finance And Administration	Capital:Non-Infrastructure:New:Investment Properties:Revenue Generat	2 000	2 000	2 000
Finance And Administration	Capital:Non-Infrastructure:New:Machinery And Equipment	-	-	-
Finance And Administration	Capital:Non-Infrastructure:New:Transport Assets	6 000	6 000	10 000
Finance And Administration	Capital:Non-Infrastructure:Existing:Upgrading:Other Assets:Operational B	-	-	-
Finance And Administration	Capital:Non-Infrastructure:New:Community Assets:Community Facilities	12 668	-	-
Environmental Protection	Capital:Infrastructure:Existing:Renewal:Solid Waste Infrastructure:Landfill	-	-	-
Energy Sources	Capital:Infrastructure:Existing:Upgrading:Electrical Infrastructure:Hv Subs	-	-	-
Energy Sources	Capital:Infrastructure:Existing:Upgrading:Electrical Infrastructure:Hv Subs	5 000	5 000	-
Energy Sources	Capital:Infrastructure:Existing:Upgrading:Electrical Infrastructure:Mv Swit	-	-	-
Energy Sources	Capital:Infrastructure:New:Electrical Infrastructure:Lv Networks	-	-	-
Energy Sources	Capital:Infrastructure:New:Electrical Infrastructure:Lv Networks	18 920	-	-
Energy Sources	Capital:Infrastructure:New:Electrical Infrastructure:Lv Networks	1 823	-	-
Energy Sources	Capital:Infrastructure:New:Electrical Infrastructure:Lv Networks	3 753	-	-
Energy Sources	Capital:Infrastructure:New:Electrical Infrastructure:Lv Networks	2 374	-	-
Energy Sources	Capital:Infrastructure:New:Electrical Infrastructure:Lv Networks	4 128	-	-
Energy Sources	Capital:Infrastructure:New:Electrical Infrastructure:Lv Networks	-	16 000	15 880
Energy Sources	Capital:Infrastructure:Existing:Renewal:Electrical Infrastructure:Lv Netwo	5 000	5 000	6 000
Energy Sources	Capital:Infrastructure:Existing:Renewal:Electrical Infrastructure:Capital Sp	3 000	3 000	3 000
Water Management	Capital:Infrastructure:Existing:Renewal:Water Supply Infrastructure:Reser	-	-	-
Water Management	Capital:Infrastructure:Existing:Renewal:Water Supply Infrastructure:Water	-	-	-
Water Management	Capital:Infrastructure:Existing:Renewal:Water Supply Infrastructure:Distrib	-	-	-
Water Management	Capital:Infrastructure:Existing:Renewal:Water Supply Infrastructure:Distrib	-	-	-
Water Management	Capital:Infrastructure:Existing:Upgrading:Water Supply Infrastructure:Dam	-	-	-
Water Management	Capital:Infrastructure:Existing:Upgrading:Water Supply Infrastructure:Wate	-	10 000	10 000
Water Management	Capital:Infrastructure:Existing:Upgrading:Water Supply Infrastructure:Bulk	-	-	-
Water Management	Capital:Infrastructure:Existing:Upgrading:Water Supply Infrastructure:Bulk	-	-	-
Water Management	Capital:Infrastructure:Existing:Upgrading:Water Supply Infrastructure:Distr	3 000	3 000	3 000
Water Management	Capital:Infrastructure:New:Water Supply Infrastructure:Reservoirs	-	10 000	4 750
Water Management	Capital:Infrastructure:New:Water Supply Infrastructure:Reservoirs	-	-	1 406
Water Management	Capital:Infrastructure:New:Water Supply Infrastructure:Pump Station	-	-	-
Water Management	Capital:Infrastructure:New:Water Supply Infrastructure:Bulk Mains	377	-	-
Water Management	Capital:Infrastructure:New:Water Supply Infrastructure:Bulk Mains	-	1 547	11 200
Water Management	Capital:Infrastructure:New:Water Supply Infrastructure:Distribution	-	-	-
Water Management	Capital:Infrastructure:New:Water Supply Infrastructure:Distribution Points	-	6 000	3 030
Waste Water Management	Capital:Infrastructure:Existing:Renewal:Water Supply Infrastructure:Pump	-	-	-
Waste Water Management	Capital:Infrastructure:Existing:Renewal:Sanitation Infrastructure:Pump Sta	-	3 000	3 000
Waste Water Management	Capital:Infrastructure:Existing:Renewal:Sanitation Infrastructure:Pump Sta	5 000	20 000	20 000
Waste Water Management	Capital:Infrastructure:Existing:Renewal:Sanitation Infrastructure:Reticulat	-	-	5 000
Waste Water Management	Capital:Infrastructure:Existing:Renewal:Sanitation Infrastructure:Reticulat	-	15 000	25 000
Waste Water Management	Capital:Infrastructure:Existing:Renewal:Sanitation Infrastructure:Waste Wa	-	-	-
Waste Water Management	Capital:Infrastructure:Existing:Renewal:Sanitation Infrastructure:Toilet Fac	10 000	5 000	5 000
Waste Water Management	Capital:Infrastructure:Existing:Renewal:Sanitation Infrastructure:Toilet Fac	-	-	-
Waste Water Management	Capital:Infrastructure:Existing:Upgrading:Sanitation Infrastructure:Reticul	-	6 950	3 000
Waste Water Management	Capital:Infrastructure:Existing:Upgrading:Sanitation Infrastructure:Outfall S	-	-	-
Waste Water Management	Capital:Infrastructure:Existing:Upgrading:Sanitation Infrastructure:Outfall S	15 000	-	-
Waste Water Management	Capital:Infrastructure:New:Sanitation Infrastructure:Reticulation	24 806	-	-
Parent Capital expenditure		184 285	180 497	209 266

1.9 Long term borrowing

The municipality has not taken any new long term borrowings in the current financial year. The table below indicates the balances as at 30 June 2018 and the projections for the current and the next MTREF.

NC091 Sol Plaatje - Supporting Table SA17 Borrowing

Borrowing - Categorised by type R thousand	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Parent municipality										
Annuity and Bullet Loans		218 675	210 435	204 226	191 934	191 934	191 934	172 417	144 219	115 626
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Municipality sub-total	1	218 675	210 435	204 226	191 934	191 934	191 934	172 417	144 219	115 626
Entities										
Annuity and Bullet Loans										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Borrowing	1	218 675	210 435	204 226	191 934	191 934	191 934	172 417	144 219	115 626

1.10 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 is cascaded down to the entry level in the organisation.

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.

All divisional heads, in the same manner as the Senior Managers and the Municipal Manager sign annual performance agreements and must be assessed accordingly. Monthly and quarterly reporting performance is compulsory with quarterly performance reports submitted to the Internal Audit for verification purposes, and the Executive Mayor submits these to Council within 30 days after the end of the quarter.

PART 2

BUDGET SUPPORTING DOCUMENTATION

2.1 Overview of IDP and Annual Budget Process

The IDP 2017 to 2022 has been inspired by the declaration of the voices of the people of Africa and it is quoted as “We, the people of Africa and her Diaspora, united in diversity, young and old, men and women, girls and boys from all walks of life, deeply conscious of history, express our deep appreciation to all generations of Pan-Africanists.

In particular, to the founders of the Organisation of African Unity for having bequeathed us an Africa with exemplary successes in the fight against slavery, colonialism and apartheid. Agenda 2063, rooted in Pan Africanism and African Renaissance, provides a robust framework for addressing past injustices and the realisation of the 21st Century as the African Century.

This declaration led to the commitment of Africa to a new and noble initiative, with reviewed past plans and commitments and pledges to take into account lessons from the past as we implement Agenda 2063. The plans include: mobilization of the people and their ownership of continental programmes at the core; the principle of self-reliance and Africa financing its own development; the importance of capable, inclusive and accountable states and institutions at all levels and in all spheres; the critical role of Regional Economic Communities as building blocks for continental unity; taking into account of the special challenges faced by both island and land-locked states; and holding ourselves and our governments and institutions accountable for results. Agenda 2063 will not happen spontaneously, it will require conscious and deliberate efforts to nurture a transformative leadership that will drive the agenda and defend Africa’s interests.

We rededicate ourselves to the enduring Pan African vision of *“an integrated, prosperous and peaceful Africa, driven by its own citizens and representing a dynamic force in the international arena.*

The office of the Presidency, Ministry of Planning, Monitoring and Evaluation developed a National Development Plan Vision 2030

The new vision of the municipality aligns very well with this commitment: Moving towards a leading and a modern city.

2.1.1 The Overview of the process and project prioritisation principle

The 2019/2020 Financial Year is the second 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 2018/19, and the key priorities as set out for 2019/2020 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.

The following is the legislative framework that informed the IDP Review and the Budget process:

- The Municipal Systems Act
- The Municipal Finance Management Act
- Municipal Budget and Reporting Regulations
- The Municipal Structures Act

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. In compliance with this requirement the IDP and budget time schedule was tabled before council on the 30 August 2018. 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 2018/2019 Medium Term Budget for the municipality took place on 31st of May 2017 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 2019/2020 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.

In September 2017 budget instructions (broad expenditure parameters) were issued to departments by the Chief Financial Officer. Staff budget requirements were also reviewed for budgetary purposes with an intense scrutiny of human resources needs and assessment of all vacancies. A memorandum providing guidelines relating to the capital budget process was issued to various programme managers and senior managers and provided assistance in categorising capital projects. An IDP and Budget workshop was held during December 2017 which focused on a year to date capital and operating budget performance, budget adjustments and the 2019/2020 MTREF.

Broad Strategic responses to the state of the national economy were discussed. The workshop dealt with past performance trends of the operating and capital budget, identified budget realities going forward and set the criteria and basis to be used in the appropriation of financial resources amongst city functions during the budget cycle. Budget meetings were also held with various clusters. At these meetings, budget strategy, budget policies and the alignment of the operating budget with the IDP were discussed.

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, Austerity Measures have been applied to the 2018/2019 medium term budget especially with regards to filling of vacancies, travel requests and office equipment replacement. In February 2019 budget presentations were made to the Budget Steering Committee and to the Mayoral Committees.

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, taking into account 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 Bill. 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.

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.

The 2019/2020 and 2020/2021 Capital budgets as approved per the 2018/2019 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 2018/2019 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.

2.1.2 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 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.

2.3 SPATIAL DEVELOPMENT FRAMEWORK

The Municipality has revised its Spatial Development Framework (SDF) in line with Section 26 on the Municipal Systems Act of 2000 and Chapter 4 PART E of the Spatial Planning and Land Use Management (Act 16 2013). The SDF is a spatial representation of the Integrated Development Framework (IDP). It is also the primary spatial response to the development context, needs and development of the Municipality. The revised 2017 to 2022 SDF is yet to be approved by Council. A process plan will be tabled to the Mayoral Committee at the earliest convenience. It is the commitment of the municipality that this document is approved together with the Budget in May 2019.

2.1.3 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 prides itself of enjoying the reputation of actively engaging as many of its citizens as possible in its planning, budgeting, implementation and monitoring processes.

In order to strengthen public participation, the municipality has been rolling out its outreach programme to all wards led by the office of the Executive Mayor, during the year. Accordingly, the tabling of the draft Budget in council on the 28 March 2019 will be followed by extensive publication of the budget documentation in the council's newspaper, local and community radio stations and ward based participation process. Copies of the tabled budget in both electronic and printed formats will be submitted to National Treasury as well as the Northern Cape Provincial Treasury and the Provincial Department of Co-operative Governance, Human Settlements and Traditional Affairs.

Date	Area	Venue	Date
04.04.2019	Business Forum	Council Chambers	10h00
	Community Leaders	Council Chambers	14H00
06.04.2019	Greater Galeshewe Area	Galeshewe Recreational Hall	17H00
09.04.2019	Roodepan, Homelite, Homevale, Homestead, Floors, Colville, Lerato Park	Marius Bessemans Hall	17H00
09.04.2019	Platfontein	Platfontein Combine School	17H00
09.04.2019	Ritchie	Motswedimosa Hall	17H00
10.04.2019	Galeshewe	R C Elliot Hall	17H00
10.04.2019	Galeshewe	Bantu Hall	17H00

The tabled budget will also be published on the council'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 & May 2019 in various wards in the municipal area, and with the IDP Representative Forum as established.

2.1.4 Schedule of key deadlines

The IDP Review and the Budget time schedule for the compilation of the 2019/2020 budget cycle was approved in August 2018, well before the start of the budget year and 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 2019/2020 MTREF	31 May 2019	Executive Mayor
In-year reporting	15 th of each month	Chief Financial Officer
Submission of Annual Financial Statements 2018/2019	31 August 2019	Municipal Manager/Chief Financial Officer
Quarterly Reports (MFMA Section 52 (d))	30 days after each quarter (30 Sept and 31 Jan)	Executive Mayor/ Chief Financial Officer
Quarterly Performance Reports	30 days after each quarter (30 Sept and 31 Jan)	IDP Manager/ Chief Financial Officer/ Executive Mayor
MFMA Sec 72	24 January 2019 Mid Term Report	Municipal Manager
MFMA Section 121	24 January 2019 Annual Report	Executive Mayor/CFO
Approval of the adjustment budget	28 February 2020	Executive Mayor/CFO
Tabling of the IDP Review, the Annual Budget, Budget related policies and	27 March 2020	Executive Mayor/MM/ CFO

proposed tariff increases		
Approval of Annual Report 2018/2019, and the MPAC Oversight Report	27 March 2020	Chairperson MPAC/ CFO
Public participation	April and May 2019	Executive Mayor/ MM/ CFO
Budget Benchmark Exercise	March 2019	MM/CFO and other Senior Managers
Approval of IDP Review, Annual Budget, Policies and Tariffs	30 May 2019	Executive Mayor, MM and CFO

2.2 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.

2.2.1 KEY NATIONAL AND PROVINCIAL GUIDING DOCUMENTS

To ensure that the municipality is a more responsive, efficient, effective and accountable local government, we will outline, precisely how we intend to translate the IDP Vision 2017 to 2022 into an effective plan that aligns the municipal budgets, monitoring and evaluating mechanisms as well as timeframes for delivery. The municipality has taken the strategic

direction to achieve closer alignment between the Long Term Development objectives and the IDP (in context of International, National, Provincial and Local development policies).

The development of the strategic approach for the municipality is guided by – but not limited to – the following;

Sustainable Development Goals: The intention of the SDG's is to be a universally shared common, globally accepted vision to progress to a just, safe and sustainable space for all inhabitants. It is based on the moral principle of the Millennium Development Goals that no one or one country should be left behind and that each country has a common responsibility in delivering on the global vision.

In the development of the SDG's each of the goals are conceived as both ambitions and challenges to countries and more so to the cities. It is further noted that each of the SDG targets and goals are applicable to both developed and developing countries alike. The universality of the targets and goals represent differing degrees of challenges and ambitions for different countries depending on their current developmental trajectory and circumstances. The goals are also flexible enough to allow for differentiated approach through all levels of government. One of the departure points in developing the SDG's was that countries would need to ensure that there is a balance between the economic, political, social and environmental effort required to ensure that these goals are achieved.

The municipality is currently working with national strategic partners such as the King Sabata Dalindyebo Municipality, the Dihlabeng Local Municipality on various matters that link with the SDG's. It is planned that international partners be identified and approached in this regard. This effort will allow for a holistic approach in developing KPI's with a wider range of development programs. The municipality would continue to address these issues in a holistic and integrated manner.

The new Urban Agenda was officially adopted in 2016 and provides a 20 year "roadmap" to guide sustainable urban development globally. The 2030 agenda is built around a series of Sustainable Development Goals (SDGs). Most relevant to the New Urban Agenda is SDG 11, which aims to "make cities and human settlement inclusive, safe, resilient and sustainable". Unlike their predecessors, the Millennium Development Goals, the SDGs apply to all UN member's states equally. Much of the New Urban Agenda focused on the application of new technologies and the harvesting of big data, particularly in established urban centres and cities. Under the umbrella of City's Network, using open data networks for better urban planning provides an optimistic, technology-based future for cities. Sol Plaatje is

now considering to subscribe to the City's Network and benchmark the approach with other city's that participated in this regard.

2.2.2 Development Plan (Vision 2030)

The intention of this plan is to improve service delivery for citizens of South Africa, whilst integrating national, provincial and local policies and programmes into a single, target orientated and long term based plan. In this plan a collective approach of improving the lives of the citizens is applied, and communities themselves have a role to play in this regard. The Spatial component of the NDP which is the Integrated Urban Development Framework provides a macro spatial context for urban development at a national level. These will also include the UNSP projects. Projects identified as catalytic restructuring projects that would change spatial form of the cities are being considered especially in the areas such as human settlements, light industries, tourism and heritage, and economic infrastructure supporting future growth and development.

2.2.3 Agreement Outcome 9

The aim of Delivery Agreement: Outcome 9 is to ensure a responsive, accountable, effective and efficient local government system so as to restore the confidence of citizens in the local government sphere. As such municipalities need to ensure that the basic needs of communities are met; build clean, effective, efficient, responsive and accountable local government; improve performance and professionalism and strengthen partnerships between local government, communities and civil society. Whilst primarily there is a reporting line to Outcome 9, the municipality also reports on Outcome 8 which concentrates on human settlements.

2.3.1 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 and sewer collector network;
- 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.

2.4 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.

2.4.1 IDP REVIEW PROCESS AND STAKEHOLDER PARTICIPATION

The IDP is reviewed yearly 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 IDP draft process plan for 2017/2018 was noted by council in August 2017. The 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. The development of the new five-year plan in 2017/18 would provide further opportunity for the citizens to actively participate in the development of the IDP.

2.4.2 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 2019/2020 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 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
KPA 1: Local Economic Development	8 860	9 396	9 923	60 529	64 203	67 884			
KPA2: Basic and Sustainable Service Delivery and Infrastructure Development	1 277 609	1 363 558	1 442 480	1 469 308	1 569 797	1 662 159	102 180	109 497	119 266
KPA 3: Municipal Financial Viability and Management	596 060	643 468	692 509	144 541	152 256	159 982			
KPA 4: Municipal Institutional Development and Transformation	10 176	11 897	11 611	97 681	104 538	109 229			
KPA 5: Good Governance and Public Participation	310 907	300 219	311 747	422 152	428 212	458 284	82 105	71 000	90 000
Total	2 203 612	2 328 538	2 468 270	2 194 210	2 319 006	2 457 537	184 285	180 497	209 266

2.2 Measurable Performance Objectives and Indicators

Table SA7 provides for the main measurable performance objectives the municipality plans to carry out and achieve in the 2019/2020 financial year.

Description	Unit of measurement	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
1. Local Economic Development							
1.1 To ensure effective spatial planning and development in order to establish a competitive economic position							
<i>To improve the SCM turnaround time to 12 weeks for annual contracts from closing date to date of award</i>	Average time in weeks to award tenders	12	12	12	12	12	12
<i>To improve the SCM turnaround time to 6 weeks for once off contracts from closing date to date of award</i>	Average time in weeks to award tenders	6	6	6	6	6	6
<i>Ensuring a response time of 10 weeks for building plan submissions received in the current financial year for buildings or architectural buildings greater than 500m² annually</i>	Average response time in weeks to approve building plans	10	10	10	10	10	10
<i>Ensuring a response time of 6 weeks for building plan submissions received in the current financial year for buildings or architectural buildings less than 500m² annually.</i>	Average response time in weeks to approve building plans	6	6	6	6	6	6
<i>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 2018 in terms of the SPLUM by-law (2015)</i>	Percentage of land use applications approved	100%	100%	100%	100%	100%	100%
<i>To process at least 100 buildings plans that were received before 1 July 2019 by the end of the current financial year (30 June 2020)</i>	Percentage of building plans approved	100	100	100	100	100	100
1.2 Marketing the municipality as premier destination for tourism and investment							

Description	Unit of measurement	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<i>Promote tourism into the city using arts, culture and heritage as a strategy by creating a marketing platform for SMME's through at least 4 events partnered by Sol Plaatje on an annual basis</i>	Number of marketing platforms created (events)	4	4	4	4	4	4
1.4 To capacitate SMME's and local entrepreneurs							
<i>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 2020</i>	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%
<i>To implement Standards for Infrastructure Procurement and Demand Management by ensuring compliance with predetermined timeframes by 30 June 2020</i>	Compliance with the predetermined time frames	100%	100%	100%	100%	100%	100%
<i>Support SMME's through business incubation by setting up developmental programmes for at least 10 businesses annually</i>	Number of business provided with a developmental programme	10	10	10	10	10	10
1.5 To develop sustainable living through job creation (EPWP and other initiatives)							
<i>Create 300 FTE jobs through EPWP initiatives of the SPM by 30 June 2020</i>	Number of jobs created	300	300	300	300	320	330
1.7 To position the market as a productive and profitable section of the municipality							
<i>To perform an assessment of the completed business plan in relation to the profitability potential of the fresh produce market of the municipality and implement a decision by 30 June 2020</i>	Assessment of Business Plan	1	1	1	1	1	1
2. Basic service delivery and Infrastructure development							
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 complete the construction of the Homevale Fire Station by 30 June 2020</i>	Percentage completion as per project progress reports	100%	100%	100%	100%	100%	0
<i>Respond to 85% of emergency call-outs within time limits as prescribed in table 1 and table 2 of SANS 10090 by 30 June 2020</i>	% call-outs that were responded to within the time limits	85%	85%	85%	85%	85%	85%

Description	Unit of measurement	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<i>To achieve at least 70% compliance with the National Disaster Management Tool by 30 June 2020</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							
<i>To upgrade at least 4.5 km of Galeshewe access roads to a paved surface by 30 June 2020 (Wards 6,7,9,10 and 15)</i>	Distance of km paved	12km	7 km	7 km	4.5 km	10 km	5 km
<i>To complete the implementation of the construction projects in terms of Priority 1 for the upgrading of storm water channels in Galeshewe by 30 June 2020</i>	Percentage completion as per project progress reports	80%	80%	80%	100%	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 2020</i>	Percentage of identified fleet items delivered at year end	100%	0	0	100%	100%	100%
2.4 To ensure the adequate provision, upgrading and maintenance of electricity services infrastructure							
<i>To complete 100% of the project to replace the 66KV oil circuit breakers at the the Herlear Substation with SF6 by 30 June 2020</i>	Percentage completion as per project progress reports	50%	50%	50%	100%	0	0
<i>To complete 100% replace the 11KV Circuit breakers at Herlear Substation by 30 June 2020</i>	Percentage completion as per project progress reports	50%	50%	50%	100%	0	0
2.5 To ensure the adequate provision, upgrading and maintenance of water and sanitation services infrastructure							
<i>To complete the bulk water connections for the Lerato park development by 30 June 2020</i>	Percentage completion as per project progress reports	100%	100%	100%	100%	0	0
<i>To complete the bulk sewer connections for the Lerato park development by 30 June 2020</i>	Percentage completion as per project progress reports	100%	100%	100%	100%	0	0
<i>To complete the water pipe replacement project at the following area: New by 30 June 2020</i>	Percentage completion as per project progress reports	100%	100%	100%	100%	0	0

Description	Unit of measurement	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<i>To spend at least 8% of the operational budget to repairs and maintenance annually</i>	Percentage of operating budget spend on R&M	8%	8%	8%	8%	8%	8%
<i>To complete 10% of the upgrading of the Carters Glen Sewer pump station by 30 June 2020</i>	Percentage completion as per project progress reports	30%	30%	30%	10%	50%	100%
<i>To complete 100% of the repair/refurbishment of the Homevale/Seleke outfall sewer line to Homevale WWTW by 30 June 2020</i>	Percentage completion as per project progress reports	New	New	New	100%	0	0
2.6 To ensure a basic standard of living for all through the provision of basic sanitation, water, electricity and refuse delivery services							
<i>To replace 2500 water meters by 30 June 2019.</i>	Number of water meters replaced	2500	3000	3000			
<i>To complete the electrification of 1691 houses Golf course, Donkerhoek, Waterloo and Lerato Park by 30 June 2020</i>	Number of houses connected to electricity network	New	New	New	1 691	1 791	1 891
<i>To replace at least 2500 prepaid electricity meters by 30 June 2020</i>	Number of electricity meters replaced	2500	2500	2500	2500	3000	3000
<i>Decrease electricity losses to 18% by 30 June 2020</i>	Percentage electricity loss	18%	18%	18%	18%	17%	16%
<i>Decrease water losses to 45% by 30 June 2020</i>	Percentage water loss	45%	45%	45%	45%	40%	35%
<i>16 000 Indigent households to receive free basic services (water, electricity, sanitation and waste removal according to national guidelines) by 30 June 2020</i>	Number of indigents per the indigent register	15 500	15 500	15 500	16 000	17 500	18 500
<i>To complete phase 1 of the reconstruction of aged sink toilets in Kutlwanong by 13 December 2019</i>	Percentage completion as per project progress reports	100%	100%	100%	100%	0	0
<i>To complete phase 2 of the reconstruction of aged sink toilets in Kutlwanong by 30 June 2020</i>	Percentage completion as per project progress reports	New	New	New	100%	0	0

Description	Unit of measurement	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
2.7 To ensure management of the quality of the drinking water and waste water through compliance with the applicable legislation							
<i>To ensure through effective monitoring that a 97% Blue Drop Status is achieved by 30 June 2020</i>	Percentage Blue Drop Status achieved	97%	97%	97%	97%	97%	97%
<i>To ensure through effective monitoring that a 90% Green Drop Status is achieved by 30 June 2020</i>	Percentage Green Drop Status achieved	90%	90%	90%	90%	90%	90%
2.11 To improve the public transport system and services							
<i>To complete 60% of the taxi lay-by project in Galeshewe by 30 June 2020</i>	Percentage completion as per project progress reports	100%	100%	100%	60%	100%	
3. Municipal Institutional Development and Transformation							
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 2020 : 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 2020</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 2020</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 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<i>Ensure that all identified Information Technology related needs as per the procurement plan have been addressed by 30 June 2020</i>	Percentage of items per the procurement plan delivered	100%	100%	100%	100%	100%	100%
<i>To conduct at least 4 IT Steering Committee meetings by 30 June 2020</i>	Number of meetings held and attendance registers	4	4	4	4	4	4
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 2019/20</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	4	4	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 2020</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							
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 89,4% after debt write off by 30 June 2020</i>	Collection rate	89.4%	89.4%	89.4%	89.4%	89.4%	89.4%
4.2 Promote sound financial management and financial sustainability of Sol Plaatje Municipality through prudent fiscal management							
<i>To spend at least 95% of the Capital Budget (including VAT) on capital projects identified ito the IDP by 30 June 2020</i>	Percentage capital spending	95%	95%	95%	95%	95%	95%

Description	Unit of measurement	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<i>To spend at least 95% of the Operational Budget annually (30 June)</i>	Percentage operational spending	95%	95%	95%	95%	95%	95%
<i>Maintain the debt coverage ratio of at least 2:1 against net assets of the municipality by 30 June 2020</i>	Debt coverage ratio	2.1	2.1	2.1	2.1	2.1	2.1
<i>Reduce net debtor days to 200 days by 30 June 2020</i>	Net debtor days	200	200	200	200	200	200
<i>Maintain the cost coverage ratio of at least 3 months (annually)</i>	Cost coverage ratio	3	3	3	3	3	3
<i>Ensure that the actual spending on employee related costs does not exceed 32% of the total expenditure, by 30 June 2020</i>	Employee cost as a percentage of total operating cost	32%	32%	32%	32%	32%	32%
<i>Ensure through regular communication and submission data streams monthly, that mSCOA compliance is maintained throughout the financial year</i>	Monthly submission of data streams to National Treasury	12	12	12	12	12	12
5. Good Governance and Public Participation							
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 2020</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 by 31 January 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							

Description	Unit of measurement	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<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 enquires and issue media statements within 24 hours after an occurrence</i>	Response times after and event has occurred	24h	24h	24h	24h	24h	24h

2.4.3 Key financial ratios

The benchmarks reflected in the table below are based on 2019/20 budget forecast:

Financial Benchmark	Basis of Calculation	2019/2020 Outcomes
Debt to asset ratio	Total debt/total asset	1: 3.1
Average interest paid on debt	Interest paid/operating expenditure	1.5%
Interest as a % operating expenditure	Interest paid/operating expenditure	1.5%
Credit rating	Calculated by a recognised agency	
Current ratio	Current assets/current liabilities	1: 3.1
Creditors system efficiency	% of creditors paid within the terms	100%
Electricity distribution losses	Total units purchased less total units sold/total units purchased	16%
Water distribution losses	Total units purchased less total units sold/total units purchased	45%

The financial benchmarks reflected in the table above indicate that the municipality continues to maintain its financially healthy status.

Debt to Asset Ratio: Total debt to total assets is a leverage ratio that defines the total amount of debt relative to assets.

Debt to Revenue: The ratio indicates the extent of total borrowings in relation to total operating revenue. The purpose of the ratio is to provide assurance that sufficient revenue will be generated to repay liabilities.

Capital Charges to Operating Expenditure: Capital charges to operating expenditure (the measure of the cost of borrowing in relation to the operating expenditure) compares favourably to the acceptable norm of around 10%.

Current Ratio: The ratio measures the short term liquidity, that is, the extent to which the current liabilities can be paid from current assets. The higher the ratio, the healthier is the situation.

TABLE SA8 sets out the municipalities main performance objectives and benchmarks for the 2019/2020 MTREF.

2.4.4 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.

In reviewing the levels of free basic services for the 2019/2020 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 64 252 million for the 2019/2020 budget year due to an increase in indigent verification. Details of the initiatives proposed to be carried out by the council in this regard are detailed below. The assistance to the qualifying households are 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 R189 151 million provided by National Government.

Service	Social Package	Costs	No. of households
Property rates	There is no relief on rates and taxes. On a merit basis, child headed households, disabilities grantees and medically boarded shall be exempted from paying rates notwithstanding the value of the property child-headed households, disability grantees and the medically boarded are exempt from paying rates.	No costs are estimated at this point, this is a new provision and revenue forgone will be accounted for as it becomes evident.	None estimated
Water	The first 6kl of water is free to all registered and approved indigent households	R6.30 x 6 x 15 000 x 12 months	R6 804 000.00
Electricity	50 units of electricity is free to all registered and approved indigent households	R1.96 x 50 x 15 000 x 12 months	R17 640 000.00
Refuse Removal	The service shall be fully subsidised	R117.96 x 15 000 x 12 months	R21 232 800.00
Sewerage/ Sanitation	The service shall be fully subsidised	R165.24 x 15 000 x 12 months	R29 743 200.00

TOTAL		15 000	R75 420 000.00
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2.4.5 DRINKING WATER QUALITY AND WASTE WATER MANAGEMENT

The Sol Plaatje Water Services performs the role of the water service authority whilst Department of Water and Sanitation is the water service provider for the municipal area. The Water and Sanitation Division is committed to providing safe drinking water of the highest quality as well as treating waste water responsibly so that it does not negatively impact on human health or our environment.

2.4.5 1 Blue Drop certification

The Blue drop programme provides a holistic approach to drinking water quality management and a systematic, transparent approach to the consistent provision of safe water with a clear focus on public health. The municipality has worked well to maintain the illustrious Blue Drop status.

The municipality continues to manage drinking water within its area of jurisdiction with distinction.

2.4.5.2 Green Drop ratings

The Green Drop Regulation Programme aims to certify the wastewater systems of all municipalities and water service providers in South Africa. The green drop rewards excellence in the management of wastewater during its journey from source, conveyance in sewer networks, its treatment at wastewater works and its final discharge to the receiving environment. Waste water treatment works operated by the municipality is authorised to discharge treatment effluent to the Flamingo Dam.

The Green Drop regulation programme was established by the Department of Water Affairs to certify the waste water systems of all municipalities and water service providers. Budgetary provision for the upgrades and maintenance of water reticulation and sewerage treatment works is made in the MTREF to ensure that systems are capacitated to deliver at acceptable standards.

2.5 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.

2.5.1 Municipal Property Rates Policy

As required in terms of section 5 of the MPRA, the Rates Policy has been reviewed for the 2018/19 financial year. The most recent policy was adopted by Council together with the budget in May 2017.

The revised policy will be adopted with the 2018/19 budget. The applicable assessment rate cent and rands are reflected in the Resolutions to Council on the budget.

2.5.2 Customer care, credit control and debt collection policy

The primary objective of this policy is to ensure that all monies due and payable to the municipality in respect of services are collected efficiently and promptly. As required in terms of section 97 of the Municipal Systems Act, the credit control and debt collection policy for the 2018/2019 financial year is currently under review, to include detailed procedures for collections.

2.5.3 Tariff Policy

The Municipal Systems Act requires a Municipality to have a Tariff Policy on the levying of fees for Municipal services provided by the municipality itself or by way of service delivery agreement, and which complies with the provisions of that Act, the Municipal Finance Management Act and other applicable legislation. The tariff policy is currently under review and is anticipated to be adopted with the current budget.

2.5.4 Supply Chain Management Policies

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 initial SCM Policy was adopted by council in 2005 for implementation.

In alignment with regulations and National Treasury Circulars, the policy has been revised and was adopted by council in May 2017. This revised policy includes stringent monitoring measures. A separate contracts management was also approved and this was done to ensure that management and review of contracts register is undertaken in a more professional and consistent manner throughout the organisation.

The municipality adopted the principle of compiling procurement plans are in place before any work is given out. In addition, service providers will be monitored and contract managers will have to produce close out reports after each contract has been undertaken. The review further includes the requirement for the prospective suppliers to register on the National Treasury Central Supplier Data Base (CSD) in order to be able to trade with all spheres of government and public entities.

2.5.5 Investment / Cash Management and Borrowing Policies

As required by the Municipal Finance Management Act, and in conformity with the Municipal Cash Management Regulations, the Investment Framework policy and Guidelines has been reviewed and no amendments were made to the revised policy adopted by Council in May of 2017.

The main objectives of the Investment Framework policy are to:

- Maximise returns from authorised investments consistent with minimising risk
- Maintain adequate liquidity to meet cash flow needs
- Undertake the investment of funds not immediately required for operational purposes
 - Ensure diversification of permitted investments
- Ensure compliance with all legislation governing the investment of funds including establishment of a framework and guidelines for investment of municipal funds
- Evaluate and ensure no over exposure of investments to any individual financial institutions.

The main objectives of the Borrowing Policy and are to:

- Ensure compliance with statutory requirements and National Treasury borrowing regulations Ensure that the funds are obtained at the lowest possible interest rate at minimum risk, within the parameters of authorised borrowings
- Ensure compliance with all legislation governing the borrowing of municipal funds including establishment of a framework and guidelines for borrowing of funds
- Maintain debt within specified limits and ensure adequate provision for the repayment of debt and debt repayment to be sustainable
- To outline the appropriate actions of a prudent person standard in the context of managing overall debt

2.5.6 Budget and virements policy

In order to give departmental heads greater flexibility in managing their budgets, Virements budget procedures are in place for the revision of budgets within votes via a Virements budget. These procedures provide guidance to managers of when they may shift funds within votes.

To ensure compliance with Section 28 of the MFMA, and the Municipal Budget and Reporting Regulations, procedures were formulated with regards to the transfer of funds and the adjustment budget reporting.

2.5.7 Policy for the Procurement of Infrastructure and Delivery Management

As a result of the introduction of the standards for infrastructure procurement and delivery management, a policy in line with the standard has been developed using the template policy developed by National Treasury. The effective date of the policy is 1 July 2018.

2.6 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.

Interest rates, information, grants gazetted and the collection rate form the basis of the budget assumptions.

2.6.1 Key financial assumptions

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 (expenditure growth) and other external bodies such as the National Electricity Regulator of South Africa (NERSA), Department of Water and Sanitation and other major service providers.

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 the National Electricity Regulator (NER) 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:

Macroeconomic performance and projections 2019 to 2020:

Fiscal year	Estimate for 2019/2020	Forecast 2020/2021
Consumer CPI	5.27%	5.38%
Real GDP growth	1.8%	2.1%

2.6.2 Credit rating outlook

A credit rating is an independent opinion on the ability of an entity to pay its financial obligations, in full and on time. The Moody's Credit Rating Company reviewed the credit ratings for the Municipality, following a detailed analysis of the municipality's 2013/14 financial statements and medium-term expenditure budgets and have accorded the following:

- Long term: The rating has been a downgraded from Aaa3 to a Baa3 as a result of the state downgrade at the time. The municipality has not been evaluated for credit rating of recent.

The rating is defined as having a very high certainty of timely payment. Risk factors are minor. These are both rated as High Grade and the short term category constitutes the highest certainty of timely payment, short term liquidity, access to alternative funding is high and risk factors are extremely low.

It also indicates that the credit outlook is stable. The rating panel were of the opinion that the municipality continues to reflect a strong stand-alone financial profile with robust solvency and a lowly geared balance sheet which results in a very strong credit risk profile. A rating of this nature is crucial for borrowings undertaken and extremely important for the capital expenditure programme. The credit rating upgrade is a good indicator for the municipality in terms of healthy performance in the current economic climate where the country is facing credit rating challenges.

2.6.3 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. Though the municipality does not have an Infrastructure Investing and Financing Strategy, 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.

2.6.4 Capital expenditure

The capital expenditure of the parent municipality has been funded from a mix of government transfers, internally generated funds and external loans. The 2019/2020 Capital Budget of approximately R184 285 million is being financed by R R157 285 million from government grants, and R27 000 000 of internally generated funds.

2.6.5 Investments

Investments made with the various financial institutions are strictly in compliance with Municipal Finance Management Act and the Investment Regulations. The investment returns achieved and projections are as follows: that for 2018/19 financial year, the average interest rate for all investments was 6, 2% and the projected interest rate for 2019/2020 is 7%

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 R210million at the end of the current financial year. Tables SA15 and SA16 provide details of investments and investments particular by maturity.

2.6.6 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 September each year.

2.6.7 Average salary increases

The budgeted salary increase is 7% for the fiscal year. This takes into account the multi-year Salary and Wage collective agreement for the period 1 July 2017 to 30 June 2020. Provision has been made for actual positions and vacancies together with notch increases

2.7 Overview of Budget Funding

The Municipality continues to display a sound financial profile and high liquidity levels, which is mainly attributable to:

- 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, as well as public contributions and donations, borrowings and internally generated funds.

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.

Description	Adjustment Budget 2018/19		2019/20		2020/21		2021/22	
	R'000	% Weighting	R'000	% Weighting	R'000	% Weighting	R'000	% Weighting
Own Generated Funds	1 788 765	80.77%	1 973 103	82.63%	2 104 512	83.88%	2 227 583	83.20%
Transfer recognised - Operational	194 729	8.79%	230 509	9.65%	224 026	8.93%	240 687	8.99%
Total Operational Revenue	1 983 495	89.56%	2 203 612	92.28%	2 328 538	92.81%	2 468 270	92.18%
Transfer recognised - Capital	193 560	8.74%	157 285	6.59%	153 497	6.12%	168 266	6.28%
Borrowing	–	0.00%	–	0.00%	–	0.00%	–	0.00%
Internally generated funds	37 552	1.70%	27 000	1.13%	27 000	1.08%	41 000	1.53%
Total Capital Budget	231 113	10.44%	184 285	7.72%	180 497	7.19%	209 266	7.82%
Total Revenue and Financing	2 214 608	100.00%	2 387 897	100.00%	2 509 035	100.00%	2 677 536	100.00%
Total Grants & Subsidies	388 290	17.53%	387 794	16.24%	377 523	15.05%	408 953	15.27%

2.7.1 Collection rate for each revenue source

Description	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
CPI	5.3%	5.5%	5.5%
COLLECTION RATES (Average)			
Property rates	90.0%	90.0%	90.0%
Electricity	90.0%	90.0%	90.0%
Water	90.0%	90.0%	90.0%
Sanitation	90.0%	90.0%	90.0%
Refuse removal	90.0%	90.0%	90.0%
REVENUE GROWTH			
Property rates	6.9%	8.2%	7.8%
Electricity	4.9%	7.5%	5.2%
Water	6.7%	5.9%	7.2%
Sanitation	8.9%	6.1%	6.7%
Refuse removal	13.2%	6.3%	5.9%
EXPENDITURE PARAMETERS			
Salary increases (Collective agreement)	7.0%	5.9%	5.4%
Notch increases provision	1.0%	1.0%	1.0%
Task implementation	2.0%	2.0%	2.0%
Bulk purchases	11.8%	8.4%	6.0%
General expenses	3.1%	7.0%	3.7%
Repairs and maintenance	12.1%	-6.5%	9.2%
Interest paid	-4.4%	-4.5%	-5.1%
Interest on investments	-25.0%	40.0%	4.8%

2.7.2 Expenditure on allocations and grant programmes

Capital Expenditure on allocations and Grant Programmes 2019/20		
Name of Grant	Amount Gazetted	Project/s Funded by Grant
IUDG	12 668 255	Homevale Fire Station
IUDG	376 860	Lerato park construction of bulk water mains
IUDG	24 805 514	Lerato Park Sewer upgrading of downstream infrastructure
IUDG	13 436 371	Upgrade gravel roads wards 6,7,9,10,15
Sub Total	51 287 000	
Name of Grant	Amount Gazetted	Project/s Funded by Grant
NDPG	40 000 000	Upgrade of Storm water channels in Galeshewe
Sub Total	40 000 000	
Name of Grant	Amount Gazetted	Project/s Funded by Grant
WSIG	15 000 000	Sewer line Seleke / Homevale sewer line
WSIG	10 000 000	Reconstruction old sink toilets Kutlwanong
WSIG	5 000 000	Carter glen pump station sewer
Sub Total	30 000 000	
Name of Grant	Amount Gazetted	Project/s Funded by Grant
INEP	2 373 600	Electrification of Witdam -138 houses
INEP	18 920 000	Electrification of Golf course
INEP	1 909 200	Electrification of Donkerhoek
INEP	4 128 000	Electrification of Waterloo
INEP	1 823 200	Electrification of Ramorwa -106 houses
INEP	1 844 000	Lerato Park link services Network strengthening
INEP	5 000 000	Herlear 11kV Switchgear
Sub Total	35 998 000	
Total	157 285 000	

2.7.3 Allocations and grants made by the municipality

The municipality has adopted a Grant in Aid Policy which is appropriated and paid in terms of MFMA Section 67, funds transferred to organisations and bodies outside government. As such, the allocation of grant cannot be to an individual, but rather to an organisation or body.

As per the Tourism Strategy, events are part of destination marketing and these bring peoples in masses to attend the events/music festivals and concert. Evets include cultural activities thaatare aimed at social cohesions, bring different people together.

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. Though the contract was signed in the 1970's, the terms and conditions apply in this regard.

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

Description	2018/19 Medium Term Revenue & Expenditure Framework		
	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand			
<u>Cash Transfers to Organisations</u>			
Non-Prof.Oth Inst/Grants&Don Diam & Dor	2 500	2 500	2 500
Non-Prof.Oth Inst/Grants&Don Oth Pub Gra	2 500	2 500	2 500
Non-Prof.Oth Institut/Gariep	-	-	-
Non-Prof.Oth Institut/Sport Council	-	-	-
Non-Prof.Other Institutions/Spca	2 000	2 000	2 000
<u>Cash Transfers to Groups of Individuals</u>			
Hh Oth Trans: Housing - Individual Supp	500	530	559
Hh Ssp Soc Ass: Grant In Aid	170	180	190
Total Cash Transfers To Organisations	7 670	7 710	7 749
TOTAL CASH TRANSFERS AND GRANTS	7 670	7 710	7 749

The Kimberley Diamond and Dorings is an annual jazz festival which takes place over the Easter Weekend with the main event being on Easter Sunday. The Municipality is the title owner and appoints an Event Management Company for the purposes of developing a concept, artist line up, all logistics, fundraising and hosting of the event. The event is growing. A three year contract is awarded every time to a service provider. The R3 million is basically seed funding to the organising company and is meant to cover the artists budget and cost of the stage. The Gariep Festival closed in 2018 and hopefully will be replaced by a similar festival in the near future.

Keep Kimberley Clean is a non-profit organisations focusing on education campaigns on cleaning and consequences of littering. A range of school programmes are planned with the hope that a child absorbs the teachings and adopt a lifestyle of no littering and as such may influence the family about cleaning up and stop littering.

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 reject of the application.

2.7.4 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, Training and Development, Labour Relations, Security and Communications
- Strategy, Economic Development and Planning with core function 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 management, expenditure management, assets management, revenue management and ICT.
- Community Services and Social Development which includes Traffic Law enforcement, emergency services, municipal health services, parks and recreation facilities management
- Infrastructure and Services which includes roads and storm water, water and sanitation, electricity, mechanical engineering and housing development.

On the other hand, councillors are remunerated based on the upper limits gazette for the remuneration of public office bearers. The 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 committees do not serve in any other committee for independence purposes. All these chairpersons are part time, other than the Speaker who is full time.

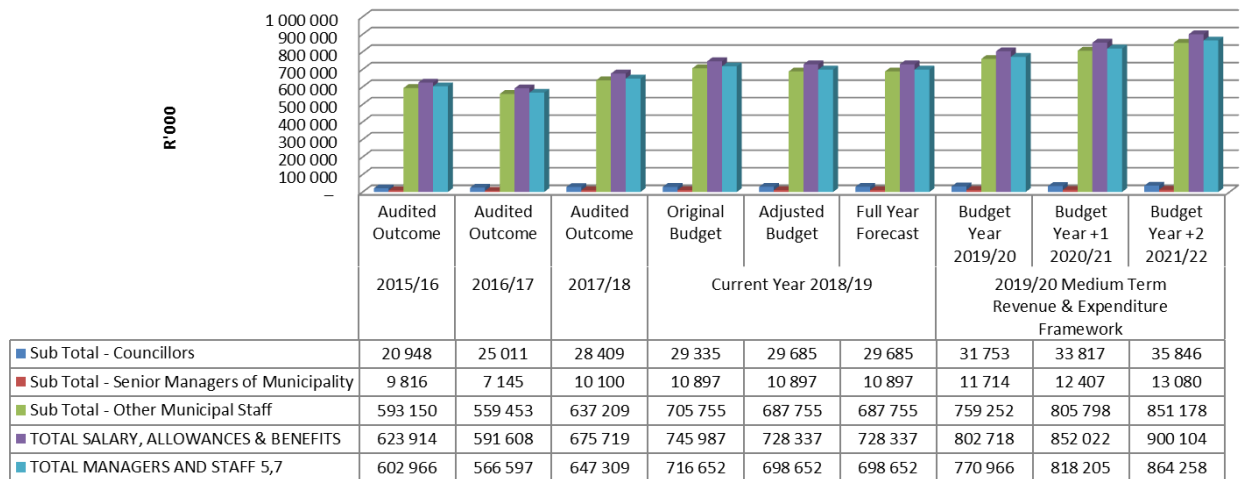
The Council has appointed a Council Chief Whip on a part time basis and is remunerated as such.

The table below gives an account of employee costs for the MTREF including councillor remuneration.

NC091 Sol Plaatje - Supporting Table SA22 Summary councillor and staff benefits							
Summary of Employee and Councillor remuneration	Ref	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
	1	D	E	F	G	H	I
<u>Councillors (Political Office Bearers plus Other)</u>							
Basic Salaries and Wages		–	–	–	–	–	–
Pension and UIF Contributions		–	–	–	–	–	–
Medical Aid Contributions		–	100	100	–	–	–
Motor Vehicle Allowance		–	–	–	–	–	–
Cellphone Allowance		1 960	1 960	1 960	3 088	3 289	3 486
Housing Allowances		–	–	–	–	–	–
Other benefits and allowances		27 375	27 625	27 625	28 665	30 528	32 360
Sub Total - Councillors		29 335	29 685	29 685	31 753	33 817	35 846
% increase	4	3.3%	1.2%	–	7.0%	6.5%	6.0%
<u>Senior Managers of the Municipality</u>	2						
Basic Salaries and Wages		7 469	7 469	7 469	8 307	8 800	9 278
Pension and UIF Contributions		1 206	1 206	1 206	932	987	1 040
Medical Aid Contributions		152	152	152	203	215	227
Overtime		–	–	–	–	–	–
Performance Bonus							
Motor Vehicle Allowance	3	1 720	1 720	1 720	1 876	1 987	2 094
Cellphone Allowance	3	202	202	202	202	214	225
Housing Allowances	3	36	36	36	49	52	55
Other benefits and allowances	3	67	67	67	105	112	117
Payments in lieu of leave		–	–	–	–	–	–
Long service awards		43	43	43	40	42	45
Post-retirement benefit obligations	6						
Sub Total - Senior Managers of Municipality		10 897	10 897	10 897	11 714	12 407	13 080
% increase	4	7.9%	–	–	7.5%	5.9%	5.4%
<u>Other Municipal Staff</u>							
Basic Salaries and Wages		380 416	371 930	371 930	413 084	438 010	462 246
Pension and UIF Contributions		65 353	65 353	65 353	71 691	76 008	80 292
Medical Aid Contributions		49 847	49 847	49 847	53 378	56 728	60 015
Overtime		28 630	28 730	28 730	31 567	33 468	35 343
Performance Bonus		29 437	29 437	29 437	32 316	34 263	36 194
Motor Vehicle Allowance	3	46 042	46 037	46 037	48 333	51 148	53 922
Cellphone Allowance	3	1 394	1 394	1 394	1 494	1 584	1 673
Housing Allowances	3	2 822	2 822	2 822	2 971	3 146	3 320
Other benefits and allowances	3	32 802	33 196	33 196	34 740	36 799	38 838
Payments in lieu of leave		14 000	7 000	7 000	15 000	16 125	17 173
Long service awards		15 904	15 901	15 901	17 317	18 358	19 391
Post-retirement benefit obligations	6	39 109	36 109	36 109	37 359	40 161	42 772
Sub Total - Other Municipal Staff		705 755	687 755	687 755	759 252	805 798	851 178
% increase	4	10.8%	(2.6%)	–	10.4%	6.1%	5.6%
Total Parent Municipality		745 987	728 337	728 337	802 718	852 022	900 104
		10.4%	(2.4%)	–	10.2%	6.1%	5.6%
TOTAL SALARY, ALLOWANCES & BENEFITS		745 987	728 337	728 337	802 718	852 022	900 104
% increase	4	10.4%	(2.4%)	–	10.2%	6.1%	5.6%
TOTAL MANAGERS AND STAFF	5,7	716 652	698 652	698 652	770 966	818 205	864 258

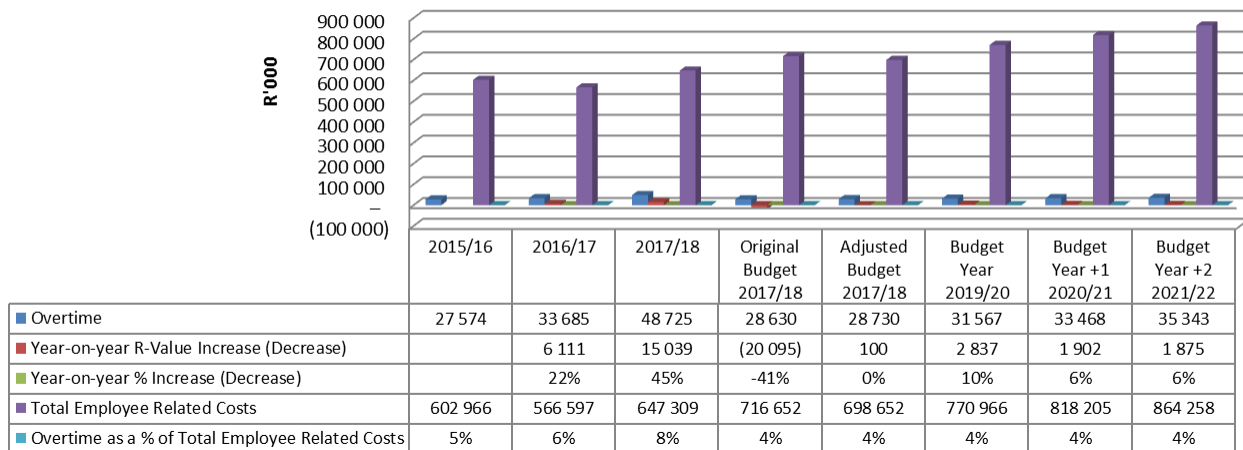
Description	Current Year 2018/19		Budget Year 2019/20	2019/20 Medium Term Revenue & Expenditure Framework					
	Original Budget	Adjusted Budget		% Increase Original Budget	% Increase Adjusted Budget	Budget Year +1 2020/21	% Increase 2017/18	Budget Year +2 2021/22	% Increase 2018/19
R thousand									
Sub Total - Councillors	29 335	29 685	31 753	8.2%	7.0%	33 817	6.5%	35 846	6.0%
Sub Total - Senior Managers of Municipality	10 897	10 897	11 714	7.5%	7.5%	12 407	5.9%	13 080	5.4%
Sub Total - Other Municipal Staff	705 755	687 755	759 252	7.6%	10.4%	805 798	6.1%	851 178	5.6%
TOTAL SALARY, ALLOWANCES & BENEFITS	745 987	728 337	802 718	7.6%	10.2%	852 022	6.1%	900 104	5.6%
TOTAL MANAGERS AND STAFF	716 652	698 652	770 966	7.6%	10.4%	818 205	6.1%	864 258	5.6%

Year-on-year Increase on Councillors, Senior Management and Municipal Staff



Description	2015/16	2016/17	2017/18	Original Budget 2017/18	Adjusted Budget 2017/18	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Overtime	27 574	33 685	48 725	28 630	28 730	31 567	33 468	35 343
Year-on-year R-Value Increase (Decrease)		6 111	15 039	(20 095)	100	2 837	1 902	1 875
Year-on-year % Increase (Decrease)		22%	45%	-41%	0%	10%	6%	6%
Total Employee Related Costs	602 966	566 597	647 309	716 652	698 652	770 966	818 205	864 258
Overtime as a % of Total Employee Related Costs	5%	6%	8%	4%	4%	4%	4%	4%

Overtime year-on-year comparison



2.13 Annual Budgets by Municipal Standard Classification

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

Functional Classification Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1									
Revenue - Functional										
<i>Governance and administration</i>		895 009	869 454	1 012 732	1 119 176	1 040 797	1 040 797	1 074 878	1 109 558	1 184 636
Executive and council		362 563	361 481	492 849	554 304	472 784	472 784	468 192	453 716	480 013
Finance and administration		532 447	507 973	519 882	564 872	568 013	568 013	606 686	655 842	704 623
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		23 269	24 656	23 615	26 995	26 995	26 995	25 995	27 380	28 431
Community and social services		9 702	11 418	9 900	12 644	12 644	12 644	11 008	11 686	11 873
Sport and recreation		3 869	3 276	3 615	3 710	3 710	3 710	3 730	3 975	4 194
Public safety		140	195	253	170	170	170	285	302	319
Housing		9 529	9 692	9 790	10 401	10 401	10 401	10 901	11 343	11 967
Health		30	75	58	70	70	70	70	74	78
<i>Economic and environmental services</i>		12 721	22 381	25 773	19 426	17 158	17 158	18 223	19 323	20 398
Planning and development		2 722	2 575	4 627	6 511	4 243	4 243	3 923	4 163	4 402
Road transport		9 998	19 807	21 145	12 915	12 915	12 915	14 300	15 160	15 996
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		943 139	951 040	1 079 647	1 165 163	1 083 963	1 083 963	1 232 289	1 315 742	1 392 487
Energy sources		595 477	594 267	663 235	740 342	630 342	630 342	777 527	833 520	877 073
Water management		223 498	236 344	283 299	288 458	299 458	299 458	306 392	324 368	347 336
Waste water management		70 994	68 610	75 664	75 813	80 813	80 813	81 517	86 546	92 278
Waste management		53 171	51 820	57 449	60 550	73 350	73 350	66 853	71 308	75 800
<i>Other</i>	4	13 102	13 668	14 909	8 142	8 142	8 142	9 512	10 032	10 584
Total Revenue - Functional	2	1 887 242	1 881 199	2 156 676	2 338 902	2 177 055	2 177 055	2 360 897	2 482 035	2 636 536
Expenditure - Functional										
<i>Governance and administration</i>		527 321	451 302	584 756	640 707	622 887	622 887	702 387	725 406	770 459
Executive and council		349 125	267 503	376 815	392 368	376 349	376 349	433 631	440 381	471 121
Finance and administration		173 922	179 541	202 747	242 523	240 751	240 751	262 274	278 154	292 089
Internal audit		4 273	4 258	5 194	5 816	5 787	5 787	6 482	6 871	7 249
<i>Community and public safety</i>		142 711	137 831	162 975	176 670	174 905	174 905	186 430	197 153	207 397
Community and social services		32 641	32 804	35 277	39 035	38 368	38 368	41 179	43 667	45 613
Sport and recreation		45 856	41 639	50 286	56 474	55 496	55 496	59 874	63 251	66 775
Public safety		28 838	31 476	34 149	37 331	36 788	36 788	39 698	41 869	43 987
Housing		18 725	17 672	25 826	26 073	25 905	25 905	27 082	28 705	30 315
Health		16 651	14 240	17 437	17 756	18 348	18 348	18 596	19 661	20 706
<i>Economic and environmental services</i>		100 787	108 615	114 123	125 210	123 736	123 736	132 039	140 366	148 603
Planning and development		40 983	39 912	41 528	45 616	45 144	45 144	47 161	50 053	52 956
Road transport		58 522	67 373	72 020	78 965	77 974	77 974	84 208	89 603	94 898
Environmental protection		1 282	1 329	576	629	618	618	670	710	749
<i>Trading services</i>		831 363	907 337	1 052 168	1 080 462	1 056 405	1 056 405	1 147 658	1 228 995	1 302 503
Energy sources		558 088	616 512	687 986	691 756	670 631	670 631	731 755	786 587	828 805
Water management		172 431	176 301	233 103	250 303	247 649	247 649	266 483	283 640	305 586
Waste water management		53 770	60 888	76 973	77 953	77 848	77 848	82 667	87 611	92 612
Waste management		47 075	53 636	54 105	60 450	60 277	60 277	66 753	71 158	75 500
<i>Other</i>	4	16 490	17 248	22 295	23 807	23 008	23 008	25 697	27 085	28 575
Total Expenditure - Functional	3	1 618 672	1 622 333	1 936 318	2 046 856	2 000 941	2 000 941	2 194 210	2 319 006	2 457 537
Surplus/(Deficit) for the year		268 569	258 866	220 357	292 046	176 114	176 114	166 687	163 029	178 999

2.7.5 Monthly revenue, expenditure and cash flows projections 2019/20

NC091 Sol Plaatje - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Cash Receipts By Source													1		
Property rates	120 000	38 458	38 458	38 458	38 458	38 458	38 458	38 458	38 458	38 458	38 458	38 457	543 035	588 434	602 265
Service charges - electricity revenue	60 446	60 446	60 446	60 446	60 446	60 446	60 446	60 446	60 446	60 446	60 446	60 446	725 351	779 760	794 561
Service charges - water revenue	21 930	21 930	21 930	21 930	21 930	21 930	21 930	21 930	21 930	21 930	21 930	21 930	263 159	272 697	276 203
Service charges - sanitation revenue	5 330	5 330	5 330	5 330	5 330	5 330	5 330	5 330	5 330	5 330	5 330	5 330	63 956	66 390	68 496
Service charges - refuse revenue	4 132	4 132	4 132	4 132	4 132	4 132	4 132	4 132	4 132	4 132	4 132	4 132	49 586	51 585	54 621
Rental of facilities and equipment	984	984	984	984	984	984	984	984	984	984	984	984	11 810	12 307	12 983
Interest earned - external investments	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	15 000	21 000	22 000
Interest earned - outstanding debtors	3 104	3 104	3 104	3 104	3 104	3 104	3 104	3 104	3 104	3 104	3 104	3 104	37 244	65 131	25 296
Dividends received													-	-	-
Fines, penalties and forfeits	2 234	2 234	2 234	2 234	2 234	2 234	2 234	2 234	2 234	2 234	2 234	2 234	26 805	28 413	29 976
Licences and permits	397	397	397	397	397	397	397	397	397	397	397	397	4 764	5 002	5 277
Agency services													-	-	-
Transfer receipts - operational	76 836	-	-	-	76 836	-	-	-	76 836	-	-	-	230 509	224 026	240 687
Other revenue	2 095	2 095	2 095	2 095	2 095	2 095	2 095	2 095	2 095	2 095	2 095	2 095	25 146	26 654	28 110
Cash Receipts by Source	298 738	140 359	140 359	140 359	217 196	140 359	140 359	140 359	217 196	140 359	140 359	140 359	1 996 363	2 141 400	2 160 476
Other Cash Flows by Source															
Transfer receipts - capital	52 428				52 428				52 428			-	157 285	153 497	168 266
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)															
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	267	267	267	267	267	267	267	267	267	267	267	267	3 202	3 490	3 381
Decrease (increase) in non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	351 433	140 626	140 626	140 626	269 891	140 626	140 626	140 626	269 891	140 626	140 626	140 626	2 156 850	2 298 387	2 332 123
Cash Payments by Type															
Employee related costs	55 833	55 833	55 833	55 833	55 833	85 833	55 833	55 833	55 833	55 833	55 833	126 799	770 966	818 205	864 258
Remuneration of councillors	2 646	2 646	2 646	2 646	2 646	2 646	2 646	2 646	2 646	2 646	2 646	2 646	31 753	33 817	35 846
Finance charges						12 330							24 661	23 543	22 343
Bulk purchases - Electricity	69 333	34 667	34 667	34 667	34 667	34 667	34 667	34 667	34 667	34 667	69 333	69 333	520 000	538 537	591 350
Bulk purchases - Water & Sewer	10 833	10 833	10 833	10 833	10 833	10 833	10 833	10 833	10 833	10 833			97 500	96 525	117 975
Other materials	15 935	15 935	15 935	15 935	15 935	15 935	15 935	15 935	15 935	15 935	15 935	15 935	191 225	160 981	195 314
Contracted services	4 300	4 300	4 300	4 300	4 300	4 300	4 300	4 300	4 300	4 300	4 300	4 300	51 605	54 694	57 697
Transfers and grants - other municipalities													-	-	-
Transfers and grants - other	3 000							2 000				2 670	7 670	7 710	7 749
Other expenditure	16 769	15 092	15 092	15 092	15 092	15 092	15 092	15 092	15 092	15 092	15 092	13 416	181 108	193 748	223 274
Cash Payments by Type	178 651	139 308	139 308	139 308	139 308	181 638	139 308	141 308	139 308	128 474	163 141	247 430	1 876 487	1 927 760	2 115 806
Other Cash Flows/Payments by Type															
Capital assets	6 417	6 417	6 417	6 417	6 417	6 417	6 417	6 417	6 417	6 417	6 417	113 702	184 285	180 497	209 266
Repayment of borrowing						4 626						4 626	9 251	9 402	9 532
Other Cash Flows/Payments													-	-	-
Total Cash Payments by Type	185 068	145 724	145 724	145 724	145 724	192 680	145 724	147 724	145 724	134 891	169 558	365 757	2 070 023	2 117 659	2 334 604
NET INCREASE/(DECREASE) IN CASH HELD	166 366	(5 098)	(5 098)	(5 098)	124 167	(52 054)	(5 098)	(7 098)	124 167	5 735	(28 931)	(225 131)	86 827	180 727	(2 481)
Cash/cash equivalents at the month/year begin:	115 263	281 629	276 531	271 433	266 335	390 501	338 447	333 349	326 251	450 418	456 153	427 222	115 263	202 090	382 818
Cash/cash equivalents at the month/year end:	281 629	276 531	271 433	266 335	390 501	338 447	333 349	326 251	450 418	456 153	427 222	202 090	202 090	382 818	380 337

2.7.6 Capital expenditure by project

Below is a list of capital expenditure by project for 2019/2020 to 2021/2022. The total capital plan for the MTREF is R734 395 000.00, including the R184 285 000.00 of the current year, the four year capital plan is in excess of R1 billion.

NC091 Sol Plaatje - Supporting Table SA36 Detailed capital budget				
Municipal Vote/Capital project	Program/Project description	2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Parent municipality:				
List all capital projects grouped by Municipal Vote				
Finance And Administration	Capital: Infrastructure: Existing: Renewal: Roads Infrastructure: Roads	-	-	-
Finance And Administration	Capital: Infrastructure: Existing: Renewal: Storm Water Infrastructure: Storm Water	-	-	-
Finance And Administration	Capital: Infrastructure: Existing: Upgrading: Roads Infrastructure: Roads	53 436	55 000	55 000
Finance And Administration	Capital: Infrastructure: New : Storm Water Infrastructure: Storm Water Conveyance	-	-	-
Finance And Administration	Capital: Non-Infrastructure: Existing: Renewal: Community Assets: Community Assets	-	-	-
Finance And Administration	Capital: Non-Infrastructure: Existing: Renewal: Community Assets: Sport And Recreation	-	-	-
Finance And Administration	Capital: Non-Infrastructure: Existing: Upgrading: Community Assets: Community Assets	-	-	-
Finance And Administration	Capital: Non-Infrastructure: Existing: Upgrading: Community Assets: Community Assets	-	-	-
Finance And Administration	Capital: Non-Infrastructure: New : Computer Equipment	5 000	5 000	20 000
Finance And Administration	Capital: Non-Infrastructure: New : Furniture And Office Equipment	3 000	3 000	3 000
Finance And Administration	Capital: Non-Infrastructure: New : Heritage Assets: Monuments	-	-	-
Finance And Administration	Capital: Non-Infrastructure: New : Intangible Assets: Computer Software And	-	-	-
Finance And Administration	Capital: Non-Infrastructure: New : Intangible Assets: Unspecified	-	-	-
Finance And Administration	Capital: Non-Infrastructure: New : Investment Properties: Revenue Generating	2 000	2 000	2 000
Finance And Administration	Capital: Non-Infrastructure: New : Machinery And Equipment	-	-	-
Finance And Administration	Capital: Non-Infrastructure: New : Transport Assets	6 000	6 000	10 000
Finance And Administration	Capital: Non-Infrastructure: Existing: Upgrading: Other Assets: Operational Buildings	-	-	-
Finance And Administration	Capital: Non-Infrastructure: New : Community Assets: Community Facilities	12 668	-	-
Environmental Protection	Capital: Infrastructure: Existing: Renewal: Solid Waste Infrastructure: Landfill	-	-	-
Energy Sources	Capital: Infrastructure: Existing: Upgrading: Electrical Infrastructure: Hv Substations	-	-	-
Energy Sources	Capital: Infrastructure: Existing: Upgrading: Electrical Infrastructure: Hv Substations	5 000	5 000	-
Energy Sources	Capital: Infrastructure: Existing: Upgrading: Electrical Infrastructure: Mv Switchgear	-	-	-
Energy Sources	Capital: Infrastructure: New : Electrical Infrastructure: Lv Networks	-	-	-
Energy Sources	Capital: Infrastructure: New : Electrical Infrastructure: Lv Networks	18 920	-	-
Energy Sources	Capital: Infrastructure: New : Electrical Infrastructure: Lv Networks	1 823	-	-
Energy Sources	Capital: Infrastructure: New : Electrical Infrastructure: Lv Networks	3 753	-	-
Energy Sources	Capital: Infrastructure: New : Electrical Infrastructure: Lv Networks	2 374	-	-
Energy Sources	Capital: Infrastructure: New : Electrical Infrastructure: Lv Networks	4 128	-	-
Energy Sources	Capital: Infrastructure: New : Electrical Infrastructure: Lv Networks	-	16 000	15 880
Energy Sources	Capital: Infrastructure: Existing: Renewal: Electrical Infrastructure: Lv Networks	5 000	5 000	6 000
Energy Sources	Capital: Infrastructure: Existing: Renewal: Electrical Infrastructure: Capital Spares	3 000	3 000	3 000
Water Management	Capital: Infrastructure: Existing: Renewal: Water Supply Infrastructure: Reservoirs	-	-	-
Water Management	Capital: Infrastructure: Existing: Renewal: Water Supply Infrastructure: Water	-	-	-
Water Management	Capital: Infrastructure: Existing: Renewal: Water Supply Infrastructure: Distribution	-	-	-
Water Management	Capital: Infrastructure: Existing: Renewal: Water Supply Infrastructure: Distribution	-	-	-
Water Management	Capital: Infrastructure: Existing: Upgrading: Water Supply Infrastructure: Dams	-	-	-
Water Management	Capital: Infrastructure: Existing: Upgrading: Water Supply Infrastructure: Water	-	10 000	10 000
Water Management	Capital: Infrastructure: Existing: Upgrading: Water Supply Infrastructure: Bulk	-	-	-
Water Management	Capital: Infrastructure: Existing: Upgrading: Water Supply Infrastructure: Bulk	-	-	-
Water Management	Capital: Infrastructure: Existing: Upgrading: Water Supply Infrastructure: Distribution	3 000	3 000	3 000
Water Management	Capital: Infrastructure: New : Water Supply Infrastructure: Reservoirs	-	10 000	4 750
Water Management	Capital: Infrastructure: New : Water Supply Infrastructure: Reservoirs	-	-	1 406
Water Management	Capital: Infrastructure: New : Water Supply Infrastructure: Pump Station	-	-	-
Water Management	Capital: Infrastructure: New : Water Supply Infrastructure: Bulk Mains	377	-	-
Water Management	Capital: Infrastructure: New : Water Supply Infrastructure: Bulk Mains	-	1 547	11 200
Water Management	Capital: Infrastructure: New : Water Supply Infrastructure: Distribution	-	-	-
Water Management	Capital: Infrastructure: New : Water Supply Infrastructure: Distribution Points	-	6 000	3 030
Waste Water Management	Capital: Infrastructure: Existing: Renewal: Water Supply Infrastructure: Pump	-	-	-
Waste Water Management	Capital: Infrastructure: Existing: Renewal: Sanitation Infrastructure: Pump Station	-	3 000	3 000
Waste Water Management	Capital: Infrastructure: Existing: Renewal: Sanitation Infrastructure: Pump Station	5 000	20 000	20 000
Waste Water Management	Capital: Infrastructure: Existing: Renewal: Sanitation Infrastructure: Reticulation	-	-	5 000
Waste Water Management	Capital: Infrastructure: Existing: Renewal: Sanitation Infrastructure: Reticulation	-	15 000	25 000
Waste Water Management	Capital: Infrastructure: Existing: Renewal: Sanitation Infrastructure: Waste Water	-	-	-
Waste Water Management	Capital: Infrastructure: Existing: Renewal: Sanitation Infrastructure: Toilet Facilities	10 000	5 000	5 000
Waste Water Management	Capital: Infrastructure: Existing: Renewal: Sanitation Infrastructure: Toilet Facilities	-	-	-
Waste Water Management	Capital: Infrastructure: Existing: Upgrading: Sanitation Infrastructure: Reticulation	-	6 950	3 000
Waste Water Management	Capital: Infrastructure: Existing: Upgrading: Sanitation Infrastructure: Outfall Stations	-	-	-
Waste Water Management	Capital: Infrastructure: Existing: Upgrading: Sanitation Infrastructure: Outfall Stations	15 000	-	-
Waste Water Management	Capital: Infrastructure: New : Sanitation Infrastructure: Reticulation	24 806	-	-
Parent Capital expenditure		184 285	180 497	209 266

An amount of R311 842 000 is allocated towards the storm water system upgrade in Galeshewe which has created havoc over the years in the lives of the people.

Water and sanitation is another high priority area. With the WSIG, the dilapidated bulk infrastructure for sewer is targeted for renewal and upgrade. Water provision in Ritchie has been as critical and the project of the installation of above ground water reservoirs is well underway.

It is also envisaged that the Riverton New Plant will be commissioned within the 2019/2020 MTREF, a major milestone indeed.

Electrification of formalised areas is another commitment that this budget is making. Areas that had been formalised, and sites allocated to beneficiaries with the intent to transfer these sites are prioritised. About 1 742 houses will be electrified during 2019/2020 financial year. The principle here is older areas must receive services first on condition that the business plan is approved by Department of Energy.

2.8 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. However, there are contracts that have been running beyond the 3 year period such as banking contract, the financial system contracts. These contracts are renewable annually.

The financial system contract have two components or flows into two categories, the implementation contract (2 years) and the support and licensing contract which is payable annually. The support contracts allude to the requisitioning of support in the administration, management and running of the system, whilst the licensing agreement alludes to user license fees.

The Banking Services Contract must be procured in due course. However, these contracts do not qualify under the definition of long term contracts.

The table below indicates contracts with future budgetary implications:

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

Description	Ref	Preceding Years	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework			Total Contract Value
		Total	Original Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22	Estimate
R thousand	1,3						
Parent Municipality:							
<u>Revenue Obligation By Contract</u>	2						
<i>No Future Contracts Greater Than 5m</i>		-	-	-	-	-	-
Total Operating Revenue Implication		-	-	-	-	-	-
<u>Expenditure Obligation By Contract</u>	2						
<i>No Future Contracts Greater Than 5m</i>		-	-	-	-	-	-
Total Operating Expenditure Implication		-	-	-	-	-	-
<u>Capital Expenditure Obligation By Contract</u>	2						
<i>Upgrade Stormwater Galeshewe</i>		-	-	40 000	40 000	40 000	120 000
<i>Lerato Park Link Water And Sewer</i>		-	-	24 806	-	-	24 806
<i>Homevale Fire Station</i>		-	-	12 668	-	-	12 668
Total Capital Expenditure Implication		-	-	77 474	40 000	40 000	157 474
Total Parent Expenditure Implication		-	-	77 474	40 000	40 000	157 474

2.9 Legislation and compliance status

The IDP Review Process and the content of the IDP Review Document is prescribed in terms of Municipal Systems Act, whilst the process for the compilation and tabling of the Annual Budget is outlined in Chapter 4 of the Municipal Finance Management Act as well as the Municipal Budget and Reporting Regulations.

One of the most critical strategy documents necessary for the IDP and IDP Review is the Spatial Development Framework, Disaster Management Plan, the Municipal Infrastructure Investment Plan and the Long Term Financial Plan. The SDF is in draft format currently and it will be taken through public participation. According to the plan, the SDF will be tabled to Council by no later than 30 June 2019. However, the recommendation had been taken into account in as far as planning and land use management is concerned.

As part of ensuring better and informed infrastructure planning, the municipality prioritised the development of various sector plans. These are well in progress and some may be adopted by Council as part of the approval of the IDP Review and Budget. Once all sector plans are completed, these will be consolidated into MIIP as required in terms of Municipal Systems Act Section 26, referring to core components of the Integrated Development Plans.

A draft Long Term Financial Plan is in place. The completion of this plan is dependent on the availability of the MIIP. The Financial Services Directorate and the IDP office are assisting the Municipal Manager in driving this process. Once all the basic documents are in place, a Growth and Development Strategy will be prioritised with a 100 year horizon.

The IDP Review is subject to scrutiny by the Department of COGHSTA, whilst the budget is assessed and benchmarked by National Treasury. The compliance testing must indicate that the budget is relevant, credible and funded, which we have been consistent in achieving.

There were issues raised on IDP Compliance testing by COGHSTA, these will be addressed in the Review Document and we hope to achieve the highest accolade in this regard that the IDP is aligned with the National, Provincial and District's Development plans as well as the growth strategies.

2.10 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.

Municipal Health Services

The National Health and Health Professions Act define the municipal health services as well as the scope of the service. The Municipal Systems Act assigns this function to Category A (Metropolitans in terms of Structures Act) or Category C (District Municipality in terms of Structures Act). In terms of Food stuffs and Cosmetic Act, Sol Plaatje was permitted to have jurisdiction in as far as surveillance of food premises and this was also withdrawn in terms of an issued Government Gazette in this regard.

The district as it is expected to perform this function, it has since now completed a study assessing whether it has the capacity, capability and funds to cover the costs associated with performing this function, and the report clearly indicated that there is no capacity nor capability. An equitable share is received in this regard in the amount of R98 per household per annum.

The municipality, however has an Environmental Health Services section which is costing over R10 million which is now clearly an unfunded mandate. Discussions are in progress in this regard and a draft contract is in place.

Primary Health Services

In terms of the Constitution of the Republic of South Africa, primary health is the function of the province. Again the National Health Act and Health Professions Act also indicates that this function is vested to the Province. However, by means of service delivery agreement, the provision of primary health through local clinics is assigned to the municipality. Under the provincialisation of primary health services, the department has expressed intent to take back the function, but due to salary and other perks differences, the process has not been finalized.

In this case, it was further resolved that any clinical health position that becomes vacant, the Department will carry the responsibility to fill the position. Due to natural attrition, there are few clinical staff still in the employ of the municipality. The municipality has further accepted that should the provincialisation finally take effect, the non-clinical staff must be assigned elsewhere in the organization.

No allocation was made to Health Care by province for primary health services at the time of writing bearing in mind that the provincial health department appropriation bill has already been published. No funds have been received from Provincial Health for the last 4 Years.

Sale of electricity in Ritchie

At the amalgamation of Ritchie Municipality with Sol Plaatje Municipality, it was realized that the distributor in Ritchie at the time was Eskom, as such all infrastructure belonged to Eskom. After amalgamation, the municipality entered into a service delivery agreement permitting Eskom to continue with service provision. Eskom also issues free basic electricity in this regard.

2.11 Public Participation

MFMA Section 23 requires that after the tabling of the IDP Review, the Budget and related policies and the proposed tariffs and tariff increases, it must consider the views of the local community and those of National Treasury in the case of non-delegated municipality as it is in the case of Sol Plaatje.

2.12 Budget Benchmark Exercise

The Budget Benchmark exercise will be scheduled after the approval of the Draft Budget 2019/2020 MTREF.

2.12.1 Budget challenges

During completion of the Draft Budget process 2019/2020, the following challenges were encountered:

- Shortage of staff;
- New appointee for MSCOA not yet fully conversant with system;
- Uploading of Budget via the TRU system encountered endless challenges;
- Personnel of BCX not readily available to assist with challenges; and
- Some of the schedules templates were not fully aligned to the MSCOA.

2.13 Certification

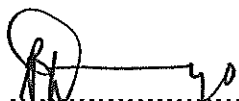
2.13 Municipal manager's quality certification

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: 22/03/2019

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
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
<u>IUDG</u>	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

CIRCULAR 42

Funding of Budget

SOL PLAATJE MUNICIPALITY (NC091)

Part 1 - Budgeting for Financial Performance				
Description	Ref	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
		R'000	R'000	R'000
<u>Revenue by Source (Table 1)</u>				
Property rates	A	578,654	625,994	674,739
Service charges	A	1,172,984	1,254,880	1,328,019
Operational Revenue		6,396	6,755	7,105
Rental of facilities and equipment	B	11,810	12,307	12,983
Interest earned - external investments	D	15,000	21,000	22,000
Interest earned - outstanding debtors	D	137,940	130,262	126,478
Fines	B	26,805	28,413	29,976
Licenses and permits	B	4,764	5,002	5,277
Government grants & subsidies - ops		230,509	224,026	240,687
Government grants & subsidies - capital	E	157,285	153,497	168,266
Other income	B	18,749	19,899	21,004
Total Revenue By Source		2,360,897	2,482,035	2,636,536
Internal recoveries		69,290	69,290	69,290
Cross Subsidization		8,500	10,650	12,850
Total		2,438,686	2,561,975	2,718,675
<u>Operating Expenditure by Type (Table 6)</u>				
Employee related costs	C	770,966	818,205	864,258
Remuneration of Councilors		31,753	33,817	35,846
Contracted Services		51,605	54,694	57,697
Operational Cost		201,231	215,276	223,273
Other material and consumables		191,225	178,868	195,314
Bulk purchases - Electricity		520,000	562,120	591,350
Bulk purchases - Water		97,500	107,250	117,975
Interest external		24,661	23,543	22,343
Bad debts	F	226,000	240,800	259,984
Grants and subsidies paid		7,670	7,710	7,749
Depreciation		71,600	76,724	81,747
Total Operating Expenditure By Type		2,194,210	2,319,006	2,457,537
Internal Transfer		69,290	69,290	69,290
Cross Subsidization		8,500	10,650	12,850
Total		2,271,999	2,398,945	2,539,677
Operating Surplus/(Deficit)		166,687	163,029	178,999

SOL PLAATJE MUNICIPALITY (NC091)

Part 2 - Budgeting for Cash Flow				
Description	Ref	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
		R'000	R'000	R'000
CASH FLOW FROM OPERATING ACTIVITIES				
<u>Receipts</u>				
Cash receipts from ratepayers, government and other	A,B	1,658,266	1,796,025	1,951,834
Cash receipts from government - operating		230,509	224,026	240,687
Cash receipts from government and other - capital		157,285	153,497	168,266
Interest received	D	49,485	53,566	53,619
<u>Payments</u>				
Cash paid to suppliers and employees	I	(1,861,949)	(1,932,233)	(2,090,824)
Finance charges		(24,661)	(23,543)	(22,343)
NET CASH FROM OPERATING ACTIVITIES		208,935	271,338	301,240
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	(184,285)	(180,497)	(209,266)
(Increase)/decrease in current assets		0	0	0
Increase in non-current investments		0	0	0
NET CASH FROM INVESTING ACTIVITIES		(184,285)	(180,497)	(209,266)
CASH FLOWS FROM FINANCING ACTIVITIES				
<u>Receipts</u>				
New loans raised	G	0	0	0
Increase in consumer deposits		3,202	3,490	3,381
<u>Payments</u>				
Repayment of borrowing	G	(9,251)	(9,402)	(9,532)
NET CASH FROM FINANCING ACTIVITIES		(6,049)	(5,912)	(6,151)
NET INCREASE/(DECREASE) IN CASH		18,601	84,929	85,823
Cash and cash equivalents at the beginning of the year		123,879	142,480	227,409
Cash and cash equivalents at the end of the year		142,480	227,409	313,232

SOL PLAATJE MUNICIPALITY (NC091)

Part 3 - Reconciliation of reserves and commitments backed by cash/investments				
Description	Ref	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
		R'000	R'000	R'000
Reserves to be backed by cash	H	106,990	36,480	39,861
Creditors unpaid at year end		190,608	202,045	214,167
Total commitments		297,598	238,524	254,028
Cash and cash equivalents at the end of the year		142,480	227,409	313,232
Long term investments		0	0	0
Cash and investments available		142,480	227,409	313,232
<u>Explanation notes/references</u>				
A It is the billed/accrued amount and it is assumed that 90% will be collected (average at 87% 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 7%				
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 12.9% of billable revenue				
G Capital budgeted expenditure of R184,285m is funded by R157,285m grants, R0m donation, R0m from a loan and R27m 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 12.9% 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
Data should be supported in the Data collection 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 2019/20	DATA INPUTS AND RESULTS R'000 2020/21	DATA INPUTS AND RESULTS R'000 2021/22	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	8% 2,194,210 -	7% 2,319,006 -	8% 2,457,537 -	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% 1,869,025 190,262 11,274	0% 1,947,529 188,360 11,387	0% 2,045,750 186,476 11,501	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	9% 191,225 1,869,025 190,262	8% 178,868 1,947,529 188,360	9% 195,314 2,045,750 186,476	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	19% 382,450 1,869,025 190,262	21% 357,735 1,535,620 202,754	22% 390,628 1,577,221 204,782	Please refer to page 4 of MFMA Circular No. 71	
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% 2,684,651 2,396,459 -	86% 2,939,893 2,684,651 1,880,874	88% 3,185,290 2,939,893 2,002,758	Please refer to page 5 of MFMA Circular No. 71	The provision for doubtful debt amounts to around 13% annually. This is in line with 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% 1,240,424	0% 1,481,224	0% 1,741,208	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	301 days 2,684,651 1,240,424 1,751,638	283 days 2,939,893 1,481,224 1,880,874	263 days 3,185,290 1,741,208 2,002,758	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 - - 171,774 1,886,610	2 Month - - 273,388 1,955,776	2 Month - - 399,839 2,113,167	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	4.60 1,667,758 362,392	4.65 1,786,280 384,229	4.71 1,899,580 403,019	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	2%	1%	1%	Please refer to page 8 of MFMA Circular No. 71
					24,661	23,543	22,343		
					9,402	9,532	10,733		
					Total Operating Expenditure	2,194,210	2,319,006	2,457,537	
					Taxation Expense				
2	Debt (Total Borrowings) / Revenue	(Overdraft + Current Finance Lease Obligation + Non current Finance Lease Obligation + Short Term Borrowings + Long term borrowing) / (Total Operating Revenue - Operational Conditional	Statement of Financial Position, Statement of Financial Performance, Budget, IDP and AR	45%		9%	8%	6%	Please refer to page 9 of MFMA Circular No. 71
					Total Debt	191,934	173,130	154,065	
					Total Operating Revenue	2,360,897	2,482,035	2,636,536	
					Operational Conditional Grants	230,509	224,026	240,687	
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%		159%	234%	300%	Please refer to page 9 of MFMA Circular No. 71
					Cash and cash Equivalents	-	-	-	
					Bank Overdraft	-	-	-	
					Short Term Investment	171,774	273,388	399,839	
					Long Term Investment				
					Unspent Grants	-	-	-	
					Net Assets	2,911,448	3,074,478	3,253,476	
					Accumulated Surplus	2,803,493	2,957,685	3,120,358	
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%		10%	10%	10%	Please refer to page 10 of MFMA Circular No. 71
					Total Operating Revenue	2,360,897	2,482,035	2,636,536	
					Depreciation - Revalued Portion (Only populate if depreciation line item in the Statement of Financial	71,600	76,724	81,747	
					Total Operating Expenditure	2,194,210	2,319,006	2,457,537	
					Taxation Expense				
2	Net Surplus /Deficit Electricity	Total Electricity Revenue less Total Electricity Expenditure/Total Electricity Revenue x 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	0% - 15%		7%	7%	7%	Please refer to page 10 of MFMA Circular No. 71
					Total Electricity Revenue	700,551	752,170	806,806	
					Total Electricity Expenditure	649,215	698,835	751,470	
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%		17%	17%	16%	Please refer to page 11 of MFMA Circular No. 71
					Total Water Revenue	255,384	270,553	287,767	
					Total Water Expenditure	210,830	225,898	242,813	
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%		6%	6%	6%	Please refer to page 12 of MFMA Circular No. 71
					Total Refuse Revenue	56,803	60,158	63,603	
					Total Refuse Expenditure	53,403	56,658	59,803	
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%		18%	17%	16%	Please refer to page 12 of MFMA Circular No. 71
					Total Sanitation and Water Waste Revenue	76,450	80,972	85,622	
					Total Sanitation and Water Waste Expenditure	62,600	67,372	71,872	
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%		16%	14%	12%	Please refer to page 13 of MFMA Circular No. 71
					Number of units purchased and/or generated ('000)	533,137	533,137	533,137	
					Number of units sold ('000)	447,835	458,498	469,161	
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%		45%	40%	35%	Please refer to page 13 of MFMA Circular No. 71
					Number of kilolitres purchased and/or purified ('000)	26,321	26,809	27,305	
					Number of kilolitres sold ('000)	14,477	16,085	17,748	
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	Number of Active Debtors Accounts (Previous)	2%	1%	1%	Please refer to page 14 of MFMA Circular No. 71	
					Number of Active Debtors Accounts (Current)	62	63	64		
						63	64	65		
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	CPI	8%	5%	6%	Please refer to page 15 of MFMA Circular No. 71	
					Total Revenue (Previous)	2,177,055	2,360,897	2,482,035		
					Total Revenue (Current)	2,360,897	2,482,035	2,636,536		
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	CPI	11%	6%	6%	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
					Total Revenue Excl.Capital (Previous)	1,983,264	2,203,612	2,328,538		
					Total Revenue Excl.Capital (Current)	2,203,612	2,328,538	2,468,270		
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	79 days	79 days	78 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. This is further supported by the fact that no paragraph for non compliance with this legislation was included in the recent audit report.
					Contracted Services	190,608	202,045	214,167		
					Repairs and Maintenance	51,605	54,694	57,697		
					General expenses	—	—	—		
					Bulk Purchases	32,331	31,253	30,092		
					Capital Credit Purchases (Capital Credit Purchases refers to additions of Investment Property and Property,Plant and Equipment)	617,500	669,370	709,325		
						184,285	180,497	209,266		
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	2,194,210	2,319,006	2,457,537		
					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%	Employee/personnel related cost	37%	37%	37%	Please refer to page 17 of MFMA Circular No. 71	
					Councillors Remuneration	770,966	818,205	864,258		
					Total Operating Expenditure	31,753	33,817	35,846		
					Taxation Expense	2,194,210	2,319,006	2,457,537		
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	51,605	54,694	57,697		
					Taxation Expense	2,194,210	2,319,006	2,457,537		
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	Internally generated funds	15%	15%	20%	Please refer to page 18 of MFMA Circular No. 71	
					Borrowings	27,000	27,000	41,000		
					Total Capital Expenditure	—	—	—		
						184,285	180,497	209,266		
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	Internally generated funds	25%	18%	13%	Please refer to page 18 of MFMA Circular No. 71	
					Total Capital Expenditure	25,382	20,903	14,000		
						101,114	119,066	106,226		
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%	97%	97%	Please refer to page 18 of MFMA Circular No. 71	
					Government grant and subsidies	2,360,897	2,482,035	2,636,536		
					Public contributions and Donations	230,509	224,026	240,687		
					Capital Grants	157,285	153,497	168,266		
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%	Actual Capital Expenditure	100%	100%	100%	Please refer to page 19 of MFMA Circular No. 71	
					Budget Capital Expenditure	101,114	119,066	106,226		
						101,114	119,066	106,226		
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%	Actual Operating Expenditure	100%	100%	100%	Please refer to page 20 of MFMA Circular No. 71	
					Budget Operating Expenditure	2,194,210	2,319,006	2,457,537		
						2,194,210	2,319,006	2,457,537		
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%	Actual Operating Revenue	100%	100%	100%	Please refer to page 20 of MFMA Circular No. 71	
					Budget Operating Revenue	2,360,897	2,482,035	2,636,536		
						2,360,897	2,482,035	2,636,536		
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%	Actual Service Charges and Property Rates Revenue	100%	100%	100%	Please refer to page 21 of MFMA Circular No. 71	
					Budget Service Charges and Property Rates Revenue	1,751,638	1,880,874	2,002,758		
						1,751,638	1,880,874	2,002,758		

MARCH 2019/20
BUDGET
ANNEXURES

1.Schedules

2.Tariffs

3.History of Tariffs

4.IDP Overview

5.SDBIP

6.Policies

7.By-laws

8.MFMA-Circulars

**BUDGET
SCHEDULES
AND
SUPPORTING
TABLES**

Municipal annual budgets and MTREF & supporting tables

mSCOA Version 6.3

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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:

CFO Name:

Tel:

Fax:

E-Mail:

Budget for MTREF starting:

Budget Year:

Does this municipality have Entities?

If YES: Identify type of report:

LGDB Export

Name Votes & Sub-Votes

Printing Instructions

Showing / Hiding Columns

Showing / Clearing Highlights

Important documents which provide essential assistance

[MFMA Budget Circulars](#)

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[Dummy Budget Guide](#)

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[Funding Compliance Guide](#)

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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 - Polution Control/Collection	05.20 - Refuse - Polution 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

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B. CONTACT INFORMATION

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Street address

Building Civic Centre

Street No. & Name Sol Plaatje Drive

City / Town Kimberley

Postal Code 8301

General Contacts

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C. POLITICAL LEADERSHIP

Speaker:

ID Number 7908300148084

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Title Ms

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D. MANAGEMENT LEADERSHIP

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Title Mr

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Description	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousands										
Financial Performance										
Property rates	484,397	455,092	509,454	541,312	541,312	541,312	541,312	578,654	625,994	674,739
Service charges	941,903	951,040	1,005,888	1,107,508	1,015,308	1,015,308	1,015,308	1,172,984	1,254,880	1,328,019
Investment revenue	20,996	21,576	18,700	20,000	15,000	15,000	15,000	15,000	21,000	22,000
Transfers recognised - operational	164,215	165,337	172,480	188,874	194,729	194,729	194,729	230,509	224,026	240,687
Other own revenue	163,742	198,630	242,559	196,145	217,145	217,145	217,145	206,465	202,638	202,824
Total Revenue (excluding capital transfers and contributions)	1,775,253	1,791,676	1,949,082	2,053,839	1,983,495	1,983,495	1,983,495	2,203,612	2,328,538	2,468,270
Employee costs	602,966	567,317	647,309	716,652	698,652	698,652	698,652	770,966	818,205	864,258
Remuneration of councillors	20,948	25,011	28,409	29,335	29,685	29,685	29,685	31,753	33,817	35,846
Depreciation & asset impairment	57,792	60,291	64,443	69,250	69,250	69,250	69,250	71,600	76,724	81,747
Finance charges	29,018	27,789	27,213	25,799	26,299	26,299	26,299	24,661	23,543	22,343
Materials and bulk purchases	587,694	613,714	686,602	723,112	739,446	739,446	739,446	808,725	848,238	904,639
Transfers and grants	6,625	7,984	9,325	9,670	6,970	6,970	3,342	7,710	7,710	7,749
Other expenditure	313,629	320,227	473,017	473,038	430,639	430,639	430,639	478,836	510,769	540,954
Total Expenditure	1,618,672	1,622,333	1,936,318	2,046,856	2,000,941	2,000,941	1,997,314	2,194,210	2,319,006	2,457,537
Surplus/(Deficit)	156,581	169,344	12,763	6,983	(17,447)	(17,447)	(13,819)	9,402	9,532	10,733
Transfers and subsidies - capital (monetary allocations) (N	111,728	89,523	203,033	285,063	193,560	193,560	193,560	157,285	153,497	168,266
Contributions recognised - capital & contributed assets	261	-	4,561	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	268,569	258,866	220,357	292,046	176,114	176,114	179,742	166,687	163,029	178,999
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	268,569	258,866	220,357	292,046	176,114	176,114	179,742	166,687	163,029	178,999
Capital expenditure & funds sources										
Capital expenditure	151,651	119,691	245,758	333,241	231,113	231,113	231,113	184,285	180,497	209,266
Transfers recognised - capital	111,728	89,523	203,033	282,795	193,560	193,560	193,560	157,285	153,497	168,266
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	39,922	30,168	42,725	50,446	37,552	37,552	37,552	27,000	27,000	41,000
Total sources of capital funds	151,651	119,691	245,758	333,241	231,113	231,113	231,113	184,285	180,497	209,266
Financial position										
Total current assets	1,162,808	1,355,405	1,484,124	1,461,762	1,345,830	1,345,830	1,345,830	1,626,975	1,812,008	1,852,042
Total non current assets	1,636,369	1,686,169	1,869,966	2,042,628	2,073,998	2,073,998	2,081,090	2,034,808	2,074,240	2,132,666
Total current liabilities	238,889	266,704	344,136	501,891	533,260	533,260	533,260	518,678	539,563	564,458

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

Functional Classification Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1									
Revenue - Functional										
<i>Governance and administration</i>		895,009	869,454	1,012,732	1,119,176	1,040,797	1,040,797	1,074,878	1,109,558	1,184,636
Executive and council		362,563	361,481	492,849	554,304	472,784	472,784	468,192	453,716	480,013
Finance and administration		532,447	507,973	519,882	564,872	568,013	568,013	606,686	655,842	704,623
Internal audit		–	–	–	–	–	–	–	–	–
<i>Community and public safety</i>		23,269	24,656	23,615	26,995	26,995	26,995	25,995	27,380	28,431
Community and social services		9,702	11,418	9,900	12,644	12,644	12,644	11,008	11,686	11,873
Sport and recreation		3,869	3,276	3,615	3,710	3,710	3,710	3,730	3,975	4,194
Public safety		140	195	253	170	170	170	285	302	319
Housing		9,529	9,692	9,790	10,401	10,401	10,401	10,901	11,343	11,967
Health		30	75	58	70	70	70	70	74	78
<i>Economic and environmental services</i>		12,721	22,381	25,773	19,426	17,158	17,158	18,223	19,323	20,398
Planning and development		2,722	2,575	4,627	6,511	4,243	4,243	3,923	4,163	4,402
Road transport		9,998	19,807	21,145	12,915	12,915	12,915	14,300	15,160	15,996
Environmental protection		–	–	–	–	–	–	–	–	–
<i>Trading services</i>		943,139	951,040	1,079,647	1,165,163	1,083,963	1,083,963	1,232,289	1,315,742	1,392,487
Energy sources		595,477	594,267	663,235	740,342	630,342	630,342	777,527	833,520	877,073
Water management		223,498	236,344	283,299	288,458	299,458	299,458	306,392	324,368	347,336
Waste water management		70,994	68,610	75,664	75,813	80,813	80,813	81,517	86,546	92,278
Waste management		53,171	51,820	57,449	60,550	73,350	73,350	66,853	71,308	75,800
<i>Other</i>	4	13,102	13,668	14,909	8,142	8,142	8,142	9,512	10,032	10,584
Total Revenue - Functional	2	1,887,242	1,881,199	2,156,676	2,338,902	2,177,055	2,177,055	2,360,897	2,482,035	2,636,536
Expenditure - Functional										
<i>Governance and administration</i>		527,321	451,302	584,756	640,707	622,887	622,887	702,387	725,406	770,459
Executive and council		349,125	267,503	376,815	392,368	376,349	376,349	433,631	440,381	471,121
Finance and administration		173,922	179,541	202,747	242,523	240,751	240,751	262,274	278,154	292,089
Internal audit		4,273	4,258	5,194	5,816	5,787	5,787	6,482	6,871	7,249
<i>Community and public safety</i>		142,711	137,831	162,975	176,670	174,905	174,905	186,430	197,153	207,397
Community and social services		32,641	32,804	35,277	39,035	38,368	38,368	41,179	43,667	45,613
Sport and recreation		45,856	41,639	50,286	56,474	55,496	55,496	59,874	63,251	66,775
Public safety		28,838	31,476	34,149	37,331	36,788	36,788	39,698	41,869	43,987
Housing		18,725	17,672	25,826	26,073	25,905	25,905	27,082	28,705	30,315
Health		16,651	14,240	17,437	17,756	18,348	18,348	18,596	19,661	20,706
<i>Economic and environmental services</i>		100,787	108,615	114,123	125,210	123,736	123,736	132,039	140,366	148,603
Planning and development		40,983	39,912	41,528	45,616	45,144	45,144	47,161	50,053	52,956
Road transport		58,522	67,373	72,020	78,965	77,974	77,974	84,208	89,603	94,898
Environmental protection		1,282	1,329	576	629	618	618	670	710	749
<i>Trading services</i>		831,363	907,337	1,052,168	1,080,462	1,056,405	1,056,405	1,147,658	1,228,995	1,302,503
Energy sources		558,088	616,512	687,986	691,756	670,631	670,631	731,755	786,587	828,805
Water management		172,431	176,301	233,103	250,303	247,649	247,649	266,483	283,640	305,586
Waste water management		53,770	60,888	76,973	77,953	77,848	77,848	82,667	87,611	92,612
Waste management		47,075	53,636	54,105	60,450	60,277	60,277	66,753	71,158	75,500
<i>Other</i>	4	16,490	17,248	22,295	23,807	23,008	23,008	25,697	27,085	28,575
Total Expenditure - Functional	3	1,618,672	1,622,333	1,936,318	2,046,856	2,000,941	2,000,941	2,194,210	2,319,006	2,457,537
Surplus/(Deficit) for the year		268,569	258,866	220,357	292,046	176,114	176,114	166,687	163,029	178,999

References

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

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

NC051 - 2017/18 Budgeted Financial Performance (Revenue and expenditure by functional classification)										
Functional Classification Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue - Functional										
Municipal governance and administration		895,009	869,454	1,012,732	1,119,176	1,040,797	1,040,797	1,074,878	1,109,558	1,184,636
Executive and council		362,563	361,481	492,849	554,304	472,784	472,784	468,192	453,716	480,013
Mayor and Council										
Municipal Manager, Town Secretary and Chief Executive		362,563	361,481	492,849	554,304	472,784	472,784	468,192	453,716	480,013
Finance and administration		532,447	507,973	519,882	564,872	568,013	568,013	606,686	655,842	704,623
Administrative and Corporate Support		3,556	4,280	3,739	4,324	4,324	4,324	4,226	4,378	4,525
Asset Management		930	-	-	-	-	-	1,750	1,000	500
Finance		526,809	500,670	513,181	555,188	555,188	555,188	592,610	640,768	690,309
Fleet Management										
Human Resources		751	2,702	2,515	4,940	8,081	8,081	7,650	9,219	8,786
Information Technology										
Legal Services										
Marketing, Customer Relations, Publicity and Media Co-Property Services		360	321	448	380	380	380	450	477	503
Risk Management										
Security Services										
Supply Chain Management		42	-	-	40	40	40	-	-	-
Valuation Service										
Internal audit		-	-	-	-	-	-	-	-	-
Governance Function										
Community and public safety		23,269	24,656	23,615	26,995	26,995	26,995	25,995	27,380	28,431
Community and social services		9,702	11,418	9,900	12,644	12,644	12,644	11,008	11,686	11,873
Aged Care										
Agricultural										
Animal Care and Diseases										
Cemeteries, Funeral Parlours and Crematoriums		1,820	2,001	1,515	2,280	2,280	2,280	1,700	1,802	1,901
Child Care Facilities										
Community Halls and Facilities		940	975	1,002	1,090	1,090	1,090	1,120	1,187	1,252
Consumer Protection										
Cultural Matters										
Disaster Management										
Education										
Indigenous and Customary Law										
Industrial Promotion										
Language Policy										
Libraries and Archives		6,943	8,442	7,384	9,274	9,274	9,274	8,188	8,696	8,719
Literacy Programmes										
Media Services										
Museums and Art Galleries										
Population Development										
Provincial Cultural Matters										
Theatres										
Zoo's										
Sport and recreation		3,869	3,276	3,615	3,710	3,710	3,710	3,730	3,975	4,194
Beaches and Jetties										
Casinos, Racing, Gambling, Wagering										
Community Parks (including Nurseries)										
Recreational Facilities		3,372	3,106	3,508	3,510	3,510	3,510	3,600	3,836	4,046
Sports Grounds and Stadiums		496	170	107	200	200	200	130	139	147
Public safety		140	195	253	170	170	170	285	302	319
Civil Defence										
Cleansing										
Control of Public Nuisances										
Fencing and Fences										
Fire Fighting and Protection		74	128	225	95	95	95	225	239	252
Licensing and Control of Animals		66	66	28	75	75	75	60	64	67
Police Forces, Traffic and Street Parking Control										
Pounds										
Housing		9,529	9,692	9,790	10,401	10,401	10,401	10,901	11,343	11,967
Housing		9,529	9,692	9,790	10,401	10,401	10,401	10,901	11,343	11,967
Informal Settlements										
Health		30	75	58	70	70	70	70	74	78
Ambulance										
Health Services		30	75	58	70	70	70	70	74	78
Laboratory Services										
Food Control										
Health Surveillance and Prevention of Communicable Diseases										
Vector Control										
Chemical Safety										
Economic and environmental services		12,721	22,381	25,773	19,426	17,158	17,158	18,223	19,323	20,398
Planning and development		2,722	2,575	4,627	6,511	4,243	4,243	3,923	4,163	4,402
Billboards										
Corporate Wide Strategic Planning (IDPs, LEDs)		991	860	1,006	970	970	970	1,050	1,113	1,174
Central City Improvement District										
Development Facilitation										
Economic Development/Planning										
Regional Planning and Development										
Town Planning, Building Regulations and Enforcement, and City		1,731	1,715	1,584	3,273	3,273	3,273	2,873	3,050	3,228
Project Management Unit		-	-	2,037	2,268	-	-	-	-	-
Provincial Planning										
Support to Local Municipalities										
Road transport		9,998	19,807	21,145	12,915	12,915	12,915	14,300	15,160	15,996
Public Transport										
Road and Traffic Regulation		9,966	19,371	20,950	12,880	12,880	12,880	14,100	14,946	15,768
Roads		32	436	196	35	35	35	200	214	228
Taxi Ranks										
Environmental protection		-	-	-	-	-	-	-	-	-
Biodiversity and Landscape										
Coastal Protection										
Indigenous Forests										
Nature Conservation										
Pollution Control										
Soil Conservation										

Trading services	943,139	951,040	1,079,647	1,165,163	1,083,963	1,083,963	1,232,289	1,315,742	1,392,487
Energy sources	595,477	594,267	663,235	740,342	630,342	630,342	777,527	833,520	877,073
Electricity	595,477	594,267	663,235	740,342	630,342	630,342	777,527	833,520	877,073
Street Lighting and Signal Systems									
Nonelectric Energy									
Water management	223,498	236,344	283,299	288,458	299,458	299,458	306,392	324,368	347,336
Water Treatment									
Water Distribution	223,498	236,344	283,299	288,458	299,458	299,458	306,392	324,368	347,336
Water Storage									
Waste water management	70,994	68,610	75,664	75,813	80,813	80,813	81,517	86,546	92,278
Public Toilets									
Sewerage	70,994	68,610	75,664	75,813	80,813	80,813	81,517	86,546	92,278
Storm Water Management									
Waste Water Treatment									
Waste management	53,171	51,820	57,449	60,550	73,350	73,350	66,853	71,308	75,800
Recycling									
Solid Waste Disposal (Landfill Sites)									
Solid Waste Removal	53,171	51,820	57,449	60,550	73,350	73,350	66,853	71,308	75,800
Street Cleaning									
Other	13,102	13,668	14,909	8,142	8,142	8,142	9,512	10,032	10,584
Abattoirs									
Air Transport									
Forestry									
Licensing and Regulation	9,000	9,923	11,086	3,870	3,870	3,870	5,025	5,276	5,566
Markets	3,979	3,599	3,678	4,135	4,135	4,135	4,350	4,611	4,865
Tourism	123	146	145	137	137	137	137	145	153
Total Revenue - Functional	1,887,242	1,881,199	2,156,676	2,338,902	2,177,055	2,177,055	2,360,897	2,482,035	2,636,536
Expenditure - Functional									
Municipal governance and administration	527,321	451,302	584,756	640,707	622,887	622,887	702,387	725,406	770,459
Executive and council	349,125	267,503	376,815	392,368	376,349	376,349	433,631	440,381	471,121
Mayor and Council	40,167	43,422	43,801	46,355	46,057	46,057	51,241	54,475	57,640
Municipal Manager, Town Secretary and Chief Executive	308,958	224,081	333,014	346,013	330,292	330,292	382,390	385,906	413,481
Finance and administration	173,922	179,541	202,747	242,523	240,751	240,751	262,274	278,154	292,089
Administrative and Corporate Support	27,363	27,087	28,739	30,992	30,574	30,574	32,138	33,963	35,737
Asset Management	5,736	5,086	5,272	7,627	7,169	7,169	9,798	9,531	9,500
Finance	63,160	65,619	67,063	82,780	80,845	80,845	89,380	94,742	99,953
Fleet Management	4,025	8,079	16,201	20,207	19,428	19,428	21,758	23,169	24,786
Human Resources	12,443	10,851	14,549	21,497	24,247	24,247	25,018	27,618	28,185
Information Technology	10,401	9,869	12,027	13,009	12,732	12,732	13,754	14,579	15,381
Legal Services									
Marketing, Customer Relations, Publicity and Media Co-	3,176	3,036	3,214	3,842	3,691	3,691	3,994	4,233	4,466
Property Services	11,276	11,559	12,860	14,413	14,382	14,382	16,124	17,091	18,032
Risk Management	1,851	1,864	2,099	2,263	2,243	2,243	2,387	2,530	2,669
Security Services	14,997	14,938	18,326	20,048	19,931	19,931	21,463	22,649	23,789
Supply Chain Management	12,181	13,676	13,514	15,756	15,457	15,457	16,256	17,231	18,179</

Corporate Wide Strategic Planning (IDPs, LEDS)		10,697	8,182	9,485	10,273	10,689	10,689	10,510	11,140	11,753
Central City Improvement District										
Development Facilitation										
Economic Development/Planning	5,303	5,057	5,691	6,925	6,720	6,720	6,843	7,259	7,685	
Regional Planning and Development										
Town Planning, Building Regulations and Enforcement, and City	22,895	24,743	24,314	26,150	25,509	25,509	27,524	29,232	30,963	
Project Management Unit	2,088	1,931	2,037	2,268	2,227	2,227	2,285	2,422	2,555	
Provincial Planning										
Support to Local Municipalities										
Road transport		58,522	67,373	72,020	78,965	77,974	77,974	84,208	89,603	94,898
Public Transport										
Road and Traffic Regulation	21,434	33,022	32,920	40,597	39,439	39,439	43,554	46,167	48,705	
Roads	37,088	34,351	39,100	38,368	38,535	38,535	40,654	43,436	46,193	
Taxi Ranks										
Environmental protection		1,282	1,329	576	629	618	618	670	710	749
Biodiversity and Landscape		1,282	1,329	576	629	618	618	670	710	749
Coastal Protection										
Indigenous Forests										
Nature Conservation										
Pollution Control										
Soil Conservation										
Trading services		831,363	907,337	1,052,168	1,080,462	1,056,405	1,056,405	1,147,658	1,228,995	1,302,503
Energy sources		558,088	616,512	687,986	691,756	670,631	670,631	731,755	786,587	828,805
Electricity		540,530	597,629	659,747	669,756	652,631	652,631	709,755	762,827	803,144
Street Lighting and Signal Systems		17,558	18,882	28,239	22,000	18,000	18,000	22,000	23,760	25,661
Nonelectric Energy										
Water management		172,431	176,301	233,103	250,303	247,649	247,649	266,483	283,640	305,586
Water Treatment		36,521	37,449	42,165	45,781	46,635	46,635	47,455	49,831	52,121
Water Distribution		135,909	138,852	190,938	204,522	201,013	201,013	219,028	233,809	253,465
Water Storage										
Waste water management		53,770	60,868	76,973	77,953	77,848	77,848	82,667	87,611	92,612
Public Toilets		1,950	2,063	2,089	2,339	2,277	2,277	2,396	2,540	2,679
Sewerage		25,972	31,089	38,991	43,994	43,681	43,681	45,535	48,060	50,517
Storm Water Management										
Waste Water Treatment		25,848	27,737	35,893	31,619	31,889	31,889	34,735	37,011	39,416
Waste management		47,075	53,636	54,105	60,450	60,277	60,277	66,753	71,158	75,500
Recycling										
Solid Waste Disposal (Landfill Sites)		4,900	4,758	2,428	6,099	5,468	5,468	4,958	5,252	5,539
Solid Waste Removal		42,175	48,878	51,678	54,351	54,809	54,809	61,795	65,906	69,961
Street Cleaning										
Other		16,490	17,248	22,295	23,807	23,008	23,008	25,697	27,085	28,575
Abattoirs										
Air Transport										
Forestry										
Licensing and Regulation		9,340	9,213	11,395	12,457	12,159	12,159	13,508	14,185	14,965
Markets		4,293	5,278	7,015	7,331	6,915	6,915	8,109	8,596	9,068
Tourism		2,856	2,757	3,886	4,019	3,934	3,934	4,080	4,305	4,542
Total Expenditure - Functional	3	1,618,672	1,622,333	1,936,318	2,046,856	2,000,941	2,000,941	2,194,210	2,319,006	2,457,537
Surplus/(Deficit) for the year		268,569	258,866	220,357	292,046	176,114	176,114	166,687	163,029	178,999

References

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

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

Report 301 - Mayor - Table A6 Budgeted Financial Performance (Revenue and Expenditure by Municipal Vote)										
Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand										
Revenue by Vote	1									
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		395,258	400,430	492,849	554,304	472,784	472,784	468,192	453,716	480,013
Vote 03 - Municipal Manager		-	-	2,037	2,268	-	-	-	-	-
Vote 04 - Corporate Services		2,706	5,358	4,553	7,564	10,705	10,705	10,176	11,897	11,611
Vote 05 - Community Services		75,499	89,884	103,311	93,894	106,694	106,694	101,072	107,567	113,598
Vote 06 - Financial Services		496,684	472,723	514,881	556,928	556,928	556,928	596,060	643,468	692,509
Vote 07 - Strategy Econ Development And Planning		7,185	6,640	6,861	8,895	8,895	8,895	8,860	9,396	9,923
Vote 08 - Infrastructure And Services		909,908	906,164	1,032,183	1,115,049	1,021,049	1,021,049	1,176,537	1,255,991	1,328,881
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	1,887,242	1,881,199	2,156,676	2,338,902	2,177,055	2,177,055	2,360,897	2,482,035	2,636,536
Expenditure by Vote to be appropriated	1									
Vote 01 - Executive & Council		40,167	43,422	43,801	46,355	46,057	46,057	51,241	54,475	57,640
Vote 02 - Municipal And General		291,674	234,987	321,231	334,931	319,389	319,389	370,910	373,738	400,644
Vote 03 - Municipal Manager		17,284	16,855	18,576	22,080	21,744	21,744	23,300	24,698	26,056
Vote 04 - Corporate Services		53,802	51,493	59,011	68,256	70,581	70,581	74,381	79,841	83,173
Vote 05 - Community Services		207,991	220,257	239,727	268,699	265,369	265,369	288,046	305,133	321,712
Vote 06 - Financial Services		103,287	106,379	112,282	134,469	131,275	131,275	144,541	152,256	159,982
Vote 07 - Strategy Econ Development And Planning		46,899	49,209	54,708	57,337	56,894	56,894	60,529	64,203	67,884
Vote 08 - Infrastructure And Services		857,567	899,731	1,086,983	1,114,729	1,089,632	1,089,632	1,181,262	1,264,663	1,340,447
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	1,618,672	1,622,333	1,936,318	2,046,856	2,000,941	2,000,941	2,194,210	2,319,006	2,457,537
Surplus/(Deficit) for the year	2	268,569	258,866	220,357	292,046	176,114	176,114	166,687	163,029	178,999

References

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

Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
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		395,258	400,430	492,849	554,304	472,784	472,784	468,192	453,716	480,013
02.1 - Municipal And General		395,258	400,430	489,082	550,559	469,039	469,039	464,047	449,328	475,389
02.2 - Mun : Insurance Fund - Short Term		-	-	2,582	2,425	2,425	2,425	2,675	2,834	2,988
02.3 - Mun : Workmen's Compensation Fund		-	-	1,185	1,320	1,320	1,320	1,470	1,554	1,636
Vote 03 - Municipal Manager		-	-	2,037	2,268	-	-	-	-	-
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	2,268	-	-	-	-	-
Vote 04 - Corporate Services		2,706	5,358	4,553	7,564	10,705	10,705	10,176	11,897	11,611
04.1 - Corporate Services - Admin		2,706	5,358	-	-	-	-	-	-	-
04.2 - Office Services And Archives		-	-	2,039	2,624	2,624	2,624	2,526	2,678	2,825
04.3 - H R - Management		-	-	-	-	-	-	-	-	-
04.4 - H R - Recruitment And Benefits		-	-	-	-	-	-	-	-	-
04.5 - H R - Training And Development		-	-	1,022	1,140	1,140	1,140	1,150	1,219	1,286
04.6 - H R - Local Authority Training		-	-	1,492	3,800	6,941	6,941	6,500	8,000	7,500
04.7 - Publicity And Media Coordination		-	-	-	-	-	-	-	-	-
04.8 - Risk Management		-	-	-	-	-	-	-	-	-
04.9 - Security And Protection		-	-	-	-	-	-	-	-	-
Vote 05 - Community Services		75,499	89,884	103,311	93,894	106,694	106,694	101,072	107,567	113,598
05.1 - Community Services - Admin		75,499	89,884	-	-	-	-	-	-	-
05.2 - Emergency Services		-	-	225	95	95	95	225	239	252
05.3 - Biodiversity And Landscape		-	-	-	-	-	-	-	-	-
05.4 - Libraries		-	-	7,384	9,274	9,274	9,274	8,188	8,696	8,719
05.5 - Road Traffic Regulations		-	-	20,950	12,880	12,880	12,880	14,100	14,946	15,768
05.6 - Vehicle Licensing And Testing		-	-	11,086	3,870	3,870	3,870	5,025	5,276	5,566
05.7 - Vehicle Licensing And Testing		-	-	-	-	-	-	-	-	-
05.8 - Community Parks		-	-	-	-	-	-	-	-	-
05.9 - Sport Grounds And Stadiums		-	-	107	200	200	200	130	139	147
05.10 - Community Halls And Facilities		-	-	1,002	1,090	1,090	1,090	1,120	1,187	1,252
05.11 - Swimming Pools		-	-	235	300	300	300	265	300	317
05.12 - Cemeteries		-	-	1,515	2,280	2,280	2,280	1,700	1,802	1,901
05.13 - Resorts And Camping Sites Inside Spm		-	-	1,509	1,155	1,155	1,155	1,420	1,505	1,588
05.14 - Resorts And Camping Sites Outside Spm		-	-	1,122	1,135	1,135	1,135	1,200	1,272	1,342
05.15 - Resort Transka		-	-	641	920	920	920	715	758	800
05.16 - Health - Admin		-	-	-	-	-	-	-	-	-
05.17 - Health - Clinics		-	-	-	-	-	-	-	-	-
05.18 - Health - Inspections		-	-	58	70	70	70	70	74	78
05.19 - Health - Commonage And Pound		-	-	28	75	75	75	60	64	67
05.20 - Refuse - Polution Control/										

Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
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		395,258	400,430	492,849	554,304	472,784	472,784	468,192	453,716	480,013
02.1 - Municipal And General		395,258	400,430	489,082	550,559	469,039	469,039	464,047	449,328	475,389
02.2 - Mun : Insurance Fund - Short Term		-	-	2,582	2,425	2,425	2,425	2,675	2,834	2,988
02.3 - Mun : Workmen's Compensation Fund		-	-	1,185	1,320	1,320	1,320	1,470	1,554	1,636
Vote 03 - Municipal Manager		-	-	2,037	2,268	-	-	-	-	-
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	2,268	-	-	-	-	-
Vote 04 - Corporate Services		2,706	5,358	4,553	7,564	10,705	10,705	10,176	11,897	11,611
04.1 - Corporate Services - Admin		2,706	5,358	-	-	-	-	-	-	-
04.2 - Office Services And Archives		-	-	2,039	2,624	2,624	2,624	2,526	2,678	2,825
04.3 - H R - Management		-	-	-	-	-	-	-	-	-
04.4 - H R - Recruitment And Benefits		-	-	-	-	-	-	-	-	-
04.5 - H R - Training And Development		-	-	1,022	1,140	1,140	1,140	1,150	1,219	1,286
04.6 - H R - Local Authority Training		-	-	1,492	3,800	6,941	6,941	6,500	8,000	7,500
04.7 - Publicity And Media Coordination		-	-	-	-	-	-	-	-	-
04.8 - Risk Management		-	-	-	-	-	-	-	-	-
04.9 - Security And Protection		-	-	-	-	-	-	-	-	-
Vote 05 - Community Services		75,499	89,884	103,311	93,894	106,694	106,694	101,072	107,567	113,598
05.1 - Community Services - Admin		75,499	89,884	-	-	-	-	-	-	-
05.2 - Emergency Services		-	-	225	95	95	95	225	239	252
05.3 - Biodiversity And Landscape		-	-	-	-	-	-	-	-	-
05.4 - Libraries		-	-	7,384	9,274	9,274	9,274	8,188	8,696	8,719
05.5 - Road Traffic Regulations		-	-	20,950	12,880	12,880	12,880	14,100	14,946	15,768
05.6 - Vehicle Licensing And Testing		-	-	11,086	3,870	3,870	3,870	5,025	5,276	5,566
05.7 - Vehicle Licensing And Testing		-	-	-	-	-	-	-	-	-
05.8 - Community Parks		-	-	-	-	-	-	-	-	-
05.9 - Sport Grounds And Stadiums		-	-	107	200	200	200	130	139	147
05.10 - Community Halls And Facilities		-	-	1,002	1,090	1,090	1,090	1,120	1,187	1,252
05.11 - Swimming Pools		-	-	235	300	300	300	265	300	317
05.12 - Cemeteries		-	-	1,515	2,280	2,280	2,280	1,700	1,802	1,901
05.13 - Resorts And Camping Sites Inside Spm		-	-	1,509	1,155	1,155	1,155	1,420	1,505	1,588
05.14 - Resorts And Camping Sites Outside Spm		-	-	1,122	1,135	1,135	1,135	1,200	1,272	1,342
05.15 - Resort Transka		-	-	641	920	920	920	715	758	800
05.16 - Health - Admin		-	-	-	-	-	-	-	-	-
05.17 - Health - Clinics		-	-	-	-	-	-	-	-	-
05.18 - Health - Inspections		-	-	58	70	70	70	70	74	78
05.19 - Health - Commonage And Pound		-	-	28	75	75	75	60	64	67
05.20 - Refuse - Polution Control/Collection		-	-	57,449	60,550	73,350	73,350	66,853	71,308	75,800
05.21 - Refuse - Landfill Sites		-	-	-	-	-	-	-	-	-
05.22 - Refuse - Maintenance		-	-	-	-	-	-	-	-	-
Vote 06 - Financial Services		496,684	472,723	514,881	556,928	556,928	556,928	596,060	643,468	692,509
06.1 - Financial Services Admin		496,684	472,723	-	-	-	-	-	-	-
06.2 - Financial Management Grant		-	-	1,700	1,700	1,700	1,700	1,700	1,700	1,700
06.3 - Asset And Risk		-	-	-	-	-	-	1,750	1,000	500
06.4 - Budget And Financial Reporting		-	-	945	300	300	300	-	-	-
06.5 - Budget And Financial Reporting		-	-	-	-	-	-	300	300	300
06.6 - Expenditure Creditors/Payroll		-	-	1,003	940	940	940	1,020	1,081	1,141
06.7 - Information Technology		-	-	-	-	-	-	-	-	-
06.8 - Billing Finance		-	-	510,106	541,327	541,327	541,327	578,669	626,009	674,754
06.9 - Property Rates And Valuations		-	-	-	-	-	-	-	-	-
06.10 - Debt Collection		-	-	1,126	12,621	12,621	12,621	12,621	13,378	14,114
06.11 - Supply Chain Management		-	-	-	40	40	40	-	-	-
Vote 07 - Strategy Econ Development And Planning		7,185	6,640	6,861	8,895	8,895	8,895	8,860	9,396	9,923
07.1 - Sedp Admin		7,185	6,640	-	-	-	-	-	-	-
07.2 - Tourism		-	-	145	137	137	137	137	145	153
07.3 - Properties Services		-	-	448	380	380	380	450	477	503
07.4 - Economic Development And Planning		-	-	1,006	970	970	970	1,050	1,113	1,174
07.5 - Town Planning		-	-	466	943	943	943	943	1,004	1,070
07.6 - Building Inspectorate		-	-	1,118	2,330	2,330	2,330	1,930	2,046	2,158
07.7 - Properties Maintenance		-	-	-	-	-	-	-	-	-
07.8 - Markets And Street Trading		-	-	3,678	4,135	4,135	4,135	4,350	4,611	4,865
07.9 - Urban Renewal Program		-	-	-	-	-	-	-	-	-

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

Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Vote 08 - Infrastructure And Services		909,908	906,164	1,032,183	1,115,049	1,021,049	1,021,049	1,176,537	1,255,991	1,328,881
08.1 - Infrastructure Admin		909,908	906,164	-	-	-	-	-	-	-
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	35	35	35	200	214	228
08.8 - Housing - Admin		-	-	9,790	10,401	10,401	10,401	10,901	11,343	11,967
08.9 - Housing - Maintenance		-	-	-	-	-	-	-	-	-
08.10 - Sewerage - Reticulation		-	-	75,664	75,813	80,813	80,813	81,517	86,546	92,278
08.11 - Sewerage - Treatment		-	-	-	-	-	-	-	-	-
08.12 - Sewerage - Maintenance		-	-	-	-	-	-	-	-	-
08.13 - Water - Treatment		-	-	-	-	-	-	-	-	-
08.14 - Water - Distribution		-	-	283,299	288,458	299,458	299,458	306,392	324,368	347,336
08.15 - Water - Maintenance		-	-	-	-	-	-	-	-	-
08.16 - Electricity - Admin		-	-	663,235	740,342	630,342	630,342	777,527	833,520	877,073
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	1,887,242	1,881,199	2,156,676	2,338,902	2,177,055	2,177,055	2,360,897	2,482,035	2,636,536
Expenditure by Vote	1									
Vote 01 - Executive & Council		40,167	43,422	43,801	46,355	46,057	46,057	51,241	54,475	57,640
01.1 - Councillor's Expenses		40,167	43,422	28,409	29,335	29,685	29,685	31,753	33,817	35,846
01.2 - Executive Mayor Admin		-	-	2,671	6,084	5,825	5,825	7,909	8,383	8,844
01.3 - Speakers Office Admin		-	-	12,720	10,935	10,546	10,546	11,580	12,275	12,950
Vote 02 - Municipal And General		291,674	234,987	321,231	334,931	319,389	319,389	370,910	373,738	400,644
02.1 - Municipal And General		291,674	234,987	317,902	331,186	315,194	315,194	366,765	369,350	396,020
02.2 - Mun : Insurance Fund - Short Term		-	-	2,396	2,425	2,425	2,425	2,675	2,834	2,988
02.3 - Mun : Workmen's Compensation Fund		-	-	933	1,320	1,770	1,770	1,470	1,554	1,636
Vote 03 - Municipal Manager		17,284	16,855	18,576	22,080	21,744	21,744	23,300	24,698	26,056
03.1 - Municipal Manager - Admin		17,284	16,855	11,784	11,082	10,903	10,903	11,479	12,168	12,837
03.2 - Internal Investigations		-	-	(1,190)	1,210	1,210	1,210	1,256	1,332	1,405
03.3 - Internal Audit		-	-	5,194	5,816	5,787	5,787	6,482	6,871	7,249
03.4 - ldp Unit		-	-	750	1,705	1,618	1,618	1,797	1,905	2,010
03.5 - Project Management Unit - Pmu		-	-	2,037	2,268	2,227	2,227	2,285	2,422	2,555
Vote 04 - Corporate Services		53,802	51,493	59,011	68,256	70,581	70,581	74,381	79,841	83,173
04.1 - Corporate Services - Admin		53,802	51,493	9,138	9,396	9,336	9,336	9,894	10,486	11,063
04.2 - Office Services And Archives		-	-	10,495	12,421	12,344	12,344	12,882	13,655	14,406
04.3 - H R - Management		-	-	8,849	12,051	11,695	11,695	12,774	13,540	14,285
04.4 - H R - Recruitment And Benefits		-	-	1,717	2,074	2,059	2,059	2,174	2,293	2,408
04.5 - H R - Training And Development		-	-	2,580	3,571	3,551	3,551	3,570	3,784	3,993
04.6 - H R - Local Authority Training		-	-	1,404	3,800	6,941	6,941	6,500	8,000	7,500
04.7 - Publicity And Media Coordination		-	-	3,214	3,842	3,691	3,691	3,994	4,233	4,466
04.8 - Risk Management		-	-	2,099	2,263	2,243	2,243	2,387	2,530	2,669
04.9 - Security And Protection		-	-	19,515	18,838	18,721	18,721	20,206	21,318	22,384
Vote 05 - Community Services		207,991	220,257	239,727	268,699	265,369	265,369	288,046	305,133	321,712
05.1 - Community Services - Admin		207,991	220,257	3,582	3,969	3,876	3,876	4,213	4,466	4,712
05.2 - Emergency Services		-	-	32,890	35,961	35,436	35,436	38,256	40,341	42,367
05.3 - Biodiversity And Landscape		-	-	576	629	618	618	670	710	749
05.4 - Libraries		-	-	14,632	16,775	16,347	16,347	17,220	18,270	18,819
05.5 - Road Traffic Regulations		-	-	32,920	40,597	39,439	39,439	43,554	46,167	48,705
05.6 - Vehicle Licensing And Testing		-	-	11,395	12,457	12,159	12,159	13,508	14,185	14,965
05.7 - Vehicle Licensing And Testing		-	-	-	-	-	-	-	-	-
05.8 - Community Parks		-	-	25,106	26,573	26,186	26,186	28,163	29,572	31,198
05.9 - Sport Grounds And Stadiums		-	-	6,924	8,017	7,864	7,864	8,409	8,997	9,537
05.10 - Community Halls And Facilities		-	-	3,875	4,076	3,987	3,987	4,496	4,766	5,028
05.11 - Swimming Pools		-	-	5,017	5,833	5,541	5,541	6,274	6,651	7,016
05.12 - Cemeties		-	-	16,770	18,184	18,033	18,033	19,463	20,631	21,765
05.13 - Resorts And Camping Sites Inside Spm		-	-	7,468	8,332	8,167	8,167	8,954	9,473	9,994
05.14 - Resorts And Camping Sites Outside Spm		-	-	3,741	5,096	5,113	5,113	5,345	5,666	5,978
05.15 - Resort Transka		-	-	2,029	2,624	2,626	2,626	2,729	2,893	3,052

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

Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand										
05.16 - Health - Admin		–	–	2,875	3,417	3,404	3,404	3,609	3,808	4,017
05.17 - Health - Clinics		–	–	9,185	6,646	6,646	6,646	6,700	7,068	7,422
05.18 - Health - Inspections		–	–	5,377	7,693	8,298	8,298	8,287	8,785	9,268
05.19 - Health - Commonage And Pound		–	–	1,259	1,370	1,352	1,352	1,441	1,528	1,620
05.20 - Refuse - Polution Control/Collection		–	–	37,135	36,513	37,971	37,971	42,907	45,696	48,438
05.21 - Refuse - Landfill Sites		–	–	2,428	6,099	5,468	5,468	4,958	5,252	5,539
05.22 - Refuse - Maintenance		–	–	14,543	17,838	16,838	16,838	18,888	20,210	21,524
Vote 06 - Financial Services		103,287	106,379	112,282	134,469	131,275	131,275	144,541	152,256	159,982
06.1 - Financial Services Admin		103,287	106,379	3,810	3,507	3,349	3,349	3,449	3,656	3,857
06.2 - Financial Management Grant		–	–	1,714	1,700	1,670	1,670	1,700	1,700	1,700
06.3 - Asset And Risk		–	–	5,272	7,627	7,169	7,169	9,798	9,531	9,500
06.4 - Budget And Financial Reporting		–	–	11,102	17,567	16,538	16,538	18,396	19,500	20,572
06.5 - Budget And Financial Reporting		–	–	–	–	–	–	–	–	–
06.6 - Expenditure Creditors/Payroll		–	–	8,404	10,232	10,066	10,066	10,778	11,425	12,053
06.7 - Information Technology		–	–	12,027	13,009	12,732	12,732	13,754	14,579	15,381
06.8 - Billing Finance		–	–	33,805	37,101	36,880	36,880	40,446	42,872	45,230
06.9 - Property Rates And Valuations		–	–	8,883	10,090	10,054	10,054	10,205	10,817	11,412
06.10 - Debt Collection		–	–	13,751	17,880	17,361	17,361	19,760	20,945	22,097
06.11 - Supply Chain Management		–	–	13,514	15,756	15,457	15,457	16,256	17,231	18,179
Vote 07 - Strategy Econ Development And Planning		46,899	49,209	54,708	57,337	56,894	56,894	60,529	64,203	67,884
07.1 - Sedp Admin		46,899	49,209	2,737	2,885	2,862	2,862	2,882	3,041	3,193
07.2 - Tourism		–	–	3,886	4,019	3,934	3,934	4,080	4,305	4,542
07.3 - Properties Services		–	–	2,249	2,392	2,379	2,379	2,540	2,692	2,840
07.4 - Economic Development And Planning		–	–	8,735	8,568	9,071	9,071	8,713	9,235	9,743
07.5 - Town Planning		–	–	11,149	10,782	10,776	10,776	11,659	12,416	13,221
07.6 - Building Inspectorate		–	–	5,372	5,298	5,096	5,096	5,001	5,301	5,593
07.7 - Properties Maintenance		–	–	10,611	12,021	12,003	12,003	13,584	14,399	15,191
07.8 - Markets And Street Trading		–	–	7,015	7,331	6,915	6,915	8,109	8,596	9,068
07.9 - Urban Renewal Program		–	–	2,954	4,040	3,858	3,858	3,961	4,218	4,492
Vote 08 - Infrastructure And Services		857,567	899,731	1,086,983	1,114,729	1,089,632	1,089,632	1,181,262	1,264,663	1,340,447
08.1 - Infrastructure Admin		857,567	899,731	2,074	3,584	3,381	3,381	4,035	4,277	4,512
08.2 - Ce - Water And Sanitation		–	–	5,720	6,487	6,256	6,256	6,829	7,238	7,636
08.3 - Public Toilets		–	–	2,089	2,339	2,277	2,277	2,396	2,540	2,679
08.4 - Mechanical Workshops		–	–	18,838	20,207	19,972	19,972	21,758	23,169	24,786
08.5 - Fleet		–	–	(2,638)	0	(544)	(544)	–	(0)	0
08.6 - Roads Planning And Design		–	–	5,126	6,009	5,768	5,768	6,294	6,672	7,038
08.7 - Road Construction And Maintenance		–	–	33,974	32,358	32,766	32,766	34,360	36,765	39,154
08.8 - Housing - Admin		–	–	20,485	20,246	20,078	20,078	21,096	22,361	23,590
08.9 - Housing - Maintenance		–	–	5,341	5,827	5,827	5,827	5,986	6,345	6,726
08.10 - Sewerage - Reticulation		–	–	9,494	15,639	5,808	5,808	14,471	15,133	15,778
08.11 - Sewerage - Treatment		–	–	35,893	31,619	31,889	31,889	34,735	37,011	39,416
08.12 - Sewerage - Maintenance		–	–	29,497	28,356	37,873	37,873	31,064	32,928	34,739
08.13 - Water - Treatment		–	–	42,165	45,781	46,635	46,635	47,455	49,831	52,121
08.14 - Water - Distribution		–	–	133,098	155,234	158,003	158,003	167,515	179,206	195,859
08.15 - Water - Maintenance		–	–	57,840	49,288	43,010	43,010	51,512	54,603	57,606
08.16 - Electricity - Admin		–	–	607,479	617,792	604,467	604,467	655,499	705,136	742,107
08.17 - Electricity - Maintenance		–	–	52,268	51,964	48,164	48,164	54,255	57,691	61,037
08.18 - Electricity - Streetlights Maintenance		–	–	28,239	22,000	18,000	18,000	22,000	23,760	25,661
Vote 09 -		–	–	–	–	–	–	–	–	–
Vote 10 -		–	–	–	–	–	–	–	–	–
Vote 11 -		–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–
Vote 15 - Other		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	1,618,672	1,622,333	1,936,318	2,046,856	2,000,941	2,000,941	2,194,210	2,319,006	2,457,537
Surplus/(Deficit) for the year	2	268,569	258,866	220,357	292,046	176,114	176,114	166,687	163,029	178,999

References

1. Insert 'Vote'; e.g. Department, if different to Functional structure
2. Must reconcile to Financial Performance ('Revenue and Expenditure by Functional Classification' and 'Revenue and Expenditure')
3. Assign share in 'associate' to relevant Vote

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

R0057-001 Page - Table A4 Budgeted Financial Performance (Revenue and expenditure)											
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1										
Revenue By Source											
Property rates	2	484,397	455,092	509,454	541,312	541,312	541,312	541,312	578,654	625,994	674,739
Service charges - electricity revenue	2	595,477	594,267	649,455	727,992	617,992	617,992	617,992	763,527	820,800	863,653
Service charges - water revenue	2	223,280	236,344	243,316	268,108	268,108	268,108	268,108	286,042	302,997	324,944
Service charges - sanitation revenue	2	69,998	68,610	64,503	63,813	68,813	68,813	68,813	69,517	73,766	78,731
Service charges - refuse revenue	2	53,149	51,820	48,614	47,595	60,395	60,395	60,395	53,898	57,317	60,690
Rental of facilities and equipment		9,839	10,025	10,566	11,257	11,257	11,257	11,257	11,810	12,307	12,983
Interest earned - external investments		20,996	21,576	18,700	20,000	15,000	15,000	15,000	15,000	21,000	22,000
Interest earned - outstanding debtors		101,387	130,078	174,794	130,490	141,490	141,490	141,490	137,940	130,262	126,478
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		17,407	19,915	21,830	25,735	25,735	25,735	25,735	26,805	28,413	29,976
Licences and permits		2,851	2,801	5,312	3,450	3,450	3,450	3,450	4,764	5,002	5,277
Agency services		6,486	6,975	5,539	-	-	-	-	-	-	-
Transfers and subsidies		164,215	165,337	172,480	188,874	194,729	194,729	194,729	230,509	224,026	240,687
Other revenue	2	23,987	26,177	24,519	25,213	25,213	25,213	25,213	25,146	26,654	28,110
Gains on disposal of PPE		1,786	2,659	(1)	-	10,000	10,000	10,000	-	-	-
Total Revenue (excluding capital transfers and contributions)		1,775,253	1,791,676	1,949,082	2,053,839	1,983,495	1,983,495	1,983,495	2,203,612	2,328,538	2,468,270
Expenditure By Type											
Employee related costs	2	602,966	567,317	647,309	716,652	698,652	698,652	698,652	770,966	818,205	864,258
Remuneration of councillors		20,948	25,011	28,409	29,335	29,685	29,685	29,685	31,753	33,817	35,846
Debt impairment	3	159,613	190,195	240,467	227,000	207,000	207,000	207,000	226,000	240,800	259,984
Depreciation & asset impairment	2	57,792	60,291	64,443	69,250	69,250	69,250	69,250	71,600	76,724	81,747
Finance charges		29,018	27,789	27,213	25,799	26,299	26,299	26,299	24,661	23,543	22,343
Bulk purchases	2	454,010	491,966	501,334	552,500	566,500	566,500	566,500	617,500	669,370	709,325
Other materials	8	133,684	121,748	185,268	170,612	172,946	172,946	172,946	191,225	178,868	195,314
Contracted services		31,332	42,170	53,354	50,901	43,711	43,711	43,711	51,605	54,694	57,697
Transfers and subsidies		6,625	7,984	9,325	9,670	6,970	6,970	3,342	7,670	7,710	7,749
Other expenditure	4, 5	122,274	87,862	177,043	195,138	179,929	179,929	179,929	201,231	215,276	223,274
Loss on disposal of PPE		409	-	2,153	-	-	-	-	-	-	-
Total Expenditure		1,618,672	1,622,333	1,936,318	2,046,856	2,000,941	2,000,941	1,997,314	2,194,210	2,319,006	2,457,537
Surplus/(Deficit)		156,581	169,344	12,763	6,983	(17,447)	(17,447)	(13,819)	9,402	9,532	10,733
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		111,728	89,523	203,033	285,063	193,560	193,560	193,560	157,285	153,497	168,266
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	6	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		261	-	4,561	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		268,569	258,866	220,357	292,046	176,114	176,114	179,742	166,687	163,029	178,999
Taxation											
Surplus/(Deficit) after taxation		268,569	258,866	220,357	292,046	176,114	176,114	179,742	166,687	163,029	178,999
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		268,569	258,866	220,357	292,046	176,114	176,114	179,742	166,687	163,029	178,999
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		268,569	258,866	220,357	292,046	176,114	176,114	179,742	166,687	163,029	178,999

References

1. Classifications are revenue sources and expenditure type
2. Detail to be provided in Table SA1
3. Previously described as 'bad or doubtful debts' - amounts shown should reflect the change in the provision for debt impairment
4. Expenditure type components previously shown under repairs and maintenance should be allocated back to the originating expenditure group/item; e.g. employee costs
5. Repairs & maintenance detailed in Table A9 and Table SA34c
6. Contributions are funds provided by external organisations to assist with infrastructure development; e.g. developer contributions (detail to be provided in Table SA1)
7. Equity method (Includes Joint Ventures)

Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure - to be appropriated	2										
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		-	-	129,034	177,796	81,161	81,161	81,161	68,668	71,000	90,000
Vote 03 - Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 04 - Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote 05 - Community Services		-	3,002	-	-	-	-	-	-	-	-
Vote 06 - Financial Services		-	-	-	-	-	-	-	-	-	-
Vote 07 - Strategy Econ Development And Planning		-	-	-	-	-	-	-	-	-	-
Vote 08 - Infrastructure And Services		67,571	37,767	38,036	81,393	101,823	101,823	101,823	16,000	34,547	41,110
Vote 09 -		-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	67,571	40,769	167,070	259,189	182,984	182,984	182,984	84,668	105,547	131,110
Single-year expenditure to be appropriated	2										
Vote 01 - Executive & Council		-	2,036	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		-	-	20,020	7,715	9,190	9,190	9,190	13,436	-	-
Vote 03 - Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 04 - Corporate Services		-	4,083	-	-	-	-	-	-	-	-
Vote 05 - Community Services		6,958	24,416	-	-	-	-	-	-	-	-
Vote 06 - Financial Services		3,767	2,665	-	-	-	-	-	-	-	-
Vote 07 - Strategy Econ Development And Planning		21,307	7,120	-	-	-	-	-	-	-	-
Vote 08 - Infrastructure And Services		52,048	38,602	58,668	66,337	38,939	38,939	38,939	86,180	74,950	78,156
Vote 09 -		-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		84,080	78,922	78,688	74,052	48,129	48,129	48,129	99,617	74,950	78,156
Total Capital Expenditure - Vote		151,651	119,691	245,758	333,241	231,113	231,113	231,113	184,285	180,497	209,266
Capital Expenditure - Functional											
Governance and administration		3,767	6,418	149,054	185,511	90,351	90,351	90,351	82,105	71,000	90,000
Executive and council		-	2,036	149,054	185,511	90,351	90,351	90,351	82,105	71,000	90,000
Finance and administration		3,767	4,382	-	-	-	-	-	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		6,958	24,416	-	-	-	-	-	-	-	-
Community and social services		6,951	24,416	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		7	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		21,266	24,980	-	-	-	-	-	-	-	-
Planning and development		4,650	-	-	-	-	-	-	-	-	-
Road transport		16,616	24,980	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		119,660	58,017	96,704	147,730	140,762	140,762	140,762	102,180	109,497	119,266
Energy sources		26,760	11,144	25,105	53,997	47,997	47,997	47,997	43,998	29,000	24,880
Water management		42,909	18,830	64,834	55,932	41,450	41,450	41,450	3,377	30,547	33,386
Waste water management		49,991	16,560	6,766	37,801	51,315	51,315	51,315	54,806	49,950	61,000
Waste management		-	11,483	-	-	-	-	-	-	-	-
Other		-	5,860	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	151,651	119,691	245,758	333,241	231,113	231,113	231,113	184,285	180,497	209,266
Funded by:											
National Government		94,188	79,416	203,033	282,795	193,560	193,560	193,560	157,285	153,497	168,266
Provincial Government		12,122	5,106	-	-	-	-	-	-	-	-
District Municipality		5,419	5,000	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	111,728	89,523	203,033	282,795	193,560	193,560	193,560	157,285	153,497	168,266
Borrowing	6										
Internally generated funds		39,922	30,168	42,725	50,446	37,552	37,552	37,552	27,000	27,000	41,000
Total Capital Funding	7	151,651	119,691	245,758	333,241	231,113	231,113	231,113	184,285	180,497	209,266

References

1. Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).
2. Include capital component of PPP unitary payment. Note that capital transfers are only appropriated to municipalities for the budget year
3. Capital expenditure by functional classification must reconcile to the appropriations by vote
4. Must reconcile to supporting table SA20 and to Budgeted Financial Performance (revenue and expenditure)

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

7. Total Capital Funding must balance with Total Capital Expenditure

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

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

Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework			Multi-year appropriation for Budget Year 2019/20 in the 2018/19 Annual Budget				Multi-year appropriation for 2020/21 in the 2018/19 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 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22	Appropriation for 2019/20	Adjustments in 2018/19	Downward adjustments for 2019/20	Appropriation carried forward	Appropriation for 2019/20	Adjustments in 2018/19	Downward adjustments for 2019/20	Appropriation carried forward	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1																					
Capital expenditure - Municipal Vote	2																					
Multi-year expenditure appropriation																						
Vote 01 - Executive & Council																						
01.1 - Councillor's Expenses																						
01.2 - Executive Mayor Admin																						
01.3 - Speakers Office Admin																						
Vote 02 - Municipal And General				129,034	177,796	81,161	81,161	81,161	68,668	71,000	90,000	68,668			68,668	71,000			71,000			90,000
02.1 - Municipal And General				129,034	177,796	81,161	81,161	81,161	68,668	71,000	90,000	68,668			68,668	71,000			71,000			90,000
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 - Idp 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			3,002																			
05.1 - Community Services - Admin			3,002																			
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 - Cemeties																						
05.13 - Resorts And Camping Sites Inside Spm																						
05.14 - Resorts And Camping Sites Outside Spm																						
05.15 - Resort Transka																						
05.16 - Health - Admin																						
05.17 - Health - Clinics																						
05.18 - Health - Inspections																						
05.19 - Health - Commonage And Pound																						
05.20 - Refuse - Polution 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																						
07.1 - Sedp Admin																						
07.2 - Tourism																						

07.3 - Properties Services	-	-	-	-	-	-	-	-	-	-
07.4 - Economic Development And Planning	-	-	-	-	-	-	-	-	-	-
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	67,571	37,767	38,036	81,393	101,823	101,823	101,823	16,000	34,547	41,110
08.1 - Infrastructure Admin	67,571	37,767	-	-	-	-	-	-	-	-
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 - Reticulation	-	-	6,766	20,801	37,715	37,715	37,715	10,000	5,000	5,000
08.11 - Sewerage - Treatment	-	-	-	-	-	-	-	-	-	-
08.12 - Sewerage - Maintenance	-	-	-	-	-	-	-	-	-	-
08.13 - Water - Treatment	-	-	-	-	-	-	-	-	-	-
08.14 - Water - Distribution	-	-	31,222	32,932	41,450	41,450	41,450	3,000	10,547	17,230
08.15 - Water - Maintenance	-	-	-	-	-	-	-	-	-	-
08.16 - Electricity - Admin	-	-	49	27,661	22,659	22,659	22,659	3,000	19,000	18,880
08.17 - Electricity - Maintenance	-	-	-	-	-	-	-	-	-	-
08.18 - Electricity - Streetlights Maintenance	-	-	-	-	-	-	-	-	-	-
Vote 09 -	-	-	-	-	-	-	-	-	-	-
Vote 10 -	-	-	-	-	-	-	-	-	-	-
Vote 11 -	-	-	-	-	-	-	-	-	-	-
Vote 12 -	-	-	-	-	-	-	-	-	-	-
Vote 13 -	-	-	-	-	-	-	-	-	-	-
Vote 14 -	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	67,571	40,769	167,070	259,189	182,984	182,984	182,984	84,668	105,547	131,110
Capital expenditure - Municipal Vote										
Single-year expenditure appropriation										
Vote 01 - Executive & Council	-	2,036	-	-	-	-	-	-	-	-
01.1 - Councillor's Expenses	-	2,036	-	-	-	-	-	-	-	-
01.2 - Executive Mayor Admin	-	-	-	-	-	-	-	-	-	-
01.3 - Speakers Office Admin	-	-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General	-	-	20,020	7,715	9,190	9,190	9,190	13,436	-	-
02.1 - Municipal And General	-	-	20,020	7,715	9,190	9,190	9,190	13,436	-	-
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 - Idp Unit	-	-	-	-	-	-	-	-	-	-
03.5 - Project Management Unit - Pmu	-	-	-	-	-	-	-	-	-	-
Vote 04 - Corporate Services	-	4,083	-	-	-	-	-	-	-	-
04.1 - Corporate Services - Admin	-	4,083	-	-	-	-	-	-	-	-
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	6,958	24,416	-	-	-	-	-	-	-	-
05.1 - Community Services - Admin	6,958	24,416	-	-	-	-	-	-	-	-
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 Transka	-	-	-	-	-	-	-	-	-	-
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	3,767	2,665	-	-	-	-	-	-	-	-
06.1 - Financial Services Admin	3,767	2,665	-	-	-	-	-	-	-	-
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	21,307	7,120	-	-	-	-	-	-	-	-
07.1 - Sedp Admin	21,307	7,120	-	-	-	-	-	-	-	-
07.2 - Tourism	-	-	-	-	-	-	-	-	-	-
07.3 - Properties Services	-	-	-	-	-	-	-	-	-	-
07.4 - Economic Development And Planning	-	-	-	-	-	-	-	-	-	-
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	52,048	38,602	58,668	66,337	38,939	38,939	38,939	86,180	74,950	78,156
08.1 - Infrastructure Admin	52,048	38,602	-	-	-	-	-	-	-	-
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 - Reticulation	-	-	-	17,000	13,600	13,600	13,600	44,806	44,950	56,000
08.11 - Sewerage - Treatment	-	-	-	-	-	-	-	-	-	-
08.12 - Sewerage - Maintenance	-	-	-	-	-	-	-	-	-	-
08.13 - Water - Treatment	-	-	-	-	-	-	-	-	-	-
08.14 - Water - Distribution	-	-	33,612	23,000	-	-	-	377	20,000	16,156
08.15 - Water - Maintenance	-	-	-	-	-	-	-	-	-	-
08.16 - Electricity - Admin	-	-	25,056	26,337	25,339	25,339	25,339	40,998	10,000	6,000
08.17 - Electricity - Maintenance	-	-	-	-	-	-	-	-	-	-
08.18 - Electricity - Streetlights Maintenance	-	-	-	-	-	-	-	-	-	-
Vote 09 -	-	-	-	-	-	-	-	-	-	-
Vote 10 -	-	-	-	-	-	-	-	-	-	-
Vote 11 -	-	-	-	-	-	-	-	-	-	-
Vote 12 -	-	-	-	-	-	-	-	-	-	-
Vote 13 -	-	-	-	-	-	-	-	-	-	-
Vote 14 -	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	84,080	78,922	78,688	74,052	48,129	48,129	48,129	99,617	74,950	78,156
Total Capital Expenditure	151,651	119,691	245,758	333,241	231,113	231,113	231,113	184,285	180,497	209,266

NC091 Sol Plaatje - Table A6 Budgeted Financial Position

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand											
ASSETS											
Current assets											
Cash		259,276	245,735	135,240	183,584	115,264	115,264	115,264	202,093	382,843	380,736
Call investment deposits	1	–	–	–	–	–	–	–	–	–	–
Consumer debtors	1	338,941	708,946	823,390	946,367	898,755	898,755	898,755	1,079,230	1,059,480	1,076,726
Other debtors		531,936	368,787	489,327	296,602	296,602	296,602	296,602	309,305	332,127	355,555
Current portion of long-term receivables		–	–	–	–	–	–	–	–	–	–
Inventory	2	32,656	31,936	36,167	35,209	35,209	35,209	35,209	36,347	37,558	39,025
Total current assets		1,162,808	1,355,405	1,484,124	1,461,762	1,345,830	1,345,830	1,345,830	1,626,975	1,812,008	1,852,042
Non current assets											
Long-term receivables		1,649	7,485	9,845	(31,370)	–	–	–	(33,252)	(35,247)	(37,362)
Investments											
Investment property		196,328	195,886	194,126	191,988	191,988	191,988	191,988	193,202	194,369	195,486
Investment in Associate											
Property, plant and equipment	3	1,424,228	1,471,109	1,647,080	1,870,186	1,870,186	1,870,186	1,870,186	1,855,767	1,895,987	1,955,370
Biological											
Intangible		6,299	3,826	11,052	3,961	3,961	3,961	11,052	11,228	11,267	11,307
Other non-current assets		7,864	7,864	7,864	7,864	7,864	7,864	7,864	7,864	7,864	7,864
Total non current assets		1,636,369	1,686,169	1,869,966	2,042,628	2,073,998	2,073,998	2,081,090	2,034,808	2,074,240	2,132,666
TOTAL ASSETS		2,799,177	3,041,573	3,354,090	3,504,390	3,419,828	3,419,828	3,426,919	3,661,783	3,886,248	3,984,708
LIABILITIES											
Current liabilities											
Bank overdraft	1	–	–	–	–	–	–	–	–	–	–
Borrowing	4	8,201	8,238	12,680	–	–	–	–	–	–	–
Consumer deposits		24,967	26,182	32,341	23	31,392	31,392	31,392	23	23	23
Trade and other payables	4	197,025	178,192	239,220	221,172	221,172	221,172	221,172	221,118	224,151	230,122
Provisions		8,696	54,092	59,896	280,696	280,696	280,696	280,696	297,538	315,390	334,313
Total current liabilities		238,889	266,704	344,136	501,891	533,260	533,260	533,260	518,678	539,563	564,458
Non current liabilities											
Borrowing		218,675	210,435	204,226	191,934	191,934	191,934	191,934	172,417	144,219	115,626
Provisions		261,856	216,144	237,081	28,353	28,353	28,353	28,353	–	–	–
Total non current liabilities		480,531	426,578	441,306	220,286	220,286	220,286	220,286	172,417	144,219	115,626
TOTAL LIABILITIES		719,420	693,283	785,443	722,177	753,547	753,547	753,547	691,095	683,782	680,084
NET ASSETS	5	2,079,758	2,348,290	2,568,647	2,782,213	2,666,281	2,666,281	2,673,372	2,970,688	3,202,467	3,304,624
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		1,975,540	2,221,345	2,468,282	2,686,713	2,570,781	2,570,781	2,574,408	2,884,845	3,120,923	3,222,331
Reserves	4	104,217	126,945	100,366	95,500	95,500	95,500	95,500	85,843	81,543	82,293
TOTAL COMMUNITY WEALTH/EQUITY	5	2,079,758	2,348,290	2,568,647	2,782,213	2,666,281	2,666,281	2,669,908	2,970,688	3,202,467	3,304,624

References

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

NC091 Sol Plaatje - Table A7 Budgeted Cash Flows

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		314,616	347,392	368,027	452,210	415,089	415,089	–	543,035	588,434	602,265
Service charges		717,694	656,696	643,961	935,307	843,107	843,107	–	1,102,051	1,170,432	1,193,881
Other revenue		60,199	65,893	67,279	65,655	65,655	65,655	–	68,525	72,376	76,347
Government - operating	1	164,215	165,337	172,480	190,155	194,729	194,729	–	230,509	224,026	240,687
Government - capital	1	111,728	89,523	203,033	282,795	193,560	193,560	–	157,285	153,497	168,266
Interest		122,383	151,654	193,494	52,623	156,490	156,490	–	52,244	86,131	47,296
Dividends									–	–	–
Payments											
Suppliers and employees		(1,308,897)	(1,326,369)	(1,472,364)	(1,660,740)	(1,614,825)	(1,614,825)	–	(1,844,156)	(1,896,507)	(2,085,714)
Finance charges		(29,018)	(27,789)	(27,213)	(25,799)	(26,299)	(26,299)	–	(24,661)	(23,543)	(22,343)
Transfers and Grants	1	(6,625)	(7,984)	(9,325)	(9,670)	(6,970)	(6,970)	–	(7,670)	(7,710)	(7,749)
NET CASH FROM/(USED) OPERATING ACTIVITIES		146,295	114,353	139,372	282,536	220,536	220,536	–	277,161	367,136	212,936
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		–	–	2,357	–	–	–	–	–	–	–
Decrease (Increase) in non-current debtors					–	–	–	–	–	–	–
Decrease (increase) other non-current receivables					–	–	–	–	–	–	–
Decrease (increase) in non-current investments					–	–	–	–	–	–	–
Payments											
Capital assets		(151,651)	(119,691)	(250,457)	(332,420)	(231,114)	(231,114)	–	(184,285)	(180,497)	(209,266)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(151,651)	(119,691)	(248,100)	(332,420)	(231,114)	(231,114)	–	(184,285)	(180,497)	(209,266)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans					–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	6,480	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits					–	–	–	–	3,202	3,490	3,381
Payments											
Repayment of borrowing		(10,824)	(8,204)	(8,247)	(9,399)	(9,399)	(9,399)	–	(9,251)	(9,402)	(9,532)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(10,824)	(8,204)	(1,767)	(9,399)	(9,399)	(9,399)	–	(6,049)	(5,912)	(6,151)
NET INCREASE/ (DECREASE) IN CASH HELD		(16,180)	(13,542)	(110,495)	(59,283)	(19,977)	(19,977)	–	86,827	180,727	(2,481)
Cash/cash equivalents at the year begin:	2	275,457	259,276	245,735	243,689	135,240	135,240	–	115,263	202,090	382,818
Cash/cash equivalents at the year end:	2	259,277	245,734	135,240	184,406	115,263	115,263	–	202,090	382,818	380,337

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities

2. Cash equivalents includes investments with maturities of 3 months or less

3. The MTREF is populated directly from SA30.

[illegible]

NC091 Sol Plaatje - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	259,277	245,734	135,240	184,406	115,263	115,263	–	202,090	382,818	380,337
Other current investments > 90 days		(1)	1	0	(823)	1	1	115,264	2	25	399
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		259,276	245,735	135,240	183,584	115,264	115,264	115,264	202,093	382,843	380,736
Application of cash and investments											
Unspent conditional transfers		11,012	12,350	31,649	–	–	–	–	–	–	–
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2										
Other working capital requirements	3	(438,909)	(591,657)	(627,953)	(750,925)	(693,832)	(693,832)	203,382	(982,733)	(985,973)	(968,244)
Other provisions											
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5	104,215	126,945	100,365	95,500	95,500	95,500	–	68,213	70,048	86,448
Total Application of cash and investments:		(323,682)	(452,362)	(495,939)	(655,425)	(598,332)	(598,332)	203,382	(914,520)	(915,925)	(881,796)
Surplus(shortfall)		582,957	698,097	631,179	839,009	713,596	713,596	(88,118)	1,116,612	1,298,768	1,262,532

- 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		600,181	724,774	811,989	954,307	897,214	897,214	–	1,186,060	1,192,133	1,184,257
Creditors due		161,272	133,117	184,036	203,382	203,382	203,382	203,382	203,327	206,160	216,013
Total		438,909	591,657	627,953	750,925	693,832	693,832	(203,382)	982,733	985,973	968,244
Debtors collection assumptions											
Balance outstanding - debtors		872,526	1,085,218	1,322,562	1,211,600	1,195,357	1,195,357	1,195,357	1,355,283	1,356,360	1,394,919
Estimate of debtors collection rate		68.8%	66.8%	61.4%	78.8%	75.1%	75.1%	0.0%	87.5%	87.9%	84.9%
Reserves to be backed by cash/investments											
Capital Replacement		70,057	92,131	65,117	60,000	60,000	60,000	–	32,565	34,000	50,000
Self-Insurance		23,548	24,093	24,278	24,500	24,500	24,500	–	24,478	24,678	24,878
Coid		10,610	10,721	10,970	11,000	11,000	11,000	–	11,170	11,370	11,570
		104,215	126,945	100,365	95,500	95,500	95,500	–	68,213	70,048	86,448

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand										
CAPITAL EXPENDITURE										
<u>Total New Assets</u>	1	59,303	40,601	74,120	83,607	77,790	77,790	84,849	49,547	71,266
Roads Infrastructure		–	3,320	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	11,436	–	–	–	–	–	–
Electrical Infrastructure		20,209	11,144	12,721	24,661	24,997	24,997	30,998	16,000	15,880
Water Supply Infrastructure		30,531	12,469	29,452	17,381	19,956	19,956	377	17,547	20,386
Sanitation Infrastructure		4,789	2,000	–	20,801	22,865	22,865	24,806	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		55,528	28,934	53,609	62,842	67,817	67,817	56,180	33,547	36,266
Community Facilities		–	–	364	4,765	2,473	2,473	12,668	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Community Assets		–	–	364	4,765	2,473	2,473	12,668	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	115	813	5,000	2,500	2,500	2,000	2,000	2,000
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	115	813	5,000	2,500	2,500	2,000	2,000	2,000
Operational Buildings		7	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		7	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		3,767	2,366	11,340	–	–	–	–	–	–
Intangible Assets		3,767	2,366	11,340	–	–	–	–	–	–
Computer Equipment		–	–	864	4,000	3,000	3,000	5,000	5,000	20,000
Furniture and Office Equipment		–	4,647	548	3,000	1,000	1,000	3,000	3,000	3,000
Machinery and Equipment		–	–	578	–	–	–	–	–	–
Transport Assets		–	4,540	6,003	4,000	1,000	1,000	6,000	6,000	10,000
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
<u>Total Renewal of Existing Assets</u>	2	92,348	79,206	33,445	45,048	104,979	104,979	23,000	51,000	67,000
Roads Infrastructure		16,616	21,659	12,016	13,048	15,661	15,661	–	–	–
Storm water Infrastructure		–	–	–	–	58,000	58,000	–	–	–
Electrical Infrastructure		6,551	–	565	10,000	10,000	10,000	8,000	8,000	9,000
Water Supply Infrastructure		12,378	6,361	12,720	5,000	3,000	3,000	–	–	–
Sanitation Infrastructure		45,201	14,560	–	17,000	13,600	13,600	15,000	43,000	58,000
Solid Waste Infrastructure		–	12,210	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–						

Total Upgrading of Existing Assets	6	-	-	138,193	204,587	48,344	48,344	76,436	79,950	71,000
Roads Infrastructure		-	-	96,872	151,699	-	-	53,436	55,000	55,000
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	11,819	19,337	13,000	13,000	5,000	5,000	-
Water Supply Infrastructure		-	-	22,662	33,551	18,494	18,494	3,000	13,000	13,000
Sanitation Infrastructure		-	-	6,766	-	14,850	14,850	15,000	6,950	3,000
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	138,118	204,587	46,344	46,344	76,436	79,950	71,000
Community Facilities		-	-	75	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	75	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	2,000	2,000	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	2,000	2,000	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	151,651	119,807	245,758	333,241	231,113	231,113	184,285	180,497	209,266
Roads Infrastructure		16,616	24,980	108,887	164,747	15,661	15,661	53,436	55,000	55,000
Storm water Infrastructure		-	-	11,436	-	58,000	58,000	-	-	-
Electrical Infrastructure		26,760	11,144	25,105	53,997	47,997	47,997	43,998	29,000	24,880
Water Supply Infrastructure		42,909	18,830	64,834	55,932	41,450	41,450	3,377	30,547	33,386
Sanitation Infrastructure		49,991	16,560	6,766	37,801	51,315	51,315	54,806	49,950	61,000
Solid Waste Infrastructure		-	12,210	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		136,275	83,724	217,028	312,477	214,423	214,423	155,617	164,497	174,266
Community Facilities		6,951	24,274	440	4,765	2,473	2,473	12,668	-	-
Sport and Recreation Facilities		-	142	8,144	-	4,717	4,717	-	-	-
Community Assets		6,951	24,416	8,583	4,765	7,190	7,190	12,668	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		2,380	115	813	5,000	2,500	2,500	2,000	2,000	2,000
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		2,380	115	813	5,000	2,500	2,500	2,000	2,000	2,000
Operational Buildings		7	-	-	-	2,000	2,000	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		7	-	-	-	2,000	2,000	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		3,767	2,366	11,340	-	-	-	-	-	-
Intangible Assets		3,767	2,366	11,340	-	-	-	-	-	-
Computer Equipment		2,270	-	864	4,000	3,000	3,000	5,000	5,000	20,000
Furniture and Office Equipment		-	4,647	548	3,000	1,000	1,000	3,000	3,000	3,000
Machinery and Equipment		-	-	578	-	-	-	-	-	-
Transport Assets		-	4,540	6,003	4,000	1,000	1,000	6,000	6,000	10,000
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		151,651	119,807	245,758	333,241	231,113	231,113	184,285	180,497	209,266

ASSET REGISTER SUMMARY - PPE (WDV)	5	1,634,720	1,691,265	1,862,478	2,073,998	2,073,998	2,073,998	2,068,060	2,109,487	2,170,027
<i>Roads Infrastructure</i>		308,727	320,673	409,965	432,749	349,050	349,050	337,100	338,555	339,129
<i>Storm water Infrastructure</i>					51,413	145,112	145,112	109,413	95,805	113,802
<i>Electrical Infrastructure</i>		214,448	219,345	237,020	291,842	291,842	291,842	313,843	322,223	329,275
<i>Water Supply Infrastructure</i>		163,197	174,653	253,237	276,783	271,783	271,783	276,767	316,275	343,764
<i>Sanitation Infrastructure</i>		361,671	370,878	369,904	422,737	417,737	417,737	439,742	456,027	460,776
<i>Solid Waste Infrastructure</i>		25,677	36,134	22,612	34,952	34,952	34,952	6,599	6,599	6,599
<i>Rail Infrastructure</i>										
<i>Coastal Infrastructure</i>										
<i>Information and Communication Infrastructure</i>		–	–	–	–	–	–	–	–	–
Infrastructure		1,073,718	1,121,683	1,292,737	1,510,476	1,510,476	1,510,476	1,483,464	1,535,484	1,593,344
Community Assets		287,634	304,544	304,554	256,403	258,403	258,403	271,497	262,467	252,850
Heritage Assets		7,864	7,864	7,864	7,864	7,864	7,864	7,864	7,864	7,864
Investment properties		196,328	195,886	205,465	191,988	191,988	191,988	193,202	194,369	195,486
Other Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets										
Intangible Assets		6,299	3,826	11,052	3,961	3,961	3,961	11,228	11,267	11,307
Computer Equipment		62,876	7,516	4,745	10,658	10,658	10,658	11,658	12,863	29,887
Furniture and Office Equipment		–	5,191	4,131	3,391	3,391	3,391	3,391	3,628	3,621
Machinery and Equipment		–	4,638	3,337	4,638	2,638	2,638	4,638	4,638	4,638
Transport Assets			40,119	37,576	29,689	29,689	29,689	26,189	21,977	16,100
Land		–	–	(8,983)	54,930	54,930	54,930	54,930	54,930	54,930
Zoo's, Marine and Non-biological Animals										
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	1,634,720	1,691,265	1,862,478	2,073,998	2,073,998	2,073,998	2,068,060	2,109,487	2,170,027
EXPENDITURE OTHER ITEMS		191,476	182,038	317,203	316,063	314,954	314,954	331,650	355,959	380,187
Depreciation	7	57,792	60,291	64,443	69,250	69,250	69,250	71,600	76,724	81,747
Repairs and Maintenance by Asset Class	3	133,684	121,748	252,761	246,813	245,704	245,704	260,050	279,235	298,440
<i>Roads Infrastructure</i>		13,612	18,157	43,323	40,528	40,936	40,936	42,380	47,896	53,392
<i>Storm water Infrastructure</i>		–	–	483	600	600	600	600	642	684
<i>Electrical Infrastructure</i>		22,225	26,099	67,611	59,739	56,062	56,062	61,400	65,426	69,417
<i>Water Supply Infrastructure</i>		21,617	17,471	51,220	42,438	36,711	36,711	44,662	47,342	49,946
<i>Sanitation Infrastructure</i>		9,171	15,137	26,596	25,426	32,823	32,823	28,074	29,759	31,395
<i>Solid Waste Infrastructure</i>		13,147	13,715	17,012	22,237	22,106	22,106	23,196	24,778	26,345
<i>Rail Infrastructure</i>		–	–	–	–	–	–	–	–	–
<i>Coastal Infrastructure</i>		–	–	1,780	1,361	1,568	1,568	1,571	1,669	1,765
<i>Information and Communication Infrastructure</i>		–	–	–	–	–	–	–	–	–
Infrastructure		79,772	90,578	208,025	192,329	190,806	190,806	201,884	217,511	232,942
Community Facilities		8,624	749	2,247	3,150	3,140	3,140	3,810	4,018	4,240
Sport and Recreation Facilities		1,863	390	402	391	399	399	440	452	479
Community Assets		10,487	1,139	2,649	3,541	3,539	3,539	4,250	4,470	4,719
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	929	6,063	6,681	6,681	6,681	6,880	7,293	7,725
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	929	6,063	6,681	6,681	6,681	6,880	7,293	7,725
Operational Buildings		43,425	19,395	12,268	8,964	13,075	13,075	10,953	11,616	12,270
Housing		–	–	–	–	–	–	–	–	–
Other Assets		43,425	19,395	12,268	8,964	13,075	13,075	10,953	11,616	12,270
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	3,699	1,377	1,849	3,595	3,595	1,758	1,865	1,969
Machinery and Equipment		–	–	17,247	21,860	20,721	20,721	23,378	24,878	26,564
Transport Assets		–	6,007	5,133	11,588	7,287	7,287	10,947	11,604	12,250
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
TOTAL EXPENDITURE OTHER ITEMS		191,476	182,038	317,203	316,063	314,954	314,954	331,650	355,959	380,187
Renewal and upgrading of Existing Assets as % of total capex		60.9%	66.1%	69.8%	74.9%	66.3%	66.3%	54.0%	72.5%	65.9%
Renewal and upgrading of Existing Assets as % of deprecn		159.8%	131.4%	266.3%	360.5%	221.4%	221.4%	138.9%	170.7%	168.8%
R&M as a % of PPE		9.4%	8.3%	15.3%	13.2%	13.1%	13.1%	14.0%	14.7%	15.3%
Renewal and upgrading and R&M as a % of PPE		14.0%	12.0%	23.0%	24.0%	19.0%	19.0%	17.0%	19.0%	20.0%

References

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

NC091 Sol Plaatje - Table A10 Basic service delivery measurement

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Household service targets	1									
Water:										
Piped water inside dwelling		39,400	39,400	39,400	39,400	39,400	39,400	39,400	39,400	39,400
Piped water inside yard (but not in dwelling)		15,400	15,400	15,400	15,400	15,400	15,400	15,400	15,400	15,400
Using public tap (at least min.service level)	2	7,570	7,570	7,570	7,646	7,646	7,646	7,722	7,722	7,722
Other water supply (at least min.service level)	4	–	–	–	–	–	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>		62,370	62,370	62,370	62,446	62,446	62,446	62,522	62,522	62,522
Using public tap (< min.service level)	3	860	–	860	860	860	860	860	860	860
Other water supply (< min.service level)	4	–	–	–	–	–	–	–	–	–
No water supply		870	870	870	870	870	870	870	870	870
<i>Below Minimum Service Level sub-total</i>		1,730	870	1,730	1,730	1,730	1,730	1,730	1,730	1,730
Total number of households	5	64,100	63,240	64,100	64,176	64,176	64,176	64,252	64,252	64,252
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		58,900	58,900	58,900	58,900	58,900	58,900	58,900	58,900	58,900
Flush toilet (with septic tank)		–	–	–	–	–	–	–	–	–
Chemical toilet		–	–	–	–	–	–	–	–	–
Pit toilet (ventilated)		895	895	895	895	895	895	895	895	895
Other toilet provisions (> min.service level)		–	–	–	–	–	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>		59,795	59,795	59,795	59,795	59,795	59,795	59,795	59,795	59,795
Bucket toilet		1,385	1,385	1,385	1,385	1,385	1,385	1,385	1,385	1,385
Other toilet provisions (< min.service level)		–	–	–	–	–	–	–	–	–
No toilet provisions		2,920	2,920	2,920	2,996	2,996	2,996	3,072	3,149	3,149
<i>Below Minimum Service Level sub-total</i>		4,305	4,305	4,305	4,381	4,381	4,381	4,457	4,534	4,534
Total number of households	5	64,100	64,100	64,100	64,176	64,176	64,176	64,252	64,329	64,329
Energy:										
Electricity (at least min.service level)		13,020	13,020	13,020	13,020	13,020	13,020	13,020	13,020	13,020
Electricity - prepaid (min.service level)		44,100	44,100	44,100	44,100	44,100	44,100	44,100	44,100	44,100
<i>Minimum Service Level and Above sub-total</i>		57,120	57,120	57,120	57,120	57,120	57,120	57,120	57,120	57,120
Electricity (< min.service level)		–	–	6,980	–	–	–	–	–	–
Electricity - prepaid (< min. service level)		–	–	–	–	–	–	–	–	–
Other energy sources		6,980	6,980	6,980	7,056	7,056	7,056	7,132	7,209	7,209
<i>Below Minimum Service Level sub-total</i>		6,980	6,980	13,960	7,056	7,056	7,056	7,132	7,209	7,209
Total number of households	5	64,100	64,100	71,080	64,176	64,176	64,176	64,252	64,329	64,329
Refuse:										
Removed at least once a week		54,800	54,800	54,800	54,800	54,800	54,800	54,800	54,800	54,800
<i>Minimum Service Level and Above sub-total</i>		54,800	54,800	54,800	54,800	54,800	54,800	54,800	54,800	54,800
Removed less frequently than once a week		740	740	740	740	740	740	740	740	740
Using communal refuse dump		1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130
Using own refuse dump		5,690	5,690	5,690	5,690	5,690	5,690	5,690	5,690	5,690
Other rubbish disposal		–	–	–	–	–	–	–	–	–
No rubbish disposal		1,740	1,740	1,740	1,816	1,816	1,816	1,892	1,969	1,969
<i>Below Minimum Service Level sub-total</i>		9,300	9,300	9,300	9,376	9,376	9,376	9,452	9,529	9,529
Total number of households	5	64,100	64,100	64,100	64,176	64,176	64,176	64,252	64,329	64,329
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		–	–	–	15,000	15,000	15,000	15,000	17,500	18,500
Sanitation (free minimum level service)		–	–	–	15,000	15,000	15,000	15,000	17,500	18,500
Electricity/other energy (50kwh per household per month)		–	–	9,514	15,000	15,000	15,000	15,000	17,500	18,500
Refuse (removed at least once a week)		–	–	–	15,000	15,000	15,000	15,000	17,500	18,500
Cost of Free Basic Services provided - Formal Settlements (R'000)	8									
Water (6 kilolitres per indigent household per month)		–	–	6,052	8,125	8,125	8,125	8,125	10,498	11,857
Sanitation (free sanitation service to indigent households)		–	–	–	–	–	–	–	–	–
Electricity/other energy (50kwh per indigent household per month)		–	–	11,246	12,023	12,023	12,023	12,023	13,518	15,309
Refuse (removed once a week for indigent households)		–	–	11,504	15,000	12,000	12,000	15,000	15,900	16,854
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		47,010	46,989	36,731	115,598	115,598	115,598	92,028	91,078	105,254
Total cost of FBS provided		47,010	46,989	65,533	150,746	147,746	147,746	127,176	130,994	149,274
Highest level of free service provided per household										
Property rates (R value threshold)		15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Water (kilolitres per household per month)		6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)		–	–	–	–	–	–	–	–	–
Sanitation (Rand per household per month)		132	138	145	155	155	155	165	175	187
Electricity (kwh per household per month)		50	50	50	50	50	50	50	50	50
Refuse (average litres per week)		21	21	21	21	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)		107	112	118	125	125	125	113	124	128
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA		–	–	9,546	10,210	10,210	10,210	10,210	10,823	11,418
Water (in excess of 6 kilolitres per indigent household per month)		–	–	–	–	–	–	–	–	–
Sanitation (in excess of free sanitation service to indigent households)		–	–	16,770	21,867	16,867	16,867	21,867	23,289	24,686
Electricity/other energy (in excess of 50 kwh per indigent household per month)		–	–	–	–	–	–	–	–	–
Refuse (in excess of one removal a week for indigent households)		–	–	–	–	–	–	–	–	–
Municipal Housing - rental rebates		–	–	–	–	–	–	–	–	–
Housing - top structure subsidies		–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Total revenue cost of subsidised services provided	6	107	112	26,434	32,202	27,202	27,202	32,190	34,235	36,232

References

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

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand											
REVENUE ITEMS:											
<u>Property rates</u>											
Total Property Rates	6	484,397	455,092	519,000	551,522	551,522	551,522	551,522	588,864	636,816	686,157
<i>less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)</i>		–	–	9,546	10,210	10,210	10,210	10,210	10,210	10,823	11,418
Net Property Rates		484,397	455,092	509,454	541,312	541,312	541,312	541,312	578,654	625,994	674,739
<u>Service charges - electricity revenue</u>											
Total Service charges - electricity revenue	6	595,477	594,267	660,700	740,015	630,015	630,015	630,015	775,550	834,318	878,963
<i>less Revenue Foregone (in excess of 50 kwh per indigent household per month)</i>											
<i>less Cost of Free Basis Services (50 kwh per indigent household per month)</i>		–	–	11,246	12,023	12,023	12,023	12,023	12,023	13,518	15,309
Net Service charges - electricity revenue		595,477	594,267	649,455	727,992	617,992	617,992	617,992	763,527	820,800	863,653
<u>Service charges - water revenue</u>											
Total Service charges - water revenue	6	223,280	236,344	249,368	276,233	276,233	276,233	276,233	294,167	313,495	336,801
<i>less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)</i>											
<i>less Cost of Free Basis Services (6 kilolitres per indigent household per month)</i>		–	–	6,052	8,125	8,125	8,125	8,125	8,125	10,498	11,857
Net Service charges - water revenue		223,280	236,344	243,316	268,108	268,108	268,108	268,108	286,042	302,997	324,944
<u>Service charges - sanitation revenue</u>											
Total Service charges - sanitation revenue		69,998	68,610	81,272	85,681	85,681	85,681	85,681	91,384	97,055	103,417
<i>less Revenue Foregone (in excess of free sanitation service to indigent households)</i>				16,770	21,867	16,867	16,867	16,867	21,867	23,289	24,686
<i>less Cost of Free Basis Services (free sanitation service to indigent households)</i>		–	–	–	–	–	–	–	–	–	–
Net Service charges - sanitation revenue		69,998	68,610	64,503	63,813	68,813	68,813	68,813	69,517	73,766	78,731
<u>Service charges - refuse revenue</u>											
Total refuse removal revenue		53,149	51,820	60,118	62,595	72,395	72,395	72,395	68,898	73,217	77,544
Total landfill revenue											
<i>less Revenue Foregone (in excess of one removal a week to indigent households)</i>		–	–	–	–	–	–	–	–	–	–
<i>less Cost of Free Basis Services (removed once a week to indigent households)</i>		–	–	11,504	15,000	12,000	12,000	12,000	15,000	15,900	16,854
Net Service charges - refuse revenue		53,149	51,820	48,614	47,595	60,395	60,395	60,395	53,898	57,317	60,690
<u>Other Revenue by source</u>											
<i>Fuel Levy</i>											
<i>Sale Of Goods & Services</i>		–	–	16,018	19,373	19,373	19,373	19,373	18,749	19,899	21,004
<i>Other Revenue</i>		23,987	26,177	1,003	–	–	–	–	–	–	–
<i>Other Revenue</i>		–	–	7,498	5,840	5,840	5,840	5,840	6,396	6,755	7,105
Total 'Other' Revenue	1	23,987	26,177	24,519	25,213	25,213	25,213	25,213	25,146	26,654	28,110
EXPENDITURE ITEMS:											
<u>Employee related costs</u>											
Basic Salaries and Wages	2	328,026	321,653	340,348	387,886	379,399	379,399	379,399	421,391	446,810	471,523
Pension and UIF Contributions		44,070	54,143	56,594	66,559	66,559	66,559	66,559	72,623	76,994	81,332
Medical Aid Contributions											

Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		57,792	60,291	60,372	64,250	64,250	64,250	64,250	66,600	71,349	76,023
Lease amortisation		—	—	4,071	5,000	5,000	5,000	5,000	5,000	5,375	5,724
Capital asset impairment											
Depreciation resulting from revaluation of PPE	10										
Total Depreciation & asset impairment	1	57,792	60,291	64,443	69,250	69,250	69,250	69,250	71,600	76,724	81,747
Bulk purchases											
Electricity Bulk Purchases		387,544	422,426	420,968	462,000	471,000	471,000	471,000	520,000	562,120	591,350
Water Bulk Purchases		66,466	69,541	80,366	90,500	95,500	95,500	95,500	97,500	107,250	117,975
Total bulk purchases	1	454,010	491,966	501,334	552,500	566,500	566,500	566,500	617,500	669,370	709,325
Transfers and grants											
Cash transfers and grants		6,625	7,984	9,325	9,670	6,970	6,970	3,342	7,670	7,710	7,749
Non-cash transfers and grants		—	—	—	—	—	—	—	—	—	—
Total transfers and grants	1	6,625	7,984	9,325	9,670	6,970	6,970	3,342	7,670	7,710	7,749
Contracted services											
Contractors		31,332	42,170	33,443	34,578	28,078	28,078	28,078	35,328	37,628	39,872
Outsourced Services		—	—	11,133	6,283	5,643	5,643	5,643	6,237	6,374	6,510
Consultants & Professionals		—	—	8,778	10,040	9,990	9,990	9,990	10,040	10,692	11,314
sub-total	1	31,332	42,170	53,354	50,901	43,711	43,711	43,711	51,605	54,694	57,697
Allocations to organs of state:											
Electricity											
Water											
Sanitation											
Other											
Total contracted services		31,332	42,170	53,354	50,901	43,711	43,711	43,711	51,605	54,694	57,697
Other Expenditure By Type											
Collection costs											
Contributions to 'other' provisions											
Consultant fees											
Audit fees		—	—	4,930	5,000	5,240	5,240	5,240	5,500	5,913	6,297
General expenses	3	122,274	87,862	23,625	26,795	24,262	24,262	24,262	28,040	29,420	31,119
<i>Municipal Services\prepaid Electricity</i>		—	—	—	—	—	—	—	—	—	—
<i>Oc: Municipal Services</i>		—	—	65,539	66,755	55,586	55,586	55,586	69,203	74,082	78,908
<i>Oc: Cash Discount</i>		—	—	28,637	33,000	33,000	33,000	33,000	33,000	35,475	37,781
<i>Oc: Municipal Services\water</i>		—	—	2,042	2,550	2,250	2,250	2,250	2,550	2,703	2,852
<i>Oc: Professional Bodies M/Ship & Subs</i>		—	—	6,899	7,355	7,388	7,388	7,388	7,872	8,461	9,010
<i>Oc: Comm - Phone Fax Telegraph & Telex</i>		—	—	4,051	6,020	5,013	5,013	5,013	5,855	6,233	6,598
<i>Oc: Learnerships & Internships</i>		—	—	2,544	5,352	8,154	8,154	8,154	5,147	6,494	5,844
<i>Oc: Insur Under - Premiums</i>		—	—	4,942	5,053	5,053	5,053	5,053	5,775	6,124	6,462
<i>Oc: Uniform & Protective Clothing</i>		—	—	4,054	5,024	5,205	5,205	5,205	5,305	5,631	5,954
<i>Oc: Ext Com Serv Prov - S/Ware Licences</i>		—	—	1,569	4,383	5,071	5,071	5,071	4,632	4,909	5,179
<i>Oc: Indigent Relief</i>		—	—	9,351	4,180	4,180	4,180	4,180	4,180	4,754	832
<i>Oc: Remuneration To Ward Committees</i>		—	—	3,631	3,960	3,960	3,960	3,960	3,960	4,198	4,428
<i>Oc: Assets Less Than Capital Threshold</i>		—	—	2,169	3,787	2,043	2,043	2,043	3,738	3,964	4,184
<i>Oc: Bc/Fac/C Fees - Bank Accounts</i>		—	—	2,649	3,650	3,650	3,650	3,650	3,700	3,922	4,138
<i>Oc: Printing & Publications</i>		—	—	4,009	4,027	3,720	3,720	3,720	4,544	4,861	5,161
<i>Oc: Reg Fees National</i>		—	—	1,479	2,775	1,454	1,454	1,454	2,749	2,313	2,376
<i>Oc: T&S Dom - Accommodation</i>		—	—	2,144	2,360	1,635	1,635	1,635	2,409	2,564	2,712
<i>Oc: Comm - Postage/Stamps/Frinking Mach</i>		—	—	2,776	3,113	3,064	3,064	3,064	3,074	3,258	3,437
Total 'Other' Expenditure	1	122,274	87,862	177,043	195,138	179,929	179,929	179,929	201,231	215,276	223,274
by Expenditure Item											
Employee related costs	8	—	—	99,042	110,742	109,068	109,068	109,068	120,789	128,316	135,890
Other materials		133,684	121,748	137,128	119,923	122,583	122,583	122,583	123,092	133,577	144,041
Contracted Services		—	—	11,714	9,474	7,974	7,974	7,974	9,720	10,484	11,235
Other Expenditure		—	—	4,877	6,673	6,079	6,079	6,079	6,449	6,859	7,275
Total Repairs and Maintenance Expenditure	9	133,684	121,748	252,761	246,813	245,704	245,704	245,704	260,050	279,235	298,440
check		—	0	—	—	—	—	—	—	—	—

References

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

NC091 Sol Plaatje - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

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	Total
R thousand	1									
Revenue By Source										
Property rates		-	-	-	-	-	578,654	-	-	578,654
Service charges - electricity revenue		-	-	-	-	-	-	-	763,527	763,527
Service charges - water revenue		-	-	-	-	-	-	-	286,042	286,042
Service charges - sanitation revenue		-	-	-	-	-	-	-	69,517	69,517
Service charges - refuse revenue		-	-	-	-	53,898	-	-	-	53,898
Rental of facilities and equipment		-	-	-	-	110	-	800	10,900	11,810
Interest earned - external investments		-	15,000	-	-	-	-	-	-	15,000
Interest earned - outstanding debtors		-	79,000	-	-	12,940	-	-	46,000	137,940
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	-	14,185	12,620	-	-	26,805
Licences and permits		-	-	-	-	4,764	-	-	-	4,764
Agency services		-	-	-	-	-	-	-	-	-
Other revenue		-	4,148	-	3,676	7,375	1,336	8,060	551	25,146
Transfers and subsidies		-	212,759	-	6,500	7,800	3,450	-	-	230,509
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contribution)		-	310,907	-	10,176	101,072	596,060	8,860	1,176,537	2,203,612
Expenditure By Type										
Employee related costs		13,317	62,959	17,436	59,708	233,238	121,621	49,496	213,189	770,966
Remuneration of councillors		31,753	-	-	-	-	-	-	-	31,753
Debt impairment		-	120,000	-	-	-	-	-	106,000	226,000
Depreciation & asset impairment		-	44,300	-	-	900	-	-	26,400	71,600
Finance charges		-	343	-	-	-	-	-	24,318	24,661
Bulk purchases		-	-	-	-	-	-	-	617,500	617,500
Other materials		393	50,878	201	2,780	34,838	4,098	6,619	91,420	191,225
Contracted services		200	7,855	4,328	198	433	1,428	400	36,763	51,605
Transfers and subsidies		500	7,000	-	-	170	-	-	-	7,670
Other expenditure		5,079	77,575	1,335	11,695	18,467	17,394	4,014	65,672	201,231
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-
Total Expenditure		51,241	370,910	23,300	74,381	288,046	144,541	60,529	1,181,262	2,194,210
Surplus/(Deficit)		(51,241)	(60,003)	(23,300)	(64,205)	(186,975)	451,519	(51,669)	(4,725)	9,402
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)			157,285	-		-				157,285
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		(51,241)	97,282	(23,300)	(64,205)	(186,975)	451,519	(51,669)	(4,725)	166,687

References

1. Departmental columns to be based on municipal organisation structure

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

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand											
ASSETS											
Call investment deposits											
Call deposits											
Other current investments		-	-	-	-	-	-	-	-	-	-
Total Call investment deposits	2	-	-	-	-	-	-	-	-	-	-
Consumer debtors											
Consumer debtors		1,119,835	1,641,283	1,906,132	2,170,469	2,102,857	2,102,857	2,102,857	2,374,337	2,601,317	2,888,937
Less: Provision for debt impairment		(780,894)	(932,336)	(1,082,742)	(1,224,102)	(1,204,102)	(1,204,102)	(1,204,102)	(1,295,107)	(1,541,836)	(1,812,212)
Total Consumer debtors	2	338,941	708,946	823,390	946,367	898,755	898,755	898,755	1,079,230	1,059,480	1,076,726
Debt impairment provision											
Balance at the beginning of the year		648,585	789,001	(932,336)	(1,128,012)	(1,128,012)	(1,128,012)	(1,128,012)	(1,199,017)	(1,290,023)	(1,538,673)
Contributions to the provision		161,571	192,872	144,166	(91,005)	(71,005)	(71,005)	(71,005)	(91,005)	(248,650)	(270,525)
Bad debts written off		(21,155)	(34,409)	(294,572)	(5,084)	(5,084)	(5,084)	(5,084)	(5,084)	(3,164)	(3,014)
Balance at end of year		789,001	947,464	(1,082,742)	(1,224,102)	(1,204,102)	(1,204,102)	(1,204,102)	(1,295,107)	(1,541,836)	(1,812,212)
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)		2,000,100	2,103,671	2,313,369	2,627,351	2,527,723	2,527,723	2,527,723	2,651,445	2,761,198	2,896,124
Leases recognised as PPE											
Less: Accumulated depreciation		575,872	632,563	666,289	757,165	657,537	657,537	657,537	795,678	865,211	940,753
Total Property, plant and equipment (PPE)	2	1,424,228	1,471,109	1,647,080	1,870,186	1,870,186	1,870,186	1,870,186	1,855,767	1,895,987	1,955,370
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)											
Current portion of long-term liabilities		8,201	8,238	12,680	-	-	-	-	-	-	-
Total Current liabilities - Borrowing		8,201	8,238	12,680	-	-	-	-	-	-	-
Trade and other payables											
Trade Payables	5	161,272	133,117	184,036	203,382	203,382	203,382	203,382	203,327	206,160	216,013
Other creditors											
Unspent conditional transfers		11,012	12,350	31,649	-	-	-	-	-	-	-
VAT		24,741	32,725	23,535	17,790	17,790	17,790	17,790	17,790	17,990	14,109
Total Trade and other payables	2	197,025	178,192	239,220	221,172	221,172	221,172	221,172	221,118	224,151	230,122
Non current liabilities - Borrowing											
Borrowing	4	218,675	210,435	204,226	191,934	191,934	191,934	191,934	172,417	144,219	115,626
Finance leases (including PPP asset element)											
Total Non current liabilities - Borrowing		218,675	210,435	204,226	191,934	191,934	191,934	191,934	172,417	144,219	115,626
Provisions - non-current											
Retirement benefits		234,231	214,640	237,081							
List other major provision items											
Other		-	-		28,353	28,353	28,353	28,353	-	-	-
Other		27,624	1,503								
Total Provisions - non-current		261,856	216,144	237,081	28,353	28,353	28,353	28,353	-	-	-
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance		1,737,172	1,975,540	2,207,787	2,363,222	2,363,222	2,363,222	2,363,222	2,394,667	2,718,158	2,957,894
GRAP adjustments											
Restated balance		1,737,172	1,975,540	2,207,787	2,363,222	2,363,222	2,363,222	2,363,222	2,394,667	2,718,158	2,957,894
Surplus/(Deficit)		268,569	258,866	220,357	292,046	176,114	176,114	179,742	166,687	163,029	178,999
Appropriations to Reserves		(30,201)	(13,061)								
Transfers from Reserves			-	26,579	31,445	31,445	31,445	31,445	323,491	239,736	85,438
Depreciation offsets		-	-	-	-	-	-	-	-	-	-
Other adjustments		-	-	13,559	-	-	-	-	-	-	-
Accumulated Surplus/(Deficit)	1	1,975,540	2,221,345	2,468,282	2,686,713	2,570,781	2,570,781	2,574,408	2,884,845	3,120,923	3,222,331
Reserves											
Housing Development Fund											
Capital replacement		70,059	92,131	65,117	53,153	53,153	53,153	53,153	39,729	31,662	28,645
Self-insurance		23,548	24,093	24,278	29,099	29,099	29,099	29,099	31,603	34,106	36,609
COVID		10,610	10,721	10,970	13,248	13,248	13,248	13,248	14,512	15,775	17,039
Revaluation											
Total Reserves	2	104,217	126,945	100,366	95,500	95,500	95,500	95,500	85,843	81,543	82,293
TOTAL COMMUNITY WEALTH/EQUITY	2	2,079,758	2,348,290	2,568,647	2,782,213	2,666,281	2,666,281	2,669,908	2,970,688	3,202,467	3,304,624

Total capital expenditure includes expenditure on nationally significant priorities:

[illegible]

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

Strategic Objective	Goal	Goal Code	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand												
GOOD GOVERNANCE AND PUBLIC PARTICIPATION				394,931	–	285,255	271,509	279,224	279,224	310,907	300,219	311,747
MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT				496,684	473,280	514,881	556,928	556,928	556,928	596,060	643,468	692,509
MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION				2,706	399,295	6,591	7,564	10,705	10,705	10,176	11,897	11,611
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT				873,746	912,461	1,135,494	1,208,943	1,127,743	1,127,743	1,277,609	1,363,558	1,442,480
LOCAL ECONOMIC DEVELOPMENT	Marketing the municipality as premier destination for tourism and investment	A		7,185	6,640	6,861	8,895	8,895	8,895	8,860	9,396	9,923
Allocations to other priorities				2								
Total Revenue (excluding capital transfers and contributions)			1	1,775,253	1,791,676	1,949,082	2,053,839	1,983,495	1,983,495	2,203,612	2,328,538	2,468,270

References

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

check op revenue balance	0	(0)	-	-	-	-	-	-	-
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NC091 Sol Plaatje - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22	
R thousand													
GOOD GOVERNANCE AND PUBLIC PARTICIPATION				339,553	31,403	365,032	381,286	365,446	365,446	422,152	428,212	458,284	
MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT				103,287	106,376	112,282	134,469	131,275	131,275	144,541	152,256	159,982	
MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION				73,510	316,382	77,587	90,336	92,325	92,325	97,681	104,538	109,229	
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT				1,053,785	1,126,841	1,326,710	1,383,428	1,355,000	1,355,000	1,469,308	1,569,797	1,662,159	
LOCAL ECONOMIC DEVELOPMENT	Marketing the municipality as premier destination for tourism and investment	A		48,537	41,330	54,708	57,337	56,894	56,894	60,529	64,203	67,884	
Allocations to other priorities													
Total Expenditure				1	1,618,672	1,622,333	1,936,318	2,046,856	2,000,941	2,000,941	2,194,210	2,319,006	2,457,537

References

1. Total expenditure must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)
2. Balance of allocations not directly linked to an IDP strategic objective
- check op expenditure balance(0) - - - - - - - - - -

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

Strategic Objective	Goal	Goal Code	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand												
GOOD GOVERNANCE AND PUBLIC PARTICIPATION				25,074	14,706	149,054	185,511	90,351	90,351	82,105	71,000	90,000
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT				126,577	104,984	96,704	147,730	140,762	140,762	102,180	109,497	119,266
Allocations to other priorities			3									
Total Capital Expenditure			1	151,651	119,691	245,758	333,241	231,113	231,113	184,285	180,497	209,266

References

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

- - - - -

NC091 Sol Plaatje - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2015/16	2016/17	2017/18	Current Year 2018/19		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast
	NT Schedule error see SDBIP for detail						

NC091 Sol Plaatje - Supporting Table SA8 Performance indicators and benchmarks

Municipal Service Charge - Supporting Table SA0 Performance indicators and benchmarks											
Description of financial indicator	Basis of calculation	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<u>Borrowing Management</u>											
Credit Rating		Baa1.za	Baa1.za	Baa1.za	Baa1.za	Baa1.za	Baa1.za	Baa1.za			
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	2.5%	2.2%	1.8%	1.7%	1.8%	1.8%	1.3%	1.5%	1.4%	1.3%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	2.5%	2.2%	2.0%	1.9%	2.0%	2.0%	1.5%	1.7%	1.6%	1.4%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	15.2%	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	209.8%	165.8%	203.5%	201.0%	201.0%	201.0%	201.0%	200.9%	176.9%	140.5%
<u>Liquidity</u>											
Current Ratio	Current assets/current liabilities	4.9	5.1	4.3	2.9	2.5	2.5	2.5	3.1	3.4	3.3
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	4.9	5.1	4.3	2.9	2.5	2.5	2.5	3.1	3.4	3.3
Liquidity Ratio	Monetary Assets/Current Liabilities	1.1	0.9	0.4	0.4	0.2	0.2	0.2	0.4	0.7	0.7
<u>Revenue Management</u>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing %		72.4%	71.4%	66.8%	84.2%	80.8%	80.8%	0.0%	93.9%	93.5%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		72.4%	71.4%	66.8%	84.2%	80.8%	80.8%	0.0%	93.9%	93.5%	89.7%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	49.1%	60.6%	67.9%	59.0%	60.3%	60.3%	60.3%	61.5%	58.2%	56.5%
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%	100.0%	100.0%	100.0%	100.0%	100.0%	0.0%	100.0%	100.0%	100.0%
Creditors to Cash and Investments		62.2%	54.2%	136.1%	110.3%	176.5%	176.5%	0.0%	100.6%	53.9%	56.8%
<u>Other Indicators</u>											
Electricity Distribution Losses (2)	Total Volume Losses (kW)	96337	123614	64086	83160	83160	83160	0	8150	82975	78710
	Total Cost of Losses (Rand '000)	75	104	55	66	66	66	–	83	79	71
	% Volume (units purchased and generated less units sold)/units purchased and generated	0	25%	13%	18%	18%	18%	0%	16%	14%	12%
		19	16	17	11	11	11	–	12	11	10
Water Distribution Losses (2)	Total Volume Losses (kℓ)	37478	35163	42409	40725	40725	40725	0	43875	42900	41291
	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated	0	51%	53%	45%	45%	45%	0%	45%	40%	35%
Employee costs	Employee costs/(Total Revenue - capital revenue)	34.0%	31.7%	33.2%	34.9%	35.2%	35.2%	35.2%	35.0%	35.1%	35.0%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	35.1%	33.0%	34.7%	36.3%	36.7%	36.7%		36.4%	36.6%	36.5%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	7.5%	6.8%	13.0%	12.0%	12.4%	12.4%		11.8%	12.0%	12.1%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	4.9%	4.9%	4.7%	4.6%	4.8%	4.8%	4.8%	4.4%	4.3%	4.2%
<u>IDP regulation financial viability indicators</u>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	10.1	8.1	28.6	11.2	11.2	11.2	29.1	20.7	37.0	39.2
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	60.6%	76.1%	86.0%	74.9%	76.2%	76.2%	76.2%	78.7%	73.5%	71.1%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	2.2	2.1	1.0	1.3	0.8	0.8	–	1.3	2.3	2.2

References

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

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	2015/16	2016/17	2017/18	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
Demographics												
Population			201	243	248	248	248	255	255	255	255	255
Females aged 5 - 14			40	-	46	46	46	36	36	36	36	36
Males aged 5 - 14			40	-	47	47	47	36	36	36	36	36
Females aged 15 - 34			55	-	70	70	70	41	41	41	41	41
Males aged 15 - 34			50	-	65	65	65	44	44	44	44	44
Unemployment			28	28	79	79	79	90	90	90	90	90
Monthly household income (no. of households)	1, 12											
No income		0-2400	4,393	79,310	7,032	7,032	7,032	44	44	44	44	44
R1 - R1 600		2400-6000	127,071	114,291	2,001	2,001	2,001	330	330	330	330	330
R1 601 - R3 200		6000-12000	32,171	9,682	3,215	3,215	3,215	1,650	1,650	1,650	1,650	1,650
R3 201 - R6 400		12000-18000	26,483	11,928	9,683	9,683	9,683	2,390	2,390	2,390	2,390	2,390
R6 401 - R12 800		18000-30000	12,879	10,923	11,291	11,291	11,291	5,090	5,090	5,090	5,090	5,090
R12 801 - R25 600		30000-42000	3,615	5,243	8,977	8,977	8,977	6,730	6,730	6,730	6,730	6,730
R25 601 - R51 200		42000-54000	1,078	2,056	7,235	7,235	7,235	6,220	6,220	6,220	6,220	6,220
R52 201 - R102 400		54000-72000	611	333	5,776	5,776	5,776	6,260	6,260	6,260	6,260	6,260
R102 401 - R204 800		72000-96000	310	242	3,506	3,506	3,506	5,860	5,860	5,860	5,860	5,860
R204 801 - R409 600		96000-132000	134	78	1,087	1,087	1,087	5,930	5,930	5,930	5,930	5,930
R409 601 - R819 200		132000-192000	-	-	268	268	268	6,420	6,420	6,420	6,420	6,420
> R819 200		192000-360000	-	-	224	224	224	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	248	248	255	255	255	255	255
Number of poor people in municipal area			81	74	33	33	33	40	40	40	40	40
Number of households in municipal area			50	52	60	60	60	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	49,202	49,202	54,500	54,500	54,500	54,500	54,500
Informal			9,247	5,733	11,095	11,095	11,095	9,594	9,594	9,594	9,594	9,594
Total number of households			50,529	51,963	60,297	60,297	60,297	64,094	64,094	64,094	64,094	64,094
Dwellings provided by municipality	4		-	-	440	440	440	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	440	440	2,550	2,550	2,550	2,550	2,550
Economic	6											
Inflation/inflation outlook (CPIX)												
Interest rate - borrowing						6.2%	6.6%	5.3%	5.3%	5.2%	5.4%	5.4%
Interest rate - investment						12.5%	12.5%	12.5%	12.5%	12.5%	12.5%	12.5%
Remuneration increases						6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Consumption growth (electricity)						7.0%	6.0%	7.4%	7.0%	7.0%	7.0%	7.0%
Consumption growth (water)						1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Collection rates	7											
Property tax/service charges						88.5%	86.7%	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						100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Detail on the provision of municipal services for A10

Total municipal services	Ref.		2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Household service targets (000)											
Water:											
Piped water inside dwelling			39,400	39,400	39,400	39,400	39,400	39,400	39,400	39,400	39,400
Piped water inside yard (but not in dwelling)			15,400	15,400	15,400	15,400	15,400	15,400	15,400	15,400	15,400
Using public tap (at least min.service level)	8		7,570	7,570	7,570	7,646	7,646	7,646	7,722	7,722	7,722
Other water supply (at least min.service level)	10		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>			62,370	62,370	62,370	62,446	62,446	62,446	62,522	62,522	62,522
Using public tap (< min.service level)	9		860	-	860	860	860	860	860	860	860
Other water supply (< min.service level)	10		-	-	-	-	-	-	-	-	-
No water supply			870	870	870	870	870	870	870	870	870
<i>Below Minimum Service Level sub-total</i>			1,730	870	1,730	1,730	1,730	1,730	1,730	1,730	1,730
Total number of households			64,100	63,240	64,100	64,176	64,176	64,176	64,252	64,252	64,252
Sanitation/sewerage:											
Flush toilet (connected to sewerage)			58,900	58,900	58,900	58,900	58,900	58,900	58,900	58,900	58,900
Flush toilet (with septic tank)			-	-	-	-	-	-	-	-	-
Chemical toilet			-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)			895	895	895	895	895	895	895	895	895
Other toilet provisions (> min.service level)			-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>			59,795	59,795	59,795	59,795	59,795	59,795	59,795	59,795	59,795
Bucket toilet			1,385	1,385	1,385	1,385	1,385	1,385	1,385	1,385	1,385
Other toilet provisions (< min.service level)			-	-	-	-	-	-	-	-	-
No toilet provisions			2,920	2,920	2,920	2,996	2,996	2,996	3,072	3,149	3,149
<i>Below Minimum Service Level sub-total</i>			4,305	4,305	4,305	4,381	4,381	4,381	4,457	4,534	4,534
Total number of households			64,100	64,100	64,100	64,176	64,176	64,176	64,252	64,329	64,329
Energy:											
Electricity (at least min.service level)			13,020	13,020	13,020	13,020	13,020	13,020	13,020	13,020	13,020
Electricity - prepaid (min.service level)			44,100	44,100	44,100	44,100	44,100	44,100	44,100	44,100	44,100
<i>Minimum Service Level and Above sub-total</i>			57,120	57,120	57,120	57,120	57,120	57,120	57,120	57,120	57,120
Electricity (< min.service level)			-	-	6,980	-	-	-	-	-	-
Electricity - prepaid (< min. service level)			-	-	-	-	-	-	-	-	-
Other energy sources			6,980	6,980	6,980	7,056	7,056	7,056	7,132	7,209	7,209
<i>Below Minimum Service Level sub-total</i>			6,980	6,980	13,960	7,056	7,056	7,056	7,132	7,209	7,209
Total number of households			64,100	64,100	71,080	64,176	64,176	64,176	64,252	64,329	64,329
Refuse:											
Removed at least once a week			54,800	54,800	54,800	54,800	54,800	54,800	54,800	54,800	54,800
<i>Minimum Service Level and Above sub-total</i>			54,800	54,800	54,800	54,800	54,800	54,800	54,800	54,800	54,800
Removed less frequently than once a week			740	740	740	740	740	740	740	740	740
Using communal refuse dump			1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130
Using own refuse dump			5,690	5,690	5,690	5,690	5,690	5,690	5,690	5,690	5,690
Other rubbish disposal			-	-	-	-	-	-	-	-	-
No rubbish disposal			1,740	1,740	1,740	1,816	1,816	1,816	1,892	1,969	1,969
<i>Below Minimum Service Level sub-total</i>			9,300	9,300	9,300	9,376	9,376	9,376	9,452	9,529	9,529
Total number of households			64,100	64,100	64,100	64,176	64,176	64,176	64,252	64,329	64,329

Municipal in-house services	Ref.		2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
		Household service targets (000)									
		Water:									
		Piped water inside dwelling	39,400	39,400	39,400	39,400	39,400	39,400	39,400	39,400	39,400
		Piped water inside yard (but not in dwelling)	15,400	15,400	15,400	15,400	15,400	15,400	15,400	15,400	15,400
		Using public tap (at least min.service level)	7,570	7,570	7,570	7,646	7,646	7,646	7,722	7,722	7,722
		Other water supply (at least min.service level)									
		Minimum Service Level and Above sub-total	62,370	62,370	62,370	62,446	62,446	62,446	62,522	62,522	62,522
		Using public tap (< min.service level)	860	-	860	860	860	860	860	860	860
		Other water supply (< min.service level)									
		No water supply	870	870	870	870	870	870	870	870	870
		Below Minimum Service Level sub-total	1,730	870	1,730	1,730	1,730	1,730	1,730	1,730	1,730
		Total number of households	64,100	63,240	64,100	64,176	64,176	64,176	64,252	64,252	64,252
		Sanitation/sewerage:									
		Flush toilet (connected to sewerage)	58,900	58,900	58,900	58,900	58,900	58,900	58,900	58,900	58,900
		Flush toilet (with septic tank)									
		Chemical toilet									
		Pit toilet (ventilated)	895	895	895	895	895	895	895	895	895
		Other toilet provisions (> min.service level)									
		Minimum Service Level and Above sub-total	59,795	59,795	59,795	59,795	59,795	59,795	59,795	59,795	59,795
		Bucket toilet	1,385	1,385	1,385	1,385	1,385	1,385	1,385	1,385	1,385
		Other toilet provisions (< min.service level)									
		No toilet provisions	2,920	2,920	2,920	2,996	2,996	2,996	3,072	3,149	3,149
		Below Minimum Service Level sub-total	4,305	4,305	4,305	4,381	4,381	4,381	4,457	4,534	4,534
		Total number of households	64,100	64,100	64,100	64,176	64,176	64,176	64,252	64,329	64,329
		Energy:									
		Electricity (at least min.service level)	13,020	13,020	13,020	13,020	13,020	13,020	13,020	13,020	13,020
		Electricity - prepaid (min.service level)	44,100	44,100	44,100	44,100	44,100	44,100	44,100	44,100	44,100
		Minimum Service Level and Above sub-total	57,120	57,120	57,120	57,120	57,120	57,120	57,120	57,120	57,120
		Electricity (< min.service level)	-	-	6,980	-	-	-	-	-	-
		Electricity - prepaid (< min. service level)	6,980	6,980	6,980	7,056	7,056	7,056	7,132	7,209	7,209
		Other energy sources									
		Below Minimum Service Level sub-total	6,980	6,980	13,960	7,056	7,056	7,056	7,132	7,209	7,209
		Total number of households	64,100	64,100	71,080	64,176	64,176	64,176	64,252	64,329	64,329
		Refuse:									
		Removed at least once a week	54,800	54,800	54,800	54,800	54,800	54,800	54,800	54,800	54,800
		Minimum Service Level and Above sub-total	54,800	54,800	54,800	54,800	54,800	54,800	54,800	54,800	54,800
		Removed less frequently than once a week	740	740	740	740	740	740	740	740	740
		Using communal refuse dump	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130
		Using own refuse dump	5,690	5,690	5,690	5,690	5,690	5,690	5,690	5,690	5,690
		Other rubbish disposal									
		No rubbish disposal	1,740	1,740	1,740	1,816	1,816	1,816	1,892	1,969	1,969
		Below Minimum Service Level sub-total	9,300	9,300	9,300	9,376	9,376	9,376	9,452	9,529	9,529
		Total number of households	64,100	64,100	64,100	64,176	64,176	64,176	64,252	64,329	64,329
Detail of Free Basic Services (FBS) provided			2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Electricity	Ref.	Location of households for each type of FBS									
-		Formal settlements - (50 kwh per indigent household per month Rands)	-	-	11,245,548	12,023,149	12,023,149	12,023,149	12,023,149	13,518,107	15,309,488
		Number of HH receiving this type of FBS	-	-	9,514	15,000	15,000	15,000	15,000	17,500	18,500
		Informal settlements (Rands)	-	-	4,682,671	4,625,760	4,625,760	4,625,760	9,312,256	1,010,675	10,533,232
		Number of HH receiving this type of FBS	-	-	4,774	8,431	8,431	8,431	8,459	8,459	8,459
		Informal settlements targeted for upgrading (Rands)									
		Number of HH receiving this type of FBS									
		Living in informal backyard rental agreement (Rands)									
		Number of HH receiving this type of FBS									
		Other (Rands)	9,705,174	11,664,953	-	63,569,322	63,569,322	63,569,322	30,965,880	33,288,321	35,025,971
		Number of HH receiving this type of FBS	13,870	13,518	-	23,431	23,431	23,431	23,459	25,959	26,959
		Total cost of FBS - Electricity for informal settlements	9,705,174	11,664,953	4,682,671	68,195,082	68,195,082	68,195,082	40,278,136	34,298,996	45,559,203
Water	Ref.	Location of households for each type of FBS									
-		Formal settlements - (6 kilolitre per indigent household per month Rands)	-	-	6,052,122	8,125,115	8,125,115	8,125,115	8,125,115	10,497,928	11,856,900
		Number of HH receiving this type of FBS	-	-	-	15,000	15,000	15,000	15,000	17,500	18,500
		Informal settlements (Rands)	-	-	-	3,325,119	3,325,119	3,325,119	3,526,641	3,736,124	4,006,619
		Number of HH receiving this type of FBS	-	-	-	8,941	8,941	8,941	8,941	8,941	8,941
		Informal settlements targeted for upgrading (Rands)									
		Number of HH receiving this type of FBS									
		Living in informal backyard rental agreement (Rands)									
		Number of HH receiving this type of FBS									
		Other (Rands)	4,413,355	5,129,270							
		Number of HH receiving this type of FBS	13,870	13,518							
		Total cost of FBS - Water for informal settlements	4,413,355	5,129,270	-	3,325,119	3,325,119	3,325,119	3,526,641	3,736,124	4,006,619
Sanitation	Ref.	Location of households for each type of FBS									
-		Formal settlements - (free sanitation service to indigent households)									
		Number of HH receiving this type of FBS	-	-	-	15,000	15,000	15,000	15,000	17,500	18,500
		Informal settlements (Rands)	-	-	18,698,908	19,850,026	19,850,026	19,850,026	24,635,991	27,448,312	28,991,843
		Number of HH receiving this type of FBS	-	-	12,288	12,261	12,261	12,261	14,288	15,002	15,753
		Informal settlements targeted for upgrading (Rands)									
		Number of HH receiving this type of FBS									
		Living in informal backyard rental agreement (Rands)									
		Number of HH receiving this type of FBS									
		Other (Rands)	19,195,628	17,621,780							
		Number of HH receiving this type of FBS	13,870	13,518							
		Total cost of FBS - Sanitation for informal settlements	19,195,628	17,621,780	18,698,908	19,850,026	19,850,026	19,850,026	24,635,991	27,448,312	28,991,843
Refuse Removal	Ref.	Location of households for each type of FBS									
-		Formal settlements - (removed once a week to indigent households)	-	-	11,503,629	15,000,000	12,000,000	12,000,000	15,000,000	15,900,000	16,854,000
		Number of HH receiving this type of FBS	-	-	-	15,000	15,000	15,000	15,000	17,500	18,500
		Informal settlements (Rands)	-	-	13,349,820	18,227,436	18,227,436	18,227,436	17,586,913	19,594,547	20,696,429
		Number of HH receiving this type of FBS	-	-	12,288	15,771	15,771	15,771	14,288	15,002	15,753
		Informal settlements targeted for upgrading (Rands)									
		Number of HH receiving this type of FBS									
		Living in informal backyard rental agreement (Rands)									
		Number of HH receiving this type of FBS									
		Other (Rands)	13,695,618	12,573,448	-	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
		Number of HH receiving this type of FBS	13,870	13,518							
		Total cost of FBS - Refuse Removal for informal settlements	13,695,618	12,573,448	13,349,820	24,227,436	24,227,436	24,227,436	23,586,913	25,594,547	26,696,429

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

NC091 Sol Plaatje Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	259,277	245,734	135,240	184,406	115,263	115,263	–	202,090	382,818	380,337
Cash + investments at the yr end less applications - R'000	18(1)b	2	582,957	698,097	631,179	839,009	713,596	713,596	(88,118)	1,116,612	1,298,768	1,262,532
Cash year end/monthly employee/supplier payments	18(1)b	3	2.2	2.1	1.0	1.3	0.8	0.8	–	1.3	2.3	2.2
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	268,569	258,866	220,357	292,046	176,114	176,114	179,742	166,687	163,029	178,999
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	(7.4%)	1.8%	2.8%	(11.6%)	(6.0%)	(6.0%)	6.5%	1.4%	0.5%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	68.8%	66.8%	61.4%	78.8%	75.1%	75.1%	0.0%	87.5%	87.9%	84.9%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	11.2%	13.5%	15.9%	13.8%	13.3%	13.3%	13.3%	12.9%	12.8%	13.0%
Capital payments % of capital expenditure	18(1)c;19	8	100.0%	100.0%	101.9%	99.8%	100.0%	100.0%	0.0%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	15.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								100.5%	100.3%	100.1%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	23.8%	21.8%	(5.3%)	(3.8%)	0.0%	0.0%	16.2%	0.2%	2.9%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	353.9%	31.5%	(418.6%)	(100.0%)	0.0%	0.0%	0.0%	6.0%	6.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	9.4%	8.3%	15.3%	13.2%	13.1%	13.1%	13.9%	14.0%	14.7%	15.3%
Asset renewal % of capital budget	20(1)(vi)	14	60.9%	66.2%	13.6%	13.5%	45.4%	45.4%	0.0%	12.5%	28.3%	32.0%

References

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

Supporting indicators												
% incr total service charges (incl prop rates)	18(1)a			(1.4%)	7.8%	8.8%	(5.6%)	0.0%	0.0%	12.5%	7.4%	6.5%
% incr Property Tax	18(1)a			(6.0%)	11.9%	6.3%	0.0%	0.0%	0.0%	6.9%	8.2%	7.8%
% incr Service charges - electricity revenue	18(1)a			(0.2%)	9.3%	12.1%	(15.1%)	0.0%	0.0%	23.5%	7.5%	5.2%
% incr Service charges - water revenue	18(1)a			5.9%	2.9%	10.2%	0.0%	0.0%	0.0%	6.7%	5.9%	7.2%
% incr Service charges - sanitation revenue	18(1)a			(2.0%)	(6.0%)	(1.1%)	7.8%	0.0%	0.0%	1.0%	6.1%	6.7%
% incr Service charges - refuse revenue	18(1)a			(2.5%)	(6.2%)	(2.1%)	26.9%	0.0%	0.0%	(10.8%)	6.3%	5.9%
% incr in	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total billable revenue	18(1)a		1,426,300	1,406,133	1,515,342	1,648,820	1,556,620	1,556,620	1,556,620	1,751,638	1,880,874	2,002,758
Service charges			1,426,300	1,406,133	1,515,342	1,648,820	1,556,620	1,556,620	1,556,620	1,751,638	1,880,874	2,002,758
Property rates			484,397	455,092	509,454	541,312	541,312	541,312	541,312	578,654	625,994	674,739
Service charges - electricity revenue			595,477	594,267	649,455	727,992	617,992	617,992	617,992	763,527	820,800	863,653
Service charges - water revenue			223,280	236,344	243,316	268,108	268,108	268,108	268,108	286,042	302,997	324,944
Service charges - sanitation revenue			69,998	68,610	64,503	63,813	68,813	68,813	68,813	69,517	73,766	78,731
Service charges - refuse removal			53,149	51,820	48,614	47,595	60,395	60,395	60,395	53,898	57,317	60,690
Service charges - other			–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment			9,839	10,025	10,566	11,257	11,257	11,257	11,257	11,810	12,307	12,983
Capital expenditure excluding capital grant funding			39,923	30,168	42,725	50,446	37,552	37,552	37,552	27,000	27,000	41,000
Cash receipts from ratepayers	18(1)a		1,092,509	1,069,981	1,079,267	1,453,172	1,323,851	1,323,851	–	1,713,610	1,831,242	1,872,493
Ratepayer & Other revenue	18(1)a		1,588,257	1,602,104	1,757,902	1,844,965	1,763,765	1,763,765	1,763,765	1,958,103	2,083,512	2,205,583
Change in consumer debtors (current and non-current)			277,559	212,692	237,344	(110,962)	(127,205)	(127,205)	(127,205)	143,684	1,077	38,559
Operating and Capital Grant Revenue	18(1)a		275,943	254,860	375,513	473,937	388,290	388,290	388,290	387,794	377,523	408,953
Capital expenditure - total	20(1)(vi)		151,651	119,691	245,758	333,241	231,113	231,113	231,113	184,285	180,497	209,266
Capital expenditure - renewal	20(1)(vi)		92,348	79,206	33,445	45,048	104,979	104,979		23,000	51,000	67,000
Supporting benchmarks												
Growth guideline maximum			6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
CPI guideline			4.3%	3.9%	4.6%	5.0%	5.0%	5.0%	5.0%	5.4%	5.6%	5.4%
DoRA operating grants total MFY										200,959	214,741	231,902
DoRA capital grants total MFY										157,285	153,497	168,266
Provincial operating grants										27,800	8,286	8,285
Provincial capital grants												
District Municipality grants												
Total gazetted/advised national, provincial and district grants										386,044	376,524	408,453
Average annual collection rate (arrears inclusive)												
DoRA operating												
Fmg										1,700	1,700	1,700
Isdg										6,500	8,000	7,500
Equitable Share										189,151	205,041	222,702
Epwp										3,608	–	–
										200,959	214,741	231,902
DoRA capital												
Ndpq										40,000	40,000	40,000

Inep									30,998	16,000	15,880
Wsig									30,000	40,000	50,000
Eedsm									5,000	5,000	6,000
Iudg									51,287	52,497	56,386
									157,285	153,497	168,266

Trend											
Change in consumer debtors (current and non-current)	277,559	212,692	237,344	(127,205)	143,684	1,077	38,559	–	–	–	

Total Operating Revenue			1,775,253	1,791,676	1,949,082	2,053,839	1,983,495	1,983,495	1,983,495	2,203,612	2,328,538	2,468,270
Total Operating Expenditure			1,618,672	1,622,333	1,936,318	2,046,856	2,000,941	2,000,941	1,997,314	2,194,210	2,319,006	2,457,537
Operating Performance Surplus/(Deficit)			156,581	169,344	12,763	6,983	(17,447)	(17,447)	(13,819)	9,402	9,532	10,733
Cash and Cash Equivalents (30 June 2012)										202,090		
Revenue												
% Increase in Total Operating Revenue				0.9%	8.8%	5.4%	(3.4%)	0.0%	0.0%	11.1%	5.7%	6.0%
% Increase in Property Rates Revenue				(6.0%)	11.9%	6.3%	0.0%	0.0%	0.0%	6.9%	8.2%	7.8%
% Increase in Electricity Revenue				(0.2%)	9.3%	12.1%	(15.1%)	0.0%	0.0%	23.5%	7.5%	5.2%
% Increase in Property Rates & Services Charges				(1.4%)	7.8%	8.8%	(5.6%)	0.0%	0.0%	12.5%	7.4%	6.5%
Expenditure												
% Increase in Total Operating Expenditure				0.2%	19.4%	5.7%	(2.2%)	0.0%	(0.2%)	9.7%	5.7%	6.0%
% Increase in Employee Costs				(5.9%)	14.1%	10.7%	(2.5%)	0.0%	0.0%	10.4%	6.1%	5.6%
% Increase in Electricity Bulk Purchases				9.0%	(0.3%)	9.7%	1.9%	0.0%	0.0%	10.4%	8.1%	5.2%
Average Cost Per Budgeted Employee Position (Remuneration)					358818.8479	271871.0057				292475.5854		
Average Cost Per Councillor (Remuneration)					437067.0506	451312.4462				488504.3538		
R&M % of PPE			9.4%	8.3%	15.3%	13.2%	13.1%	13.1%		14.0%	14.7%	15.3%
Asset Renewal and R&M as a % of PPE			14.0%	12.0%	23.0%	24.0%	19.0%	19.0%		17.0%	19.0%	20.0%
Debt Impairment % of Total Billable Revenue			11.2%	13.5%	15.9%	13.8%	13.3%	13.3%	13.3%	12.9%	12.8%	13.0%
Capital Revenue												
Internally Funded & Other (R'000)			39,922	30,168	42,725	50,446	37,552	37,552	37,552	27,000	27,000	41,000
Borrowing (R'000)			–	–	–	–	–	–	–	–	–	–
Grant Funding and Other (R'000)			111,728	89,523	203,033	282,795	193,560	193,560	193,560	157,285	153,497	168,266
Internally Generated funds % of Non Grant Funding			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Borrowing % of Non Grant Funding			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grant Funding % of Total Funding			73.7%	74.8%	82.6%	84.9%	83.8%	83.8%	83.8%	85.3%	85.0%	80.4%
Capital Expenditure												
Total Capital Programme (R'000)			151,651	119,691	245,758	333,241	231,113	231,113	231,113	184,285	180,497	209,266
Asset Renewal			92,348	79,206	171,638	249,634	153,323	153,323	153,323	99,436	130,950	138,000
Asset Renewal % of Total Capital Expenditure			60.9%	66.2%	69.8%	74.9%	66.3%	66.3%	66.3%	54.0%	72.5%	65.9%
Cash												
Cash Coverage Ratio			0	0	0	0	0	0	–	0	0	0
Borrowing												
Credit Rating (2009/10)										Baa1.za		
Capital Charges to Operating			2.5%	2.2%	1.8%	1.7%	1.8%	1.8%	1.3%	1.5%	1.4%	1.3%
Borrowing Receipts % of Capital Expenditure			0.0%	0.0%	15.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Reserves												
Surplus/(Deficit)			582,957	698,097	631,179	839,009	713,596	713,596	(88,118)	1,116,612	1,298,768	1,262,532
Free Basic Services as a % of Equitable Share			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
Free Services as a % of Operating Revenue (excl operational transfers)			0.0%	0.0%	1.5%	1.7%	1.5%	1.5%		1.6%	1.6%	1.6%
High Level Outcome of Funding Compliance												
Total Operating Revenue			1,775,253	1,791,676	1,949,082	2,053,839	1,983,495	1,983,495	1,983,495	2,203,612	2,328,538	2,468,270
Total Operating Expenditure			1,618,672	1,622,333	1,936,318	2,046,856	2,000,941	2,000,941	1,997,314	2,194,210	2,319,006	2,457,537
Surplus/(Deficit) Budgeted Operating Statement			156,581	169,344	12,763	6,983	(17,447)	(17,447)	(13,819)	9,402	9,532	10,733
Surplus/(Deficit) Considering Reserves and Cash Backing			582,957	698,097	631,179	839,009	713,596	713,596	(88,118)	1,116,612	1,298,768	1,262,532
MTREF Funded (1) / Unfunded (0)	15	1	1	1	1	1	1	1	0	1	1	1
MTREF Funded ✓ / Unfunded ✖	15	✓	✓	✓	✓	✓	✓	✓	✖	✓	✓	✓

References

15. Subject to figures provided in Schedule.

NC091 Sol Plaatje - Supporting Table SA11 Property rates summary

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Valuation:	1									
Date of valuation:		2015/01/01	2015/01/01	2015/01/01	2015/01/01					
Financial year valuation used		2015	2016	2017	2018			2019		
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	2	2
No. of data collectors (FTE)	3	2	6	6	6	6	6	6	6	6
No. of internal valuers (FTE)	3	–	2	2	2	2	2	2	3	3
No. of external valuers (FTE)	3	1	1	1	1	1	1	1	1	1
No. of additional valuers (FTE)	4									
Valuation appeal board established? (Y/N)		Yes	Yes	Yes	Yes			Yes		
Implementation time of new valuation roll (mths)		48	36	24	12			–		
No. of properties	5	53,000	–	54,376	55,298	55,298	55,298	58,065	60,968	64,017
No. of sectional title values	5	1,138	–	1,012	1,142	1,142	1,142	1,199	1,259	1,322
No. of unreasonably difficult properties s7(2)										
No. of supplementary valuations		500	–	1,703	933	933	933	980	1,029	2,000
No. of valuation roll amendments		–	–	1,703	933	933	933	2,000	2,000	2,000
No. of objections by rate payers		–	–	46	11	11	11	300	20	25
No. of appeals by rate payers		–	–	16	–	–	–	20	1	1
No. of successful objections	8	–	–	13	2	2	2	158	10	15
No. of successful objections > 10%	8	–	–	9	–	–	–	50	8	8
Supplementary valuation		1	1	1	1	1	1	1	1	1
Public service infrastructure value (Rm)	5	31	–	75	75	75	75	160	160	160
Municipality owned property value (Rm)		1,087	–	1,356	1,097	1,097	1,097	1,127	1,127	1,127
Valuation reductions:										
Valuation reductions-public infrastructure (Rm)										
Valuation reductions-nature reserves/park (Rm)										
Valuation reductions-mineral rights (Rm)										
Valuation reductions-R15,000 threshold (Rm)		593	–	715	714	714	714	750	788	827
Valuation reductions-public worship (Rm)										
Valuation reductions-other (Rm)										
Total valuation reductions:		593	–	715	714	714	714	750	788	827
Total value used for rating (Rm)	5	22,479	26,269	28,962	29,132	29,132	29,132	30,589	32,118	33,724
Total land value (Rm)	5									
Total value of improvements (Rm)	5									
Total market value (Rm)	5	24,135	29,486	29,676	29,847	29,847	29,847	31,339	32,906	34,551
Rating:										
Residential rate used to determine rate for other categories? (Y/N)		Yes	Yes	Yes	Yes			Yes		
Differential rates used? (Y/N)	5	Yes	Yes	Yes	Yes			Yes		
Limit on annual rate increase (s20)? (Y/N)		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Special rating area used? (Y/N)		No	No	No	No			No		
Phasing-in properties s21 (number)		0	0	0	0	0	0	0	0	0
Rates policy accompanying budget? (Y/N)		Yes	Yes	Yes	Yes			Yes		
Fixed amount minimum value (R'000)		–	–	–	–			–		
Non-residential prescribed ratio s19? (%)		0.0%	0.0%	0.0%	0.0%			0.0%		
Rate revenue:										
Rate revenue budget (R '000)	6	423,808	486,708	511,595	545,000	545,000	545,000	578,654	625,994	674,739
Rate revenue expected to collect (R'000)	6	381,427	438,037	460,436	463,250	463,250	463,250	520,789	563,394	607,265
Expected cash collection rate (%)		90.0%	90.0%	90.0%	85.0%	85.0%	85.0%	90.0%	90.0%	90.0%
Special rating areas (R'000)	7									
Rebates, exemptions - indigent (R'000)										
Rebates, exemptions - pensioners (R'000)		–	2,095	2,559	2,715	2,715	2,715	2,850	2,993	3,142
Rebates, exemptions - bona fide farm. (R'000)		–	2,354	2,473	2,532	2,532	2,532	2,659	2,791	2,931
Rebates, exemptions - other (R'000)		–	4,099	13,629	14,402	14,402	14,402	15,122	15,878	16,672
Phase-in reductions/discounts (R'000)										
Total rebates, exemptns, reductns, discs (R'000)		–	8,548	18,661	19,648	19,648	19,648	20,631	21,662	22,745

References

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

NC091 Sol Plaatje - Supporting Table SA12a Property rates by category (current year)

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum/ts	Public benefit organs.	Mining Props.
Current Year 2018/19																	
Valuation:																	
No. of properties		47,934	174	1,804	493	373	3,535	182	–	–	–	–	–	–	–	787	16
No. of sectional title property values		1,055	2	53	–	30	2	–	–	–	–	–	–	–	–	–	–
No. of unreasonably difficult properties s7(2)																	
No. of supplementary valuations		657	1	59	8	–	193	1	–	–	–	–	–	–	–	12	2
Supplementary valuation (Rm)		218,273,200	600,000	93,343,000	46,847,900	–	45,730,000	391,000	–	–	–	–	–	–	–	8,053,800	37,560,000
No. of valuation roll amendments		657	1	59	8	–	193	1	–	–	–	–	–	–	–	12	2
No. of objections by rate-payers		9	–	2	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of appeals by rate-payers																	
No. of appeals by rate-payers finalised																	
No. of successful objections	5	1	–	1	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of successful objections > 10%	5																
Estimated no. of properties not valued																	
Years since last valuation (select)		4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
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	Dep. Replace	Dep. Replace	Dep. Replace	Dep. Replace	Dep. Replace	Dep. Replace	Dep. Replace	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)																	
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)		714	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-public worship (Rm)																	
Valuation reductions-other (Rm)																	
Total valuation reductions:																	
Total value used for rating (Rm)	6	16,346	481	4,960	1,908	3,032	1,097	75	–	–	–	–	–	–	–	1,119	113
Total land value (Rm)	6																
Total value of improvements (Rm)	6																
Total market value (Rm)	6	17,060	481	4,960	1,908	3,032	1,097	75	–	–	–	–	–	–	–	1,119	113
Rating:																	
Average rate	3	0.027013	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rate revenue budget (R '000)		545,000	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rate revenue expected to collect (R'000)		463,250	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Expected cash collection rate (%)	4	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%
Special rating areas (R'000)																	
Rebates, exemptions - indigent (R'000)																	
Rebates, exemptions - pensioners (R'000)		2,715	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rebates, exemptions - bona fide farm. (R'000)		–	–	–	2,532	–	–	–	–	–	–	–	–	–	–	–	–
Rebates, exemptions - other (R'000)		8,337	1,721	4,343	–	–	–	–	–	–	–	–	–	–	–	–	–
Phase-in reductions/discounts (R'000)																	
Total rebates, exemptns, reductns, discs (R'000)																	

References

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

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 2019/20																	
Valuation:																	
No. of properties		50,331	183	1,894	518	392	3,712	191	–	–	–	–	–	–	–	826	17
No. of sectional title property values		1,108	2	56	–	32	2	–	–	–	–	–	–	–	–	–	–
No. of unreasonably difficult properties s7(2)																	
No. of supplementary valuations		690	1	62	8	–	203	1	–	–	–	–	–	–	–	13	2
Supplementary valuation (Rm)		229,186,860	630,000	98,010,150	49,190,295	–	48,016,500	410,550	–	–	–	–	–	–	–	8,456,490	39,438,000
No. of valuation roll amendments		690	1	62	8	–	203	1	–	–	–	–	–	–	–	13	2
No. of objections by rate-payers		220	10	25	20	20	5	–	–	–	–	–	–	–	–	–	–
No. of appeals by rate-payers		10	1	3	2	2	2	–	–	–	–	–	–	–	–	–	–
No. of appeals by rate-payers finalised		10	1	3	2	2	2	–	–	–	–	–	–	–	–	–	–
No. of successful objections	5	120	5	12	10	10	1	–	–	–	–	–	–	–	–	–	–
No. of successful objections > 10%	5	34	3	5	5	2	1	–	–	–	–	–	–	–	–	–	–
Estimated no. of properties not valued																	
Years since last valuation (select)		<1	<1	<1	<1	<1	<1	<1	<1	<1	<1	<1	<1	<1	<1	<1	<1
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)																	
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)		750	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-public worship (Rm)																	
Valuation reductions-other (Rm)																	
Total valuation reductions:																	
Total value used for rating (Rm)	6	17,163	505	5,208	2,004	3,183	1,152	79	–	–	–	–	–	–	–	1,175	119
Total land value (Rm)	6																
Total value of improvements (Rm)	6																
Total market value (Rm)	6	17,913	505	5,208	2,004	3,183	1,152	79	–	–	–	–	–	–	–	1,175	119
Rating:																	
Average rate	3	0.016604	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rate revenue budget (R '000)		578,654	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rate revenue expected to collect (R'000)		520,789	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
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)		2,850	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rebates, exemptions - bona fide farm. (R'000)		–	–	–	2,659	–	–	–	–	–	–	–	–	–	–	–	–
Rebates, exemptions - other (R'000)		8,754	1,807	4,560	–	–	–	–	–	–	–	–	–	–	–	–	–
Phase-in reductions/discounts (R'000)																	
Total rebates, exemptns, reductns, discs (R'000)																	

References

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

NC091 Sol Plaatje - Supporting Table SA13a Service Tariffs by category

Description	Ref	Provide description of tariff structure where appropriate	2015/16	2016/17	2017/18	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
							Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Property rates <i>(rate in the Rand)</i>	1								
Residential properties		Residential	0.0093	0.0097	0.0102	0.0108	0.0098	0.0107	0.0110
Farm properties - used		Agricultural farms	0.0019	0.0024	0.0026	0.0027	0.0024	0.0027	0.0028
Farm properties - not used		Agricultural business	0.0023	0.0024	0.0026	0.0027	0.0024	0.0027	0.0028
Industrial properties		Industrial	0.0326	0.0310	0.0327	0.0347	0.0312	0.0343	0.0353
Business and commercial properties		Business/Residential	0.0275	0.0286	0.0303	0.0321	0.0293	0.0333	0.0342
State-owned properties		State/Public schools	0.0689	0.0678	0.0715	0.0758	0.0585	0.0537	0.0497
Exemptions, reductions and rebates <i>(Rands)</i>									
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	15,000	15,000
Water tariffs									
Domestic									
Water usage - life line tariff		Residential (0-6kl)	5.07	5.00	5.56	5.94	6.30	6.67	7.15
Water usage - Block 1 (c/kl)		Residential (7-20kl)	21.55	22.00	23.65	25.25	26.77	28.36	30.41
Water usage - Block 2 (c/kl)		Residential (21-40kl)	24.26	25.00	26.61	28.43	30.13	31.92	34.23
Water usage - Block 3 (c/kl)		Residential (41-60kl)	25.65	27.00	28.14	30.06	31.87	33.75	36.20
Water usage - Block 4 (c/kl)		Residential (more than 60kl)	27.41	29.00	30.07	32.12	34.05	36.07	38.68
Waste water tariffs									
Domestic									
Basic charge/fixed fee <i>(Rands/month)</i>		Basic charge	132.31	138.00	145.17	155.15	165.24	175.34	187.14
Electricity tariffs									
Domestic									
Basic charge/fixed fee <i>(Rands/month)</i>			-	-	-	260.00	126.50	135.71	145.32
Meter - IBT Block 1 (c/kwh)		Block 1 (0-50Kwh)	1.34	1.00	1.45	1.05	1.96	2.10	2.25
Meter - IBT Block 2 (c/kwh)		Block 2 (51-350Kwh)	1.83	2.00	1.99	1.35	2.43	2.60	2.79
Meter - IBT Block 3 (c/kwh)		Block 3 (351-600Kwh)	1.98	2.00	2.16	1.90	-	-	-
Meter - IBT Block 4 (c/kwh)		Block 4 (> 600Kwh)	2.10	2.00	2.29	2.24	-	-	-
Meter - IBT Block 5 (c/kwh)		(fill in thresholds)							
Prepaid - IBT Block 1 (c/kwh)		Block 1 (0-50Kwh)	1.34	1.00	1.45	1.05	2.11	2.27	2.43
Prepaid - IBT Block 2 (c/kwh)		Block 2 (51-350Kwh)	1.83	2.00	1.99	1.35	2.55	2.73	2.93
Prepaid - IBT Block 3 (c/kwh)		Block 3 (351-600Kwh)	1.98	2.00	2.16	1.90	-	-	-
Prepaid - IBT Block 4 (c/kwh)		Block 4 (>600Kwh)	2.10	2.00	2.29	2.24	-	-	-
Waste management tariffs									
Domestic									
Basic charge/fixed fee		Basic charge	94.40	98.00	103.58	110.76	117.96	125.16	133.59

References

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

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

Description	Ref	Provide description of tariff structure where appropriate	2015/16	2016/17	2017/18	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
							Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Exemptions, reductions and rebates (Rands)									
Residential Properties		standard rebate	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Water tariffs									
Water Usage - Life Line Tariff		Residential (0-6kl)	5.07	5.27	6.00	6.00	6.00	7.00	7.00
Water Usage - Block 1 (C/Kl)		Residential (7-20kl)	21.55	22.41	24.00	25.00	27.00	28.00	30.00
Water Usage - Block 2 (C/Kl)		Residential (21-40kl)	24.26	25.23	27.00	28.00	30.00	32.00	34.00
Water Usage - Block 3 (C/Kl)		Residential (41-60kl)	25.65	26.68	28.00	30.00	32.00	34.00	36.00
Water Usage - Block 4 (C/Kl)		Residential (more than 60kl)	27.41	28.50	30.00	32.00	34.00	36.00	39.00
Waste water tariffs									
Basic Charge		Basic charge	132.31	137.60	145.00	155.00	165.00	175.00	187.00
Electricity tariffs									
Domestic Basic Charge			-	-	-	260.00	126.50	135.71	145.32
Meter - 1bt Block 1 (C/Kwh)		Block 1 (0-50 Kwh)	1.34	1.44	-	-	1.96	2.10	2.25
Meter - 1bt Block 2 (C/Kwh)		Block 2 (51-350Kwh)	1.83	1.97	-	-	2.43	2.60	2.79
Meter - 1bt Block 3 (C/Kwh)		Block 3 (351-600Kwh) (Block 1:	1.98	2.13	2.16	1.90	2.11	2.27	2.43
Meter - 1bt Block 4 (C/Kwh)		Block 4 (> 600 Kwh) (Block 2:	2.10	2.26	2.29	2.24	2.55	2.73	2.93

NC091 Sol Plaatje - Supporting Table SA14 Household bills

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20 % incr.	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Rand/cent											
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates		478.56	497.72	525.10	556.60	556.60	556.60	(10.0%)	501.01	541.99	584.21
Electricity: Basic levy		–	–	–	226.09	226.09	226.09	(51.3%)	110.00	118.25	124.42
Electricity: Consumption		1,715.09	1,843.70	1,862.57	1,591.45	1,591.45	1,591.45	23.6%	1,966.50	2,113.99	2,224.34
Water: Basic levy											
Water: Consumption		453.73	471.84	497.81	527.04	527.04	527.04	6.0%	558.69	591.82	634.67
Sanitation		104.46	108.63	114.61	121.42	121.42	121.42	65,060.0%	129.32	137.22	146.45
Refuse removal		74.53	77.51	81.77	86.68	86.68	86.68	6.5%	92.32	98.17	103.95
Other											
sub-total		2,826.37	2,999.40	3,081.86	3,109.28	3,109.28	3,109.28	8.0%	3,357.84	3,601.44	3,818.04
VAT on Services		328.69	350.23	360.16	382.90	348.99	348.99	119,140.0%	428.52	458.92	485.07
Total large household bill:		3,155.06	3,349.63	3,442.02	3,492.18	3,458.27	3,458.27	8.4%	3,786.36	4,060.36	4,303.11
% increase/-decrease			6.2%	2.8%	1.5%	(1.0%)	–		9.5%	7.2%	6.0%
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates		338.83	352.40	371.79	394.09	394.09	394.09	(10.0%)	354.73	383.75	413.64
Electricity: Basic levy		–	–	–	226.09	226.09	226.09	(100.0%)	–	–	–
Electricity: Consumption		802.48	862.67	878.89	646.58	646.58	646.58	41.0%	911.50	979.86	1,031.01
Water: Basic levy											
Water: Consumption		357.96	372.24	392.77	415.79	415.79	415.79	6.0%	440.79	473.41	507.26
Sanitation		104.46	108.63	114.61	121.42	121.42	121.42	6.5%	129.32	137.22	146.45
Refuse removal		74.53	77.51	81.77	86.68	86.68	86.68	6.5%	92.32	98.17	103.95
Other											
sub-total		1,678.26	1,773.45	1,839.83	1,890.65	1,890.65	1,890.65	2.0%	1,928.66	2,072.41	2,202.31
VAT on Services		187.52	198.95	205.53	224.48	190.57	190.57		236.09	253.30	268.30
Total small household bill:		1,865.78	1,972.40	2,045.36	2,115.13	2,081.22	2,081.22	2.3%	2,164.75	2,325.71	2,470.61
% increase/-decrease			5.7%	3.7%	3.4%	(1.6%)	–		4.0%	7.4%	6.2%
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates		199.11	207.08	218.47	231.58	231.58	231.58	(10.0%)	208.45	225.50	243.70
Electricity: Basic levy											
Electricity: Consumption		402.24	432.41	440.54	293.89	293.89	293.89	31.9%	387.50	416.56	438.31
Water: Basic levy											
Water: Consumption		238.18	247.69	261.39	276.65	276.65	276.65	6.0%	293.31	315.01	337.53
Sanitation											
Refuse removal											
Other											
sub-total		839.53	887.18	920.40	802.12	802.12	802.12	10.9%	889.26	957.07	1,019.54
VAT on Services		89.66	95.22	98.27	85.58	85.58	85.58		102.12	109.74	116.38
Total small household bill:		929.19	982.40	1,018.67	887.70	887.70	887.70	11.7%	991.38	1,066.81	1,135.92
% increase/-decrease			5.7%	3.7%	(12.9%)	–	–		11.7%	7.6%	6.5%

References

1. Use as basis property value of R700 000, 1 000 kWh electricity and 30kl water
2. Use as basis property value of R500 000 and R700 000, 500 kWh electricity and 25kl water
3. Use as basis property value of R 300 000, 350kWh electricity and 20kl water (50 kWh electricity and 6 kl water free)

NC091 Sol Plaatje - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand										
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank		259,276	245,735	81,460	183,584	115,264	133,592	202,093	382,843	380,736
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits		–	–	–	–	–	–	–	–	–
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Consolidated total:		259,276	245,735	81,460	183,584	115,264	133,592	202,093	382,843	380,736

References

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

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	20,973	879	–	–	21,852
Nedbank 9002324052		6 months	Notice	Yes	Fixed	8.06%	0		06 June 2019	10,000	397	–	–	10,397
Absa Bank 20-7291-5615		6 months	Notice	Yes	Fixed	8.02%	0		06 June 2019	10,000	396	–	–	10,396
Investec Bank Jb 9778751		6 months	Notice	Yes	Fixed	7.95%	0		06 June 2019	10,000	392	–	–	10,392
Absa Bank 20-6295-4443		12 months	Fixed	Yes	Fixed	8.10%	0		26 June 2019	2,993	247	–	62	3,302
Absa Bank 20-78146864		5 months	Fixed	Yes	Fixed	7.54%	0		26 June 2019	2,322	61	–	–	2,383
First Rand,Nedbank,S'Dard,Investec		12 months	Call a/c	Yes	Variable	6.30%	0		30 June 2020	44,950	222	(59,100)	57,000	43,072
TOTAL INVESTMENTS AND INTEREST	1									101,238		(59,100)	57,062	101,794

References

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

2. List investments in expiry date order

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

4. Withdrawals to be entered as negative

check

NC091 Sol Plaatje - Supporting Table SA17 Borrowing

Borrowing - Categorised by type	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Parent municipality										
Annuity and Bullet Loans		218,675	210,435	204,226	191,934	191,934	191,934	172,417	144,219	115,626
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Municipality sub-total	1	218,675	210,435	204,226	191,934	191,934	191,934	172,417	144,219	115,626
Entities										
Annuity and Bullet Loans										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Borrowing	1	218,675	210,435	204,226	191,934	191,934	191,934	172,417	144,219	115,626

References

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

check borrowing balance

NC091 Sol Plaatje - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand										
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		154,635	152,932	160,973	181,074	183,202	183,202	202,709	215,741	232,402
Local Government Equitable Share										
Equitable Share		143,335	144,171	150,982	172,437	171,424	171,424	189,151	205,041	222,702
Expanded Public Works Programme Integrated Grant		4,984	5,574	4,762	3,137	3,137	3,137	3,608	–	–
Infrastructure Skills Development Grant [Schedule 5B]		3,786	1,562	1,492	3,800	6,941	6,941	6,500	8,000	7,500
Local Government Financial Management Grant [Schedule 5B]		1,600	1,625	1,700	1,700	1,700	1,700	1,700	1,700	1,700
Municipal Disaster Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Municipal Human Settlement Capacity Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Municipal Infrastructure Grant		–	–	2,037	–	–	–	–	–	–
Municipal Infrastructure Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Municipal Systems Improvement Grant [Schedule 5B]		930	–	–	–	–	–	1,750	1,000	500
Neighbourhood Development Partnership Grant		–	–	–	–	–	–	–	–	–
Provincial Disaster Recovery Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Water Services Operating Subsidy Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Provincial Government:		6,609	8,006	7,599	7,800	10,078	10,078	27,800	8,285	8,285
Capacity Building		–	–	–	–	–	–	–	–	–
Expanded Public Works Programme		–	–	599	–	515	515	–	–	–
Health		–	–	–	–	750	750	–	–	–
Libraries; Archives and Museums		6,609	8,006	7,000	7,800	8,813	8,813	–	–	–
Specify (Add grant description)		–	–	–	–	–	–	27,800	8,285	8,285
District Municipality:		1,599	2,816	3,908	–	1,450	1,450	–	–	–
14/15: AWARENESS PROGRAMMES		1,599	2,816	3,908	–	–	–	–	–	–
Finance and Admin		–	–	–	–	1,450	1,450	–	–	–
IT Related Projects		–	–	–	–	–	–	–	–	–
Public Safety		–	–	–	–	–	–	–	–	–
Other grant providers:		1,372	1,583	–	2,268	–	–	–	–	–
MIG ops		1,372	1,413	–	2,268	–	–	–	–	–
Other grant providers:		–	170	–	–	–	–	–	–	–
Total Operating Transfers and Grants	5	164,215	165,337	172,480	191,142	194,729	194,729	230,509	224,026	240,687
Capital Transfers and Grants										
National Government:		94,188	79,416	200,676	282,795	193,560	193,560	157,285	153,497	168,266
Infrastructure Skills Development Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Integrated National Electrification Programme		7,000	7,400	32,000	29,997	29,997	29,997	35,998	21,000	21,880
Municipal Infrastructure Grant		48,329	37,079	34,663	46,548	54,619	54,619	51,287	52,497	56,386
Municipal Water Infrastructure Grant		5,000	3,000	10,150	–	–	–	–	–	–
Neighbourhood Development Partnership Grant		–	25,000	97,537	171,699	58,000	58,000	40,000	40,000	40,000
Regional Bulk Infrastructure Grant		33,859	6,937	26,326	10,551	15,494	15,494	–	–	–
Water Services Infrastructure Grant		–	–	–	17,000	28,450	28,450	30,000	40,000	50,000
EDSM		–	–	–	7,000	7,000	7,000	–	–	–
Provincial Government:		12,122	5,106	2,357	–	–	–	–	–	–
Capacity Building		–	–	2,357	–	–	–	–	–	–
Libraries; Archives and Museums		–	–	–	–	–	–	–	–	–
Department of Water Affairs		–	–	–	–	–	–	–	–	–
COGHSTA		3,596	–	–	–	–	–	–	–	–
DSAC		1,846	–	–	–	–	–	–	–	–
DHLG (GURP)		6,679	5,106	–	–	–	–	–	–	–
District Municipality:		5,419	5,000	–	–	–	–	–	–	–
Frances Baard District Municipality		5,419	5,000	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
Total Capital Transfers and Grants	5	111,728	89,523	203,033	282,795	193,560	193,560	157,285	153,497	168,266
TOTAL RECEIPTS OF TRANSFERS & GRANTS		275,943	254,860	375,513	473,937	388,290	388,290	387,794	377,523	408,953

References

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

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

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand										
EXPENDITURE:	1									
<u>Operating expenditure of Transfers and Grants</u>										
National Government:		154,635	152,932	160,973	183,342	183,202	183,202	202,709	215,741	232,402
Local Government Equitable Share		143,335	144,171	150,982	172,437	171,424	171,424	189,151	205,041	222,702
Expanded Public Works Programme Integrated Grant for		4,984	5,574	4,762	3,137	3,137	3,137	3,608	–	–
Infrastructure Skills Development Grant [Schedule 5B]		3,786	1,562	1,492	3,800	6,941	6,941	6,500	8,000	7,500
Local Government Financial Management Grant [Schedule 5B]		1,600	1,625	1,700	1,700	1,700	1,700	1,700	1,700	1,700
Municipal Infrastructure Grant		–	–	2,037	2,268	–	–	–	–	–
Municipal Systems Improvement Grant [Schedule 5B]		930	–	–	–	–	–	1,750	1,000	500
Provincial Government:		6,609	8,006	7,599	7,800	8,813	8,813	27,800	8,285	8,285
Libraries; Archives and Museums		–	8,006	7,000	7,800	8,813	8,813	7,800	8,285	8,285
Specify (Add grant description)		–	–	599	–	–	–	20,000	–	–
DWA		6,609	–	–	–	–	–	–	–	–
District Municipality:		1,599	2,816	3,908	–	1,450	1,450	–	–	–
<i>Frances Baard District Municipality</i>		1,599	2,816	3,908	–	1,450	1,450	–	–	–
Other grant providers:		1,372	1,583	–	–	1,265	1,265	–	–	–
<i>MIG ops</i>		1,372	1,413	–	–	–	–	–	–	–
<i>Other grant providers: Miscellaneous</i>		–	170	–	–	1,265	1,265	–	–	–
Total operating expenditure of Transfers and Grants:		164,215	165,337	172,480	191,142	194,730	194,730	230,509	224,026	240,687
<u>Capital expenditure of Transfers and Grants</u>										
National Government:		94,188	79,416	200,676	282,795	193,560	193,560	157,285	153,497	168,266
Integrated National Electrification Programme		7,000	7,400	32,000	36,997	36,997	36,997	35,998	21,000	21,880
Municipal Infrastructure Grant		48,329	37,079	34,663	46,548	54,619	54,619	51,287	52,497	56,386
Municipal Water Infrastructure Grant		5,000	3,000	10,150	–	–	–	–	–	–
Neighbourhood Development Partnership Grant		–	25,000	97,537	171,699	58,000	58,000	40,000	40,000	40,000
Regional Bulk Infrastructure Grant		33,859	6,937	26,326	10,551	15,494	15,494	–	–	–
Water Services Infrastructure Grant		–	–	–	17,000	28,450	28,450	30,000	40,000	50,000
Provincial Government:		12,122	5,106	2,357	–	–	–	–	–	–
EDSM		–	–	2,357	–	–	–	–	–	–
Department of Water Affairs		–	–	–	–	–	–	–	–	–
COGHSTA		3,596	–	–	–	–	–	–	–	–
DSAC		1,846	–	–	–	–	–	–	–	–
DHLG (GURP)		6,679	5,106	–	–	–	–	–	–	–
District Municipality:		5,419	5,000	–	–	–	–	–	–	–
<i>Frances Baard District Municipality</i>		5,419	5,000	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
Total capital expenditure of Transfers and Grants		111,728	89,523	203,033	282,795	193,560	193,560	157,285	153,497	168,266
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		275,943	254,860	375,513	473,937	388,290	388,290	387,794	377,523	408,953

References

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

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

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand										
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		154,635	152,932	160,973	181,074	183,202	183,202	202,709	215,741	232,402
Conditions met - transferred to revenue		154,635	152,932	160,973	181,074	183,202	183,202	202,709	215,741	232,402
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Provincial Government:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		6,609	8,006	7,599	7,800	10,078	10,078	27,800	8,285	8,285
Conditions met - transferred to revenue		6,609	8,006	7,599	7,800	10,078	10,078	27,800	8,285	8,285
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
District Municipality:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		1,599	2,816	3,908	–	1,450	1,450	–	–	–
Conditions met - transferred to revenue		1,599	2,816	3,908	–	1,450	1,450	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Other grant providers:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		1,372	1,583	–	2,268	–	–	–	–	–
Conditions met - transferred to revenue		1,372	1,583	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Total operating transfers and grants revenue		164,215	165,337	172,480	188,874	194,729	194,729	230,509	224,026	240,687
Total operating transfers and grants - CTBM	2	–	–	–	–	–	–	–	–	–
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		94,188	79,416	200,676	282,795	193,560	193,560	157,285	153,497	168,266
Conditions met - transferred to revenue		94,188	79,416	200,676	282,795	193,560	193,560	157,285	153,497	168,266
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Provincial Government:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		12,122	5,106	2,357	–	–	–	–	–	–
Conditions met - transferred to revenue		12,122	5,106	2,357	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
District Municipality:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		5,419	5,000	–	–	–	–	–	–	–
Conditions met - transferred to revenue		5,419	5,000	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Other grant providers:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Total capital transfers and grants revenue		111,728	89,523	203,033	282,795	193,560	193,560	157,285	153,497	168,266
Total capital transfers and grants - CTBM	2	–	–	–	–	–	–	–	–	–
TOTAL TRANSFERS AND GRANTS REVENUE		275,943	254,860	375,513	471,669	388,290	388,290	387,794	377,523	408,953
TOTAL TRANSFERS AND GRANTS - CTBM		–	–	–	–	–	–	–	–	–

References

1. Total capital transfers and grants revenue must reconcile to Budgeted Financial Performance and Financial Position; total recurrent grants revenue must reconcile to Budgeted Financial Performance

2. CTBM = conditions to be met

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

Check opex	(0)	-	-	-	-	-	-	-	-
Check capex	0	-	-	-	-	-	-	-	-

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

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand											
Cash Transfers to Organisations											
Non-Prof:Oth Inst/Grants&Don Diam & Dor		2,124	2,500	2,730	3,000	2,000	2,000	–	2,500	2,500	2,500
Non-Prof:Oth Inst/Grants&Don Oth Pub Gra		1,381	2,484	2,720	2,500	2,500	2,500	1,498	2,500	2,500	2,500
Non-Prof:Oth Institut/Gariep		1,300	1,500	1,600	1,700	–	–	–	–	–	–
Non-Prof:Oth Institut/Sport Council		120	–	–	–	–	–	–	–	–	–
Non-Prof:Other Institutions/Spca		1,700	1,500	1,600	1,700	1,700	1,700	1,700	2,000	2,000	2,000
Total Cash Transfers To Organisations		6,625	7,984	8,650	8,900	6,200	6,200	3,198	7,000	7,000	7,000
Cash Transfers to Groups of Individuals											
Hh Oth Trans: Housing - Individual Supp		–	–	539	600	600	600	100	500	530	559
Hh Ssp Soc Ass: Grant In Aid		–	–	136	170	170	170	45	170	180	190
Total Cash Transfers To Groups Of Individuals:		–	–	675	770	770	770	145	670	710	749
TOTAL CASH TRANSFERS AND GRANTS	6	6,625	7,984	9,325	9,670	6,970	6,970	3,342	7,670	7,710	7,749
TOTAL TRANSFERS AND GRANTS	6	6,625	7,984	9,325	9,670	6,970	6,970	3,342	7,670	7,710	7,749

References

1. Insert description listed by municipal name and demarcation code of recipient

2. Insert description of each entity or external mechanism (an external mechanism may be provided with resources to ensure a minimum level of service)

3. Insert description of each Organ of State (e.g. transfer to electricity provider to compensate for FBS provided)

4. Insert description of each other organisation (e.g. charity)

5 Insert description of each other organisation (e.g. the aged, child-headed households)

6. All descriptions should separate transfers for 'capital purposes' and 'operating purposes'

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

Summary of Employee and Councillor remuneration	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		14,913	17,220	–	–	–	–	–	–	–
Pension and UIF Contributions		609	609	947	–	–	–	–	–	–
Medical Aid Contributions		499	240	248	–	100	100	–	–	–
Motor Vehicle Allowance		3,541	5,232	–	–	–	–	–	–	–
Cellphone Allowance		1,387	1,710	2,883	1,960	1,960	1,960	3,088	3,289	3,486
Housing Allowances		–	–	–	–	–	–	–	–	–
Other benefits and allowances		–	–	24,332	27,375	27,625	27,625	28,665	30,528	32,360
Sub Total - Councillors		20,948	25,011	28,409	29,335	29,685	29,685	31,753	33,817	35,846
% increase	4		19.4%	13.6%	3.3%	1.2%	–	7.0%	6.5%	6.0%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		6,391	4,741	7,121	7,469	7,469	7,469	8,307	8,800	9,278
Pension and UIF Contributions		1,087	846	936	1,206	1,206	1,206	932	987	1,040
Medical Aid Contributions		90	73	162	152	152	152	203	215	227
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance	3	1,725	1,056	1,632	1,720	1,720	1,720	1,876	1,987	2,094
Cellphone Allowance	3	196	134	168	202	202	202	202	214	225
Housing Allowances	3	17	19	30	36	36	36	49	52	55
Other benefits and allowances	3	12	–	15	67	67	67	105	112	117
Payments in lieu of leave		263	248	–	–	–	–	–	–	–
Long service awards		35	27	37	43	43	43	40	42	45
Post-retirement benefit obligations	6	–	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality		9,816	7,145	10,100	10,897	10,897	10,897	11,714	12,407	13,080
% increase	4		(27.2%)	41.4%	7.9%	–	–	7.5%	5.9%	5.4%
Other Municipal Staff										
Basic Salaries and Wages		321,634	316,912	333,228	380,416	371,930	371,930	413,084	438,010	462,246
Pension and UIF Contributions		45,631	53,296	55,658	65,353	65,353	65,353	71,691	76,008	80,292
Medical Aid Contributions		31,630	39,383	42,657	49,847	49,847	49,847	53,378	56,728	60,015
Overtime		27,574	33,685	48,725	28,630	28,730	28,730	31,567	33,468	35,343
Performance Bonus		–	–	26,376	29,437	29,437	29,437	32,316	34,263	36,194
Motor Vehicle Allowance	3	33,831	40,512	38,967	46,042	46,037	46,037	48,333	51,148	53,922
Cellphone Allowance	3	1,191	1,371	1,363	1,394	1,394	1,394	1,494	1,584	1,673
Housing Allowances	3	2,485	2,811	2,400	2,822	2,822	2,822	2,971	3,146	3,320
Other benefits and allowances	3	51,823	53,692	28,173	32,802	33,196	33,196	34,740	36,799	38,838
Payments in lieu of leave		11,016	16,440	14,428	14,000	7,000	7,000	15,000	16,125	17,173
Long service awards		9,509	11,434	12,387	15,904	15,901	15,901	17,317	18,358	19,391
Post-retirement benefit obligations	6	56,826	(10,084)	32,849	39,109	36,109	36,109	37,359	40,161	42,772
Sub Total - Other Municipal Staff		593,150	559,453	637,209	705,755	687,755	687,755	759,252	805,798	851,178
% increase	4		(5.7%)	13.9%	10.8%	(2.6%)	–	10.4%	6.1%	5.6%
Total Parent Municipality		623,914	591,608	675,719	745,987	728,337	728,337	802,718	852,022	900,104
			(5.2%)	14.2%	10.4%	(2.4%)	–	10.2%	6.1%	5.6%
TOTAL SALARY, ALLOWANCES & BENEFITS		623,914	591,608	675,719	745,987	728,337	728,337	802,718	852,022	900,104
% increase	4		(5.2%)	14.2%	10.4%	(2.4%)	–	10.2%	6.1%	5.6%
TOTAL MANAGERS AND STAFF	5,7	602,966	566,597	647,309	716,652	698,652	698,652	770,966	818,205	864,258

References

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

Column Definitions:

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

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		–		909,267			909,267
Chief Whip			–	–	–			–
Executive Mayor			–	–	1,124,707			1,124,707
Deputy Executive Mayor			–	–	–			–
Executive Committee			–	–	8,554,062			8,554,062
Total for all other councillors			–	–	21,164,747			21,164,747
Total Councillors	8	–	–	–	31,752,783			31,752,783
Senior Managers of the Municipality	5							
Municipal Manager (MM)			2,031,637	1,785	191,100			2,224,522
Chief Finance Officer			1,298,422	238,325	445,274			1,982,021
SM D01			1,339,455	225,770	360,465			1,925,690
SM D02			1,226,367	222,402	422,220			1,870,989
SM D03			1,205,803	254,290	418,731			1,878,824
SM D04			1,205,769	192,180	433,982			1,831,931
								–
Total Senior Managers of the Municipality	8,10	–	8,307,453	1,134,752	2,271,772	–		11,713,977
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	–	8,307,453	1,134,752	34,024,555	–		43,466,760

References

1. Pension and medical aid
2. Total package must equal the total cost to the municipality
3. List each political office bearer by designation. Provide a total for all other councillors
4. Political office bearer is defined in MFMA s 1: speaker, executive mayor, deputy executive mayor, member of executive committee, mayor, deputy mayor, member of mayoral committee, the councillor designated to exercise powers and duties of mayor (MSA s 57)
5. Also list each senior manager reporting to MM by designation and each official with package >= senior manager by designation
6. List each entity where municipality has an interest and state percentage ownership and control
7. List each senior manager reporting to the CEO of an Entity by designation
8. Must reconcile to relevant section of Table SA24
9. Must reconcile to totals shown for the budget year of Table SA22
10. Correct as at 30 June

NC091 Sol Plaatje - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers		Ref	2017/18			Current Year 2018/19			Budget Year 2019/20		
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	2	–	3	3	–
Finance			201	80	1	198	79	1	198	173	–
Spatial/town planning			17	17	–	13	13	1	13	13	–
Information Technology			19	6	–	19	6	–	19	5	–
Roads			4	4	–	4	4	–	4	4	–
Electricity			2	2	–	2	2	–	2	2	–
Water			13	7	–	13	7	–	13	8	–
Sanitation			2	2	–	2	2	–	2	2	–
Refuse			3	2	1	3	3	–	3	3	–
Other			–	–	–	–	–	–	–	–	–
Technicians			141	40	–	142	42	–	142	136	–
Finance			274	177	11	275	185	10	275	184	8
Spatial/town planning			10	10	–	10	10	–	10	10	–
Information Technology			29	15	–	29	15	–	29	12	4
Roads			8	4	1	8	4	–	8	4	1
Electricity			6	4	1	6	6	–	6	6	3
Water			150	98	3	150	98	2	150	81	–
Sanitation			10	3	–	10	3	4	10	10	–
Refuse			25	20	–	25	20	1	25	25	–
Other			1	–	–	1	–	–	1	1	–
Clerks (Clerical and administrative)			35	23	6	36	29	3	36	35	–
Service and sales workers			472	359	110	429	345	57	429	402	34
Skilled agricultural and fishery workers			220	133	–	348	206	–	348	236	–
Craft and related trades			150	89	–	145	78	–	145	44	–
Plant and Machine Operators			215	96	1	215	100	2	215	95	–
Elementary Occupations			1,016	577	162	1,017	618	141	1,017	656	112
TOTAL PERSONNEL NUMBERS	9		2,622	1,584	285	2,701	1,684	211	2,701	1,864	154
% increase						3.0%	6.3%	(26.0%)	–	10.7%	(27.0%)
Total municipal employees headcount	6, 10		2,942	1,877	317	3,021	1,922	247	3,021	2,114	183
Finance personnel headcount	8, 10		306	281	32	306	225	34	306	236	29
Human Resources personnel headcount	8, 10		14	12	–	14	13	2	14	14	–

References

- Positions must be funded and aligned to the municipality's current organisational structure
- Full Time Equivalent (FTE). E.g. One full time person = 1FTE. A person working half time (say 4 hours out of 8) = 0.5FTE.
- s57 of the Systems Act
- Include only in Consolidated Statements
- Include municipal entity employees in Consolidated Statements
- Include headcount (number of persons, Not FTE) of managers and staff only (exclude councillors)
- Managers who provide the direction of a critical technical function
- Total number of employees working on these functions

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

Description		Ref	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
R thousand			July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue By Source																	
Property rates			48,221	48,221	48,221	48,221	48,221	48,221	48,221	48,221	48,221	48,221	48,221	48,221	578,654	625,994	674,739
Service charges - electricity revenue			63,627	63,627	63,627	63,627	63,627	63,627	63,627	63,627	63,627	63,627	63,627	63,627	763,527	820,800	863,653
Service charges - water revenue			23,837	23,837	23,837	23,837	23,837	23,837	23,837	23,837	23,837	23,837	23,837	23,837	286,042	302,997	324,944
Service charges - sanitation revenue			5,793	5,793	5,793	5,793	5,793	5,793	5,793	5,793	5,793	5,793	5,793	5,793	69,517	73,766	78,731
Service charges - refuse revenue			4,492	4,492	4,492	4,492	4,492	4,492	4,492	4,492	4,492	4,492	4,492	4,492	53,898	57,317	60,690
Rental of facilities and equipment			76	76	76	76	76	76	76	76	76	76	76	10,976	11,810	12,307	12,983
Interest earned - external investments			1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	15,000	21,000	22,000
Interest earned - outstanding debtors			7,583	7,583	7,583	7,583	7,583	7,583	7,583	7,583	7,583	7,583	7,583	54,523	137,940	130,262	126,478
Dividends received			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits			1,182	1,182	1,182	1,182	1,182	1,182	1,182	1,182	1,182	1,182	1,182	13,802	26,805	28,413	29,976
Licences and permits			397	397	397	397	397	397	397	397	397	397	397	397	4,764	5,002	5,277
Agency services			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies			-	-	-	-	-	-	-	-	-	-	-	230,509	230,509	224,026	240,687
Other revenue			1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	10,290	25,146	26,654	28,110
Gains on disposal of PPE			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contribution)			157,809	157,809	157,809	157,809	157,809	157,809	157,809	157,809	157,809	157,809	157,809	467,718	2,203,612	2,328,538	2,468,270
Expenditure By Type																	
Employee related costs			64,135	64,135	64,135	64,135	64,135	64,135	64,135	64,135	64,135	64,135	64,135	65,476	770,966	818,205	864,258
Remuneration of councillors			2,646	2,646	2,646	2,646	2,646	2,646	2,646	2,646	2,646	2,646	2,646	2,646	31,753	33,817	35,846
Debt impairment			18,833	18,833	18,833	18,833	18,833	18,833	18,833	18,833	18,833	18,833	18,833	18,833	226,000	240,800	259,984
Depreciation & asset impairment			5,967	5,967	5,967	5,967	5,967	5,967	5,967	5,967	5,967	5,967	5,967	5,967	71,600	76,724	81,747
Finance charges			2,055	2,055	2,055	2,055	2,055	2,055	2,055	2,055	2,055	2,055	2,055	2,055	24,661	23,543	22,343
Bulk purchases			51,458	51,458	51,458	51,458	51,458	51,458	51,458	51,458	51,458	51,458	51,458	51,458	617,500	669,370	709,325
Other materials			14,256	14,256	14,256	14,256	14,256	14,256	14,256	14,256	14,256	14,256	14,256	34,411	191,225	178,868	195,314
Contracted services			4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	51,605	54,694	57,697
Transfers and subsidies			-	-	-	-	-	-	-	-	-	-	-	7,670	7,670	7,710	7,749
Other expenditure			16,769	16,769	16,769	16,769	16,769	16,769	16,769	16,769	16,769	16,769	16,769	16,769	201,231	215,276	223,274
Loss on disposal of PPE			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure			180,420	180,420	180,420	180,420	180,420	180,420	180,420	180,420	180,420	180,420	180,420	209,586	2,194,210	2,319,006	2,457,537
Surplus/(Deficit)			(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	258,131	9,402	9,532	10,733
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)			-	-	-	-	-	-	-	-	-	-	-	157,285	157,285	153,497	168,266
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			(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	415,416	166,687	163,029	178,999
Taxation			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)			1	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	415,416	166,687	163,029	178,999

References

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

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

Description	Ref	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand																
Revenue by Vote																
Vote 01 - Executive & Council		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 02 - Municipal And General		8,179	8,179	8,179	8,179	8,179	8,179	8,179	8,179	8,179	8,179	8,179	378,226	468,192	453,716	480,013
Vote 03 - Municipal Manager		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 04 - Corporate Services		306	306	306	306	306	306	306	306	306	306	306	6,806	10,176	11,897	11,611
Vote 05 - Community Services		6,694	6,694	6,694	6,694	6,694	6,694	6,694	6,694	6,694	6,694	6,694	27,434	101,072	107,567	113,598
Vote 06 - Financial Services		48,221	48,221	48,221	48,221	48,221	48,221	48,221	48,221	48,221	48,221	48,221	65,627	596,060	643,468	692,509
Vote 07 - Strategy Econ Development And Planning		151	151	151	151	151	151	151	151	151	151	151	7,201	8,860	9,396	9,923
Vote 08 - Infrastructure And Services		94,257	94,257	94,257	94,257	94,257	94,257	94,257	94,257	94,257	94,257	94,257	139,708	1,176,537	1,255,991	1,328,881
Vote 09 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 11 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 - Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue by Vote		157,809	157,809	157,809	157,809	157,809	157,809	157,809	157,809	157,809	157,809	157,809	625,003	2,360,897	2,482,035	2,636,536
Expenditure by Vote to be appropriated																
Vote 01 - Executive & Council		4,228	4,228	4,228	4,228	4,228	4,228	4,228	4,228	4,228	4,228	4,228	4,728	51,241	54,475	57,640
Vote 02 - Municipal And General		28,659	28,659	28,659	28,659	28,659	28,659	28,659	28,659	28,659	28,659	28,659	55,659	370,910	373,738	400,644
Vote 03 - Municipal Manager		1,830	1,830	1,830	1,830	1,830	1,830	1,830	1,830	1,830	1,830	1,830	3,171	23,300	24,698	26,056
Vote 04 - Corporate Services		6,198	6,198	6,198	6,198	6,198	6,198	6,198	6,198	6,198	6,198	6,198	6,198	74,381	79,841	83,173
Vote 05 - Community Services		23,983	23,983	23,983	23,983	23,983	23,983	23,983	23,983	23,983	23,983	23,983	24,228	288,046	305,133	321,712
Vote 06 - Financial Services		12,045	12,045	12,045	12,045	12,045	12,045	12,045	12,045	12,045	12,045	12,045	12,045	144,541	152,256	159,982
Vote 07 - Strategy Econ Development And Planning		5,044	5,044	5,044	5,044	5,044	5,044	5,044	5,044	5,044	5,044	5,044	5,044	60,529	64,203	67,884
Vote 08 - Infrastructure And Services		98,432	98,432	98,432	98,432	98,432	98,432	98,432	98,432	98,432	98,432	98,432	98,512	1,181,262	1,264,663	1,340,447
Vote 09 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 11 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 - Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure by Vote		180,420	180,420	180,420	180,420	180,420	180,420	180,420	180,420	180,420	180,420	180,420	209,586	2,194,210	2,319,006	2,457,537
Surplus/(Deficit) before assoc.		(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	415,416	166,687	163,029	178,999
Taxation													–	–	–	–
Attributable to minorities													–	–	–	–
Share of surplus/ (deficit) of associate													–	–	–	–
Surplus/(Deficit)	1	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	415,416	166,687	163,029	178,999

References

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

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

Description		Ref	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
R thousand			July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue - Functional																	
Governance and administration			56,706	56,706	56,706	56,706	56,706	56,706	56,706	56,706	56,706	56,706	56,706	451,109	1,074,878	1,109,558	1,184,636
Executive and council			8,179	8,179	8,179	8,179	8,179	8,179	8,179	8,179	8,179	8,179	8,179	378,226	468,192	453,716	480,013
Finance and administration			48,528	48,528	48,528	48,528	48,528	48,528	48,528	48,528	48,528	48,528	48,528	72,884	606,686	655,842	704,623
Internal audit														-	-	-	-
Community and public safety			608	608	608	608	608	608	608	608	608	608	608	19,309	25,995	27,380	28,431
Community and social services			267	267	267	267	267	267	267	267	267	267	267	8,067	11,008	11,686	11,873
Sport and recreation			311	311	311	311	311	311	311	311	311	311	311	311	3,730	3,975	4,194
Public safety			24	24	24	24	24	24	24	24	24	24	24	24	285	302	319
Housing			-	-	-	-	-	-	-	-	-	-	-	10,901	10,901	11,343	11,967
Health			6	6	6	6	6	6	6	6	6	6	6	6	70	74	78
Economic and environmental services			1,279	1,279	1,279	1,279	1,279	1,279	1,279	1,279	1,279	1,279	1,279	4,159	18,223	19,323	20,398
Planning and development			104	104	104	104	104	104	104	104	104	104	104	2,784	3,923	4,163	4,402
Road transport			1,175	1,175	1,175	1,175	1,175	1,175	1,175	1,175	1,175	1,175	1,175	1,375	14,300	15,160	15,996
Environmental protection														-	-	-	-
Trading services			98,750	98,750	98,750	98,750	98,750	98,750	98,750	98,750	98,750	98,750	98,750	146,040	1,232,289	1,315,742	1,392,487
Energy sources			63,627	63,627	63,627	63,627	63,627	63,627	63,627	63,627	63,627	63,627	63,627	77,627	777,527	833,520	877,073
Water management			23,837	23,837	23,837	23,837	23,837	23,837	23,837	23,837	23,837	23,837	23,837	44,187	306,392	324,368	347,336
Waste water management			6,793	6,793	6,793	6,793	6,793	6,793	6,793	6,793	6,793	6,793	6,793	6,793	81,517	86,546	92,278
Waste management			4,493	4,493	4,493	4,493	4,493	4,493	4,493	4,493	4,493	4,493	4,493	17,433	66,853	71,308	75,800
Other			466	466	466	466	466	466	466	466	466	466	466	4,386	9,512	10,032	10,584
Total Revenue - Functional			157,809	157,809	157,809	157,809	157,809	157,809	157,809	157,809	157,809	157,809	157,809	625,003	2,360,897	2,482,035	2,636,536
Expenditure - Functional																	
Governance and administration			56,241	56,241	56,241	56,241	56,241	56,241	56,241	56,241	56,241	56,241	56,241	83,741	702,387	725,406	770,459
Executive and council			33,844	33,844	33,844	33,844	33,844	33,844	33,844	33,844	33,844	33,844	33,844	61,344	433,631	440,381	471,121
Finance and administration			21,856	21,856	21,856	21,856	21,856	21,856	21,856	21,856	21,856	21,856	21,856	21,856	262,274	278,154	292,089
Internal audit			540	540	540	540	540	540	540	540	540	540	540	540	6,482	6,871	7,249
Community and public safety			15,515	15,515	15,515	15,515	15,515	15,515	15,515	15,515	15,515	15,515	15,515	15,760	186,430	197,153	207,397
Community and social services			3,425	3,425	3,425	3,425	3,425	3,425	3,425	3,425	3,425	3,425	3,425	3,500	41,179	43,667	45,613
Sport and recreation			4,990	4,990	4,990	4,990	4,990	4,990	4,990	4,990	4,990	4,990	4,990	4,990	59,874	63,251	66,775
Public safety			3,294	3,294	3,294	3,294	3,294	3,294	3,294	3,294	3,294	3,294	3,294	3,464	39,698	41,869	43,987
Housing			2,257	2,257	2,257	2,257	2,257	2,257	2,257	2,257	2,257	2,257	2,257	2,257	27,082	28,705	30,315
Health			1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	18,596	19,661	20,706
Economic and environmental services			10,885	10,885	10,885	10,885	10,885	10,885	10,885	10,885	10,885	10,885	10,885	12,306	132,039	140,366	148,603
Planning and development			3,818	3,818	3,818	3,818	3,818	3,818	3,818	3,818	3,818	3,818	3,818	5,159	47,161	50,053	52,956
Road transport			7,011	7,011	7,011	7,011	7,011	7,011	7,011	7,011	7,011	7,011	7,011	7,091	84,208	89,603	94,898
Environmental protection			56	56	56	56	56	56	56	56	56	56	56	56	670	710	749
Trading services			95,638	95,638	95,638	95,638	95,638	95,638	95,638	95,638	95,638	95,638	95,638	95,638	1,147,658	1,228,995	1,302,503
Energy sources			60,980	60,980	60,980	60,980	60,980	60,980	60,980	60,980	60,980	60,980	60,980	60,980	731,755	786,587	828,805
Water management			22,207	22,207	22,207	22,207	22,207	22,207	22,207	22,207	22,207	22,207	22,207	22,207	266,483	283,640	305,586
Waste water management			6,889	6,889	6,889	6,889	6,889	6,889	6,889	6,889	6,889	6,889	6,889	6,889	82,667	87,611	92,612
Waste management			5,563	5,563	5,563	5,563	5,563	5,563	5,563	5,563	5,563	5,563	5,563	5,563	66,753	71,158	75,500
Other			2,141	2,141	2,141	2,141	2,141	2,141	2,141	2,141	2,141	2,141	2,141	2,141	25,697	27,085	28,575
Total Expenditure - Functional			180,420	180,420	180,420	180,420	180,420	180,420	180,420	180,420	180,420	180,420	180,420	209,586	2,194,210	2,319,006	2,457,537
Surplus/(Deficit) before assoc.			(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	415,416	166,687	163,029	178,999
Share of surplus/ (deficit) of associate														-	-	-	-
Surplus/(Deficit)		1	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	(22,612)	415,416	166,687	163,029	178,999

References

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

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

Description	Ref	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Multi-year expenditure to be appropriated	1															
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		4,667	4,667	4,667	4,667	4,667	4,667	4,667	4,667	4,667	4,667	4,667	17,335	68,668	71,000	90,000
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		500	500	500	500	500	500	500	500	500	500	500	10,500	16,000	34,547	41,110
Vote 09 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	2	5,167	5,167	5,167	5,167	5,167	5,167	5,167	5,167	5,167	5,167	5,167	27,835	84,668	105,547	131,110
Single-year expenditure to be appropriated																
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		-	-	-	-	-	-	-	-	-	-	-	13,436	13,436	-	-
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		1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	72,430	86,180	74,950	78,156
Vote 09 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	2	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	85,867	99,617	74,950	78,156
Total Capital Expenditure	2	6,417	6,417	6,417	6,417	6,417	6,417	6,417	6,417	6,417	6,417	6,417	113,702	184,285	180,497	209,266

References

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

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

Description	Ref	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Capital Expenditure - Functional	1															
Governance and administration		4,667	4,667	4,667	4,667	4,667	4,667	4,667	4,667	4,667	4,667	4,667	30,771	82,105	71,000	90,000
Executive and council		4,667	4,667	4,667	4,667	4,667	4,667	4,667	4,667	4,667	4,667	4,667	30,771	82,105	71,000	90,000
Finance and administration													-	-	-	-
Internal audit													-	-	-	-
Community and public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and social services													-	-	-	-
Sport and recreation													-	-	-	-
Public safety													-	-	-	-
Housing													-	-	-	-
Health													-	-	-	-
Economic and environmental services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Planning and development													-	-	-	-
Road transport													-	-	-	-
Environmental protection													-	-	-	-
Trading services		1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	82,930	102,180	109,497	119,266
Energy sources		1,083	1,083	1,083	1,083	1,083	1,083	1,083	1,083	1,083	1,083	1,083	32,081	43,998	29,000	24,880
Water management		250	250	250	250	250	250	250	250	250	250	250	627	3,377	30,547	33,386
Waste water management		417	417	417	417	417	417	417	417	417	417	417	50,222	54,806	49,950	61,000
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other													-	-	-	-
Total Capital Expenditure - Functional	2	6,417	6,417	6,417	6,417	6,417	6,417	6,417	6,417	6,417	6,417	6,417	113,702	184,285	180,497	209,266
Funded by:																
National Government		4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	111,452	157,285	153,497	168,266
Provincial Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
District Municipality													-	-	-	-
Other transfers and grants													-	-	-	-
Transfers recognised - capital		4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	111,452	157,285	153,497	168,266
Borrowing													-	-	-	-
Internally generated funds		2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	27,000	27,000	41,000
Total Capital Funding		6,417	6,417	6,417	6,417	6,417	6,417	6,417	6,417	6,417	6,417	6,417	113,702	184,285	180,497	209,266

References

1. Table should be completed as either Multi-Year expenditure appropriation or Budget Year and Forward Year estimates

2. Total Capital Expenditure must reconcile to Budgeted Capital Expenditure

check

NC091 Sol Plaatje - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand															
Cash Receipts By Source													1		
Property rates	120,000	38,458	38,458	38,458	38,458	38,458	38,458	38,458	38,458	38,458	38,458	38,457	543,035	588,434	602,265
Service charges - electricity revenue	60,446	60,446	60,446	60,446	60,446	60,446	60,446	60,446	60,446	60,446	60,446	60,446	725,351	779,760	794,561
Service charges - water revenue	21,930	21,930	21,930	21,930	21,930	21,930	21,930	21,930	21,930	21,930	21,930	21,930	263,159	272,697	276,203
Service charges - sanitation revenue	5,330	5,330	5,330	5,330	5,330	5,330	5,330	5,330	5,330	5,330	5,330	5,330	63,956	66,390	68,496
Service charges - refuse revenue	4,132	4,132	4,132	4,132	4,132	4,132	4,132	4,132	4,132	4,132	4,132	4,132	49,586	51,585	54,621
Rental of facilities and equipment	984	984	984	984	984	984	984	984	984	984	984	984	11,810	12,307	12,983
Interest earned - external investments	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	15,000	21,000	22,000
Interest earned - outstanding debtors	3,104	3,104	3,104	3,104	3,104	3,104	3,104	3,104	3,104	3,104	3,104	3,104	37,244	65,131	25,296
Dividends received													-	-	-
Fines, penalties and forfeits	2,234	2,234	2,234	2,234	2,234	2,234	2,234	2,234	2,234	2,234	2,234	2,234	26,805	28,413	29,976
Licences and permits	397	397	397	397	397	397	397	397	397	397	397	397	4,764	5,002	5,277
Agency services													-	-	-
Transfer receipts - operational	76,836	-	-	-	76,836	-	-	-	76,836	-	-	-	230,509	224,026	240,687
Other revenue	2,095	2,095	2,095	2,095	2,095	2,095	2,095	2,095	2,095	2,095	2,095	2,095	25,146	26,654	28,110
Cash Receipts by Source	298,738	140,359	140,359	140,359	217,196	140,359	140,359	140,359	217,196	140,359	140,359	140,359	1,996,363	2,141,400	2,160,476
Other Cash Flows by Source															
Transfer receipts - capital	52,428				52,428				52,428			-	157,285	153,497	168,266
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)												-	-	-	-
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	267	267	267	267	267	267	267	267	267	267	267	267	3,202	3,490	3,381
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	351,433	140,626	140,626	140,626	269,891	140,626	140,626	140,626	269,891	140,626	140,626	140,626	2,156,850	2,298,387	2,332,123
Cash Payments by Type															
Employee related costs	55,833	55,833	55,833	55,833	55,833	85,833	55,833	55,833	55,833	55,833	55,833	126,799	770,966	818,205	864,258
Remuneration of councillors	2,646	2,646	2,646	2,646	2,646	2,646	2,646	2,646	2,646	2,646	2,646	2,646	31,753	33,817	35,846
Finance charges						12,330							12,330	24,661	22,343
Bulk purchases - Electricity	69,333	34,667	34,667	34,667	34,667	34,667	34,667	34,667	34,667	34,667	69,333	69,333	520,000	538,537	591,350
Bulk purchases - Water & Sewer	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833			97,500	96,525	117,975
Other materials	15,935	15,935	15,935	15,935	15,935	15,935	15,935	15,935	15,935	15,935	15,935	15,935	191,225	160,981	195,314
Contracted services	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	51,605	54,694	57,697
Transfers and grants - other municipalities													-	-	-
Transfers and grants - other	3,000							2,000				2,670	7,670	7,710	7,749
Other expenditure	16,769	15,092	15,092	15,092	15,092	15,092	15,092	15,092	15,092	15,092	15,092	13,416	181,108	193,748	223,274
Cash Payments by Type	178,651	139,308	139,308	139,308	139,308	181,638	139,308	141,308	139,308	128,474	163,141	247,430	1,876,487	1,927,760	2,115,806
Other Cash Flows/Payments by Type															
Capital assets	6,417	6,417	6,417	6,417	6,417	6,417	6,417	6,417	6,417	6,417	6,417	113,702	184,285	180,497	209,266
Repayment of borrowing						4,626						4,626	9,251	9,402	9,532
Other Cash Flows/Payments												-			
Total Cash Payments by Type	185,068	145,724	145,724	145,724	145,724	192,680	145,724	147,724	145,724	134,891	169,558	365,757	2,070,023	2,117,659	2,334,604
NET INCREASE/(DECREASE) IN CASH HELD	166,366	(5,098)	(5,098)	(5,098)	124,167	(52,054)	(5,098)	(7,098)	124,167	5,735	(28,931)	(225,131)	86,827	180,727	(2,481)
Cash/cash equivalents at the month/year begin:	115,263	281,629	276,531	271,433	266,335	390,501	338,447	333,349	326,251	450,418	456,153	427,222	115,263	202,090	382,818
Cash/cash equivalents at the month/year end:	281,629	276,531	271,433	266,335	390,501	338,447	333,349	326,251	450,418	456,153	427,222	202,090	202,090	382,818	380,337

References

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

NC091 Sol Plaatje - NOT REQUIRED - municipality does not have entities

[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
Dbsa Loan @ 10.91%	M	360	Piped Water Inside Dwelling	31 December 2019	1,974
Dbsa Loan @ 12.445%	M	240	Piped Water Inside Dwelling	30 June 2031	31,261
Dbsa Loan @ 12.61%	M	240	Piped Water Inside Dwelling	31 December 2028	2,505
Dbsa Loan @ 6.75%	M	288	Flush Toilet (Connected To Sewerage)	31 December 2023	513

References

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

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

Description	Ref	Preceding Years	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework			Total Contract Value
		Total	Original Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22	Estimate
R thousand	1,3						
Parent Municipality:							
<u>Revenue Obligation By Contract</u>	2						
<i>No Future Contracts Greater Than 5m</i>		-	-	-	-	-	-
Total Operating Revenue Implication		-	-	-	-	-	-
<u>Expenditure Obligation By Contract</u>	2						
<i>No Future Contracts Greater Than 5m</i>		-	-	-	-	-	-
Total Operating Expenditure Implication		-	-	-	-	-	-
<u>Capital Expenditure Obligation By Contract</u>	2						
<i>Upgrade Stormwater Galeshewe</i>		-	-	40,000	40,000	40,000	120,000
<i>Lerato Park Link Water And Sewer</i>		-	-	24,806	-	-	24,806
<i>Homevale Fire Station</i>		-	-	12,668	-	-	12,668
Total Capital Expenditure Implication		-	-	77,474	40,000	40,000	157,474
Total Parent Expenditure Implication		-	-	77,474	40,000	40,000	157,474

References

1. Total implication for all preceding years to be summed and total stated in 'Preceding Years' column
2. List all contracts with future financial obligations beyond the three years covered by the MTREF (MFMA s33)

with approved total revenue greater than R250 m - all contracts with an annual cost greater than R1million. For municipalities with approved total revenue greater than R500 m - all contracts with an annual cost greater than R5 million

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

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		55,528	28,934	53,609	62,842	67,817	67,817	56,180	33,547	36,266
Roads Infrastructure		-	3,320	-	-	-	-	-	-	-
Roads			3,320							
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		-	-	11,436	-	-	-	-	-	-
Drainage Collection										
Storm water Conveyance		-	-	11,436	-	-	-	-	-	-
Attenuation										
Electrical Infrastructure		20,209	11,144	12,721	24,661	24,997	24,997	30,998	16,000	15,880
Power Plants		18,725	11,144							
HV Substations										
HV Switching Station										
HV Transmission Conductors										
MV Substations										
MV Switching Stations										
MV Networks										
LV Networks		-	-	12,721	24,661	24,997	24,997	30,998	16,000	15,880
Capital Spares		1,484								
Water Supply Infrastructure		30,531	12,469	29,452	17,381	19,956	19,956	377	17,547	20,386
Dams and Weirs		30,531	12,469							
Boreholes										
Reservoirs		-	-	-	-	-	-	-	10,000	6,156
Pump Stations		-	-	26,387	-	3,148	3,148	-	-	-
Water Treatment Works										
Bulk Mains		-	-	-	-	-	-	377	1,547	11,200
Distribution		-	-	3,064	17,381	16,807	16,807	-	-	-
Distribution Points		-	-	-	-	-	-	-	6,000	3,030
PRV Stations										
Capital Spares										
Sanitation Infrastructure		4,789	2,000	-	20,801	22,865	22,865	24,806	-	-
Pump Station										
Reticulation		4,789	2,000	-	20,801	22,865	22,865	24,806	-	-
Community Assets		-	-	364	4,765	2,473	2,473	12,668	-	-
Community Facilities		-	-	364	4,765	2,473	2,473	12,668	-	-
Halls										
Centres										
Crèches										
Clinics/Care Centres										
Fire/Ambulance Stations		-	-	364	4,765	2,473	2,473	12,668	-	-
Testing Stations										
Investment properties		-	115	813	5,000	2,500	2,500	2,000	2,000	2,000
Revenue Generating		-	115	813	5,000	2,500	2,500	2,000	2,000	2,000
Improved Property		-	115	813	5,000	2,500	2,500	2,000	2,000	2,000
Unimproved Property										
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property										
Unimproved Property										
Other assets		7	-	-	-	-	-	-	-	-
Operational Buildings		7	-	-	-	-	-	-	-	-
Capital Spares		7								
Housing		-	-	-	-	-	-	-	-	-
Staff Housing										
Social Housing										
Capital Spares										
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets										
Intangible Assets		3,767	2,366	11,340	-	-	-	-	-	-
Servitudes										
Licences and Rights		3,767	2,366	11,340	-	-	-	-	-	-
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications		3,767	2,366	11,340	-	-	-	-	-	-
Load Settlement Software Applications										
Unspecified		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	864	4,000	3,000	3,000	5,000	5,000	20,000
Computer Equipment		-	-	864	4,000	3,000	3,000	5,000	5,000	20,000
Furniture and Office Equipment		-	4,647	548	3,000	1,000	1,000	3,000	3,000	3,000
Furniture and Office Equipment		-	4,647	548	3,000	1,000	1,000	3,000	3,000	3,000
Machinery and Equipment		-	-	578	-	-	-	-	-	-
Machinery and Equipment		-	-	578	-	-	-	-	-	-
Transport Assets		-	4,540	6,003	4,000	1,000	1,000	6,000	6,000	10,000
Transport Assets		-	4,540	6,003	4,000	1,000	1,000	6,000	6,000	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	59,303	40,601	74,120	83,607	77,790	77,790	84,849	49,547	71,266

References

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

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

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		80,747	54,790	25,301	45,048	100,261	100,261	23,000	51,000	67,000
Roads Infrastructure		16,616	21,659	12,016	13,048	15,661	15,661	-	-	-
Roads		16,616	21,659	12,016	13,048	15,661	15,661	-	-	-
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		-	-	-	-	58,000	58,000	-	-	-
Drainage Collection										
Storm water Conveyance		-	-	-	-	58,000	58,000	-	-	-
Attenuation										
Electrical Infrastructure		6,551	-	565	10,000	10,000	10,000	8,000	8,000	9,000
Power Plants		6,551								
HV Substations										
HV Switching Station										
HV Transmission Conductors										
MV Substations										
MV Switching Stations										
MV Networks										
LV Networks		-	-	-	7,000	7,000	7,000	5,000	5,000	6,000
Capital Spares		-	-	565	3,000	3,000	3,000	3,000	3,000	3,000
Water Supply Infrastructure		12,378	6,361	12,720	5,000	3,000	3,000	-	-	-
Dams and Weirs		12,378	6,361							
Boreholes										
Reservoirs		-	-	6,562	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	5,585	-	-	-	-	-	-
Bulk Mains										
Distribution		-	-	-	5,000	3,000	3,000	-	-	-
Distribution Points		-	-	573	-	-	-	-	-	-
PRV Stations										
Capital Spares										
Sanitation Infrastructure		45,201	14,560	-	17,000	13,600	13,600	15,000	43,000	58,000
Pump Station		-	-	-	3,000	2,500	2,500	5,000	23,000	23,000
Reticulation		45,201	14,560	-	-	-	-	-	15,000	30,000
Waste Water Treatment Works		-	-	-	-	-	-	-	-	-
Outfall Sewers										
Toilet Facilities		-	-	-	14,000	11,100	11,100	10,000	5,000	5,000
Capital Spares										
Solid Waste Infrastructure		-	12,210	-	-	-	-	-	-	-
Landfill Sites		-	12,210	-	-	-	-	-	-	-
Community Assets		6,951	24,416	8,144	-	4,717	4,717	-	-	-
Community Facilities		6,951	24,274	-	-	-	-	-	-	-
Capital Spares		6,951	24,274							
Sport and Recreation Facilities		-	142	8,144	-	4,717	4,717	-	-	-
Indoor Facilities										
Outdoor Facilities		-	142	8,144	-	4,717	4,717	-	-	-
Capital Spares										
Investment properties		2,380	-	-	-	-	-	-	-	-
Revenue Generating		2,380	-	-	-	-	-	-	-	-
Improved Property		2,380								
Unimproved Property										
Computer Equipment		2,270	-	-	-	-	-	-	-	-
Computer Equipment		2,270								
Total Capital Expenditure on renewal of existing assets	1	92,348	79,206	33,445	45,048	104,979	104,979	23,000	51,000	67,000
Renewal of Existing Assets as % of total capex		0.0%	66.1%	13.6%	13.5%	45.4%	45.4%	12.5%	28.3%	32.0%
Renewal of Existing Assets as % of deprecn"		159.8%	131.4%	51.9%	65.1%	151.6%	151.6%	32.1%	66.5%	82.0%
References										

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

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

Description		Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Repairs and maintenance expenditure by Asset Class/Sub-class											
Infrastructure											
Roads Infrastructure			79,772	90,578	208,025	192,329	190,806	190,806	201,884	217,511	232,942
Roads			13,612	18,157	43,323	40,528	40,936	40,936	42,380	47,896	53,392
Road Structures			13,612	18,157	36,558	33,968	34,376	34,376	35,820	38,302	40,765
Road Furniture			-	-	6,765	6,560	6,560	6,560	6,560	9,594	12,626
Capital Spares			-	-	-	-	-	-	-	-	-
Storm water Infrastructure			-	-	483	600	600	600	600	642	684
Drainage Collection			-	-	483	600	600	600	600	642	684
Storm water Conveyance			-	-	-	-	-	-	-	-	-
Attenuation			-	-	-	-	-	-	-	-	-
Electrical Infrastructure			22,225	26,099	67,611	59,739	56,062	56,062	61,400	65,426	69,417
Power Plants			16,032	20,196	-	-	-	-	-	-	-
HV Substations			-	-	5,455	1,020	1,020	1,020	1,320	1,399	1,476
HV Switching Station			-	-	3,993	3,873	5,081	5,081	4,070	4,315	4,556
HV Transmission Conductors			-	-	-	-	-	-	-	-	-
MV Substations			-	-	1,273	1,460	1,371	1,371	1,600	1,696	1,789
MV Switching Stations			-	-	4,640	5,735	4,750	4,750	5,590	5,925	6,251
MV Networks			-	-	1,508	2,180	2,180	2,180	1,300	1,378	1,454
LV Networks			-	-	21,097	15,100	13,000	13,000	15,040	16,102	17,204
Capital Spares			6,192	5,903	29,644	30,371	28,660	28,660	32,480	34,609	36,686
Water Supply Infrastructure			21,617	17,471	51,220	42,438	36,711	36,711	44,662	47,342	49,946
Dams and Weirs			21,617	17,471	-	-	-	-	-	-	-
Boreholes			-	-	-	-	-	-	-	-	-
Reservoirs			-	-	2,451	5,250	2,500	2,500	5,250	5,565	5,871
Pump Stations			-	-	1,145	1,500	1,240	1,240	1,500	1,590	1,677
Water Treatment Works			-	-	2,074	2,250	2,811	2,811	2,250	2,385	2,516
Bulk Mains			-	-	3,018	3,750	750	750	3,750	3,975	4,194
Distribution			-	-	41,354	27,938	27,660	27,660	30,162	31,972	33,731
Distribution Points			-	-	-	-	-	-	-	-	-
PRV Stations			-	-	-	-	-	-	-	-	-
Capital Spares			-	-	1,179	1,750	1,750	1,750	1,750	1,855	1,957
Sanitation Infrastructure			9,171	15,137	26,596	25,426	32,823	32,823	28,074	29,759	31,395
Pump Station			-	-	10,158	5,750	11,727	11,727	7,150	7,579	7,996
Reticulation			9,171	15,137	15,165	17,976	18,941	18,941	19,224	20,378	21,498
Waste Water Treatment Works			-	-	697	700	600	600	700	742	783
Outfall Sewers			-	-	-	-	-	-	-	-	-
Toilet Facilities			-	-	576	1,000	1,555	1,555	1,000	1,060	1,118
Capital Spares			-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure			13,147	13,715	17,012	22,237	22,106	22,106	23,196	24,778	26,345
Landfill Sites			13,147	13,715	16,971	21,987	20,356	20,356	22,946	24,512	26,062
Waste Transfer Stations			-	-	-	-	-	-	-	-	-
Waste Processing Facilities			-	-	41	250	1,750	1,750	250	266	282
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			-	-	1,780	1,361	1,568	1,568	1,571	1,669	1,765
Sand Pumps			-	-	-	-	-	-	-	-	-
Piers			-	-	-	-	-	-	-	-	-
Revetments			-	-	-	-	-	-	-	-	-
Promenades			-	-	-	-	-	-	-	-	-
Capital Spares			-	-	1,780	1,361	1,568	1,568	1,571	1,669	1,765
Information and Communication Infrastructure			-	-	-	-	-	-	-	-	-
Data Centres			-	-	-	-	-	-	-	-	-
Core Layers			-	-	-	-	-	-	-	-	-
Distribution Layers			-	-	-	-	-	-	-	-	-
Capital Spares			-	-	-	-	-	-	-	-	-
Community Assets			10,487	1,139	2,649	3,541	3,539	3,539	4,250	4,470	4,719
Community Facilities			8,624	749	2,247	3,150	3,140	3,140	3,810	4,018	4,240
Halls			124	-	133	100	100	100	850	901	951
Centres			-	-	-	-	-	-	-	-	-
Crèches			-	-	-	-	-	-	-	-	-
Clinics/Care Centres			477	262	-	-	-	-	-	-	-
Fire/Ambulance Stations			-	-	192	200	200	200	200	212	224
Testing Stations			-	-	-	-	-	-	-	-	-
Museums			-	-	-	-	-	-	-	-	-
Galleries			-	-	-	-	-	-	-	-	-

Theatres									
Libraries	2,888	58	53	75	75	75	75	80	84
Cemeteries/Crematoria		26	462	635	641	641	640	676	713
Police									
Parks	1,499	32	1,223	1,945	1,929	1,929	1,850	1,943	2,049
Public Open Space		-	184	195	195	195	195	207	219
Nature Reserves									
Public Ablution Facilities									
Markets	473	372							
Stalls									
Abattoirs									
Airports									
Taxi Ranks/Bus Terminals									
Capital Spares	3,163								
Sport and Recreation Facilities	1,863	390	402	391	399	399	440	452	479
Indoor Facilities	-	-	335	330	330	330	370	396	420
Outdoor Facilities	1,863	390	67	61	69	69	70	56	59
Capital Spares	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Monuments									
Historic Buildings									
Works of Art									
Conservation Areas									
Other Heritage									
Investment properties	-	929	6,063	6,681	6,681	6,681	6,880	7,293	7,725
Revenue Generating	-	929	6,063	6,681	6,681	6,681	6,880	7,293	7,725
Improved Property	-	-	5,939	6,181	6,181	6,181	6,380	6,763	7,164
Unimproved Property	-	929	124	500	500	500	500	530	562
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property									
Unimproved Property									
Other assets	43,425	19,395	12,268	8,964	13,075	13,075	10,953	11,616	12,270
Operational Buildings	43,425	19,395	12,268	8,964	13,075	13,075	10,953	11,616	12,270
Municipal Offices	4,387	3,674	10,537	7,964	11,765	11,765	9,953	10,551	11,131
Pay/Enquiry Points									
Building Plan Offices	13,409	1,357							
Workshops			1,731	1,000	1,310	1,310	1,000	1,065	1,140
Yards									
Stores									
Laboratories									
Training Centres									
Manufacturing Plant									
Depots									
Capital Spares	25,629	14,363							
Housing	-	-	-	-	-	-	-	-	-
Staff Housing									
Social Housing									
Capital Spares									
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets									
Intangible Assets	-	-	-	-	-	-	-	-	-
Servitudes									
Licences and Rights	-	-	-	-	-	-	-	-	-
Water Rights									
Effluent Licenses									
Solid Waste Licenses									
Computer Software and Applications									
Load Settlement Software Applications									
Unspecified									
Computer Equipment	-	-	-	-	-	-	-	-	-
Computer Equipment									
Furniture and Office Equipment	-	3,699	1,377	1,849	3,595	3,595	1,758	1,865	1,969
Furniture and Office Equipment	-	3,699	1,377	1,849	3,595	3,595	1,758	1,865	1,969
Machinery and Equipment	-	-	17,247	21,860	20,721	20,721	23,378	24,878	26,564
Machinery and Equipment	-	-	17,247	21,860	20,721	20,721	23,378	24,878	26,564
Transport Assets	-	6,007	5,133	11,588	7,287	7,287	10,947	11,604	12,250
Transport Assets	-	6,007	5,133	11,588	7,287	7,287	10,947	11,604	12,250
Land	-	-	-	-	-	-	-	-	-
Land									
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals									
Total Repairs and Maintenance Expenditure	1	133,684	121,748	252,761	246,813	245,704	245,704	260,050	279,235
R&M as a % of PPE		9.4%	8.3%	15.3%	13.2%	13.1%	13.1%	13.9%	15.7%
R&M as % Operating Expenditure		8.3%	7.5%	13.1%	12.1%	12.3%	12.3%	13.0%	12.7%
References									

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

check balance	-	(0)	-	-	-	-	-	-	-
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Theatres									
Libraries									
Cemeteries/Crematoria									
Police									
Parks									
Public Open Space									
Nature Reserves									
Public Ablution Facilities									
Markets									
Stalls									
Abattoirs									
Airports									
Taxi Ranks/Bus Terminals									
Capital Spares	7,392	7,506							
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
Indoor Facilities									
Outdoor Facilities									
Capital Spares									
Heritage assets	-	-	-	-	-	-	-	-	-
Monuments									
Historic Buildings									
Works of Art									
Conservation Areas									
Other Heritage	-	-	-	-	-	-	-	-	-
Investment properties	-	1,644	217	300	300	300	300	323	343
Revenue Generating	-	1,644	217	300	300	300	300	323	343
Improved Property	-	-	217	-	-	-	-	-	-
Unimproved Property	-	1,644	-	300	300	300	300	323	343
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property									
Unimproved Property									
Other assets	700	-	-	-	-	-	-	-	-
Operational Buildings	700	-	-	-	-	-	-	-	-
Municipal Offices	250	-	-	-	-	-	-	-	-
Pay/Enquiry Points		-	-	-	-	-	-	-	-
Building Plan Offices									
Workshops									
Yards									
Stores									
Laboratories									
Training Centres									
Manufacturing Plant									
Depots									
Capital Spares	450								
Housing	-	-	-	-	-	-	-	-	-
Staff Housing									
Social Housing									
Capital Spares									
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets									
Intangible Assets	218	3,604	4,071	5,000	5,000	5,000	5,000	5,375	5,724
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	218	3,604	4,071	5,000	5,000	5,000	5,000	5,375	5,724
Water Rights									
Effluent Licenses									
Solid Waste Licenses									
Computer Software and Applications	-	-	4,071	5,000	5,000	5,000	5,000	5,375	5,724
Load Settlement Software Applications									
Unspecified	218	3,604	-	-	-	-	-	-	-
Computer Equipment	2,166	2,317	2,673	2,600	2,600	2,600	3,000	3,225	3,435
Computer Equipment	2,166	2,317	2,673	2,600	2,600	2,600	3,000	3,225	3,435
Furniture and Office Equipment	6,091	1,681	1,323	3,500	3,500	3,500	2,700	2,903	3,091
Furniture and Office Equipment	6,091	1,681	1,323	3,500	3,500	3,500	2,700	2,903	3,091
Machinery and Equipment	-	1,505	1,257	-	-	-	1,300	1,398	1,488
Machinery and Equipment	-	1,505	1,257	-	-	-	1,300	1,398	1,488
Transport Assets	9,843	8,290	8,384	9,500	9,500	9,500	9,500	10,213	10,876
Transport Assets	9,843	8,290	8,384	9,500	9,500	9,500	9,500	10,213	10,876
Land	-	1,582	800	1,950	1,950	1,950	900	950	1,000
Land	-	1,582	800	1,950	1,950	1,950	900	950	1,000
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals									
Total Depreciation	1	57,792	60,291	64,443	69,250	69,250	69,250	71,600	76,724

References

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

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

Description		Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class											
Infrastructure			–	–	138,118	204,587	46,344	46,344	76,436	79,950	71,000
Roads Infrastructure			–	–	96,872	151,699	–	–	53,436	55,000	55,000
Roads			–	–	96,872	151,699	–	–	53,436	55,000	55,000
Road Structures											
Road Furniture											
Capital Spares											
Storm water Infrastructure			–	–	–	–	–	–	–	–	–
Drainage Collection											
Storm water Conveyance											
Attenuation											
Electrical Infrastructure			–	–	11,819	19,337	13,000	13,000	5,000	5,000	–
Power Plants											
HV Substations			–	–	10,330	19,337	13,000	13,000	5,000	5,000	–
HV Switching Station											
HV Transmission Conductors											
MV Substations											
MV Switching Stations			–	–	1,489	–	–	–	–	–	–
MV Networks											
LV Networks											
Capital Spares											
Water Supply Infrastructure			–	–	22,662	33,551	18,494	18,494	3,000	13,000	13,000
Dams and Weirs			–	–	–	20,000	–	–	–	–	–
Boreholes											
Reservoirs											
Pump Stations											
Water Treatment Works			–	–	–	–	–	–	–	10,000	10,000
Bulk Mains			–	–	22,662	10,551	15,494	15,494	–	–	–
Distribution			–	–	–	3,000	3,000	3,000	3,000	3,000	3,000
Sanitation Infrastructure			–	–	6,766	–	14,850	14,850	15,000	6,950	3,000
Pump Station											
Reticulation			–	–	–	–	–	–	–	6,950	3,000
Waste Water Treatment Works											
Outfall Sewers			–	–	6,766	–	14,850	14,850	15,000	–	–
Community Assets			–	–	75	–	–	–	–	–	–
Community Facilities			–	–	75	–	–	–	–	–	–
Testing Stations			–	–	75	–	–	–	–	–	–
Other assets			–	–	–	–	2,000	2,000	–	–	–
Operational Buildings			–	–	–	–	2,000	2,000	–	–	–
Municipal Offices			–	–	–	–	2,000	2,000	–	–	–
Pay/Enquiry Points											
Total Capital Expenditure on upgrading of existing assets	1		–	–	138,193	204,587	48,344	48,344	76,436	79,950	71,000
Upgrading of Existing Assets as % of total capex			0.0%	0.0%	56.2%	61.4%	20.9%	20.9%	41.5%	44.3%	33.9%
Upgrading of Existing Assets as % of deprecn			0.0%	0.0%	214.4%	295.4%	69.8%	69.8%	106.8%	104.2%	86.9%

References

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

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

Vote Description	Ref	2019/20 Medium Term Revenue & Expenditure Framework		
		Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand				
Capital expenditure	1			
Vote 01 - Executive & Council		-	-	-
Vote 02 - Municipal And General		82,105	71,000	90,000
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		102,180	109,497	119,266
Vote 09 -		-	-	-
Vote 10 -		-	-	-
Vote 11 -		-	-	-
Vote 12 -		-	-	-
Vote 13 -		-	-	-
Vote 14 -		-	-	-
Vote 15 - Other		-	-	-
List entity summary if applicable				
Total Capital Expenditure		184,285	180,497	209,266
Future revenue by source	3			
Property rates		578,654	625,994	674,739
Service charges - electricity revenue		763,527	820,800	863,653
Service charges - water revenue		286,042	302,997	324,944
Service charges - sanitation revenue		69,517	73,766	78,731
Service charges - refuse revenue		53,898	57,317	60,690
Rental of facilities and equipment		11,810	12,307	12,983
List other revenues sources if applicable		15,000	21,000	22,000
List entity summary if applicable				
Total future revenue		1,778,448	1,914,181	2,037,742
Net Financial Implications		(1,594,163)	(1,733,684)	(1,828,476)

References

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

NC091 Sol Plaatje - Supporting Table SA36 Detailed capital budget

R thousand													2019/20 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 2017/18	Current Year 2018/19 Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22	
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	12,016	15,661	-	-	-	-	
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	-	58,000	-	-	-	-	
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	96,872	-	-	53,436	55,000	55,000	
Finance And Administration	Capital Infrastructure New Storm Water Infrastructure	-	NEW	competitive and responsive economic infrastructure	Growth	Storm Water Infrastructure	Storm Water Conveyance	WHOLE OF THE MUNICIPALITY	0	0	11,436	-	-	-	-	-	
Finance And Administration	Capital Non-Infrastructure Existing Renewal Community Facilities	-	RENEWAL	effective and development-oriented public infrastructure	Inclusion and Access	Community Facilities	Halls	WHOLE OF THE MUNICIPALITY	0	0	-	-	-	-	-	-	
Finance And Administration	Infrastructure Existing Renewal Sport And Recreation Facilities	-	RENEWAL	A long and healthy life for all South Africans	Inclusion and Access	Sport And Recreation Facilities	Outdoor Facilities	WHOLE OF THE MUNICIPALITY	0	0	8,144	4,717	-	-	-	-	
Finance And Administration	Capital Non-Infrastructure Existing Upgrading Community Facilities	-	UPGRADING	effective and development-oriented public infrastructure	Inclusion and Access	Community Facilities	Halls	WHOLE OF THE MUNICIPALITY	0	0	-	-	-	-	-	-	
Finance And Administration	Capital Non-Infrastructure Existing Upgrading Community Facilities	-	UPGRADING	effective and development-oriented public infrastructure	Inclusion and Access	Community Facilities	Testing Stations	WHOLE OF THE MUNICIPALITY	0	0	75	-	-	-	-	-	
Finance And Administration	Capital Non-Infrastructure New Computer Equipment	-	NEW	effective and development-oriented public infrastructure	Growth	Computer Equipment	Computer Equipment	WHOLE OF THE MUNICIPALITY	0	0	864	3,000	5,000	5,000	20,000	20,000	
Finance And Administration	Capital Non-Infrastructure New Furniture And Office Equipment	-	NEW	effective and development-oriented public infrastructure	Growth	Furniture And Office Equipment	Furniture And Office Equipment	WHOLE OF THE MUNICIPALITY	0	0	548	1,000	3,000	3,000	3,000	3,000	
Finance And Administration	Capital Non-Infrastructure New Heritage Assets	-	NEW	South Africa and contribute to a better Africa as a nation	Growth	Heritage Assets	Monuments	WHOLE OF THE MUNICIPALITY	0	0	-	-	-	-	-	-	
Finance And Administration	Capital Non-Infrastructure New Intangible Assets	-	NEW	effective and development-oriented public infrastructure	Growth	Licences And Rights	Computer Software And Applications	WHOLE OF THE MUNICIPALITY	0	0	11,340	-	-	-	-	-	
Finance And Administration	Capital Non-Infrastructure New Intangible Assets	-	NEW	effective and development-oriented public infrastructure	Growth	Licences And Rights	Unspecified	WHOLE OF THE MUNICIPALITY	0	0	-	-	-	-	-	-	
Finance And Administration	Capital Non-Infrastructure New Investment	-	NEW	Revenue Generating	Growth	Revenue Generating	Improved Property	WHOLE OF THE MUNICIPALITY	0	0	813	2,500	2,000	2,000	2,000	2,000	
Finance And Administration	Capital Non-Infrastructure New Machinery And Equipment	-	NEW	Machinery And Equipment	Growth	Machinery And Equipment	Machinery And Equipment	WHOLE OF THE MUNICIPALITY	0	0	578	-	-	-	-	-	
Finance And Administration	Capital Non-Infrastructure New Transport Assets	-	NEW	Transport Assets	Growth	Transport Assets	Transport Assets	WHOLE OF THE MUNICIPALITY	0	0	6,003	1,000	6,000	6,000	10,000	10,000	
Finance And Administration	Capital Non-Infrastructure Existing Upgrading Operational Buildings	-	UPGRADING	effective and development-oriented public infrastructure	Governance	Operational Buildings	Municipal Offices	WHOLE OF THE MUNICIPALITY	0	0	-	2,000	-	-	-	-	
Finance And Administration	Capital Non-Infrastructure New Community Facilities	-	NEW	effective and development-oriented public infrastructure	Growth	Community Facilities	Fire/Ambulance Stations	WARD 3	-28709098	24789752	364	2,473	12,668	-	-	-	
Environmental Protection	Capital Infrastructure Existing Renewal Solid Waste Infrastructure	-	RENEWAL	competitive and responsive economic infrastructure	Inclusion and Access	Solid Waste Infrastructure	Landfill Sites	WHOLE OF THE MUNICIPALITY	0	0	-	-	-	-	-	-	
Energy Sources	Capital Infrastructure Existing Upgrading Electrical Infrastructure	-	UPGRADING	competitive and responsive economic infrastructure	Inclusion and Access	Electrical Infrastructure	Hv Substations	WARD 26	0	0	6,476	5,000	-	-	-	-	
Energy Sources	Capital Infrastructure Existing Upgrading Electrical Infrastructure	-	UPGRADING	competitive and responsive economic infrastructure	Inclusion and Access	Electrical Infrastructure	Hv Substations	WARD 29	-28709092	24755325	3,854	8,000	5,000	5,000	-	-	
Energy Sources	Capital Infrastructure Existing Upgrading Electrical Infrastructure	-	UPGRADING	competitive and responsive economic infrastructure	Inclusion and Access	Electrical Infrastructure	Mv Switching Stations	WHOLE OF THE MUNICIPALITY	0	0	1,489	-	-	-	-	-	
Energy Sources	Capital Infrastructure New Electrical Infrastructure	-	NEW	competitive and responsive economic infrastructure	Growth	Electrical Infrastructure	Lv Networks	WARD 1	0	0	12,721	-	-	-	-	-	
Energy Sources	Capital Infrastructure New Electrical Infrastructure	-	NEW	competitive and responsive economic infrastructure	Growth	Electrical Infrastructure	Lv Networks	WARD 19	-28518562	24698019	-	-	18,920	-	-	-	
Energy Sources	Capital Infrastructure New Electrical Infrastructure	-	NEW	competitive and responsive economic infrastructure	Growth	Electrical Infrastructure	Lv Networks	WARD 21	-28731896	24745646	-	-	1,823	-	-	-	
Energy Sources	Capital Infrastructure New Electrical Infrastructure	-	NEW	competitive and responsive economic infrastructure	Growth	Electrical Infrastructure	Lv Networks	WARD 28	-28758241	24737008	-	-	3,753	-	-	-	
Energy Sources	Capital Infrastructure New Electrical Infrastructure	-	NEW	competitive and responsive economic infrastructure	Growth	Electrical Infrastructure	Lv Networks	WARD 4	-28752799	22575198	-	-	2,374	-	-	-	
Energy Sources	Capital Infrastructure New Electrical Infrastructure	-	NEW	competitive and responsive economic infrastructure	Growth	Electrical Infrastructure	Lv Networks	WARD 7	-28702212	24709958	-	-	4,128	-	-	-	
Energy Sources	Capital Infrastructure New Electrical Infrastructure	-	NEW	competitive and responsive economic infrastructure	Growth	Electrical Infrastructure	Lv Networks	WHOLE OF THE MUNICIPALITY	0	0	-	24,997	-	-	16,000	15,880	
Energy Sources	Capital Infrastructure Existing Renewal Electrical Infrastructure	-	RENEWAL	competitive and responsive economic infrastructure	Inclusion and Access	Electrical Infrastructure	Lv Networks	WHOLE OF THE MUNICIPALITY	0	0	-	7,000	5,000	5,000	6,000	6,000	
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	565	3,000	3,000	3,000	3,000	3,000	
Water Management	Capital Infrastructure Existing Renewal Water Supply Infrastructure	-	RENEWAL	competitive and responsive economic infrastructure	Inclusion and Access	Water Supply Infrastructure	Reservoirs	WHOLE OF THE MUNICIPALITY	0	0	6,562	-	-	-	-	-	
Water Management	Capital Infrastructure Existing Renewal Water Supply Infrastructure	C123	RENEWAL	competitive and responsive economic infrastructure	Inclusion and Access	Water Supply Infrastructure	Water Treatment Works	WHOLE OF THE MUNICIPALITY	0	0	5,585	-	-	-	-	-	
Water Management	Capital Infrastructure Existing Renewal Water Supply Infrastructure	Distr010	RENEWAL	competitive and responsive economic infrastructure	Inclusion and Access	Water Supply Infrastructure	Distribution	WHOLE OF THE MUNICIPALITY	0	0	-	3,000	-	-	-	-	
Water Management	Capital Infrastructure Existing Renewal Water Supply Infrastructure	-	RENEWAL	competitive and responsive economic infrastructure	Inclusion and Access	Water Supply Infrastructure	Distribution Points	WHOLE OF THE MUNICIPALITY	0	0	573	-	-	-	-	-	
Water Management	Capital Infrastructure Existing Upgrading Water Supply Infrastructure	-	UPGRADING	competitive and responsive economic infrastructure	Inclusion and Access	Water Supply Infrastructure	Dams And Weirs	WARD 32	0	0	-	-	-	-	-	-	
Water Management	Capital Infrastructure Existing Upgrading Water Supply Infrastructure	-	UPGRADING	competitive and responsive economic infrastructure	Inclusion and Access	Water Supply Infrastructure	Water Treatment Works	WARD 29	-28518562	24698019	-	-	-	-	10,000	10,000	
Water Management	Capital Infrastructure Existing Upgrading Water Supply Infrastructure	-	UPGRADING	competitive and responsive economic infrastructure	Inclusion and Access	Water Supply Infrastructure	Bulk Mains	WARD 27	0	0	22,662	15,494	-	-	-	-	
Water Management	Capital Infrastructure Existing Upgrading Water Supply Infrastructure	-	UPGRADING	competitive and responsive economic infrastructure	Inclusion and Access	Water Supply Infrastructure	Bulk Mains	WHOLE OF THE MUNICIPALITY	0	0	-	-	-	-	-	-	
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	3,000	3,000	3,000	3,000	
Water Management	Capital Infrastructure New Water Supply Infrastructure	-	NEW	competitive and responsive economic infrastructure	Growth	Water Supply Infrastructure	Reservoirs	WARD 11	-28692480	24584183	-	-	-	-	10,000	4,750	
Water Management	Capital Infrastructure New Water Supply Infrastructure	-	NEW	competitive and responsive economic infrastructure	Growth	Water Supply Infrastructure	Reservoirs	WARD 14	-28747806	24482747	-	-	-	-	-	1,406	
Water Management	Capital Infrastructure New Water Supply Infrastructure	-	NEW	competitive and responsive economic infrastructure	Growth	Water Supply Infrastructure	Pump Stations	WARD 29	0	0	26,387	3,148	-	-	-	-	
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	-286937622	24774488	-	-	377	-	-	-	
Water Management	Capital Infrastructure New Water Supply Infrastructure	PA2_SD03_OS04_W	NEW	competitive and responsive economic infrastructure	Growth	Water Supply Infrastructure	Bulk Mains	WHOLE OF THE MUNICIPALITY	0	0	-	-	-	-	1,547	11,200	
Water Management	Capital Infrastructure New Water Supply Infrastructure	-	NEW	competitive and responsive economic infrastructure	Growth	Water Supply Infrastructure	Distribution	WARD 28	0	0	3,064	16,807	-	-	-	-	
Water Management	Capital Infrastructure New Water Supply Infrastructure	-	NEW	competitive and responsive economic infrastructure	Growth	Water Supply Infrastructure	Distribution Points	WHOLE OF THE MUNICIPALITY	0	0	-	-	-	-	6,000	3,030	
Waste Water Management	Capital Infrastructure Existing Renewal Water Supply Infrastructure	-	RENEWAL	competitive and responsive economic infrastructure	Inclusion and Access	Water Supply Infrastructure	Pump Stations	WHOLE OF THE MUNICIPALITY	0	0	-	-	-	-	-	-	
Waste Water Management	Capital Infrastructure Existing Renewal Sanitation Infrastructure	-	RENEWAL	competitive and responsive economic infrastructure	Inclusion and Access	Sanitation Infrastructure	Pump Station	WARD 27	-28595847	24498463	-	-	-	-	3,000	3,000	
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	-	2,500	5,000	20,000	20,000	20,000	
Waste Water Management	Capital Infrastructure Existing Renewal Sanitation Infrastructure	-	RENEWAL	competitive and responsive economic infrastructure	Inclusion and Access	Sanitation Infrastructure	Reticulation	WARD 17	-28748242	24735855	-	-	-	-	-	5,000	
Waste Water Management	Capital Infrastructure Existing Renewal Sanitation Infrastructure	-	RENEWAL	competitive and responsive economic infrastructure	Inclusion and Access	Sanitation Infrastructure	Reticulation	WHOLE OF THE MUNICIPALITY	0	0	-	-	-	-	15,000	25,000	
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	-	-	-	-	-	-	
Waste Water Management	Capital Infrastructure Existing Renewal Sanitation Infrastructure	-	RENEWAL	competitive and responsive economic infrastructure	Inclusion and Access	Sanitation Infrastructure	Toilet Facilities	WARD 17	-28748242	24735855	-	-	-	-	10,000	5,000	
Waste Water Management	Capital Infrastructure Existing Renewal Sanitation Infrastructure	-	RENEWAL	competitive and responsive economic infrastructure	Inclusion and Access	Sanitation Infrastructure	Toilet Facilities	WHOLE OF THE MUNICIPALITY	0	0	-	11,100	-	-	-	-	
Waste Water Management	Capital Infrastructure Existing Upgrading Sanitation Infrastructure	-	UPGRADING	competitive and responsive economic infrastructure	Inclusion and Access	Sanitation Infrastructure	Reticulation	WARD 24	-28649832	24469382	-	-	-	-	6,950	3,000	
Waste Water Management	Capital Infrastructure Existing Upgrading Sanitation Infrastructure	-	UPGRADING	competitive and responsive economic infrastructure	Inclusion and Access	Sanitation Infrastructure	Outfall Sewers	WARD 19	0	0	6,766	14,850	-	-	-	-	
Waste Water Management	Capital Infrastructure Existing Upgrading Sanitation Infrastructure	-	UPGRADING	competitive and responsive economic infrastructure	Inclusion and Access	Sanitation Infrastructure	Outfall Sewers	WARD 5	-28334518	24693873	-	-	-	-	15,000	-	
Waste Water Management	Capital Infrastructure New Sanitation Infrastructure	-	NEW	competitive and responsive economic infrastructure	Growth	Sanitation Infrastructure	Reticulation	WARD 28	-28701635	24725448	-	-	22,865	24,806	-	-	
Total Capital expenditure													245,798	231,113	184,285	180,497	209,266

References

Must reconcile with Budgeted Capital Expenditure

Projects that fall above the threshold values applicable to the municipality as identified in regulation 13 of the Municipal Budget and Reporting Regulations must be listed individually. Other projects by Function

Asset class as per table A9 and asset sub-class as per table SA34

GPS coordinates correct to seconds. Provide a logical starting point on networked infrastructure.

Distinguish projects approved in terms of MFMA section 19(1)(b) and MRRR Regulation 13

Project Number consists of MSCOA Project Longcode and seq No (sample PC00100206002_00002)

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

R thousand													Previous target	Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework		
Function	Project name	Project number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	year to complete	Original Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22	
Parent municipality: <i>List all capital projects grouped by Function</i>																		
	No Projects delayed																	

References
List all projects with planned completion dates in current year that have been re-budgeted in the MTREF
Asset class as per table A9 and asset sub-class as per table SA34
GPS coordinates correct to seconds. Provide a logical starting point on networked infrastructure.

NC091 Sol Plaatje - Supporting Table SA38 Consolidated detailed operational projects

Rousands	Function	Project Description	Type	MTSF Service Outcome	IUDF	Asset Class	Asset Sub-Class	Ward Location	Prior year outcomes		2019/20 Medium T
									Audited Outcome 2017/18	Current Year 2018/19 Full Year Forecast	Budget Year 2019/20
Parent municipality: List all operational projects grouped by Function											
Executive And Council											
Executive And Council	Operational:Maintenance-Non-Infrastructure:Preventative Maintenance:Condition Based:Furniture And Of	Municipal Running Cost	Preventative Maintenance	Sustainable human settlements and improved quality of household life	Governance	Furniture And Office Equipment	Furniture And Office Equipment	WHOLE OF THE MUNICIPALIT	59,166	60,828	66,929
Finance And Administration	Operational:Maintenance-Non-Infrastructure:Preventative Maintenance:Condition Based:Machinery And Eq	Municipal Running Cost	Preventative Maintenance	An efficient, effective and development-oriented public service	Governance	Furniture And Office Equipment	Furniture And Office Equipment	WHOLE OF THE MUNICIPALIT	1	8	5
Finance And Administration	Operational:Typical Work Streams:Capacity Building Training And Development:Capacity Building Council	Work Streams	Work Streams	Sustainable human settlements and improved quality of household life	Governance	Machinery And Equipment	Machinery And Equipment	WHOLE OF THE MUNICIPALIT	477,793	494,449	549,620
Finance And Administration	Operational:Typical Work Streams:Capacity Building Training And Development:Centre Of Excellence Mul	Work Streams	Work Streams	A skilled and capable workforce to support an inclusive growth path	Governance	Machinery And Equipment	Machinery And Equipment	WHOLE OF THE MUNICIPALIT	-	-	-
Finance And Administration	Operational:Typical Work Streams:Capacity Building Training And Development:Leadership Development	Work Streams	Work Streams	A skilled and capable workforce to support an inclusive growth path	Governance	Operational Buildings	Municipal Offices	WHOLE OF THE MUNICIPALIT	-	-	-
Finance And Administration	Operational:Typical Work Streams:Capacity Building Training And Development:Municipal Minimum Compet	Work Streams	Work Streams	A skilled and capable workforce to support an inclusive growth path	Governance	Operational Buildings	Workshops	WHOLE OF THE MUNICIPALIT	-	-	-
Finance And Administration	Operational:Typical Work Streams:Capacity Building Training And Development:Workshops; Seminars And	Work Streams	Work Streams	A skilled and capable workforce to support an inclusive growth path	Governance	Operational Buildings	Workshops	WHOLE OF THE MUNICIPALIT	-	-	-
Finance And Administration	Operational:Typical Work Streams:Community Development:Community Initiatives	Work Streams	Work Streams	A comprehensive, responsive and sustainable social protection system	Inclusion and Access	Roads Infrastructure	Road Furniture	WHOLE OF THE MUNICIPALIT	-	15,000	10,000
Finance And Administration	Operational:Typical Work Streams:Elections	Work Streams	Work Streams	Sustainable human settlements and improved quality of household life	Inclusion and Access	Solid Waste Infrastructure	Landfill Sites	WHOLE OF THE MUNICIPALIT	2,433	2,000	2,000
Finance And Administration	Operational:Typical Work Streams:Expanded Public Works Programme:Project	Work Streams	Work Streams	An efficient, effective and development-oriented public service	Inclusion and Access	Transport Assets	Transport Assets	WHOLE OF THE MUNICIPALIT	4,762	3,137	3,608
Finance And Administration	Tws:Community Development:Community Development Initiatives	Work Streams	Work Streams	A comprehensive, responsive and sustainable social protection system	Inclusion and Access	Transport Assets	Transport Assets	WHOLE OF THE MUNICIPALIT	-	-	20,000
Finance And Administration	Operational:Maintenance-Infrastructure:Preventative Maintenance:Interval Based:Electrical Infrastruc	Preventative Maintenance	Preventative Maintenance	An efficient; competitive and responsive economic infrastructure network	Inclusion and Access	Electrical Infrastructure	Hv Switching Station	WHOLE OF THE MUNICIPALIT	250	220	220
Finance And Administration	Default Transactions	Default Transactions	Default Transactions	Responsive; accountable; effective and efficient local government	Governance	Financial Performance Indicators	Revenue Items	WHOLE OF THE MUNICIPALIT	483	-	-
Finance And Administration	Operational:Maintenance-Non-Infrastructure:Preventative Maintenance:Condition Based:Furniture And Of	Preventative Maintenance	Preventative Maintenance	An efficient, effective and development-oriented public service	Governance	Furniture And Office Equipment	Furniture And Office Equipment	WHOLE OF THE MUNICIPALIT	1,269	3,382	1,603
Finance And Administration	Operational:Maintenance-Non-Infrastructure:Preventative Maintenance:Condition Based:Machinery And Eq	Preventative Maintenance	Preventative Maintenance	An efficient, effective and development-oriented public service	Governance	Machinery And Equipment	Machinery And Equipment	WHOLE OF THE MUNICIPALIT	13,967	17,568	20,158
Finance And Administration	Operational:Maintenance-Non-Infrastructure:Preventative Maintenance:Interval Based:Machinery And Equ	Preventative Maintenance	Preventative Maintenance	An efficient, effective and development-oriented public service	Governance	Machinery And Equipment	Machinery And Equipment	WHOLE OF THE MUNICIPALIT	9	20	20
Finance And Administration	Operational:Maintenance-Non-Infrastructure:Corrective Maintenance:Planned:Other Assets:Operational B	Corrective Maintenance	Corrective Maintenance	An efficient, effective and development-oriented public service	Governance	Operational Buildings	Municipal Offices	WHOLE OF THE MUNICIPALIT	10,534	11,723	9,910
Finance And Administration	Operational:Maintenance-Non-Infrastructure:Preventative Maintenance:Condition Based:Other Assets:Ope	Preventative Maintenance	Preventative Maintenance	An efficient, effective and development-oriented public service	Governance	Operational Buildings	Workshops	WHOLE OF THE MUNICIPALIT	1	40	40
Finance And Administration	Operational:Maintenance-Non-Infrastructure:Corrective Maintenance:Planned:Other Assets:Operational B	Corrective Maintenance	Corrective Maintenance	An efficient, effective and development-oriented public service	Governance	Operational Buildings	Workshops	WHOLE OF THE MUNICIPALIT	-	-	-
Finance And Administration	Operational:Maintenance-Non-Infrastructure:Preventative Maintenance:Condition Based:Other Assets:Ope	Preventative Maintenance	Preventative Maintenance	An efficient, effective and development-oriented public service	Governance	Operational Buildings	Workshops	WHOLE OF THE MUNICIPALIT	1,731	1,310	1,000
Finance And Administration	Operational:Maintenance-Infrastructure:Preventative Maintenance:Condition Based:Roads Infrastructure	Preventative Maintenance	Preventative Maintenance	An efficient; competitive and responsive economic infrastructure network	Inclusion and Access	Roads Infrastructure	Road Furniture	WHOLE OF THE MUNICIPALIT	6,437	6,000	6,000
Finance And Administration	Operational:Maintenance-Infrastructure:Preventative Maintenance:Condition Based:Solid Waste Disposal	Preventative Maintenance	Preventative Maintenance	An efficient; competitive and responsive economic infrastructure network	Inclusion and Access	Solid Waste Infrastructure	Landfill Sites	WHOLE OF THE MUNICIPALIT	-	-	-
Finance And Administration	Operational:Maintenance-Non-Infrastructure:Corrective Maintenance:Emergency:Transport Assets	Corrective Maintenance	Corrective Maintenance	An efficient; competitive and responsive economic infrastructure network	Governance	Transport Assets	Transport Assets	WHOLE OF THE MUNICIPALIT	223	260	280
Finance And Administration	Operational:Maintenance-Non-Infrastructure:Preventative Maintenance:Condition Based:Transport Assets	Preventative Maintenance	Preventative Maintenance	An efficient; competitive and responsive economic infrastructure network	Governance	Transport Assets	Transport Assets	WHOLE OF THE MUNICIPALIT	348	687	655
Finance And Administration	Operational:Maintenance-Non-Infrastructure:Preventative Maintenance:Interval Based:Transport Assets	Preventative Maintenance	Preventative Maintenance	An efficient; competitive and responsive economic infrastructure network	Governance	Transport Assets	Transport Assets	WHOLE OF THE MUNICIPALIT	156	469	3,856
Internal Audit	Operational:Municipal Running Cost	Municipal Running Cost	Municipal Running Cost	Sustainable human settlements and improved quality of household life	Governance			WHOLE OF THE MUNICIPALIT	5,194	5,784	6,479
Internal Audit	Operational:Maintenance-Non-Infrastructure:Preventative Maintenance:Condition Based:Furniture And Of	Preventative Maintenance	Preventative Maintenance	An efficient, effective and development-oriented public service	Governance	Furniture And Office Equipment	Furniture And Office Equipment	WHOLE OF THE MUNICIPALIT	1	3	3
Community And Social Services	Operational:Municipal Running Cost	Municipal Running Cost	Municipal Running Cost	Sustainable human settlements and improved quality of household life	Governance			WHOLE OF THE MUNICIPALIT	34,602	37,611	40,394
Community And Social Services	Operational:Maintenance-Non-Infrastructure:Preventative Maintenance:Condition Based:Community Assets	Preventative Maintenance	Preventative Maintenance	A comprehensive, responsive and sustainable social protection system	Inclusion and Access	Community Facilities	Cemeteries/Crematoria	WHOLE OF THE MUNICIPALIT	360	396	400
Community And Social Services	Operational:Maintenance-Non-Infrastructure:Corrective Maintenance:Planned:Community Assets:Community	Corrective Maintenance	Corrective Maintenance	An efficient, effective and development-oriented public service	Inclusion and Access	Community Facilities	Halls	WHOLE OF THE MUNICIPALIT	133	100	150
Community And Social Services	Operational:Maintenance-Non-Infrastructure:Preventative Maintenance:Condition Based:Community Assets	Preventative Maintenance	Preventative Maintenance	Quality basic education	Inclusion and Access	Community Facilities	Libraries	WHOLE OF THE MUNICIPALIT	53	75	75
Community And Social Services	Operational:Maintenance-Non-Infrastructure:Preventative Maintenance:Planned:Machinery And Equipment	Corrective Maintenance	Corrective Maintenance	An efficient, effective and development-oriented public service	Governance	Machinery And Equipment	Machinery And Equipment	WHOLE OF THE MUNICIPALIT	-	2	2
Community And Social Services	Operational:Maintenance-Non-Infrastructure:Preventative Maintenance:Condition Based:Transport Assets	Preventative Maintenance	Preventative Maintenance	An efficient, effective and development-oriented public service	Governance	Transport Assets	Transport Assets	WHOLE OF THE MUNICIPALIT	128	184	158
Sport And Recreation	Operational:Municipal Running Cost	Municipal Running Cost	Municipal Running Cost	Sustainable human settlements and improved quality of household life	Governance			WHOLE OF THE MUNICIPALIT	47,182	51,148	55,663
Sport And Recreation	Operational:Maintenance-Non-Infrastructure:Preventative Maintenance:Condition Based:Community Assets	Preventative Maintenance	Preventative Maintenance	An efficient, effective and development-oriented public service	Inclusion and Access	Community Facilities	Parks	WHOLE OF THE MUNICIPALIT	1,223	1,929	1,850
Sport And Recreation	Operational:Maintenance-Non-Infrastructure:Corrective Maintenance:Planned:Machinery And Equipment	Corrective Maintenance	Corrective Maintenance	An efficient, effective and development-oriented public service	Governance	Machinery And Equipment	Machinery And Equipment	WHOLE OF THE MUNICIPALIT	978	1,162	1,178
Sport And Recreation	Operational:Maintenance-Non-Infrastructure:Corrective Maintenance:Planned:Community Assets:Sport And	Corrective Maintenance	Corrective Maintenance	A long and healthy life for all South Africans	Inclusion and Access	Sport And Recreation Facilities	Indoor Facilities	WHOLE OF THE MUNICIPALIT	335	330	370
Sport And Recreation	Operational:Maintenance-Non-Infrastructure:Corrective Maintenance:Planned:Community Assets:Sport And	Corrective Maintenance	Corrective Maintenance	A long and healthy life for all South Africans	Inclusion and Access	Sport And Recreation Facilities	Outdoor Facilities	WHOLE OF THE MUNICIPALIT	67	69	70
Sport And Recreation	Operational:Maintenance-Non-Infrastructure:Preventative Maintenance:Condition Based:Community Assets	Preventative Maintenance	Preventative Maintenance	A long and healthy life for all South Africans	Inclusion and Access	Sport And Recreation Facilities	Outdoor Facilities	WHOLE OF THE MUNICIPALIT	-	-	-
Sport And Recreation	Operational:Maintenance-Non-Infrastructure:Preventative Maintenance:Condition Based:Transport Assets	Preventative Maintenance	Preventative Maintenance	A long and healthy life for all South Africans	Governance	Transport Assets	Transport Assets	WHOLE OF THE MUNICIPALIT	502	858	744
Public Safety	Operational:Municipal Running Cost	Municipal Running Cost	Municipal Running Cost	Sustainable human settlements and improved quality of household life	Governance			WHOLE OF THE MUNICIPALIT	43,358	47,059	51,325
Public Safety	Operational:Maintenance-Non-Infrastructure:Preventative Maintenance:Condition Based:Community Assets	Preventative Maintenance	Preventative Maintenance	A comprehensive, responsive and sustainable social protection system	Inclusion and Access	Community Facilities	Cemeteries/Crematoria	WHOLE OF THE MUNICIPALIT	101	245	240
Public Safety	Operational:Maintenance-Non-Infrastructure:Corrective Maintenance:Planned:Community Assets:Community	Corrective Maintenance	Corrective Maintenance	A comprehensive, responsive and sustainable social protection system	Inclusion and Access	Community Facilities	Fire/Ambulance Stations	WHOLE OF THE MUNICIPALIT	192	200	200
Public Safety	Operational:Maintenance-Non-Infrastructure:Preventative Maintenance:Condition Based:Community Assets	Preventative Maintenance	Preventative Maintenance	A comprehensive, responsive and sustainable social protection system	Inclusion and Access	Community Facilities	Fire/Ambulance Stations	WHOLE OF THE MUNICIPALIT	-	-	-
Public Safety	Operational:Maintenance-Non-Infrastructure:Preventative Maintenance:Condition Based:Community Assets	Preventative Maintenance	Preventative Maintenance	An efficient, effective and development-oriented public service	Inclusion and Access	Community Facilities	Public Open Space	WHOLE OF THE MUNICIPALIT	184	195	195
Public Safety	Operational:Maintenance-Non-Infrastructure:Preventative Maintenance:Condition Based:Machinery And Eq	Preventative Maintenance	Preventative Maintenance	An efficient, effective and development-oriented public service	Governance	Machinery And Equipment	Machinery And Equipment	WHOLE OF THE MUNICIPALIT	282	290	290
Public Safety	Operational:Maintenance-Infrastructure:Preventative Maintenance:Condition Based:Solid Waste Disposal	Preventative Maintenance	Preventative Maintenance	An efficient; competitive and responsive economic infrastructure network	Inclusion and Access	Solid Waste Infrastructure	Landfill Sites	WHOLE OF THE MUNICIPALIT	14,543	16,838	18,888
Public Safety	Operational:Maintenance-Non-Infrastructure:Preventative Maintenance:Condition Based:Transport Assets	Preventative Maintenance	Preventative Maintenance	An efficient; competitive and responsive economic infrastructure network	Governance	Transport Assets	Transport Assets	WHOLE OF THE MUNICIPALIT	1,425	958	956
Housing	Operational:Municipal Running Cost	Municipal Running Cost	Municipal Running Cost	Sustainable human settlements and improved quality of household life	Governance			WHOLE OF THE MUNICIPALIT	20,485	20,078	21,096
Housing	Operational:Maintenance-Infrastructure:Preventative Maintenance:Condition Based:Capital Spares	Preventative Maintenance	Preventative Maintenance	An efficient; competitive and responsive economic infrastructure network	Inclusion and Access	Coastal Infrastructure	Capital Spares	WHOLE OF THE MUNICIPALIT	4	6	6
Housing	Default Transactions	Default Transactions	Default Transactions	Responsive; accountable; effective and efficient local government	Governance	Financial Performance Indicators	Revenue Items	WHOLE OF THE MUNICIPALIT	-	-	-
Housing	Operational:Maintenance-Non-Infrastructure:Preventative Maintenance:Condition Based:Investment Prope	Preventative Maintenance	Preventative Maintenance	An efficient; competitive and responsive economic infrastructure network	Spatial Integration	Revenue Generating	Improved Property	WHOLE OF THE MUNICIPALIT	5,132	5,181	5,380
Housing	Operational:Maintenance-Non-Infrastructure:Corrective Maintenance:Emergency:Investment Properties:Re	Corrective Maintenance	Corrective Maintenance	An efficient; competitive and responsive economic infrastructure network	Spatial Integration	Revenue Generating	Unimproved Property	WHOLE OF THE MUNICIPALIT	124	500	500
Housing	Operational:Maintenance-Non-Infrastructure:Preventative Maintenance:Interval Based:Transport Assets	Preventative Maintenance	Preventative Maintenance	Sustainable human settlements and improved quality of household life	Governance	Transport Assets	Transport Assets	WHOLE OF THE MUNICIPALIT	81	140	100
Health	Operational:Municipal Running Cost	Municipal Running Cost	Municipal Running Cost	Sustainable human settlements and improved quality of household life	Governance			WHOLE OF THE MUNICIPALIT	17,323	18,219	18,506
Health	Operational:Maintenance-Non-Infrastructure:Corrective Maintenance:Planned:Community Assets:Community	Corrective Maintenance	Corrective Maintenance	An efficient, effective and development-oriented public service	Inclusion and Access	Community Facilities	Halls	WHOLE OF THE MUNICIPALIT	-	-	-
Health	Operational:Maintenance-Non-Infrastructure:Preventative Maintenance:Condition Based:Furniture And Of	Preventative Maintenance	Preventative Maintenance	An efficient, effective and development-oriented public service	Governance	Furniture And Office Equipment	Furniture And Office Equipment	WHOLE OF THE MUNICIPALIT	99	70	40
Health	Operational:Maintenance-Non-Infrastructure:Preventative Maintenance:Condition Based:Machinery And Eq	Preventative Maintenance	Preventative Maintenance	An efficient, effective and development-oriented public service	Governance	Transport Assets	Transport Assets	WHOLE OF THE MUNICIPALIT	16	59	50
Planning And Development	Operational:Municipal Running Cost	Municipal Running Cost	Municipal Running Cost	Sustainable human settlements and improved quality of household life	Governance			WHOLE OF THE MUNICIPALIT	45,664	46,538	52,560
Planning And Development	Operational:Typical Work Streams:Expanded Public Works Programme:Project	Work Streams	Work Streams	An efficient, effective and development-oriented public service	Inclusion and Access			WHOLE OF THE MUNICIPALIT	599	515	-
Planning And Development	Operational:Typical Work Streams:Local Economic Development:Project Implementation	Work Streams	Work Streams	An efficient, effective and development-oriented public service	Spatial Integration			WHOLE OF THE MUNICIPALIT	375	770	820
Planning And Development	Operational:Maintenance-Non-Infrastructure:Preventative Maintenance:Condition Based:Furniture And Of	Preventative Maintenance	Preventative Maintenance	An efficient, effective and development-oriented public service	Governance	Furniture And Office Equipment	Furniture And Office Equipment	WHOLE OF THE MUNICIPALIT	0	43	32
Planning And Development	Operational:Maintenance-Non-Infrastructure:Preventative Maintenance:Condition Based:Transport Assets	Preventative Maintenance	Preventative Maintenance	An efficient, effective and development-oriented public service	Governance	Transport Assets	Transport Assets	WHOLE OF THE MUNICIPALIT	2	14	10
Planning And Development	Operational:Maintenance-Non-Infrastructure:Preventative Maintenance:Interval Based:Transport Assets	Preventative Maintenance	Preventative Maintenance	An efficient, effective and development-oriented public service	Governance	Transport Assets	Transport Assets	WHOLE OF THE MUNICIPALIT	13	33	33
Road Transport	Operational:Municipal Running Cost	Municipal Running Cost	Municipal Running Cost	Sustainable human settlements and improved quality of household life	Governance			WHOLE OF THE MUNICIPALIT	32,282	38,449	42,574
Road Transport	Operational:Maintenance-Infrastructure:Preventative Maintenance:Condition Based:Capital Spares	Preventative Maintenance	Preventative Maintenance	An efficient; competitive and responsive economic infrastructure network	Inclusion and Access	Coastal Infrastructure	Capital Spares	WHOLE OF THE MUNICIPALIT	349	240	400
Road Transport	Operational:Maintenance-Non-Infrastructure:Preventative Maintenance:Condition Based:Furniture And Of	Preventative Maintenance	Preventative Maintenance	An efficient, effective and development-oriented public service	Governance	Furniture And Office Equipment	Furniture And Office Equipment	WHOLE OF THE MUNICIPALIT	6	25	25
Road Transport	Operational:Maintenance-Non-Infrastructure:Preventative Maintenance:Condition Based:Machinery And Eq	Preventative Maintenance	Preventative Maintenance	An efficient, effective and development-oriented public service	Governance	Machinery And Equipment	Machinery And Equipment	WHOLE OF THE MUNICIPALIT	174	230	230
Road Transport	Operational:Maintenance-Infrastructure:Preventative Maintenance:Condition Based:Roads Infrastructure	Preventative Maintenance	Preventative Maintenance	An efficient; competitive and responsive economic infrastructure network	Inclusion and Access	Roads Infrastructure	Road Furniture	WHOLE OF THE MUNICIPALIT	328	560	560
Road Transport	Operational:Maintenance-Infrastructure:Corrective Maintenance:Planned:Roads Infrastructure:Roads Lan	Corrective Maintenance	Corrective Maintenance	An efficient; competitive and responsive economic infrastructure network	Inclusion and Access	Roads Infrastructure	Roads	WHOLE OF THE MUNICIPALIT	3,361	2,725	2,180
Road Transport	Operational:Maintenance-Infrastructure:Corrective Maintenance:Planned:Roads Infrastructure:Roads Pav	Corrective Maintenance	Corrective Maintenance	An efficient; competitive and responsive economic infrastructure network	Inclusion and Access	Roads Infrastructure	Roads	WHOLE OF THE MUNICIPALIT	65	160	80
Road Transport	Operational:Maintenance-Infrastructure:Preventative Maintenance:Condition Based:Roads Infrastructure	Preventative Maintenance	Preventative Maintenance	An efficient; competitive and responsive economic infrastructure network	Inclusion and Access	Roads Infrastructure	Roads	WHOLE OF THE MUNICIPALIT	29,701	28,991	31,660

References	
Must reconcile with Budgeted Operating Expenditure	
Asset class as per table A9 and asset sub-class as per table SA34	
GPS coordinates correct to seconds. Provide a logical starting point on networked infrastructure.	
Project Number consists of MSCOA Project Longcode and seq No (sample P0001001002001002001002_00066)	- -

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 2019/07/01 R	PROPOSED TARIFFS 2020/07/01 R	PROPOSED TARIFFS 2021/07/01 R
Residential Property	0.010834	0.009752	0.010734	0.011043
Vacant Residential Property	0.016251	0.014628	0.016101	0.016565
Industrial Property	0.034670	0.031206	0.034348	0.035338
Vacant Industrial	0.037920	0.034132	0.037568	0.038651
Business and Commercial Property	0.032069	0.029256	0.033274	0.034234
Vacant Business and Commercial Property	0.037920	0.034132	0.037568	0.038651
Agricultural Property	0.002709	0.002438	0.002683	0.002751
Mining Property	0.238354	0.214544	0.236141	0.242951
Public Service Property	0.054171	0.043884	0.042935	0.038651
Property Used by Organ of State	0.075840	0.058512	0.053669	0.049695
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	0.010834	0.009752	0.010734	0.011043
Municipal property used for Municipal Purposes	0.000000	0.000000	0.000000	0.000000
Independent Schools	0.000000	0.002438	0.005367	0.011043
Solar Farms	0.021669	0.029256	0.033274	0.034234
Sports Grounds and facilities operated for gain	0.000000	0.000000	0.000000	0.000000
University	0.021669	0.029256	0.033274	0.034234
Average rates tariff	0.029011	0.016604	0.018014	0.019417

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.

	PRESENT TARIFFS R	PROPOSED TARIFFS 2019/07/01 R	PROPOSED TARIFFS 2020/07/01 R	PROPOSED TARIFFS 2021/07/01 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	10.00	12.00	12.72
	Admission fees - Adults	15.00	17.00	18.02
	Season tickets - Children	120.00	130.00	137.80
	Season tickets - Adults	210.00	225.00	238.50
	Hire of pool	1,750.00	1,900.00	2,014.00
	Key / Loss / damage / breakage deposit	1,500.00	1,600.00	1,696.00
1.2.2	<u>Florianville Swimming Pool</u>			
	Admission fees - Children	10.00	12.00	12.72
	Admission fees - Adults	15.00	17.00	18.02
	Season tickets - Children	100.00	110.00	116.60
	Season tickets - Adults	160.00	180.00	190.80
	Hire of pool	1,750.00	1,800.00	1,908.00
	Key / Loss / damage / breakage deposit	1,500.00	1,600.00	1,696.00
1.2.3	<u>Roodepan Swimming Pool</u>			
	Admission fees - Children	8.00	9.00	9.54
	Admission fees - Adults	15.00	17.00	18.02
	Season tickets - Children	90.00	100.00	106.00
	Season tickets - Adults	145.00	160.00	169.60
	Hire of pool	1,600.00	1,800.00	1,908.00
	Key / Loss / damage / breakage deposit	1,500.00	1,600.00	1,696.00
1.2.4	<u>Galeshewe Swimming Pool</u>			
	Admission fees - Children	8.00	9.00	9.54
	Admission fees - Adults	15.00	17.00	18.02
	Season tickets - Children	90.00	100.00	106.00
	Season tickets - Adults	145.00	160.00	169.60
	Hire of pool	1,600.00	1,800.00	1,908.00
	Key / Loss / damage / breakage deposit	1,500.00	1,600.00	1,696.00
	* Hire of pool for functions / commercial use (tariff applicable to all pools)	2,500.00	4,000.00	2,650.00
	* Key / Loss / damage / breakage deposit	2,500.00	2,500.00	2,650.00
1.2.5	<u>De Beers Stadium</u>			
	Hire of athletics track	1,340.00	1,340.00	1,420.40
	Key / Loss / damage / breakage deposit	1,340.00	1,340.00	1,420.40
	Apparatus per day	800.00	800.00	848.00
	Key / Loss / damage / breakage deposit	1,100.00	1,100.00	1,166.00
	Training sessions (Schools/Clubs) per season	185.00	185.00	196.10
	Hire of sports field/preparation fee	720.00	720.00	763.20
	Key / Loss / damage / breakage deposit	1,100.00	1,100.00	1,166.00
	Preparation Fee	720.00	720.00	763.20
	VIP Lounge	720.00	720.00	763.20
	Lights :Fixed (plus hourly rate)	1,540.00	1,540.00	1,632.40
	: Hourly rate	48.00	48.00	50.88
	HIRE OF STADIUM			
	Other than sport	2,500.00	2,500.00	2,650.00
	Key / Loss / damage / breakage deposit	2,000.00	2,000.00	2,120.00
	Music festivals/events /commercial use	23,000.00	23,000.00	24,380.00
	Key / Loss / damage / breakage deposit	32,000.00	32,000.00	33,920.00
	HIRE OF HALL NO. 4			
	Indoor sport	160.00	160.00	169.60
	Hire of cafeteria/bar	320.00	320.00	339.20
	Key / Loss / damage / breakage deposit	1,100.00	1,100.00	1,166.00

	PRESENT TARIFFS R	PROPOSED TARIFFS 2019/07/01 R	PROPOSED TARIFFS 2020/07/01 R	PROPOSED TARIFFS 2021/07/01 R
PRACTICE SESSIONS FOR ATHLETICS				
Season ticket for individuals	170.00	170.00	180.20	191.01
Individual per session	43.00	43.00	45.58	48.31
GROUPS:				
1 - 10 per session	75.00	75.00	79.50	84.27
11 - 20 per session	96.00	96.00	101.76	107.87
21 - 30 per session	122.00	122.00	129.32	137.08
31 - 40 per session	150.00	150.00	159.00	168.54
41 - 60 per session	175.00	175.00	185.50	196.63
61 and more per session	255.00	255.00	270.30	286.52
1.2.6 Galeshewe Stadium				
Sport per day	1,000.00	1,000.00	1,060.00	1,123.60
Key / Loss / damage / breakage deposit	1,350.00	1,350.00	1,431.00	1,516.86
Other than sport	4,500.00	4,500.00	4,770.00	5,056.20
Key / Loss / damage / breakage deposit	2,000.00	2,000.00	2,120.00	2,247.20
Music festivals/events /commercial use	18,000.00	18,000.00	19,080.00	20,224.80
Key / Loss / damage / breakage deposit	31,000.00	31,000.00	32,860.00	34,831.60
Lights :Fixed (plus hourly rate)	3,100.00	3,100.00	3,286.00	3,483.16
: Hourly rate	90.00	90.00	95.40	101.12
1.2.7 Galeshewe Arena				
Hire of arena per day	390.00	390.00	413.40	438.20
Hire of hall per day	200.00	200.00	212.00	224.72
Key / Loss / damage / breakage deposit	650.00	650.00	689.00	730.34
Music festivals/events /commercial use	5,900.00	5,900.00	6,254.00	6,629.24
Key / Loss / damage / breakage deposit	12,000.00	12,000.00	12,720.00	13,483.20
Lights :Fixed (plus hourly rate)	50.00	50.00	53.00	56.18
: Hourly rate	14.00	14.00	14.84	15.73
1.2.8 West-End Indoor Facility				
<u>Competitive sport -</u>				
Prior occupation per day	685.00	733.00	776.98	823.60
Main Hall (per day)	1,610.00	1,723.00	1,826.38	1,935.96
Key / Loss / damage / breakage deposit	1,600.00	1,712.00	1,814.72	1,923.60
Small Hall (per day)	1,000.00	1,070.00	1,134.20	1,202.25
Key / Loss / damage / breakage deposit	1,000.00	1,070.00	1,134.20	1,202.25
<u>Training sessions -</u>				
Main Hall (per hour)	165.00	177.00	187.62	198.88
Key / Loss / damage / breakage deposit	250.00	268.00	284.08	301.12
Small Hall (per hour)	120.00	128.00	135.68	143.82
Key / Loss / damage / breakage deposit	220.00	235.00	249.10	264.05
<u>Other than sport -</u>				
Prior occupation per day	800.00	856.00	907.36	961.80
Main Hall	2,000.00	2,140.00	2,268.40	2,404.50
Key / Loss / damage / breakage deposit	2,000.00	2,140.00	2,268.40	2,404.50
Small Hall	1,120.00	1,198.00	1,269.88	1,346.07
Key / Loss / damage / breakage deposit	1,200.00	1,284.00	1,361.04	1,442.70
<u>Commercial use -</u>				
Prior occupation per day	820.00	878.00	930.68	986.52
Main Hall (per day)	4,500.00	4,815.00	5,103.90	5,410.13
Key / Loss / damage / breakage deposit	13,300.00	14,231.00	15,084.86	15,989.95
Small Hall (per day)	2,000.00	2,140.00	2,268.40	2,404.50
Key / Loss / damage / breakage deposit	2,000.00	2,140.00	2,268.40	2,404.50
Kitchen (per day)	570.00	610.00	646.60	685.40
Key / Loss / damage / breakage deposit	1,000.00	1,070.00	1,134.20	1,202.25

	PRESENT TARIFFS R	PROPOSED TARIFFS 2019/07/01 R	PROPOSED TARIFFS 2020/07/01 R	PROPOSED TARIFFS 2021/07/01 R
Braai (per day)	600.00	642.00	680.52	721.35
Key / Loss / damage / breakage deposit	1,000.00	1,070.00	1,134.20	1,202.25
Conference room	600.00	642.00	680.52	721.35
Key / Loss / damage / breakage deposit	700.00	749.00	793.94	841.58

1.2.9

West-End Club**Commercial use -**

Prior occupation per day	880.00	941.60	998.10	1,057.98
Main Hall (per day)	4,300.00	4,601.00	4,877.06	5,169.68
Key / Loss / damage / breakage deposit	10,500.00	11,235.00	11,909.10	12,623.65

Competitive sport -

Prior occupation per day	750.00	802.50	850.65	901.69
Main Hall (per day)	1,000.00	1,070.00	1,134.20	1,202.25
Key / Loss / damage / breakage deposit	1,000.00	1,070.00	1,134.20	1,202.25

Training sessions -

Main Hall (per hour)	165.00	176.55	187.14	198.37
Key / Loss / damage / breakage deposit	270.00	288.90	306.23	324.61
Main Hall (other than specified)	2,250.00	2,407.50	2,551.95	2,705.07
Key / Loss / damage / breakage deposit	2,250.00	2,407.50	2,551.95	2,705.07
Kitchen	570.00	609.90	646.49	685.28
Key / Loss / damage / breakage deposit	1,000.00	1,070.00	1,134.20	1,202.25
Braai area	600.00	642.00	680.52	721.35
Key / Loss / damage / breakage deposit	1,000.00	1,070.00	1,134.20	1,202.25
Trog Bar	800.00	856.00	907.36	961.80
Key / Loss / damage / breakage deposit	1,000.00	1,070.00	1,134.20	1,202.25
Soccer Field	570.00	609.90	646.49	685.28
Key / Loss / damage / breakage deposit	800.00	856.00	907.36	961.80
Cricket field	570.00	609.90	646.49	685.28
Key / Loss / damage / breakage deposit	800.00	856.00	907.36	961.80
Air Conditioner	650.00	695.50	737.23	781.46
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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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)	130.00	139.10	147.45	156.29
	- (per person)	65.00	69.55	73.72	78.15
	Caravan Club				
	Minimum of 20 Caravans - (per Caravan)	95.00	101.65	107.75	114.21
	- (per person)	60.00	64.20	68.05	72.14
	Pensioners - (per Caravan)	90.00	96.30	102.08	108.20
	- (per person)	60.00	64.20	68.05	72.14
	Tent (per site)	95.00	101.65	107.75	114.21
	(per person)	75.00	80.25	85.07	90.17
	Day Visitors:				
	Car (per car)	75.00	80.25	85.07	90.17
	(per person)	80.00	85.60	90.74	96.18
	Bus (per bus)	370.00	395.90	419.65	444.83
	(per person)	65.00	69.55	73.72	78.15
1.3	<u>BURIAL PLOT FEES (COMMUNITY & SOCIAL DEVELOPMENT SERVICES)</u>				
1.3.1	<u>West-End and Kenilworth Cemeteries</u>				
	Re-opening (casket)	950.00	1,020.00	1081.20	1146.07
	Re-opening (adults)	775.00	830.00	879.80	932.59
	Re-opening (babies)	620.00	660.00	699.60	741.58
	Burial of ashes	200.00	220.00	233.20	247.19
	Grave fees (adult)	1,300.00	1,400.00	1484.00	1573.04
	Grave fees (children under 7)	1,000.00	1,070.00	1134.20	1202.25
	Special graves (casket)	1,830.00	1,970.00	2088.20	2213.49
	Wall of Remembrance (per niche)	900.00	2,070.00	2194.20	2325.85
	Two burials per grave	1,920.00	3,000.00	3180.00	3370.80
	Reserved graves	2,800.00	510.00	540.60	573.04
	Monument erection fee - single graves	470.00	880.00	932.80	988.77
	Monument erection fee - double graves	810.00	1,050.00	1113.00	1179.78
	Sundry payment - Saturday funerals	950.00	1,016.50	1077.49	1142.14

		PRESENT TARIFFS R	PROPOSED TARIFFS 2019/07/01 R	PROPOSED TARIFFS 2020/07/01 R	PROPOSED TARIFFS 2021/07/01 R
1.3.2	<u>Roodepan, Greenpoint and Galeshewe Cemeteries</u>				
	Re-opening (casket)	820.00	880.00	932.80	988.77
	Re-opening (adults)	620.00	670.00	710.20	752.81
	Re-opening (babies)	540.00	580.00	614.80	651.69
	Burial of ashes	200.00	220.00	233.20	247.19
	Grave fees (adult)	800.00	880.00	932.80	988.77
	Grave fees (children under 7)	360.00	390.00	413.40	438.20
	Special graves (casket)	1,580.00	1,700.00	1802.00	1910.12
	Pauper graves	350.00	370.00	392.20	415.73
	Two burials per grave	1,970.00	2,100.00	2226.00	2359.56
	Reserved graves	2,000.00	2,140.00	2268.40	2404.50
	Monument erection fee - single graves	470.00	510.00	540.60	573.04
	Monument erection fee - double graves	820.00	880.00	932.80	988.77
	Sundry payment - Saturday funerals	970.00	1,050.00	1113.00	1179.78
1.3.3	<u>Ritchie, Motswedimosa and Rietvale Cemeteries</u>				
	Re-opening (casket)	820.00	880.00	932.80	988.77
	Re-opening (adults)	620.00	670.00	710.20	752.81
	Re-opening (babies)	540.00	580.00	614.80	651.69
	Burial of ashes	200.00	220.00	233.20	247.19
	Grave fees (adult)	800.00	880.00	932.80	988.77
	Grave fees (children under 7)	360.00	390.00	413.40	438.20
	Special graves (casket)	1,580.00	1,700.00	1802.00	1910.12
	Pauper graves	360.00	370.00	392.20	415.73
	Two burials per grave	1,970.00	2,100.00	2226.00	2359.56
	Reserved graves	2,000.00	2,140.00	2268.40	2404.50
	Monument erection fee - single graves	470.00	510.00	540.60	573.04
	Monument erection fee - double graves	820.00	880.00	932.80	988.77
	Sundry payment - Saturday funerals	970.00	1,050.00	1113.00	1179.78
	<u>New Cemetery</u>				
	Re-opening (dome casket/casket)	950.00	1,020.00	1081.20	1146.07
	Re-opening (adults)-normal	775.00	830.00	879.80	932.59
	Re-opening (babies)	620.00	660.00	699.60	741.58
	Burial of ashes	200.00	220.00	233.20	247.19
	Grave fees (adult)	1,300.00	1,400.00	1484.00	1573.04
	Grave fees (children under 7)	1,000.00	1,070.00	1134.20	1202.25
	Special graves (dome casket/casket)	1,830.00	1,970.00	2088.20	2213.49
	Pauper graves	360.00	2,070.00	2194.20	2325.85
	Two burials per grave	1,930.00	3,000.00	3180.00	3370.80
	Reserved graves	2,800.00	510.00	540.60	573.04
	Monument erection fee - single graves	470.00	880.00	932.80	988.77
	Monument erection fee - double graves	820.00	1,050.00	1113.00	1179.78
	Sundry payment - Saturday funerals	940.00	380.00	402.80	426.97
1.3.4	Grave Fees for Deceased Indigent Account holders	320.00	340.00	360.40	382.02
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.

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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

125.00

135.00

143.10

151.69

Per bed available in the unit

180.00

190.00

201.40

213.48

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

74.00

78.00

82.68

87.64

Per bed available in the unit

125.00

135.00

143.10

151.69

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

Upgraded Rondavels : Basic tariff per unit

105.00

111.00

117.66

124.72

Upgraded Rondavels : Per bed available in the unit

140.00

148.00

156.88

166.29

Caravan Park

Caravan (per day)

105.00

111.00

117.66

124.72

Per person (per day)

50.00

53.00

56.18

59.55

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

5.00

5.50

5.83

6.18

Day visitors

40.00

42.00

44.52

47.19

Day visitors (1 May - 31 August)

25.00

26.50

28.09

29.78

Cars

30.00

31.50

33.39

35.39

Season ticket (minimum 100 tickets)

50% discount

50% discount

50% discount

50% discount

Boats

75.00

80.00

84.80

89.89

Hall (for period of 24 hours)

535.00

567.00

601.02

637.08

Key / Loss / damage / breakage deposit

Chalets and Villas

500.00

530.00

561.80

595.51

Rondavels

500.00

530.00

561.80

595.51

Hall

500.00

530.00

561.80

595.51

Group reservations

5,600.00

5,936.00

6292.16

6669.69

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

125.00

135.00

143.10

151.69

Basic tariff per unit

115.00

122.00

129.32

137.08

Per bed available in the unit

Rondavels

Basic tariff per unit

74.00

78.00

82.68

87.64

Per bed available in the unit

36.00

40.00

42.40

44.94

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)


35000.00

37,100.00

39326.00

41685.56

	PRESENT TARIFFS R	PROPOSED TARIFFS 2019/07/01 R	PROPOSED TARIFFS 2020/07/01 R	PROPOSED TARIFFS 2021/07/01 R
<u>Key / Loss / damage / breakage deposit</u>				
Resort	18,000.00	19,080.00	20224.80	21438.29
Chalets	500.00	530.00	561.80	595.51
Rondavels	500.00	530.00	561.80	595.51
<u>Camping sites</u>				
Tent 6 persons(per day)	95.00	100.00	106.00	112.36
Per person (per day)	50.00	53.00	56.18	59.55
<u>Caravans</u>				
Per caravan (per day)	110.00	117.00	124.02	131.46
Per person (per day)	60.00	64.00	67.84	71.91
<u>Hall</u>				
24-hour period	1,200.00	1,272.00	1348.32	1429.22
Per person	35.00	37.00	39.22	41.57
Key / Loss / damage / breakage deposit	500.00	530.00	561.80	595.51
<u>Day visitors</u>				
Per person	40.00	42.00	44.52	47.19
Cars	30.00	32.00	33.92	35.96
<u>Group accommodation</u>				
Key / Loss / damage / breakage deposit	1,500.00	1,590.00	1685.40	1786.52
Per person per night (without bedding)	100.00	106.00	112.36	119.10
Per person per night (with bedding)	120.00	127.00	134.62	142.70
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	155.00	164.00	173.84	184.27
Per bed available in the unit	185.00	196.00	207.76	220.23
(Amount converted to the nearest multiple of 5).				
Key / Loss / damage / breakage deposit	500.00	530.00	561.80	595.51
<u>Chalets : Transka</u>				
Basic tariff per unit	125.00	135.00	143.10	151.69
Per bed available in the unit	125.00	135.00	143.10	151.69
Key / Loss / damage / breakage deposit	500.00	530.00	561.80	595.51
<u>Caravan Park :Transka</u>				
Caravan (per day)	115.00	122.00	129.32	137.08
Per person (per day)	60.00	64.00	67.84	71.91
<u>Group accommodation</u>				
Transka - per person per night (with bedding)	115.00	122.00	129.32	137.08
Key / Loss / damage / breakage deposit	1,500.00	1,590.00	1685.40	1786.52
Rekaofela - per person per night	135.00	143.00	151.58	160.67
Key / Loss / damage / breakage deposit	1,500.00	1,590.00	1685.40	1786.52

	PRESENT TARIFFS 	PROPOSED TARIFFS 2019/07/01	PROPOSED TARIFFS 2020/07/01	PROPOSED TARIFFS 2021/07/01
	R	R	R	R
Hall - (24-hour period) Kopano	1,050.00	1,113.00	1179.78	1250.57
- (48-hour period)	1,100.00	1,166.00	1235.96	1310.12
- (72-hour period)	1,150.00	1,219.00	1292.14	1369.67
- (96-hour period)	1,200.00	1,272.00	1348.32	1429.22
(More than 96 hours)	1,750.00	1,855.00	1966.30	2084.28
Key / Loss / damage / breakage deposit	1,500.00	1,590.00	1685.40	1786.52
<u>Training Centre - Mongano Hall</u>				
Per person per night	135.00	143.00	151.58	160.67
Key / Loss / damage / breakage deposit	1,500.00	1,590.00	1685.40	1786.52
Hall - (24-hour period)	2,250.00	2,385.00	2528.10	2679.79
- (48-hour period)	2,350.00	2,491.00	2640.46	2798.89
- (72-hour period)	2,500.00	2,650.00	2809.00	2977.54
- (96-hour period)	2,600.00	2,756.00	2921.36	3096.64
(More than 96 hours)	4,450.00	4,717.00	5000.02	5300.02
Key / Loss / damage / breakage deposit	1,500.00	1,590.00	1685.40	1786.52
Prior occupation	1,000.00	1,060.00	1123.60	1191.02
<u>Recreation Hall - Riverside Hall</u>				
Hall - (24-hour period)	5,600.00	5,936.00	6292.16	6669.69
- (48-hour period)	5,800.00	6,148.00	6516.88	6907.89
- (72-hour period)	5,900.00	6,254.00	6629.24	7026.99
- (96-hour period)	6,100.00	6,466.00	6853.96	7265.20
(More than 96 hours)	6,700.00	7,102.00	7528.12	7979.81
Prior occupation (per day)	570.00	604.00	640.24	678.65
Key / Loss / damage / breakage deposit	2,500.00	2,650.00	2809.00	2977.54
<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.	680.00	721.00	764.26	810.12
Daily conference tariff per person per day for less than 20 delegates,	800.00	848.00	898.88	952.81
Breakfast	52.00	55.00	58.30	61.80
	55.00	58.00	61.48	65.17
	66.00	70.00	74.20	78.65
	77.00	82.00	86.92	92.14
	88.00	93.00	98.58	104.49
	101.00	107.00	113.42	120.23
	135.00	143.00	151.58	160.67
Lunch / Dinner	66.00	70.00	74.20	78.65
	77.00	82.00	86.92	92.14
	83.00	88.00	93.28	98.88
	88.00	93.00	98.58	104.49
	83.00	88.00	93.28	98.88
	95.00	101.00	107.06	113.48
	100.00	106.00	112.36	119.10
	105.00	111.00	117.66	124.72
	110.00	117.00	124.02	131.46
	115.00	122.00	129.32	137.08
	121.00	128.00	135.68	143.82
	132.00	140.00	148.40	157.30
	140.00	148.00	156.88	166.29
	150.00	159.00	168.54	178.65
	176.00	187.00	198.22	210.11

	PRESENT TARIFFS R	PROPOSED TARIFFS 2019/07/01 R	PROPOSED TARIFFS 2020/07/01 R	PROPOSED TARIFFS 2021/07/01 R
Poeding	30.00 35.00 45.00	32.00 37.00 48.00	33.92 39.22 50.88	35.96 41.57 53.93
<u>Additional meals</u>				
Finger lunch per person	50.00 66.00 72.00 95.00 110.00	53.00 70.00 76.00 101.00 117.00	56.18 74.20 80.56 107.06 124.02	59.55 78.65 85.39 113.48 131.46
Spitbraai per person	220.00 255.00 290.00	233.00 270.00 307.00	246.98 286.20 325.42	261.80 303.37 344.95
Weddings per person	235.00 255.00 300.00 340.00	250.00 270.00 320.00 360.00	265.00 286.20 339.20 381.60	280.90 303.37 359.55 404.50
<u>Coffee/Tea & Refreshments</u>				
Coffee/Tea (per person)	20.00	22.00	23.32	24.72
Coffee/Tea & refreshments (per person)	50.00	54.00	57.24	60.67
Coffee/Tea & muffens (per person)	44.00	46.50	49.29	52.25
Tableclothes (weddings) each	55.00	58.00	61.48	65.17
Crockery and cutlery (per day)	330.00	350.00	371.00	393.26
Overhead projector (per day)	65.00	69.00	73.14	77.53
Video machine (per day)	60.00	64.00	67.84	71.91
Television (per day)	50.00	42.00	44.52	47.19
Flip chart	40.00	42.00	44.52	47.19
Flip chart paper (per batch)	275.00	291.50	308.99	327.53
Cool room (24-hours)	110.00	116.50	123.49	130.90
Data Projector (per day)	220.00	233.00	246.98	261.80
<u>Printing charges and phone calls</u>				
Paper prints - A4	9.00	10.00	10.60	11.24
Paper prints - A3	13.00	14.00	14.84	15.73
Fax - A4	22.00	23.00	24.38	25.84
<u>Day Visitor Tariff</u>				
Per person (Transka)	40.00	23.00	24.38	25.84
Per person Seasonal (Transka) Easter/ December till 10th of January	60.00	63.50	67.31	71.35
School children out of season (Transka)	11.00	11.50	12.19	12.92
Winter Period (1 May till 31st July	11.00	11.50	12.19	12.92
Buses (15 Seater and more) / Cars	30.00	31.50	33.39	35.39
Putt-Putt	20.00	21.00	22.26	23.60

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 2019/07/01 R	PROPOSED TARIFFS 2020/07/01 R	PROPOSED TARIFFS 2021/07/01 R
<u>Hire of Lapas</u>			
Lapa A	400.00	400.00	424.00
Lapa B	400.00	400.00	424.00
Lapa C	450.00	450.00	477.00
Key / Loss / damage / breakage deposit	500.00	500.00	530.00

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)	450.00	450.00	477.00	505.62
1-Activity introduction (per person) - instruction, refreshments, equipment	500.00	500.00	530.00	561.80

Instructor's fees

Instructor's fees per day (with OAA Level 2 training)	450.00	450.00	477.00	505.62
Instructor's fees per day (with OAA Level 3 training)	500.00	500.00	530.00	561.80
Instructor's transport costs (per Km)	5.50	5.50	5.83	6.18

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
2019/07/01
R

PROPOSED
TARIFFS
2020/07/01
R

PROPOSED
TARIFFS
2021/07/01
R

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

PERSONNAL HEALTH**PATIENT INFORMATION FROM CLINICS**

Per enquiry per person

400.00 424.00 449.44 476.41

1.5

HOUSING (SERVICES & INFRASTRUCTURE)

That the rental on all Municipal Renting Schemes be increased as per National Housing Guidelines as per the following based on market related rentals:

Impala Court

1 Bedroom 1,370.00 1,500.00 1590.00 1685.40

2 Bedroom 1,720.00 1,900.00 2014.00 2134.84

Hercules Court

1 Bedroom 1,520.00 1,650.00 1749.00 1853.94

2 Bedroom 1,880.00 2,000.00 2120.00 2247.20

Holland Court

1 Bedroom 2,050.00 2,200.00 2332.00 2471.92

2 Bedroom 2,450.00 2,700.00 2862.00 3033.72

3 Bedroom 2,630.00 2,900.00 3074.00 3258.44

Bachelor 1,770.00 1,950.00 2067.00 2191.02

Newton Court

1 Bedroom 2,250.00 2,450.00 2597.00 2752.82

2 Bedroom 2,770.00 3,000.00 3180.00 3370.80

3 Bedroom 3,170.00 3,450.00 3657.00 3876.42

Tiffany Court

2 Bedroom 2,780.00 3,000.00 3180.00 3370.80

Eugenie Court

1 Bedroom 2,230.00 2,400.00 2544.00 2696.64

2 Bedroom 2,650.00 2,900.00 3074.00 3258.44

Jonker Court

1 Bedroom 1,840.00 2,000.00 2120.00 2247.20

2 Bedroom 2,230.00 2,400.00 2544.00 2696.64

Eureka Court

1 Bedroom 1,840.00 2,000.00 2120.00 2247.20

2 Bedroom 2,230.00 2,450.00 2597.00 2752.82

Krisant Court

1 Bedroom 1,760.00 1,900.00 2014.00 2134.84

2 Bedroom 2,250.00 2,450.00 2597.00 2752.82

Roodepan Flats

1 Bedroom 660.00 730.00 773.80 820.23

2 Bedroom 1,100.00 1,200.00 1272.00 1348.32

3 Bedroom 1,500.00 1,650.00 1749.00 1853.94

	PRESENT TARIFFS R	PROPOSED TARIFFS 2019/07/01 R	PROPOSED TARIFFS 2020/07/01 R	PROPOSED TARIFFS 2021/07/01 R
<u>Flamingo Court</u>				
1 Bedroom	1,150.00	1,250.00	1325.00	1404.50
2 Bedroom	1,450.00	1,600.00	1696.00	1797.76
Bachelor	1,050.00	1,150.00	1219.00	1292.14
<u>Carports</u>				
Carport with locking facility (per month)	95.00	110.00	116.60	123.60
Carport without locking facility (per month)	45.00	50.00	53.00	56.18
Key deposit	110.00	150.00	159.00	168.54
Administration fee	140.00	170.00	180.20	191.01
<u>By-pass houses</u>				
7 Villiers street	1,630.00	1,850.00	1961.00	2078.66
9 Villiers street	1,550.00	1,700.00	1802.00	1910.12
27a St Augustines road	1,700.00	1,850.00	1961.00	2078.66
28 St Augustines road	1,940.00	2,100.00	2226.00	2359.56
29 St Augustines road	1,535.00	1,650.00	1749.00	1853.94
20 Auction	1,675.00	1,850.00	1961.00	2078.66
4 Marriott	1,530.00	1,700.00	1802.00	1910.12
21 Diebel	2,065.00	2,250.00	2385.00	2528.10
13 Fuller	1,365.00	1,500.00	1590.00	1685.40
49 Jacobson	2,335.00	2,500.00	2650.00	2809.00
183 Barkly	970.00	1,050.00	1113.00	1179.78
185 Barkly	1,155.00	2,300.00	2438.00	2584.28
30 Meyer	3,115.00	3,400.00	3604.00	3820.24
West end Nursery house	1,695.00	1,850.00	1961.00	2078.66
Pioneer cemetery house	447.00	490.00	519.40	550.56
104a Waterworks street	1,910.00	2,100.00	2226.00	2359.56
Administration fee	140.00	150.00	159.00	168.54
<u>Santa centre</u>				
Rental units	60.00	70.00	74.20	78.65
<u>Dingaan family units</u>				
Bachelor	265.00	290.00	307.40	325.84
1 Bedroom	298.00	320.00	339.20	359.55
<u>Selling Scheme</u>				
Administration charges	90.00	100.00	106.00	112.36
Insurance	43.00	45.00	47.70	50.56
<u>Informal housing</u>				
Occupation fee	110.00	120.00	127.20	134.83
1.6 <u>MARK (STRATEGY, ECONOMIC DEVELOPMENT & PLANNING SERVICES)</u>				
<u>Hire</u>				
Office (per m2) per month	30.00	31.46	33.35	35.35
<u>Cold rooms per month</u>				
Outsdie	2,860.00	3001.14	3,181.21	3,372.08
Inside	5,700.00	5986.54	6,345.73	6,726.48
<u>Outside buildings</u> (per m2) per month	35.30	37.08	39.30	41.66
Parking per month	60.00	64.05	67.89	71.97
Transaction fees per transaction	1.10	1.13	1.20	1.27
Ripening fees per pallet per day	18.40	19.50	20.67	21.91
Ripeninf fees per box per da	4.50	4.77	5.06	5.36
Hiring of the Lapa	1,200.00	1,272.00	1,348.32	1,429.22
<u>Small trollies per day</u>				
Trolley	5.35	5.62	5.96	6.31
Pallet jack	25.70	26.97	28.59	30.30
Storage (per m2) per month	10.70	11.24	11.91	12.63
Big trollies (plus refundable deposits of R10.00)	10.00	10.6	11.236	11.91016

		PRESENT TARIFFS R	PROPOSED TARIFFS 2019/07/01 R	PROPOSED TARIFFS 2020/07/01 R	PROPOSED TARIFFS 2021/07/01 R
1.7	<u>SIDEWALK AND ROAD TARIFFS (SERVICES & INFRASTRUCTURE)</u>				
	Lowered curbing per meter	229.00	242.74	257.30	272.74
	Per safety pole on sidewalk	206.00	218.36	231.46	245.35
	Tar patching work per m2 - area ÷ 30mm thickness installed	344.00	364.64	386.52	409.71
	Application fee for upgrading of sidewalk per square meter	2.00	2.12	2.25	2.38
	Application and advertisement for closure of road	5,000.00	5,300.00	5618.00	5955.08
	<u>Red soil and Gravel:</u>				
	Sale of red soil and gravel to institutes, e.g. Schools, Churches, District Council etc				
	- Collected at stockpile per 5 m3 (Truck)	800.00	848.00	898.88	952.81
	- Delivery in Kimberley per 5 m3	1,500.00	1,590.00	1685.40	1786.52
	Lowered kerbs inspections	80.00	84.80	89.89	95.28
	Erf peg inspections (per inspection)	135.00	143.10	151.69	160.79
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	672.00	712.32	755.06	800.36
	Minor building work as defined in the definitions of the NBR	672.00	712.32	755.06	800.36
	Swimming Pool	672.00	712.32	755.06	800.36
	Boundary Wall - Plan Submission	672.00	712.32	755.06	800.36
	Cellphone Mast - Plan Submission	990.00	990.00	1049.40	1112.36
	Re-inspection of defective work (every inspection more than two)	672.00	712.32	755.06	800.36
	Re-submission of lapsed plans	1,210.00	1,282.60	1359.56	1441.13
	Alterations to drainage systems	550.00	583.00	617.98	655.06
	For all new buildings per m2	17.15	18.18	19.27	20.43
	For all as-built buildings, completed or under construction	82.00	86.92	92.14	97.66
	For new buildings over 500m2 (per m2)	15.00	15.90	16.85	17.87
	For all new buildings per m2 exceeding 1000m2	14.00	14.84	15.73	16.67
	Per Government subsidized house	67.00	71.02	75.28	79.80
	For additions to any existing building per m2	17.00	18.02	19.10	20.25
	For additions over 500m2 (per m2)	15.00	15.90	16.85	17.87
	For additions of buildings per m2 exceeding 1000m2	14.00	14.84	15.73	16.67
	For business temporary structure/s per square meter	10.00	10.60	11.24	11.91
	For any government building/s per square meter	17.00	18.02	19.10	20.25
	For residential temporary structure per square meter	5.00	5.30	5.62	5.96
	<u>For internal alterations to existing buildings.</u>				
	Between 0 & 250m2 any existing building	1,010.00	1,070.60	1134.84	1202.93
	Between 250 & 500m2 any existing building	1,145.00	1,213.70	1286.52	1363.71
	Between 500 & 750m2 any existing building	1,950.00	2,067.00	2191.02	2322.48
	Between 750 & 1000m2 any existing building	3,740.00	3,964.40	4202.26	4454.40
	Between 1000 & 5000m2 any existing building	7,120.00	7,547.20	8000.03	8480.03
	Between 5000 & 10000m2 any existing building	11,756.00	12,461.36	13209.04	14001.58
	Private Contractors - Council supervision				
	per house type (over and above inspection fees)	135.00	143.10	151.69	160.79
	Postage of Plans less than weigh 1Kg	201.00	213.06	225.84	239.39
	Postage of Plans less than weigh 2Kg	403.00	427.18	452.81	479.98
	Postage of Plans less than weigh 5Kg	806.00	854.36	905.62	959.96
	Postage of Plans less than weigh 7Kg	1,613.00	1,709.78	1812.37	1921.11
	Postage of Plans exceeding weigh 7Kg	2,688.00	2,849.28	3020.24	3201.45
1.8.1.2	<u>Building Control Penalty and Fine schedule for Law-Enforcement (New)</u>				
	Demolition Permit	990.00	1,049.40	1112.36	1179.11
	Temporary Occupancy	990.00	1,049.40	1112.36	1179.11
	Section 7 (6) Approval	5,500.00	5,830.00	6179.80	6550.59
	Accumulative daily fine CIB	135.00	143.10	151.69	160.79
	Under construction illegal work per m2	82.00	86.92	92.14	97.66

	PRESENT TARIFFS R	PROPOSED TARIFFS 2019/07/01 R	PROPOSED TARIFFS 2020/07/01 R	PROPOSED TARIFFS 2021/07/01 R
Submission fee for completed illegal work per m2	82.00	86.92	92.14	97.66
Dumping building rubble exceed 30days per m3	270.00	286.20	303.37	321.57
Dumping building rubble exceed 60days per m3	404.00	428.24	453.93	481.17
Encroachment to council land (per day)	135.00	143.10	151.69	160.79
Failing to display building permit onsite	672.00	712.32	755.06	800.36
Aggressive FDBP (per day)	135.00	143.10	151.69	160.79
Structure as nuisance in terms of Section 10	135.00	143.10	151.69	160.79
Aggressive structure as nuisance	1,345.00	1,425.70	1511.24	1601.92
Unauthorised erected public tent 500-1000m2	672.00	712.32	755.06	800.36
Unauthorised erected public tent 1000-5000m2	1,345.00	1,425.70	1511.24	1601.92
Unauthorised erected public tent 2000-10000m2	2,688.00	2,849.28	3020.24	3201.45
Unauthorised erected public tent 10000-above	6,720.00	7,123.20	7550.59	8003.63
Unauthorised erected artist stage	2,016.00	2,136.96	2265.18	2401.09
Unauthorised demolishing of structure/s	6,720.00	7,123.20	7550.59	8003.63
Unauthorised occupying building/s	3,360.00	3,561.60	3775.30	4001.81
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				
Rezoning	2,822.00	2,991.32	3170.80	3361.05
Consent use / Conditional uses	1,035.00	1,097.10	1162.93	1232.70
Phasing of Layout Plan	1,035.00	1,097.10	1162.93	1232.70
All Departures to be approved by Council (except delegated departures)	562.00	595.72	631.46	669.35
Consolidation	1,035.00	1,097.10	1162.93	1232.70
Subdivision:	562.00	595.72	631.46	669.35
Basic subdivision fee	1,035.00	1,097.10	1162.93	1232.70
Thereafter:				
3-10 erven an additional R100-00 (per erf)	112.00	118.72	125.84	133.39
11-50 erven an additional R50-00 (per erf)	56.00	59.36	62.92	66.70
51 and above erven an additional R10-00 (per erf)	12.00	12.72	13.48	14.29
Advertising deposit per application (Local Newspapers)	2,016.00	2,136.96	2265.18	2401.09
Removal, Suspension or Amendment of Title Deed	1,035.00	1,097.10	1162.93	1232.70
Advertising: Government Gazette	5,105.00	5,411.30	5735.98	6080.14
Advertising: Local Newspaper (two placements)	3,360.00	3,561.60	3775.30	4001.81
Amendment of condition of approval/layout plan of previous Council decision without the basic fee	1,035.00	1,097.10	1162.93	1232.70
Extension of Council approval without basic fee	1,035.00	1,097.10	1162.93	1232.70
Cancellation Fee	405.00	429.30	455.06	482.36
Delegated Departures as per Zoning Scheme:				
Delegated departures (coverage: Erven less than 500 500m² not exceeding 60%)	605.00	641.30	679.78	720.56
Delegated departures (second dwelling: max 75m²) (excluding electrical contribution fees)	605.00	641.30	679.78	720.56
Delegated departures (garages/carports: not exceeding 6m on Street Building Lines except title conditions for garages)	605.00	641.30	679.78	720.56
All departures excluding the above for Council approval	1,750.00	1,855.00	1966.30	2084.28

PRESENT TARIFFS R	PROPOSED TARIFFS 2019/07/01 R	PROPOSED TARIFFS 2020/07/01 R	PROPOSED TARIFFS 2021/07/01 R
Home Businesses: Per application only			
(No basic fee)			
Home business registration	740.00	784.40	831.46
Home business registration (Galeshewe)	740.00	784.40	831.46
Other:			
Information (without copy costs)	34.00	36.04	38.20
Zoning Certificate	107.00	113.42	120.23
CUP Reports/SDF/LUMS/IDP/GURP	1,210.00	1,282.60	1359.56
Building Plan research (without copy costs)	34.00	36.04	38.20
Building statistics - Monthly	201.00	213.06	225.84
- Annually	1,480.00	1,568.80	1662.93

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)	2,000.00	2,120.00	2247.20	2382.03
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	1,000.00	1,060.00	1123.60	1191.02
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	1,000.00	1,060.00	1123.60	1191.02
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)	500.00	530.00	561.80	595.51
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	1,000.00	1,060.00	1123.60	1191.02
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	2,000.00	2,120.00	2247.20	2382.03
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	2,000.00	2,120.00	2247.20	2382.03
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	2,000.00	2,120.00	2247.20	2382.03
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	2,000.00	2,120.00	2247.20	2382.03
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	1,000.00	1,060.00	1123.60	1191.02
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	2,000.00	2,120.00	2247.20	2382.03
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	2,000.00	2,120.00	2247.20	2382.03
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	1,000.00	1,060.00	1123.60	1191.02
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	1,000.00	1,060.00	1123.60	1191.02
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	1,000.00	1,060.00	1123.60	1191.02

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)

2,000.00	2,120.00	2247.20	2382.03
2,000.00	2,120.00	2247.20	2382.03
1,500.00	1,590.00	1685.40	1786.52
1,500.00	1,590.00	1685.40	1786.52
1,500.00	1,590.00	1685.40	1786.52
1,000.00	1,060.00	1123.60	1191.02
1,000.00	1,060.00	1123.60	1191.02
1,500.00	1,590.00	1685.40	1786.52
1,500.00	1,590.00	1685.40	1786.52
2,000.00	2,000.00	2,000.00	2,000.00

PRESENT TARIFFS R	PROPOSED TARIFFS 2019/07/01 R	PROPOSED TARIFFS 2020/07/01 R	PROPOSED TARIFFS 2021/07/01 R
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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.

2.1

2,000.00

2120.00

2247.20

2382.03

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

2.2

2,000.00

2120.00

2247.20

2382.03

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.

2.3

2,000.00

2120.00

2247.20

2382.03

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

2.4

1,000.00

1060.00

1123.60

1191.02

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.

2.5

500.00

530.00

561.80

595.51

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.

3.1 (a) -
(e)

(a) An office

500.00

530.00

561.80

595.51

(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;

500.00

530.00

561.80

595.51

(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

500.00

530.00

561.80

595.51

(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.

500.00

530.00

561.80

595.51

(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

1,000.00

1060.00

1123.60

1191.02

(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

500.00

530.00

561.80

595.51

(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:

1,000.00

1060.00

1123.60

1191.02

(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

500.00

530.00

561.80

595.51

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

200.00

212.00

224.72

238.20

(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.

1,000.00

1060.00

1123.60

1191.02

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

500.00

530.00

561.80

595.51

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

800.00

848.00

898.88

952.81

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

1,000.00

1060.00

1123.60

1191.02

	PRESENT TARIFFS R	PROPOSED TARIFFS 2019/07/01 R	PROPOSED TARIFFS 2020/07/01 R	PROPOSED TARIFFS 2021/07/01 R
(x) Ceilings shall be dust proof	500.00	530.00	561.80	595.51
(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;	800.00	848.00	898.88	952.81
(xii) All worktables shall be constructed of metal with a stainless steel top;	500.00	530.00	561.80	595.51
(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;	500.00	530.00	561.80	595.51
(xiv) Facilities for the storage of vegetables shall be provided;	500.00	530.00	561.80	595.51
(xv) There shall be provided suitable refrigeration facilities for the storage of perishable foodstuffs	1,000.00	1060.00	1123.60	1191.02
(xvi) There shall be provided a sufficient number of metal bins with covers for the temporary storage of refuse pending disposal	1,000.00	1060.00	1123.60	1191.02
1.8.2 Advertising				
Application fee	320.00	336.00	356.16	377.53
Directional sign board single once off	1,250.00	1,312.50	1,391.25	1,474.73
Directional sign board double once off	2,450.00	2,572.50	2,726.85	2,890.46
LED - Digital Billboard displayed on municipal property per month	1,880.00	1,974.00	2,092.44	2,217.99
Per banner	300.00	315.00	333.90	353.93
Per Illegal Boards	375.00	393.75	417.38	442.42
Per Illegal Boards Additional fee if not removed within 2 (two) weeks	250.00	262.50	278.25	294.95
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	1,250.00	1,312.50	1,391.25	1,474.73
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	6,250.00	6,562.50	6,956.25	7,373.63
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	85.00	90.10	95.51	101.24
Size A3	11.00	11.66	12.36	13.10
Size A2	14.00	14.84	15.73	16.67
Size A1	55.00	58.30	61.80	65.51
Size A0	81.00	85.86	91.01	96.47
<u>Opaque Film Prints & Transparent Prints</u>				
Size A4	21.50	22.79	24.16	25.61
Size A3	40.00	42.40	44.94	47.64
Size A2	106.00	112.36	119.10	126.25
Size A1	148.00	156.88	166.29	176.27
Size A0	229.00	242.74	257.30	272.74
<u>Plans plotted by REGIS System</u>				
Size A4	46.00	48.76	51.69	54.79
Size A3	62.00	65.72	69.66	73.84
Size A2	124.00	131.44	139.33	147.69
Size A1	184.00	195.04	206.74	219.15
Size A0	218.00	231.08	244.94	259.64

	PRESENT TARIFFS R	PROPOSED TARIFFS 2019/07/01 R	PROPOSED TARIFFS 2020/07/01 R	PROPOSED TARIFFS 2021/07/01 R
<u>Paper prints: Color</u>				
Size A4	5.00	5.30	5.62	5.96
Size A3	4.00	4.24	4.49	4.76
Size A2	12.00	12.72	13.48	14.29
Size A1	60.00	63.60	67.42	71.46
Size A0	74.00	78.44	83.15	88.14
<u>Opaque Film Prints & Transparent Prints Color</u>				
Size A4	24.60	26.08	27.64	29.30
Size A3	48.00	50.88	53.93	57.17
Size A2	131.00	138.86	147.19	156.02
Size A1	178.00	188.68	200.00	212.00
Size A0	268.00	284.08	301.12	319.19
<u>Plans plotted by REGIS System - Color</u>				
Size A4	51.00	54.06	57.30	60.74
Size A3	93.00	98.58	104.49	110.76
Size A2	155.00	164.30	174.16	184.61
Size A1	249.00	263.94	279.78	296.56
Size A0	264.00	279.84	296.63	314.43
<u>Other</u>				
Information (without copy cart)	26.50	28.09	29.78	31.56
CUP Reports/SDF/LUMS/IDP/GURP	128.00	135.68	143.82	152.45
Building Plan search fee (without copy cart)	1,340.00	1,420.40	1,505.62	1,595.96
Building Statistics - Monthly	128.00	135.68	143.82	152.45
- Annually	1,340.00	1,420.40	1,505.62	1,595.96
Building Occupancy Certificate	780.00	826.80	876.41	928.99
Temporary Occupancy	780.00	826.80	876.41	928.99
Hoarding on Municipal property per square meter	128.00	135.68	143.82	152.45
Compulsory (removal executed by Municipal) of Building rubble per m3 load	670.00	710.20	752.81	797.98
Penalty on illegal building structure/s, per day and to be attached to account	201.00	213.06	225.84	239.39
Penalty on illegal encroaching to adjacent erf/erven, per day and to be attached to account	201.00	213.06	225.84	239.39
Penalty on Illegal usage of property other than as zoned, per day and to be attached to account	201.00	213.06	225.84	239.39
Penalty on Illegal closing of adjacent neighbour access, per day and to be attached to account	201.00	213.06	225.84	239.39
Penalty on Illegal closing for storm water flow allowance, per day and to be attached to account	201.00	213.06	225.84	239.39
Penalty on deviation from approved building plan/s, per day and to be attached to account	201.00	213.06	225.84	239.39
Penalty on illegal encroaching to municipality land or property, per day and to be attached to account	201.00	213.06	225.84	239.39
Unauthorised sewer connection	1,345.00	1,425.70	1,511.24	1,601.92
Unauthorised water connection	1,345.00	1,425.70	1,511.24	1,601.92
Unauthorised electrical connection	1,345.00	1,425.70	1,511.24	1,601.92
Commencing building work or statutory stages controlled without council authorisation	671.00	711.26	753.94	799.17
Unauthorised erection of structures for event	20,000.00	21,200.00	22,472.00	23,820.32

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

45.00	48.00	50.88	53.93
110.00	118.00	125.08	132.58

	PRESENT TARIFFS R	PROPOSED TARIFFS 2019/07/01 R	PROPOSED TARIFFS 2020/07/01 R	PROPOSED TARIFFS 2021/07/01 R
* <u>Monday - Friday</u>				
07:00 - 12:00 (per session)	320.00	342.00	362.52	384.27
12:00 - 17:00 (per session)	320.00	342.00	362.52	384.27
17:00 - 07:00 (per hour)	400.00	428.00	453.68	480.90
* <u>Saturdays</u>				
A basic fee is charged for 4 hours or part thereof	650.00	695.00	736.70	780.90
For every additional hour which the facility is used an additional tariff is payable	320.00	342.00	362.52	384.27
* <u>Sundays & Public Holidays</u>				
A basic fee is charged for 4 hours or part thereof	700.00	749.00	793.94	841.58
For every additional hour which the facility is used an additional tariff is payable	330.00	353.10	374.29	396.74
* <u>All Dances</u>				
A basic fee is charged for 4 hours or part thereof	2,500.00	2,675.00	2,835.50	3,005.63
For every additional hour which the facility is used an additional tariff is payable	660.00	706.00	748.36	793.26
* Funerals - for 4 hours	600.00	642.00	680.52	721.35
For every additional hour	325.00	348.00	368.88	391.01
Preparation fee (per hour)	400.00	428.00	453.68	480.90
* Key / Loss / damage / breakage deposit	1,100.00	1,177.00	1,247.62	1,322.48
<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)	45.00	48.00	50.88	53.93
Key / Loss / damage / breakage deposit	110.00	118.00	125.08	132.58
* <u>Monday - Friday</u>				
07:00 - 12:00 (per session)	320.00	342.00	362.52	384.27
12:00 - 17:00 (per session)	320.00	243.00	257.58	273.03
17:00 - 07:00 (per hour)	400.00	428.00	453.68	480.90
* <u>Saturdays</u>				
A basic fee charged for 4 hours or part thereof	650.00	695.00	736.70	780.90
For every additional hour which the facility is used an additional tariff is payable	330.00	353.00	374.18	396.63
* <u>Sundays & Public Holidays</u>				
A basic fee is charged for 4 hours or part thereof	700.00	749.00	793.94	841.58
For every additional hour which the facility is used an additional tariff is payable	330.00	353.00	374.18	396.63
* <u>All Dances</u>				
A basic fee is charged for 4 hours or part thereof	2,500.00	2,675.00	2,835.50	3,005.63
For every additional hour which the facility is used an additional tariff is payable	660.00	706.00	748.36	793.26
* Funerals - for 4 hours	600.00	642.00	680.52	721.35
For every additional hour	325.00	348.00	368.88	391.01
Preparation fee (per hour)	400.00	428.00	453.68	480.90
* Key / Loss / damage / breakage deposit	1,100.00	1,177.00	1,247.62	1,322.48

1.9.2

PRESENT
TARIFFS
R

PROPOSED
TARIFFS
2019/07/01
R

PROPOSED
TARIFFS
2020/07/01
R

PROPOSED
TARIFFS
2021/07/01
R

1.9.3

TARIFFS FOR FLORIANVILLE HALL

Development Sport

Training sessions (Monday - Thursday)

07:45 - 16:30 (per hour)

Key / Loss / damage / breakage deposit

45.00	48.00	50.88	53.93
110.00	118.00	125.08	132.58

* Monday - Friday

07:00 - 12:00 (per session)

12:00 - 17:00 (per session)

17:00 - 07:00 (per hour)

320.00	342.00	362.52	384.27
320.00	342.00	362.52	384.27
400.00	428.00	453.68	480.90

* 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

650.00	696.00	737.76	782.03
330.00	353.00	374.18	396.63

* 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

700.00	749.00	793.94	841.58
320.00	742.00	786.52	833.71

* 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

2,500.00	2,675.00	2,835.50	3,005.63
660.00	706.00	748.36	793.26

* Funerals - for 4 hours

For every additional hour

Preparation fee (per hour)

600.00	642.00	680.52	721.35
325.00	348.00	368.88	391.01
400.00	428.00	453.68	480.90

* Key / Loss / damage / breakage deposit

1,100.00	1,177.00	1,247.62	1,322.48
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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

45.00	48.00	50.88	53.93
110.00	118.00	125.08	132.58

* Monday - Friday

07:00 - 12:00 (per session)

12:00 - 17:00 (per session)

17:00 - 07:00 (per hour)

215.00	230.00	243.80	258.43
215.00	230.00	243.80	258.43
215.00	230.00	243.80	258.43

* 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

600.00	642.00	680.52	721.35
300.00	321.00	340.26	360.68

* 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

620.00	663.00	702.78	744.95
330.00	353.00	374.18	396.63
1,100.00	1,177.00	1,247.62	1,322.48

* 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

2,500.00	2,675.00	2,835.50	3,005.63
660.00	706.00	748.36	793.26

PRESENT TARIFFS R	PROPOSED TARIFFS 2019/07/01 R	PROPOSED TARIFFS 2020/07/01 R	PROPOSED TARIFFS 2021/07/01 R
* Funerals - for 4 hours	600.00	642.00	680.52
For every additional hour	325.00	348.00	368.88
Preparation fee (per hour)	400.00	428.00	453.68
* Key / Loss / damage / breakage deposit	1,100.00	1,177.00	1,247.62

1.9.5

CITY HALL*** Monday - Friday**

07:00 - 12:00 (per session)

960.00 1,028.00 1,089.68 1,155.06

12:00 - 17:00 (per session)

960.00 1,028.00 1,089.68 1,155.06

17:00 - 07:00 (per hour)

580.00 620.00 657.20 696.63

*** Saturdays**

A basic fee charged for 4 hours or part thereof

1,500.00 1,605.00 1,701.30 1,803.38

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

400.00 428.00 453.68 480.90

*** Sundays & Public Holidays**

A basic fee is charged for 4 hours or part thereof

1,650.00 1,765.00 1,870.90 1,983.15

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

580.00 620.00 657.20 696.63

* Key / Loss / damage / breakage deposit

1,200.00 1,284.00 1,361.04 1,442.70

**** All Dances**

A basic fee is charged for 4 hours or part thereof

2,500.00 2,675.00 2,835.50 3,005.63

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

690.00 738.00 782.28 829.22

** Key / Loss / damage / breakage deposit

1,500.00 1,605.00 1,701.30 1,803.38

***** Supper Room**

07:00 - 12:00 (per session)

750.00 803.00 851.18 902.25

12:00 - 17:00 (per session)

750.00 803.00 851.18 902.25

17:00 - 07:00 (per hour)

550.00 590.00 625.40 662.92

*** Funerals - for 4 hours

1,500.00 1,605.00 1,701.30 1,803.38

For every additional hour

400.00 428.00 453.68 480.90

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

1,000.00 1,070.00 1,134.20 1,202.25

Preparation fee (per hour) applicable to all activities

440.00 470.80 499.05 528.99

Aircon \ 8 hour session

1,000.00 1,070.00 1,134.20 1,202.25

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

600.00 600.00 636.00 674.16

* Maximum

1,810.00 1,810.00 1,918.60 2,033.72

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

600.00 600.00 636.00 674.16

Advertising for alienation or leasing of land

800.00 800.00 848.00 898.88

1.9.7

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

One or two Officers per event

965.00

1,030.00

1,112.40

1,201.39

Three or four Officers per event

1,905.00

2,040.00

2,203.20

2,379.46

More than four Officers per event

2,375.00

2,540.00

2,743.20

2,962.66

Sunday and Public Holidays

Per Officer per hour or part thereof

910.00

980.00

1,058.40

1,143.07

ESCORT OF ABNORMAL LOADS**Monday to Saturday**

Per Officer per hour or part thereof

560.00

600.00

648.00

699.84

Sunday and Public Holidays

Per Officer per hour or part thereof

1,850.00

1,980.00

2,138.40

2,309.47

RENTAL OF ROAD SIGNS

Renting of temporary Road Signs -

310.00

340.00

367.20

396.58

Deposit per sign

200.00

200.00

216.00

233.28

HIRE OF PARKING BAY

Hiring of a Parking Bay per Parking Bay per Day

215.00

230.00

248.40

268.27

SEARCH FEES

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

105.00

110.00

118.80

128.30

WEIGHBRIDGE

0 - 3500 kg

120.00

130.00

140.40

151.63

3500 - 9000 kg

225.00

240.00

259.20

279.94

9000 - 16000 kg

330.00

355.00

383.40

414.07

Above 16000 kg

550.00

590.00

637.20

688.18

1.9.8

LIBRARY

Videos, Fiksie en Nie-fiksie / DVD

7.50

8.00

8.48

8.99

Damaged barcode

4.00

5.00

5.30

5.62

Postal tariffs : reminders

8.00

8.50

9.01

9.55

Fines : per week

2.00

2.50

2.65

2.81

: per month

8.00

10.00

10.60

11.24

Maximum fine per item

35.00

40.00

42.40

44.94

Reservation fee

5.00

5.00

5.30

5.62

Admin fee : Phone calls

12.00

15.00

15.90

16.85

Admin fee : Cell phone calls

18.00

18.00

19.08

20.22

Book record covers

10.00

12.00

12.72

13.48

Duplicate computer membership card

35.00

40.00

42.40

44.94

Photocopy charges - A4

0.50

0.50

0.53

0.56

- A3

1.00

1.00

1.06

1.12

Country members (per annum)

150.00

160.00

169.60

179.78

Visitors - deposit

160.00

170.00

180.20

191.01

- fee

140.00

150.00

159.00

168.54

PRESENT
TARIFFS
RPROPOSED
TARIFFS
2019/07/01
RPROPOSED
TARIFFS
2020/07/01
RPROPOSED
TARIFFS
2021/07/01
R

	PRESENT TARIFFS R	PROPOSED TARIFFS 2019/07/01 R	PROPOSED TARIFFS 2020/07/01 R	PROPOSED TARIFFS 2021/07/01 R
<u>Laminates:</u>				
A4	8.00	8.00	8.48	8.99
A3	14.00	15.00	15.90	16.85
85mm x 60	5.00	5.00	5.30	5.62
A5	6.00	6.00	6.36	6.74
Inter library loans	85.00	90.00	95.40	101.12
Books rebinding	75.00	80.00	84.80	89.89
Toilet tariff	0.50	0.50	0.53	0.56
CD container / DVD	6.00	6.00	6.36	6.74
Research fee (inter library loans)	25.00	28.00	29.68	31.46
<u>Fax facility:</u>				
Local per page	5.00	5.00	5.30	5.62
National per page	10.00	12.00	12.72	13.48
International per page	30.00	32.00	33.92	35.96
Faxes received per page	3.00	3.00	3.18	3.37
Fax to mail (all 086 numbers) per page	10.00	10.00	10.60	11.24
<u>MAIN- AND GALESHEWE LIBRARIES</u>				
<u>Non-profitable Organisations and Cultural Activities</u>				
Per session	160.00	170.00	180.20	191.01
Kitchen facilities	55.00	60.00	63.60	67.42
Key / Loss / damage / breakage deposit	450.00	480.00	508.80	539.33
<u>Commercial Institutions and Political Parties</u>				
Per session	375.00	400.00	424.00	449.44
Kitchen facilities	55.00	60.00	63.60	67.42
Key / Loss / damage / breakage deposit	450.00	480.00	508.80	539.33
Audio visual material (per item)	75.00	80.00	84.80	89.89
Data Projector (Main Library only) per session	300.00	320.00	339.20	359.55
<u>HALL RENTALS</u>				
<u>SONNY LEON LIBRARY</u>				
<u>Non-profitable organisations and Cultural Activities</u>				
Per session	95.00	100.00	106.00	112.36
Kitchen facilities	55.00	60.00	63.60	67.42
Key / Loss / damage / breakage deposit	450.00	480.00	508.80	539.33
<u>Commercial Institutions and Political Parties</u>				
Per session	220.00	250.00	265.00	280.90
Kitchen facilities	55.00	60.00	63.60	67.42
Key / Loss / damage / breakage deposit	450.00	480.00	508.80	539.33
Audio visual material (per item)	75.00	80.00	84.80	89.89
<u>HALL RENTALS</u>				
<u>BEACONSFIELD AND JUDY SCOTT LIBRARIES</u>				
<u>Non-profitable organizations and Cultural Activities</u>				
Per session	95.00	100.00	106.00	112.36
Kitchen	55.00	60.00	63.60	67.42
Key / Loss / damage / breakage deposit	450.00	480.00	508.80	539.33
<u>Commercial Institutions and Political Parties</u>				
Per session	220.00	250.00	265.00	280.90
Kitchen facilities	55.00	60.00	63.60	67.42
Key / Loss / damage / breakage deposit	450.00	480.00	508.80	539.33
Audio visual material (per item)	75.00	80.00	84.80	89.89

PRESENT TARIFFS R	PROPOSED TARIFFS 2019/07/01 R	PROPOSED TARIFFS 2020/07/01 R	PROPOSED TARIFFS 2021/07/01 R
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AFRICANA LIBRARY**Research fees**

* National	840.00	880.00	932.80	988.77
* International	1,050.00	1,100.00	1,166.00	1,235.96

* 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	39.00	43.00	46.85	50.87
* Assistance vehicle	7.26	8.00	8.72	9.46

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	1,880.00	2,068.00	2,253.09	2,446.63
Portable pump	940.00	1,034.00	1,126.54	1,223.31
Assistance vehicle	940.00	1,034.00	1,126.54	1,223.31
Hazmat Pumps	1,880.00	2,068.00	2,253.09	2,446.63

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	940.00	1,034.00	1,126.54	1,223.31
Portable pump	470.00	517.00	563.27	611.66
Assistance vehicle	470.00	517.00	563.27	611.66
Hazmat Pumps	940.00	1,034.00	1,126.54	1,223.31

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	515.00	560.00	610.12	662.53
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Specialized equipment

(Calculated per unit used)

Chemical extinguisher	390.00	429.00	467.40	507.54
CO ² extinguisher	390.00	429.00	467.40	507.54
Breathing apparatus	270.00	297.00	323.58	351.38
Refill of SCBA/SCUBA cylinder : per cylinder	31.00	34.00	37.04	40.22
* Jaws of Life rescue equipment - per incident / use	808.00	890.00	969.66	1,052.95
* Rollgliss rescue equipment - per incident / use	808.00	890.00	969.66	1,052.95
* Medical equipment (consumables) - per patient	390.00	429.00	467.40	507.54
* Pneumatic Equipment - per incident / use	808.00	890.00	969.66	1,052.95

Replacement cost+20% Replacement cost+20% Replacement cost+20% Replacement cost
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 2019/07/01 R	PROPOSED TARIFFS 2020/07/01 R	PROPOSED TARIFFS 2021/07/01 R
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Inspection fees

(Calculated per inspection or plan approved)

Fire prevention inspection, building plans and sites per project

470.00	517.00	563.27	611.66
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Inspection of flammable liquids, solids and gasses installations:

* 1 liter - 2000 liter

545.00	600.00	653.70	709.85
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* 2001 liter - 5000 liter

705.00	775.00	844.36	916.89
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* 5001 liter - 50000 liter

860.00	946.00	1,030.67	1,119.20
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* 50001 litre and more

1,015.00	1,120.00	1,220.24	1,325.06
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*Tankers - irrespective the size and inspected at the Emergency Services - per registration certificate

520.00	572.00	623.19	676.73
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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)

210.00	230.00	250.59	272.11
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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)

10.00	10.00	10.60	11.24
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Single trip (Children - Primary School) (Return Trip 2x single)

10.00	10.00	10.60	11.24
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Regional Tourism Centre

Kiosk:

Minimum tender price/month - 12 month period

1,250.00	1,250.00	1,325.00	1,404.50
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Cubicles:

Minimum tender price/month - 12 month period

900.00	900.00	954.00	1,011.24
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Exhibition space per m² per day

16.00	16.96	17.98	19.06
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Hawkers shelter per day

30.00	31.80	33.71	35.73
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Informal Trade facilities

Stalls with storage facilities

332.00	351.92	373.04	395.42
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Stalls without storage facilities

159.00	168.54	178.65	189.37
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Fruits and Vegetable Structures

216.00	228.96	242.70	257.26
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Pension Pay Points (Card Carrying Pensioners)

63.00	66.78	70.79	75.03
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Caravans within CBD (Auction set-off price)

420.00	445.20	471.91	500.23
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Caravans outside CBD

211.00	223.66	237.08	251.30
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1.9.11

POUND SERVICES**Impounding:**

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

145.00	160.00	174.32	189.29
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Sheep and goat (each, once off payment)

58.00	64.00	69.73	75.72
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Maintenance

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

58.00	64.00	69.73	75.72
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Sheep and goat (each per day)

30.00	33.00	35.95	39.04
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G.W.K rent tariff


Large stock unit

58.00	64.00	69.73	75.72
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Small stock unit

35.00	39.00	42.49	46.14
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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	PROPOSED	PROPOSED	PROPOSED
	TARIFFS	TARIFFS	TARIFFS
	<u>2019/07/01</u>	<u>2020/07/01</u>	<u>2021/07/01</u>
R	R	R	R
565.00	598.90	634.83	672.92
160.00	169.60	179.78	190.56
81.00	85.86	91.01	96.47
128.00	135.68	143.82	152.45
154.00	163.24	173.03	183.42
154.00	163.24	173.03	183.42
154.00	163.24	173.03	183.42
154.00	163.24	173.03	183.42
154.00	163.24	173.03	183.42
81.00	85.86	91.01	96.47
175.00	185.50	196.63	208.43
140.00	148.40	157.30	166.74
175.00	185.50	196.63	208.43
175.00	185.50	196.63	208.43
175.00	185.50	196.63	208.43
175.00	185.50	196.63	208.43
175.00	185.50	196.63	208.43
160.00	169.60	179.78	190.56
160.00	169.60	179.78	190.56
160.00	169.60	179.78	190.56
160.00	169.60	179.78	190.56
160.00	169.60	179.78	190.56
70.00	74.20	78.65	83.37
70.00	74.20	78.65	83.37
70.00	74.20	78.65	83.37
70.00	74.20	78.65	83.37
323.00	342.38	362.92	384.70
65.00	90.00	95.40	101.12
65.00	90.00	95.40	101.12
65.00	90.00	95.40	101.12
175.00	200.00	212.00	224.72
950.00	1,000.00	1,060.00	1,123.60
950.00	1,000.00	1,060.00	1,123.60
180.00	200.00	212.00	224.72
180.00	200.00	212.00	224.72
600.00	600.00	636.00	674.16
300.00	300.00	318.00	337.08
600.00	650.00	689.00	730.34
350.00	400.00	424.00	449.44

		PRESENT TARIFFS R	PROPOSED TARIFFS 2019/07/01 R	PROPOSED TARIFFS 2020/07/01 R	PROPOSED TARIFFS 2021/07/01 R
1.11.6	Electricity - Reconnection fees (Controller Wire)	600.00	700.00	742.00	786.52
	Tampering administration fee	1,500.00	1,700.00	1,802.00	1,910.12
	Tamper disconnection fee	3,000.00	3,250.00	3,445.00	3,651.70
	Tamper reconnection fee	3,000.00	3,250.00	3,445.00	3,651.70
1.11.7	<u>Informal Housing - Erven with pails</u>				
	Bulk refuse	27.80	30.00	31.80	33.71
	Pails	See sanitation	See sanitation	See sanitation	See sanitation
	High Mast	26.75	28.00	29.68	31.46
	Gravel road	24.60	26.00	27.56	29.21
	Stand pipe	27.80	30.00	31.80	33.71
1.11.8	<u>Informal Housing - Sewered Erven</u>				
	Bulk refuse	27.80	30.00	31.80	33.71
	Sewerage	See sanitation	See sanitation	See sanitation	See sanitation
	High Mast	26.75	28.00	29.68	31.46
	Gravel road	24.60	26.00	27.56	29.21
	Stand pipe	27.80	30.00	31.80	33.71
1.11.9	Electricity availability	215.00	250.00	265.00	280.90
1.11.10	Water availability	215.00	250.00	265.00	280.90
1.11.11	Fixed electricity (limited supply - 2Amps)	215.00	250.00	265.00	280.90
1.11.12	<u>Deposits - Electricity and Water Supply</u>				
	<u>Flats:</u>				
	1-Bedroom	1,150.00	1,250.00	1,325.00	1,404.50
	2-Bedroom	1,400.00	1,500.00	1,590.00	1,685.40
	3-Bedroom	1,750.00	1,900.00	2,014.00	2,134.84
	<u>Townhouses:</u>				
	2-Bedroom	1,400.00	1,500.00	1,590.00	1,685.40
	3-Bedroom	1,750.00	1,900.00	2,014.00	2,134.84
	<u>Domestic Houses:</u>				
	2-Bedroom	1,400.00	1,500.00	1,590.00	1,685.40
	3-Bedroom	1,750.00	1,900.00	2,014.00	2,134.84
	More than 3-bedrooms	2,500.00	2,700.00	2,862.00	3,033.72
	Builders water deposit	2,500.00	2,700.00	2,862.00	3,033.72
	<u>Business/Industries:</u>				
	Small power users	2,500.00	2,700.00	2,862.00	3,033.72
	Large power users	6,000.00	6,500.00	6,890.00	7,303.40
	<u>Rural consumers</u>				
	Informal housing	73.00	75.00	79.50	84.27
	<u>Businesses/Industries:</u>				
	Bulk water supply	6,000.00	6,500.00	6,890.00	7,303.40
	Indigents - Water deposit	60.00	70.00	74.20	78.65
1.11.13	Valuation Roll (CD or Disk)	4,500.00	4,750.00	5,035.00	5,337.10
1.11.14	Address List (CD or Disk)	4,500.00	4,750.00	5,035.00	5,337.10

		PRESENT TARIFFS R	PROPOSED TARIFFS 2019/07/01 R	PROPOSED TARIFFS 2020/07/01 R	PROPOSED TARIFFS 2021/07/01 R
1.11.15	<u>Penalty for an unmetered</u> (official)				
	Water connection	11,800.00	12,000.00	12,720.00	13,483.20
	Thereafter a daily penalty until meter is installed (per day)	1,200.00	1,300.00	1,378.00	1,460.68
	Consumption per house	6,000.00	6,500.00	6,890.00	7,303.40
1.11.16	Electricity and water availability for Business/Industries/State.	215.00	250.00	265.00	280.90
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	310.00	350.00	371.00	393.26
1.11.18	A basic tariff for services which are impractical to be metered as per the Tariff Policy	130.00	150.00	159.00	168.54
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	8,125.74	8,613.29	9,124.05	9,784.63
	25 20	8,444.68	8,951.36	9,482.18	10,168.68
	40 32	16,678.68	17,679.40	18,727.79	20,083.68
	50 40	19,629.64	20,807.42	22,041.30	23,637.09
	80 50	32,024.54	33,946.01	35,959.01	38,562.44
		Additional costs	Additional costs	Additional costs	Additional costs
	100 75	37,354.40	39,595.66	41,943.68	44,980.41
		Additional costs	Additional costs	Additional costs	Additional costs
	150 100	44,271.67	46,927.97	49,710.80	53,309.86
		Additional costs	Additional costs	Additional costs	Additional costs
	250 150	44,271.67	46,927.97	49,710.80	53,309.86
		Additional costs	Additional costs	Additional costs	Additional costs
	300 150	44,271.67	46,927.97	49,710.80	53,309.86
		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.	1,194.67	1,266.35	1,341.44	1,438.56
1.12.2	<u>Testing of Water Meters</u>				
	Tariff per meter tested	1,212.95	1,285.72	1,361.97	1,460.57
1.12.3	<u>Exposure of Services</u>				
	Tariff per service exposure	602.89	639.06	676.96	725.97
1.12.4	<u>Water</u> (Normal tariff structure)				
	Schools, Sports fields and Parks	18.21	19.31	20.45	21.93
	Charities/Churches	18.21	19.31	20.45	21.93
	Business - Commercial	30.93	32.78	34.73	37.24
	Business - Industrial	25.27	26.78	28.37	30.42
	Indigents (0 - 6 Kl)	5.94	6.30	6.67	7.15
	Residential (0 - 6 Kl)	5.94	6.30	6.67	7.15
	Residential (7 - 20 Kl)	25.25	26.77	28.36	30.41
	Residential (21 - 40 Kl)	28.43	30.13	31.92	34.23
	Residential (41 - 60 Kl)	30.06	31.87	33.75	36.20
	Residential (more than 60 Kl)	32.12	34.05	36.07	38.68

PRESENT TARIFFS R	PROPOSED TARIFFS 2019/07/01 R	PROPOSED TARIFFS 2020/07/01 R	PROPOSED TARIFFS 2021/07/01 R
Flats (0 - 6 KI)	5.94	6.30	6.67
Flats (7 - 20 KI)	25.27	26.78	28.37
Flats (21 - 40 KI)	28.43	30.13	31.92
Flats (more than 40 KI)	32.12	34.05	36.07
Prepaid water per KI Households	New	16.20	17.16
Builders Water	35.56	37.70	39.93
Rural consumers: as above plus	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 KI)	5.94	6.30	6.67	7.15
Residential (7 - 20 KI)	26.52	28.12	29.78	31.94
Residential (21 - 40 KI)	31.28	33.15	35.12	37.66
Residential (41 - 60 KI)	34.57	36.65	38.82	41.63
Residential (more than 60 KI)	38.55	40.86	43.29	46.42
Flats (0 - 6 KI)	5.94	6.30	6.67	7.15
Flats (7 - 20 KI)	26.52	28.12	29.78	31.94
Flats (21 - 40 KI)	31.28	33.15	35.12	37.66
Flats (more than 40 KI)	38.55	40.86	43.29	46.42
Schools,sport, parks	20.94	22.20	23.51	25.22
Churches	20.94	22.20	23.51	25.22
Builders water	40.90	43.35	45.92	49.24
Industries	35.56	37.70	39.93	42.82
Commercial	29.05	30.79	32.62	34.98

level 2 - 40% saving

Residential/Indigents (0 - 6 KI)	5.94	6.30	6.67	7.15
Residential (7 - 20 KI)	27.79	29.45	31.20	33.46
Residential (21 - 40 KI)	34.12	36.17	38.31	41.08
Residential (41 - 60 KI)	37.58	39.83	42.20	45.25
Residential (more than 60 KI)	44.98	47.67	50.50	54.16
Flats (0 - 6 KI)	6.24	6.61	7.00	7.51
Flats (7 - 20 KI)	30.31	32.13	34.04	36.50
Flats (21 - 40 KI)	34.12	36.17	38.31	41.08
Flats (more than 40 KI)	44.98	47.67	50.50	54.16
Schools,sport, parks	21.85	23.16	24.54	26.31
Churches	21.85	23.16	24.54	26.31
Builders water	42.67	45.23	47.92	51.39
Industries	37.11	39.33	41.67	44.68
Commercial	30.31	32.13	34.04	36.50

	PRESENT TARIFFS R	PROPOSED TARIFFS 2019/07/01 R	PROPOSED TARIFFS 2020/07/01 R	PROPOSED TARIFFS 2021/07/01 R
level 3 - 70% saving				
Residential/Indigents (0 - 6 KI)	6.53	6.93	7.34	7.87
Residential (7 - 20 KI)	30.31	32.13	34.04	36.50
Residential (21 - 40 KI)	35.54	37.67	39.91	42.80
Residential (41 - 60 KI)	39.08	41.43	43.89	47.06
Residential (more than 60 KI)	48.19	51.08	54.11	58.03
Flats (0 - 6 KI)	6.53	6.93	7.34	7.87
Flats (7 - 20 KI)	30.31	32.13	34.04	36.50
Flats (21 - 40 KI)	36.96	39.18	41.50	44.51
Flats (more than 40 KI)	48.19	51.08	54.11	58.03
Schools,sport, parks	23.67	25.09	26.58	28.51
Churches	23.67	25.09	26.58	28.51
Builders water	46.23	49.00	51.91	55.67
Industries	40.20	42.61	45.14	48.41
Commercial	32.84	34.81	36.87	39.54
level 4 - survival				
Residential/Indigents (0 - 6 KI)	6.53	6.93	7.34	7.87
Residential (7 - 20 KI)	37.89	40.17	42.55	45.63
Residential (21 - 40 KI)	42.65	45.21	47.89	51.35
Residential (41 - 60 KI)	54.12	57.36	60.76	65.16
Residential (more than 60 KI)	57.83	61.30	64.93	69.63
Flats (0 - 6 KI)	6.53	6.93	7.34	7.87
Flats (7 - 20 KI)	37.89	40.17	42.55	45.63
Flats (21 - 40 KI)	51.18	54.25	57.47	61.63
Flats (more than 40 KI)	57.83	61.30	64.93	69.63
Schools,sport, parks	32.78	34.75	36.81	39.47
Churches	32.78	34.75	36.81	39.47
Builders water	64.01	67.85	71.87	77.08
Industries	55.66	59.00	62.50	67.02
Commercial	45.47	48.20	51.06	54.75
level 5 - emergency				
Residential/Indigents (0 - 6 KI)	6.53	6.93	7.34	7.87
Residential (7 - 20 KI)	50.52	53.55	56.73	60.84
Residential (21 - 40 KI)	56.86	60.28	63.85	68.47
Residential (41 - 60 KI)	60.13	63.74	67.52	72.40
Residential (more than 60 KI)	64.25	68.11	72.15	77.37
Flats (0 - 6 KI)	6.53	6.93	7.34	7.87
Flats (7 - 20 KI)	50.52	53.55	56.73	60.84
Flats (21 - 40 KI)	56.86	60.28	63.85	68.47
Flats (more than 40 KI)	64.25	68.11	72.15	77.37
Schools,sport, parks	36.42	38.61	40.90	43.86
Churches	36.42	38.61	40.90	43.86
Builders water	71.12	75.39	79.86	85.64
Industries	61.85	65.56	69.44	74.47
Commercial	50.52	53.55	56.73	60.84

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

652.15

694.54

736.97

786.57

(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

652.15

694.54

736.97

786.57

(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

652.15

694.54

736.97

786.57

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

2,447.95

2,607.06

2,766.35

2,952.53

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

397.49

423.33

449.20

479.43

572.95

610.19

647.48

691.05

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

63.51

67.64

71.78

76.61

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

652.15

694.54

736.97

786.57

(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

329.61

351.04

372.49

397.55

1.13.2 Private dwellings

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

110.76

117.96

125.16

133.59

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

110.76

117.96

125.16

133.59

1.13.3 Flats

1.13.4 Availability charge

A basic monthly charge - Indigent

55.38

58.98

62.58

66.79

A basic monthly charge - Residential

55.38

58.98

62.58

66.79

- Business

329.61

351.04

372.49

397.55

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

155.15

165.24

175.34

187.14

Basic monthly charge (two sanitary convenience)

155.15

165.24

175.34

187.14

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

93.11

99.16

105.22

112.30

Flats and semi-detached dwellings:

Basic monthly charge (first living unit)

155.15

165.24

175.34

187.14

Additional monthly charge (each additional unit)

93.11

99.16

105.22

112.30

PRESENT TARIFFS R	PROPOSED TARIFFS 2019/07/01 R	PROPOSED TARIFFS 2020/07/01 R	PROPOSED TARIFFS 2021/07/01 R
<u>Hotel, Boarding Houses, Lodging Houses and Hostels</u>			
Basic monthly charge (two sanitary conveniences)	155.15	165.24	175.34
Additional monthly charge (each additional connection)	93.11	99.16	105.22
A basic monthly charge (availability charge) in terms of Section 5 of the By-law to Sewerage and Sanitary charges (PN 140 dated 01/02/1974) as amended	136.27	145.13	154.00
<u>Conservancy Tank and Night-soil Removals</u>			
<u>Removal of slops from conservancy tanks by vacuum tanker:</u>			
A. Within 10km of CBD (Monday - Friday between 08:00 and 16:00)			
Basic charge (first 5Kl)	257.90	274.67	291.45
Additional charge (per 1Kl or part thereof)	42.56	45.33	48.10
Vacuum tanker transport charge (per call)	212.81	226.65	240.49
B. Within 10km of CBD (After hours, Monday - Friday & Saturdays)			
Basic charge (first 5Kl)	403.81	430.06	456.34
Additional charge (per 1Kl or part thereof)	69.16	73.66	78.16
Vacuum tanker transport charge (per call)	297.94	317.30	336.69
C. Within 10km of CBD (Sundays and Public Holidays)			
Basic charge (first 5Kl)	531.24	565.77	600.33
Additional charge (per 1Kl or part thereof)	82.47	87.83	93.19
Vacuum tanker transport charge (per call)	418.98	446.21	473.47
D. Further than 10km from CBD (Per km further)			
As above (A to C) plus km charge			
Any tanker/km	48.08	51.21	54.34
The number of calls made by the vacuum tanker each month will be governed by the capacity of the owner's conservancy tank.			
A surcharge of 50% will be levied on the tariffs in the case of premises which can be connected to the sewerage system after the period allowed in terms of the connection notice has expired.			
<u>Removal of night-soil:</u>			
Basic monthly charge (two night-soil pails, five times per fortnight)	121.17	129.05	136.93
Additional monthly charge (each additional pail removal, five times per fortnight)	66.50	70.83	75.15
Occasional hire of bucket (per day per bucket)	33.25	35.41	37.58
Removal of night-soil from building premises and contractor's sites (surcharge not applicable)			
Basic monthly charge (one pail, three times a week)	835.76	890.08	944.47
Basic monthly charge (one pail, six times a week)	1,239.50	1,320.07	1,400.73
<u>Blockages and Portable Toilets</u>			
<u>Internal sewer blockages:</u>			
Basic charge (Monday - Friday between 08:00 - 16:00)	512.08	545.37	578.69
Basic charge after hours (Monday - Saturdays)	625.14	665.77	706.45
Basic charge (Sundays and Public holidays)	931.06	991.58	1,052.16
Service will only be provided to clients presenting a valid municipal account. Category B clients will be entitled to the percentage discounts to which they are entitled.			
<u>Portable Toilets:</u>			
Hire rate per day on site	232.76	247.89	263.04
Transport charge (per vehicle)	498.78	531.20	563.66
<u>Sewer Connections:</u>			
Sewer connection (100mm)	2,892.93	3,080.97	3,269.22
Sewer connection (150mm)	3,358.46	3,576.76	3,795.30
Public convenience (Craven Street)			
Shower plus usage of towel (per person)	13.40	14.27	15.14

1.14.2

1.14.3

		PRESENT TARIFFS R	PROPOSED TARIFFS 2019/07/01 R	PROPOSED TARIFFS 2020/07/01 R	PROPOSED TARIFFS 2021/07/01 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)	60,750.46	64,699.24	68,652.36	73,272.66
	Plus per KI	0.1710	0.1821	0.19	0.21
	Basic Charge (Use LESS than 1 Megalitre per billing cycle of approximately 30 days)	0.000	0.0000	-	-
	Plus per KI	0.5712	0.6083	0.65	0.69
1.15	<u>DISCOUNT EARLY PAYMENT</u>				
	A 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	22,552.89	25,123.93	27,008.22	28,412.65
	* 9m single cantilever	35,844.39	39,930.65	42,925.45	45,157.57
	* 9m double cantilever	36,296.44	40,434.24	43,466.81	45,727.08
	* 12m single cantilever	38,477.10	42,863.49	46,078.25	48,474.32
	<u>SINGLE PHASE DIS- & RECONNECTION FEE WHEREBY AN ELECTRICIAN IS INVOLVED</u>				
	Disconnection fee for an O/H supply system	2,469.23	2,750.73	2,957.03	3,110.80
	Disconnection fee for an U/G supply system	5,944.92	6,622.64	7,119.34	7,489.55
	Reconnection fee for an P/H supply system	2,509.04	2,795.07	3,004.70	3,160.94
	Reconnection fee for an U/G supply system	328.38	365.81	393.25	413.70
	<u>3-PHASE DIS- & RECONNECTION FEE WHEREBY AN ELECTRICIAN IS INVOLVED</u>				
	Disconnection fee for an O/H supply system	3,518.34	3,919.43	4,213.38	4,432.48
	Disconnection fee for an U/G supply system	6,126.88	6,825.35	7,337.25	7,718.78
	Reconnection fee for an O/H supply system	4,854.59	5,408.02	5,813.62	6,115.93
	Reconnection fee for an U/G supply system	6,126.88	6,825.35	7,337.25	7,718.78
	<u>CALL OUT TO CONSUMER</u>				
	Call out to a fault on consumer's installation	497.54	554.26	595.83	626.82
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	17,826.24	19,858.43	21,347.81	22,457.90
	Airdac connection from O/H supply system with prepayment meter only	15,651.27	17,435.51	18,743.18	19,717.82
	Cable connection from U/G supply system with prepayment meter	24,862.91	27,697.29	29,774.58	31,322.86
	Cable connection from U/G supply system with conventional meter	22,048.24	24,561.74	26,403.88	27,776.88
	<u>60AMP STANDARD 3-PHASE</u>				
	Airdac connection from O/H supply system with prepayment meter & ready board	21,685.75	24,157.92	25,969.77	27,320.20
	Airdac connection from P/H supply system with prepayment meter only	19,510.78	21,735.01	23,365.13	24,580.12
	Cable connection from U/G supply system with prepayment meter	26,995.24	30,072.70	32,328.15	34,009.21
	Cable connection from U/G supply system with conventional meter	32,304.73	35,987.47	38,686.53	40,698.23
	<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)	8,670.00	9,658.38	10,382.76	10,922.66
	NB. MAXIMUM OF TWO PREPAYMENT METERS DOMESTIC ERF, EXCEPT WHEN 3-PHASE				
	CABLES AND VARIOUS				
	Installation of public address system	4,650.32	5,180.46	5,568.99	5,858.58
	Meter test	940.00	1,047.16	1,125.70	1,184.23
	Special meter reading	305.00	339.77	365.25	384.25
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. Users with a demand less than 75 kVA may elect to remain on the Small Power Consumer tariff where they have a TOU meter and with one month's notice in writing to the Municipality.				
1.16.4.1	Domestic Tariff (Conventional and Prepays)				
	Block 1 (0 - 50 Kwh)	1.0516			
	Block 2 (51 - 350 Kwh)	1.3519			
	Block 3 (351 - 600 Kwh)	1.9028			
	Block 4 (> 600 Kwh)	2.2408			
	Basic Charge per month per conventional meters per erf	260.00			
	Basic Charge per month per prepaid meter	260.00			
	<u>Summer</u>				
	Block 1 (0 - 350 Kwh)	new	1.9550	2.0973	2.2458
	Block 2 (> 350 Kwh)	new	2.4265	2.6031	2.7875
	<u>Winter</u>				
	Block 1 (0 - 350 Kwh)	new	2.1114	2.2651	2.4255
	Block 2 (> 350 Kwh)	new	2.5478	2.7333	2.9268
	Basic Charge per month per erf/house with a property value from R650 000 and higher	new	126.50	135.71	145.32
1.16.4.2	Indigents Tariff (Prepays)				
	Block 1 (0 - 50 Kwh) (subsidised)	1.0516			
	Block 2 (51 - 350 Kwh)	1.3519			
	Block 3 (351 - 600 Kwh)	1.9028			
	Block 4 (> 600 Kwh)	2.2408			
	Basic Charge per month (Subsidised)	260.00			
	<u>Summer</u>				
	Block 1 (0 - 50 Kwh) (subsidised)	new	1.7825	1.9162	2.0158
	Block 2 (51 - 350 Kwh)	new	1.7825	1.9162	2.0158
	Block 3 (> 350 Kwh)	new	2.4265	2.6085	2.7441

		PRESENT TARIFFS R	PROPOSED TARIFFS 2019/07/01 R	PROPOSED TARIFFS 2020/07/01 R	PROPOSED TARIFFS 2021/07/01 R
	<u>Winter</u>				
	Block 1 (0 - 50 Kwh) (subsidised)	new	1.8895	2.0312	2.1368
	Block 2 (51 - 350 Kwh)	new	1.8895	2.0312	2.1368
	Block 3 (> 350 Kwh)	new	2.5478	2.7389	2.8813
1.16.4.2	Public Benefit and Schools				
	Conventional and Prepayment Meter users	2.0125			
	Summer	new	2.2425	2.4107	2.54
	Winter	new	2.2770	2.4478	2.58
	Basic Charge per month	299.00	310.50	333.79	351.14
1.16.4.3	Business Tariff				
1.16.4.3.1	<u>Small Power Users (Conventional and prepaid meters)</u>				
	Energy charge per Kwhr	2.3769			
	Basic Charge per month	299.00	310.50	333.79	351.14
	<u>Summer</u>				
	Block 1 (0 - 1200 Kwh)	new	2.4265	2.6085	2.7441
	Block 2 (> 1200 Kwh)	new	2.7177	2.9215	3.0734
	<u>Winter</u>				
	Block 1 (0 - 1200 Kwh)	new	2.5194	2.7084	2.8492
	Block 2 (> 1200 Kwh)	new	2.8536	3.0676	3.2271
1.16.4.3.2	Time of Use Consumers				
1.16.4.3.2.1	<u>NPO, NGO, SCHOOLS</u>				
	<u>Basic charge per month</u>				
	<75 KVA	new	1,380.00	1,483.50	1,560.64
	>75<100 KVA	new	2,760.00	2,967.00	3,121.28
	>100	new	3,910.00	4,203.25	4,421.82
	Network Demand Charge R/kVA	new	144.87	155.74	163.83
	Network Access Charge R/kVA	new	49.11	52.79	55.54
	Energy Charges R/Kwh				
	<u>Low Demand Season: (September - May) Summer</u>				
	<u>Peak</u>				
	<75 KVA	new	1.7455	1.8764	1.9740
	>75<100 KVA	new	1.8327	1.9702	2.0726
	>100	new	1.9724	2.1203	2.2306
	<u>Standard</u>				
	<75 KVA	new	1.2977	1.3950	1.4675
	>75<100 KVA	new	1.3366	1.4368	1.5115
	>100	new	1.4274	1.5345	1.6143
	<u>Off-peak</u>				
	<75 KVA	new	1.0463	1.1247	1.1832
	>75<100 KVA	new	1.0672	1.1472	1.2069
	>100	new	1.1614	1.2485	1.3134
	<u>High Demand Season: (June - August) Winter</u>				
	<u>Peak</u>				
	<75 KVA	new	3.5504	3.8167	4.0152
	>75<100 KVA	new	3.5852	3.8541	4.0546
	>100	new	3.6201	3.8916	4.0939
	<u>Standard</u>				
	<75 KVA	new	1.5847	1.7036	1.7921
	>75<100 KVA	new	1.6164	1.7376	1.8280
	>100	new	1.7115	1.8398	1.9355
	<u>Off-peak</u>				
	<75 KVA	new	1.1509	1.2372	1.3015
	>75<100 KVA	new	1.1739	1.2620	1.3276
	>100	new	1.2775	1.3733	1.4447

PRESENT TARIFFS R	PROPOSED TARIFFS 2019/07/01 R	PROPOSED TARIFFS 2020/07/01 R	PROPOSED TARIFFS 2021/07/01 R
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1.16.4.3.2.2 INDUSTRIAL AND BUSINESSES

Basic charge per month

<75 KVA

>75<100 KVA

>100

Network Demand Charge R/kVA

Network Access Charge R/kVA

1,150.00	1,840.00	1,978.00	2,080.86
2,300.00	3,047.50	3,276.06	3,446.42
3,910.00	4,232.00	4,549.40	4,785.97
153.31	170.79	183.60	193.14
51.97	57.89	62.24	65.47

Energy Charges R/Kwh

Low Demand Season: (September - May) Summer

Peak

<75 KVA

>75<100 KVA

>100

Standard

<75 KVA

>75<100 KVA

>100

Off-peak

<75 KVA

>75<100 KVA

>100

1.7457	1.9375	2.0828	2.1911
1.7457	1.9549	2.1015	2.2108
1.7457	1.9811	2.1297	2.2404
1.2632	1.3642	1.4665	1.5428
1.2632	1.3705	1.4733	1.5499
1.2632	1.4147	1.5208	1.5999
1.0463	1.2880	1.3846	1.4566
1.0463	1.4375	1.5453	1.6257
1.0463	1.5525	1.6689	1.7557

High Demand Season: (June - August) Winter

Peak

<75 KVA

>75<100 KVA

>100

Standard

<75 KVA

>75<100 KVA

>100

Off-peak

<75 KVA

>75<100 KVA

>100

4.6308	4.8624	5.2270	5.4988
4.6308	4.9087	5.2768	5.5512
4.6308	5.0476	5.4262	5.7083
1.5847	1.7115	1.8398	1.9355
1.5847	1.7210	1.8501	1.9463
1.5847	1.7749	1.9080	2.0072
1.0860	1.4168	1.5231	1.6023
1.0860	1.6100	1.7308	1.8207
1.0860	1.7388	1.8692	1.9664

1.16.4.4 Street Lights

Energy charge per Kwhr

1.5847	1.7654	1.8978	1.9964
--------	--------	--------	--------

1.16.4.5 Electricity Feedback Tariffs - Small Scale Embedded Generation Photovoltaic Policy

No more electricity may be fed back into the system than what is consumed by said consumer. Consequently the accountholder must be a net consumer of electricity

Only Domestic/Residential consumers are liable for the basic charge and this cost is already included in the sale of kVA

Any liability for amounts payable to the generator for electricity fed back into the grid by SPM is subject to full compliance with the SSEG Policy and concomitant laws.

Basic charge per month - payable by the generator

348.75	388.51	417.65	439.45
--------	--------	--------	--------

Energy Charges R/Kwh - payable to the generator

Low Demand Season: (September - May)

Peak

Standard

Off-peak

0.3504	0.3904	0.4197	0.4415
0.2412	0.2687	0.2889	0.3039
0.1530	0.1704	0.1832	0.1927

High Demand Season: (June - August)

Peak

Standard

Off-peak

1.0739	1.1963	1.2860	1.3529
0.3254	0.3624	0.3896	0.4099
0.1767	0.1968	0.2116	0.2226

HISTORY OF TARIFFS

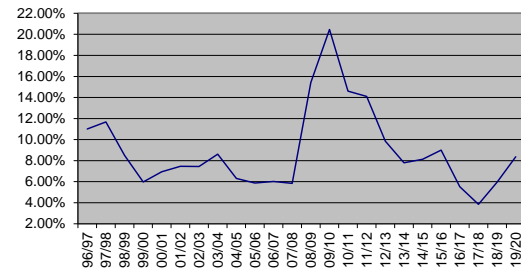
SOL PLAATJE MUNICIPALITY

TARIFF HISTORY

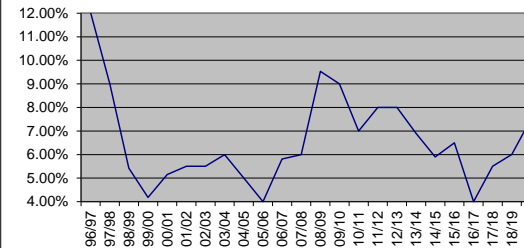
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RATES	12.53%	10.62%	9.53%	9.96%	9.91%	9.99%	8.85%	9.99%	8.50%	7.98%	6.03%	6.00%	8.50%	11.97%	8.50%	9.91%	9.80%	8.91%	6.99%	6.50%	4.00%	5.50%	6.00%	6.00%
SEWERAGE	9.96%	9.00%	5.36%	3.75%	5.46%	5.50%	5.50%	6.50%	4.00%	4.00%	5.61%	6.00%	7.54%	9.50%	7.00%	9.90%	9.90%	6.50%	6.50%	6.50%	4.00%	5.50%	5.95%	6.50%
CLEANSING	12.02%	9.00%	5.42%	4.18%	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%
WATER	11.33%	17.26%	17.50%	5.00%	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%
ELECTRICITY	9.18%	12.50%	4.98%	5.00%	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%
AVERAGE	11.00%	11.68%	8.50%	5.97%	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%

SOL PLAATJE MUNICIPALITY

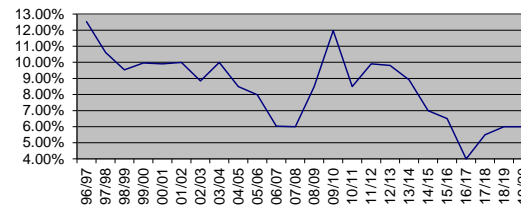
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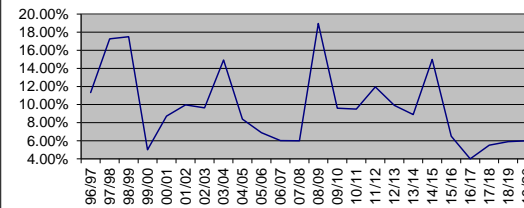
CLEANSING



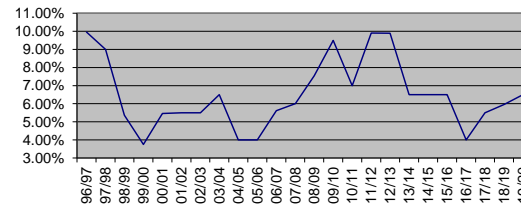
RATES



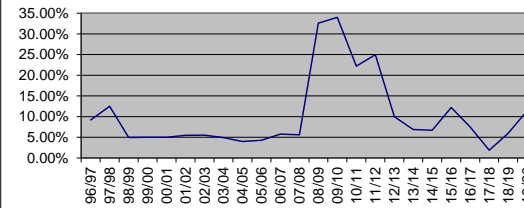
WATER



SEWERAGE



ELECTRICITY



INTEGRATED DEVELOPMENT PLAN OVERVIEW



SOL PLAATJE MUNICIPALITY

Integrated Development Plan (IDP)

DRAFT IDP REVIEW 2018/19

PLANNING 2019/20

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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
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
EPWP	Expanded Public Works Programme
EU	European Union
FBDM	Frances Baaard 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
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” programme 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

And therefore, the overarching strategy for 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 basic 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 2018 as well as strike actions it contributed to the decline in investments and financial constraints.

The removal of the Executive Mayor due to political issues led to the non-function of Committee and Council meetings. Council and Committee meetings only commenced after the appointment of a new Executive Mayor, Ald PS Mabilo in November 2018.

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

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 programmes 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 programmes 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 intergenerational 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 programme 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 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:

DRAFT

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 emerging from the Kimberly CBD	To ensure effective spatial planning and development in order to establish a competitive economic position

			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 human settlements and economic activity 	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 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 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	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

	administrative capacity			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.
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 second 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 2018/19 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.

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 Structures 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. The Process Plan and the schedule for IDP Public Engagement Sessions were adopted by Council on 28 November 2018 and is set out hereunder in Table 2. The process plan enhances integration and alignment between the IDP and the Budget, thereby ensuring the development of an IDP-based budget.

The high level process followed to review the 2018/19 IDP document is depicted in the table below:

Table 2: IDP review process

IDP AND BUDGET TIME-SCHEDULE FOR PREPARING THE IDP REVIEW 2018/19 AND BUDGET FOR 2019/20 MTREF					
NO	ACTIVITY DESCRIPTION	ORGANISATIONAL RESPONSIBILITY	OUTPUT	LEGISLATIVE REQUIREMENT AND INFORMATION	TIME FRAME
JULY 2018					
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	13 July 2018
2	Constituting the IDP/Budget Steering Committee	MM/CFO	Legally constituted IDP/Budget Steering Committee	MFMA s53(1)	24 July 2018
3	Consideration of the IDP and Budget Process Plan 2019/20 MTREF	MM/CFO	Process Plan for the 2018 IDP Review and Budget for 2019/20 MTREF	MSA 32 of 2000 & MFMA No. 56 of 2003	27 July 2018
4	Approval of the IDP and Budget Process Plan	Executive Mayor	Approval of the IDP and Budget Process Plan for 2019/20 MTREF	MSA 32 of 2000 & MFMA No. 56 of 2003	31 July 2018
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	31 July 2018
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	1. 4 th Quarter Report	MFMA S52(d)	31 July 2018
AUGUST 2018					
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)	2. 3. 4. 1 August 2018
8	Publish MM and 57 Managers	Corporate Services	Published and submitted performance agreements	MSA and Reg 805	7 August 2018

IDP AND BUDGET TIME-SCHEDULE FOR PREPARING THE IDP REVIEW 2018/19 AND BUDGET FOR 2019/20 MTREF					
NO	ACTIVITY DESCRIPTION	ORGANISATIONAL RESPONSIBILITY	OUTPUT	LEGISLATIVE REQUIREMENT AND INFORMATION	TIME FRAME
	Performance Agreements and Plans on Web and submit to CoGHSTA, NT and PT		and plans		
9	Presentation of Final draft AFS EMT Audit Committee AGSA	MM/CFO	5. Submission of annual financial statements as per section 126(1) of the MFMA. 6. Draft Annual Performance Report 2017/18 as per section 46 of the MSA.	s126(1) of the MFMA s46 of the MSA.	7. Completed 24 Aug 2018 8. 29 Aug 2018 9. 29 Aug 2018
10	Submit Annual Report including Annual Financial Statements and Annual Performance Report to the Audit Committee	MM/CFO	10. Submission of annual financial statements as per section 126(1) of the MFMA. Draft Annual Performance Report 2017/18 as per section 46 of the MSA.	MFMA Circular 63, Sep 12	28 Aug 2018
11	Approval of the IDP and Budget Process Plan	Executive Mayor	Council approves the IDP and Budget Process Plan 2019/20 MTREF	MSA 32 of 2000 & MFMA No. 56 of 2003	30 Aug 2018
12	11. Submission of the Financial Statements, Annual Report and Annual Performance Report to the AGSA	MM/CFO	12. Submission of signed AFS, Draft Annual Report and Final Annual Performance Report to AGSA		31 Aug 2018
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 will happen	MSA and MFMA	31 Aug 2018
SEPTEMBER 2018					
14	Issue of Budget guidelines (operational budget)	CFO	Issue Circular on operational budget guidelines: - Confirm approved organogram - Vacant and funded positions - Maintenance Plans - Review of Long Term Borrowing Contracts and commitments of the next MTREF	Budget Policy	22 Sept 2018

IDP AND BUDGET TIME-SCHEDULE FOR PREPARING THE IDP REVIEW 2018/19 AND BUDGET FOR 2019/20 MTREF					
NO	ACTIVITY DESCRIPTION	ORGANISATIONAL RESPONSIBILITY	OUTPUT	LEGISLATIVE REQUIREMENT AND INFORMATION	TIME FRAME
			<ul style="list-style-type: none"> - Demand for services analysis - Review of Electricity Tariff Structure 		
15	Commencement of IDP analysis of institutional, services and infrastructure provision, backlogs and priorities.	IDP/BTO	<p>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.</p> <p>Unaudited Annual Report 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.</p>	<p>MSA Circular 63, Sep 2012</p> <p>MSA Ch5 s 26 and IDP Guides</p>	21 Sept 2018
16	Finalise Assessment Report	IDP/BTO	<p>Discuss and agree on Assessment Report to inform planning and budget for the 2018/19 MTREF.</p> <p>13. EMT / Manco</p>	MFMA/Budget Regulations and Internal process	24 Sep 2018 28 Sep 2018
	Councillor Induction: IDP Review Process	MM/Executive Mayor	<p>Review terms of reference of IDP Rep Forum</p> <p>Understanding the development agenda of the municipality</p> <p>Presentation of the status quo report 2018-2019</p> <p>Performance Analysis and future projections</p>	MSA and MFMA	28 Sept 2018
OCTOBER 2018					
17	Finalise Annual Report	EMT	The Annual Report submitted complies with the requirements of Section 121(3) (a-k). Information on pre-	MSA Circular 63, Sep 2012	22 Oct 18

IDP AND BUDGET TIME-SCHEDULE FOR PREPARING THE IDP REVIEW 2018/19 AND BUDGET FOR 2019/20 MTREF					
NO	ACTIVITY DESCRIPTION	ORGANISATIONAL RESPONSIBILITY	OUTPUT	LEGISLATIVE REQUIREMENT AND INFORMATION	TIME FRAME
18	Municipality submits Annual Report including final annual financial statements and annual performance report to Auditor-General for auditing councils'	CFO/IDP	determined objectives to be included 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		29 Oct 2018
19	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 2018 – Dec 2018
20	Prepare and submit 1st Quarter SDBIP Report to EMT, IA, PAC, Executive Mayor (Mayco) and Council	IDP/BTO	1st Quarter Report submitted	MFMA and MFMA Cir 15	1. 17 Oct 2018 (EMT) 2. 20 Oct 2018 (IA&PAC) 3. 29 Oct 2018 (EM) 4. 2 Nov 2018 (SCM)
21	1st Strategic Planning sessions with: 1. 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	1. 20 Oct 2018 2. 21 Oct 2018 14. 15.
NOVEMBER 2018					
	2. Extended IDP/Budget/PMS Committee				01 Nov 2018

IDP AND BUDGET TIME-SCHEDULE FOR PREPARING THE IDP REVIEW 2018/19 AND BUDGET FOR 2019/20 MTREF					
NO	ACTIVITY DESCRIPTION	ORGANISATIONAL RESPONSIBILITY	OUTPUT	LEGISLATIVE REQUIREMENT AND INFORMATION	TIME FRAME
	Informal Council meeting				
22	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 2019/20 MTREF Draft Budget completed	Internal process	Week of 07, 14 and 21 Nov 2018 (CFO and BTO done; Operational, Revenue and partly Capital)
23	Auditor-General audits the unaudited Annual Report and submit an audit report to the accounting officer for the municipality.	EMT/BTO /Directorates	Draft AR and Management Report Final AR and Management Report	MFMA	16 Nov 2018 30 Nov 2018
24	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 2018 to Jan 2019
JANUARY 2019					
25	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.	25 Jan 2019
26	Finalise Mid-year Budget and Performance Assessment Report and submit to: 1. EMT 2. BSC 3. Mayor 4. NT and PT	IDP/BTO	Mid-year Report with recommendations informing Adj Budget/SDBIP Targets	MFMA s72	25 Jan 2019 1. 21 Jan 2019 2. 23 Jan 2019 3. 24 Jan 2019

IDP AND BUDGET TIME-SCHEDULE FOR PREPARING THE IDP REVIEW 2018/19 AND BUDGET FOR 2019/20 MTREF					
NO	ACTIVITY DESCRIPTION	ORGANISATIONAL RESPONSIBILITY	OUTPUT	LEGISLATIVE REQUIREMENT AND INFORMATION	TIME FRAME
	5. Council				4. 28 Jan 2019 5. 25 Jan 2019
FEBRUARY 2019					
	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 2019 (Oversight)
27	Planning sessions with: 1. Extended IDP/Budget/PM S Committee 2. Informal Council meeting	Mayco Councillors EMT Manco	Present first draft IDP priorities linked to Budget allocations	Internal process	1. 04 Feb 2019 2. 08 Feb 2019
28	NT Mid-term visit	EMT	Sec 71 and 72 Reports Qtr 2 Performance Report Audited AFS 2018 Audit Report MFMA Sec 32 Report Risk Management Issues	NT Prescribed	Between 6-10 Feb 2019
29	Adjustment Budget 1. EMT 2. BSC 3. Council	MM/CFO	Tabling of Adjustment Budget 2019/20 MTREF	MFMA Sec 28	1. 18 Feb 2019 2. 22 Feb 2019 3. 28 Feb 2019
30	Conduct 2017/18 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 2019
31	Note National/Provincial Government Budget for incorporation	IDP/BTO	Ensure what is contained in National and provincial Budgets for incorporation in local budget	MFMA	27 Feb – 18 Mar 2019
32	Draft reviewed 5-year Capital Project Schedule aligned with IDP Strategic Objectives and KPA's for prioritisation purposes – including	IDP/Budget Office	Draft 5-year Capital Programme aligned to IDP Key Priority Issues including Ward priorities	Internal Process	Jan 18 – 11 Mar 2019

IDP AND BUDGET TIME-SCHEDULE FOR PREPARING THE IDP REVIEW 2018/19 AND BUDGET FOR 2019/20 MTREF					
NO	ACTIVITY DESCRIPTION	ORGANISATIONAL RESPONSIBILITY	OUTPUT	LEGISLATIVE REQUIREMENT AND INFORMATION	TIME FRAME
	Ward allocations submitted to EMT				
33	Draft Operating Budget submitted to EMT	Directorates/BTO/IDP	Draft 3-year Operational Budget aligned to IDP Key Priority Issues	Internal Process	04 Mar 2019
MARCH 2019					
34	Conduct Mid-year 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 2018
35	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	29 Mar 2019 (SCM)
36	Present and discuss draft IDP and Budget with: 1. Mayco/relevant committees 2. BSC 3. Informal Council Meeting 16. 4. Special Council Meeting	EMT/Mayco/Budget Steering Committee	Present, discuss and receive input from the different structures	Internal process	17. 1. 14 – 19 Mar 2019 18. 2. MAYCO 22 Mar 2019 3. Informal Council 27 Mar 2019 4. SCM 29 Mar 2019 19. 20. 21.
37	Table draft IDP and Budget to Council for public consultation	IDP/BTO/Council	Council to approve IDP and Budget for public consultation purposes	MSA and MFMA	31 Mar 2019 (Tabling)
38	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 2019
APRIL 2019					

IDP AND BUDGET TIME-SCHEDULE FOR PREPARING THE IDP REVIEW 2018/19 AND BUDGET FOR 2019/20 MTREF					
NO	ACTIVITY DESCRIPTION	ORGANISATIONAL RESPONSIBILITY	OUTPUT	LEGISLATIVE REQUIREMENT AND INFORMATION	TIME FRAME
39	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 2019 (Public Participation)
40	Confirm National and Provincial DoRA allocations and adjust draft budget	BTO	Ensure that DoRA allocations are included in the Budget	MFMA/DoRA	April 2019
41	Submit 3 rd Quarter SDBIP Performance Report to Mayco/Council	IDP/BTO/Mayco/Council	3 rd Quarter report submitted		April 2019
42	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	MSA and MFMA	April 2019
43	Discuss adjusted IDP, Budget and SDBIP with Mayco	IDP/BTO	Inform Mayco of input received from public consultation in IDP/Budget/SDBIP	Internal process	29 April 2019
44	National Treasury Benchmarking Exercise	EMT/NT	NT's analysis of SPLM's IDP and Budget benchmarked against 21 secondary cities to improve IDP and Budget processes and products	MFMA	May 2018
MAY 2019					
45	Finalise IDP/Budget and SDBIP documentation for final submission to Council	EMT	Finalise IDP, Budget and SDBIP documentation for final submission to Council	MSA and MFMA	06 May 2019
46	Present final IDP and Budget to BSC, Mayco and Council	EM/MM/CFO	Present final IDP/Budget/SDBIP to Mayco and informal Council before submission to Council for adoption	Internal process	BSC 15 May 2019 MAYCO 17 May 2019 Informal Council Meeting 22 May 2019 SCM 24 May 2019
47	Council adopt IDP, Budget and "Top	EM/MM/CFO	Council adopted IDP/Budget and SDBIP	MFMA	24 May 2019

IDP AND BUDGET TIME-SCHEDULE FOR PREPARING THE IDP REVIEW 2018/19 AND BUDGET FOR 2019/20 MTREF					
NO	ACTIVITY DESCRIPTION	ORGANISATIONAL RESPONSIBILITY	OUTPUT	LEGISLATIVE REQUIREMENT AND INFORMATION	TIME FRAME
	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				
JUNE 2019					
48	Notification of approved 2018/19 IDP review and Budget 2019/20 MTREF to public	BTO/IDP	Notify public of adopted budget	MFMA	June 2019
49	Submit final 2019/20 SDBIP to Executive Mayor for approval, submit to Council for Notification and Make public	IDP	Executive Mayor approved SDBIP and published SDBIP	MFMA	14 June 2019
50	Final Preparations for the implementation of mSCOA Version 5.6 (locked NT version)	BTO	mSCOA compliance	mSCOA Regulations	28 June 2019

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.

Table 3: IDP Public Participation (To be included in Final IDP)

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 and the Sol Plaatje Statistical Overview performed by IHS Information and Insight in 2015. 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 presents relevant assumptions that were used in the development of the IDP and IDP review.

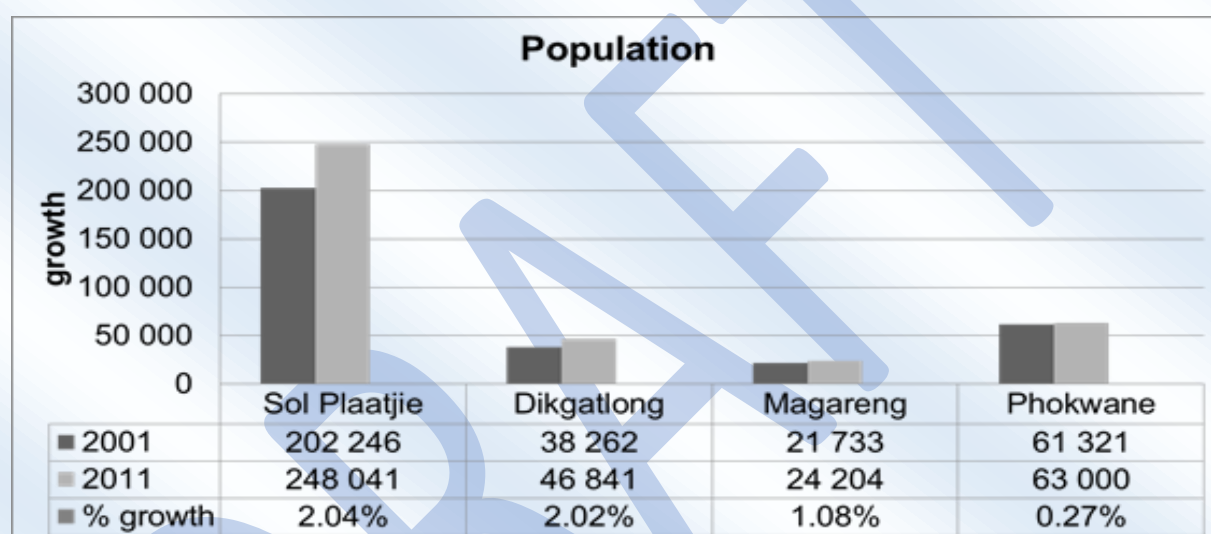
Table 4: Key Statistics Summary

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%
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 2001 to 2011 in the Sol Plaatje and surrounding municipal areas.

Chart 1: Population Census 2011



The municipality has experienced negative growth (-0.3%) in the population from 1996 to 2001 and an upswing to 2% from 2001 to 2011.

Table 5: Total population - Sol Plaatje, Frances Baard, Northern Cape and National Total, 2005-2015 [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
2005	209,000	330,000	1,020,000	47,200,000	63.4%	20.4%	0.44%
2006	211,000	332,000	1,030,000	47,800,000	63.7%	20.5%	0.44%
2007	215,000	335,000	1,040,000	48,400,000	64.1%	20.6%	0.44%
2008	220,000	341,000	1,060,000	49,100,000	64.5%	20.8%	0.45%
2009	226,000	348,000	1,080,000	49,800,000	64.9%	20.9%	0.45%
2010	232,000	356,000	1,100,000	50,700,000	65.2%	21.1%	0.46%
2011	238,000	364,000	1,120,000	51,500,000	65.5%	21.3%	0.46%
2012	244,000	371,000	1,140,000	52,400,000	65.7%	21.4%	0.47%
2013	250,000	379,000	1,160,000	53,200,000	65.9%	21.5%	0.47%
2014	255,000	386,000	1,180,000	54,100,000	66.1%	21.7%	0.47%
2015	260,000	393,000	1,200,000	54,900,000	66.2%	21.8%	0.47%
Average Annual growth							
2005-2015	2.22%	1.78%	1.56%	1.51%			

Source: IHS Global Insight Explorer Version 1029

With almost 260 000 people, the Sol Plaatje Local Municipality housed 0.5% of South Africa's total population in 2015. Between 2005 and 2015 the population growth averaged 2.22% per annum which is slightly higher than the growth rate of South Africa as a whole (1.51%). Compared to Frances Baard's average annual growth rate (1.78%), the growth rate in Sol Plaatje's population at 2.22% was slightly higher than that of the district municipality.

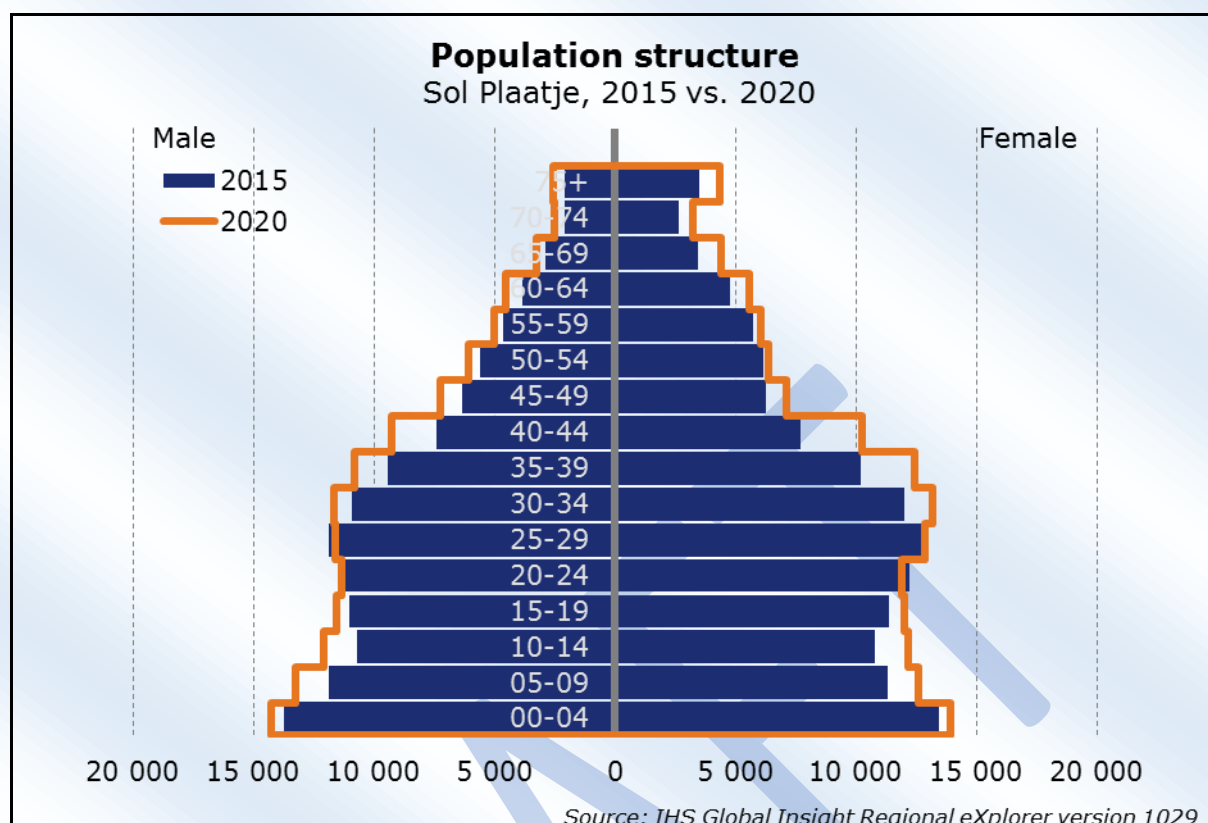
Table 6: Population projections - Sol Plaatje, Frances Baard, Northern Cape and National Total, 2015-2020 [Numbers percentage]

	Sol Plaatje	Frances Baard	Northern Cape	National Total	Sol Plaatje as % of district municipality	Sol Plaatje as % of province	Sol Plaatje as % of national
2015	260,000	393,000	1,200,000	54,900,000	66.2%	21.8%	0.47%
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.

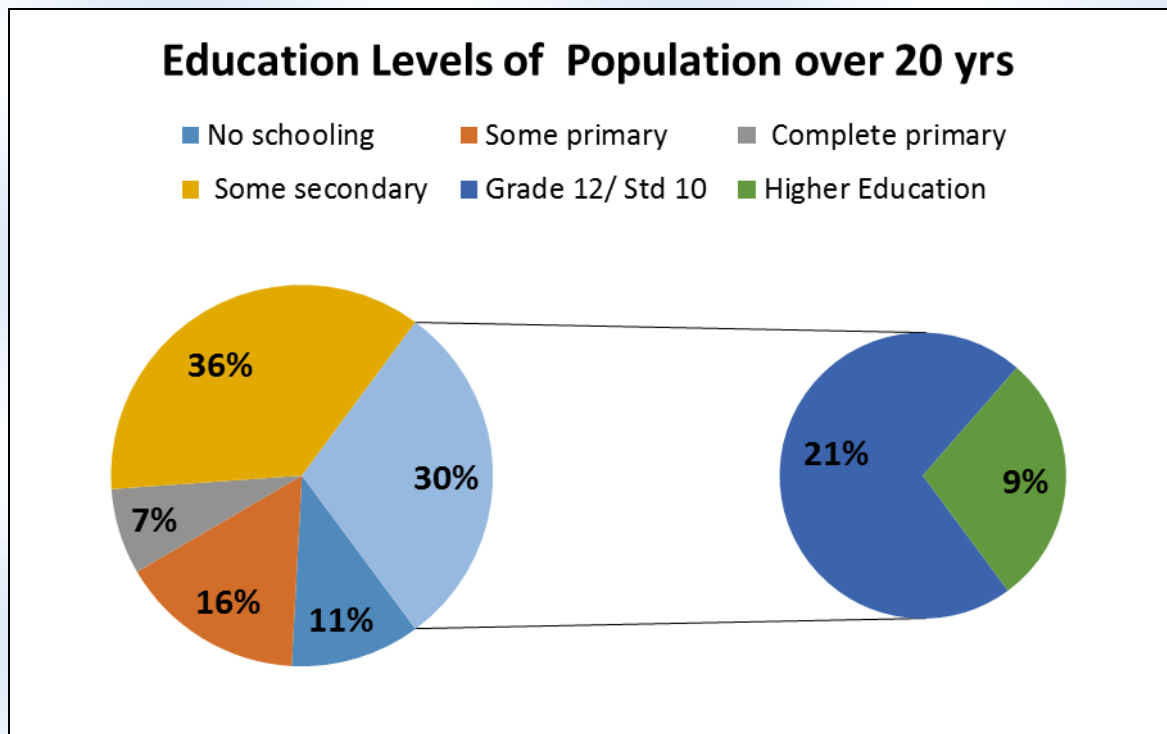
The share of children between the ages of 0 to 14 years is projected to be slightly smaller (27.4%) in 2020 when compared to 2015 (27.6%).

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



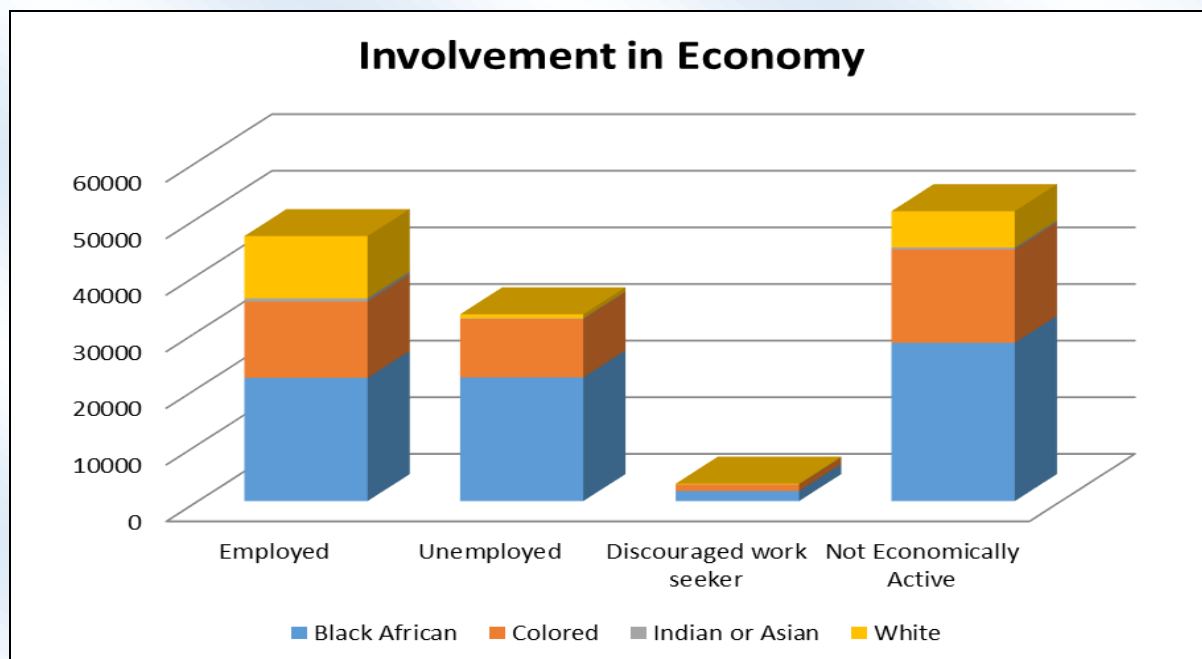
Source Stats SA & Quantec

Chart 4: Highest level of Education 15+ (2005 vs. 2015)



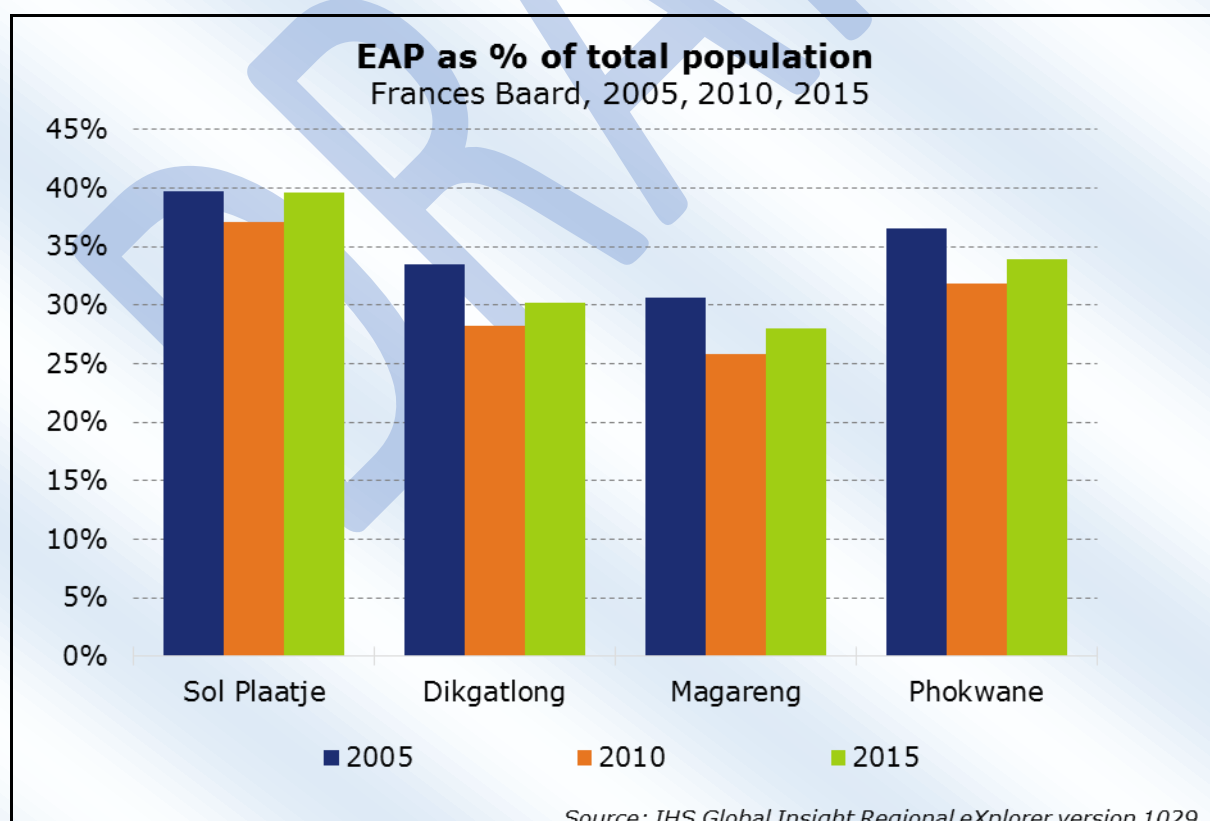
Within Sol Plaatje Local Municipality, the number of people without any schooling decreased from 2005 to 2015 with an average annual rate of -3.43%, while the number of people within the 'matric only' category, increased from 32,100 to 49,200. The number of people with 'matric and a certificate/diploma' 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



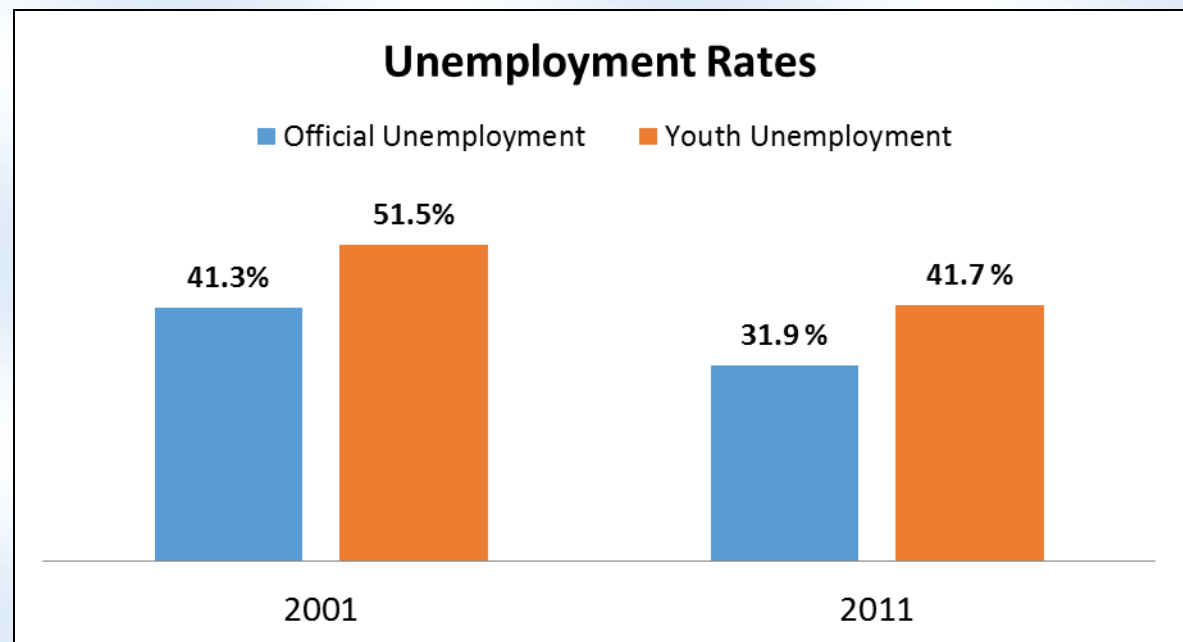
Source Stats SA & Quantec

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



Source Stats SA & Quantec

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



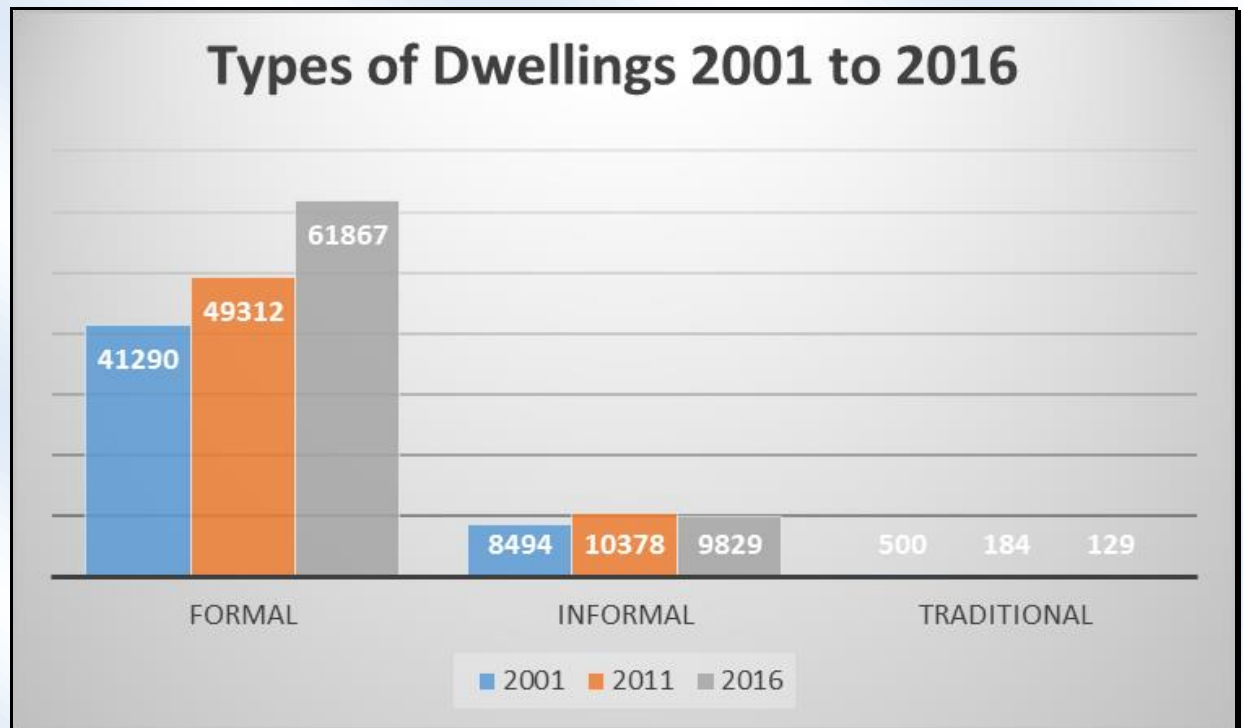
In 2015 the labour force participation rate for Sol Plaatje was at 60.0% which is very similar when compared to the 59.2% in 2005. The unemployment rate is an efficient indicator that measures the success rate of the labour force relative to employment. In 2005, the unemployment rate for Sol Plaatje 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.

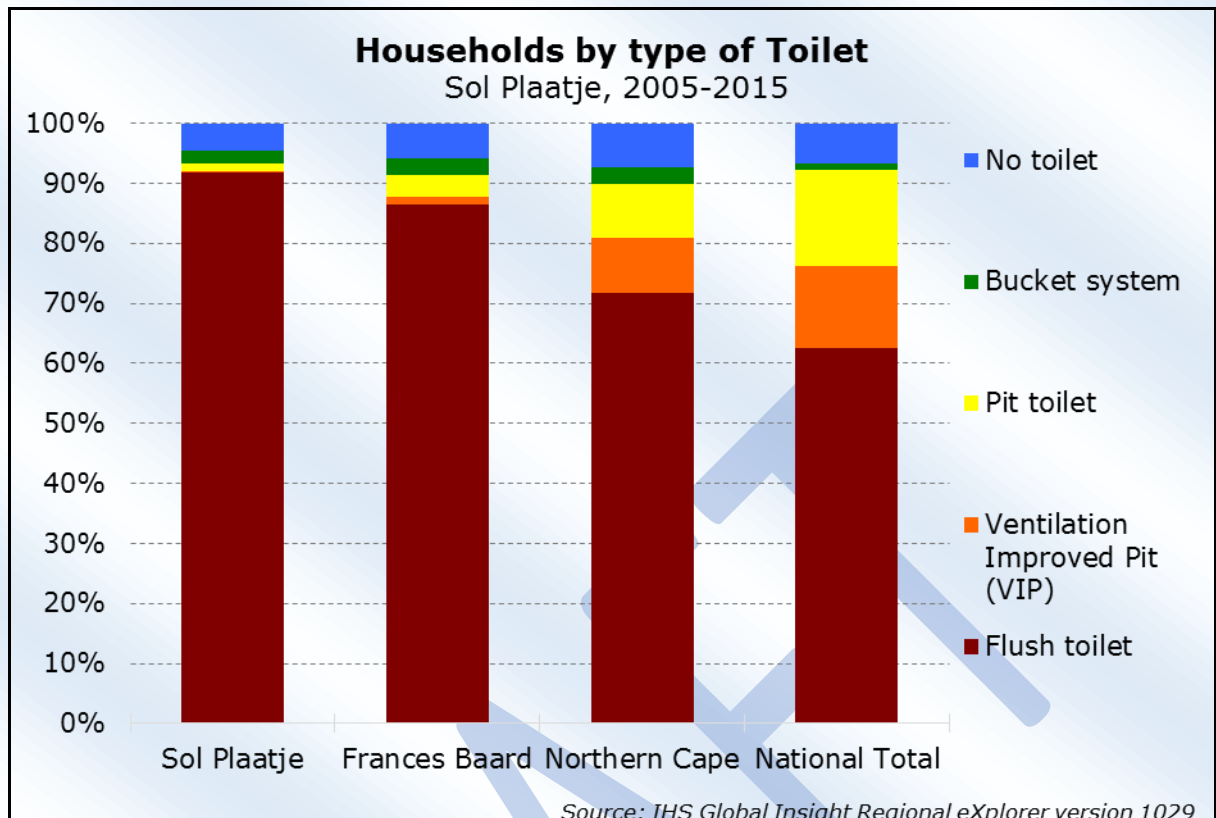
During the 2011 Census 10379 households lived in informal settlements. This number increased to 9829 by end of 2016, according to the Community Survey performed by STATS SA. Refer to chart 9 below for further detail.

Chart 9: Types of dwellings



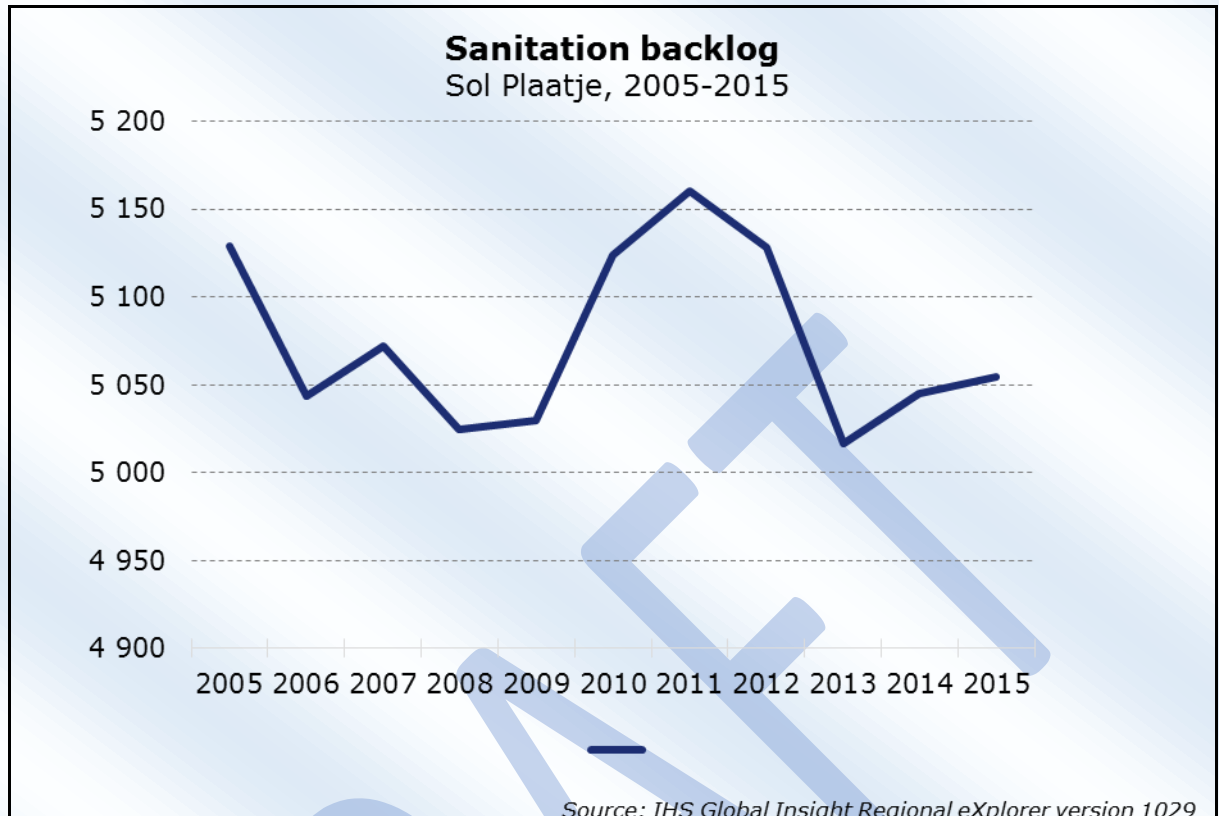
Source Stats SA & Quantec

Chart 10: Households by type of toilet



Sol Plaatje Local Municipality had a total number of 58 900 flush toilets (91.89% of total households), 144 Ventilation Improved Pit (VIP) (0.22% of total households) and 751 (1.17%) of total household's pit toilets.

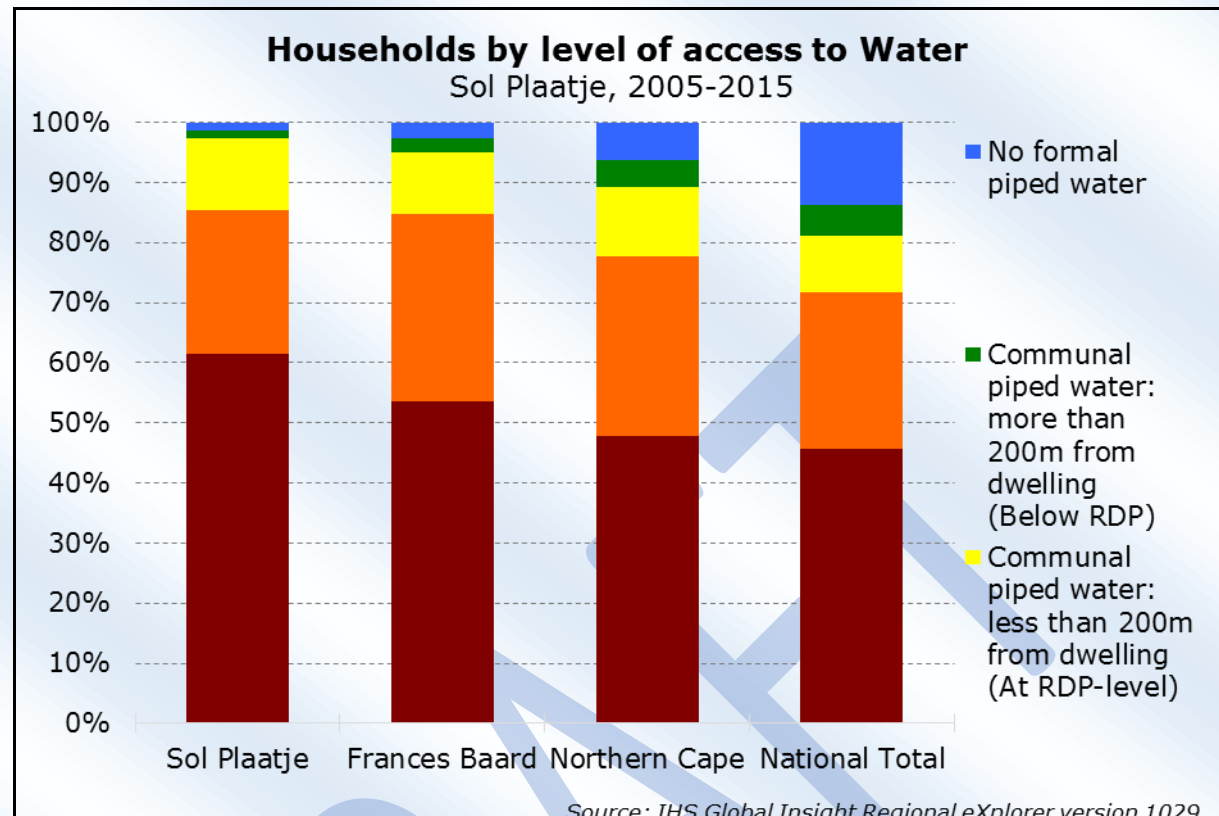
Chart 11: Sanitation backlog



When looking at the sanitation backlog (number of households without hygienic toilets) over time, it can be seen that in 2005 the number of Households without any hygienic toilets in Sol Plaatje Local Municipality was 5 130, this decreased annually at a rate of -0.15% to 5 050 in 2015.

Mr Motale to update

Chart 12: Households by level of access to water



Sol Plaatje Local Municipality had a total number of 39 400 (or 61.44%) households with piped water inside the dwelling, a total of 15 400 (24.05%) households had piped water inside the yard and a total number of 874 (1.36%) households had no formal piped water.

When looking at the water backlog (number of households below RDP-level) over time, it can be seen that in 2005 the number of households below the RDP-level were 924 within Sol Plaatje Local Municipality, this increased annually at 6.50% per annum to 1 730 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 lower than the annual increase of 1.86% in the number of households in South Africa.

Chart 13: Households by level of access to water

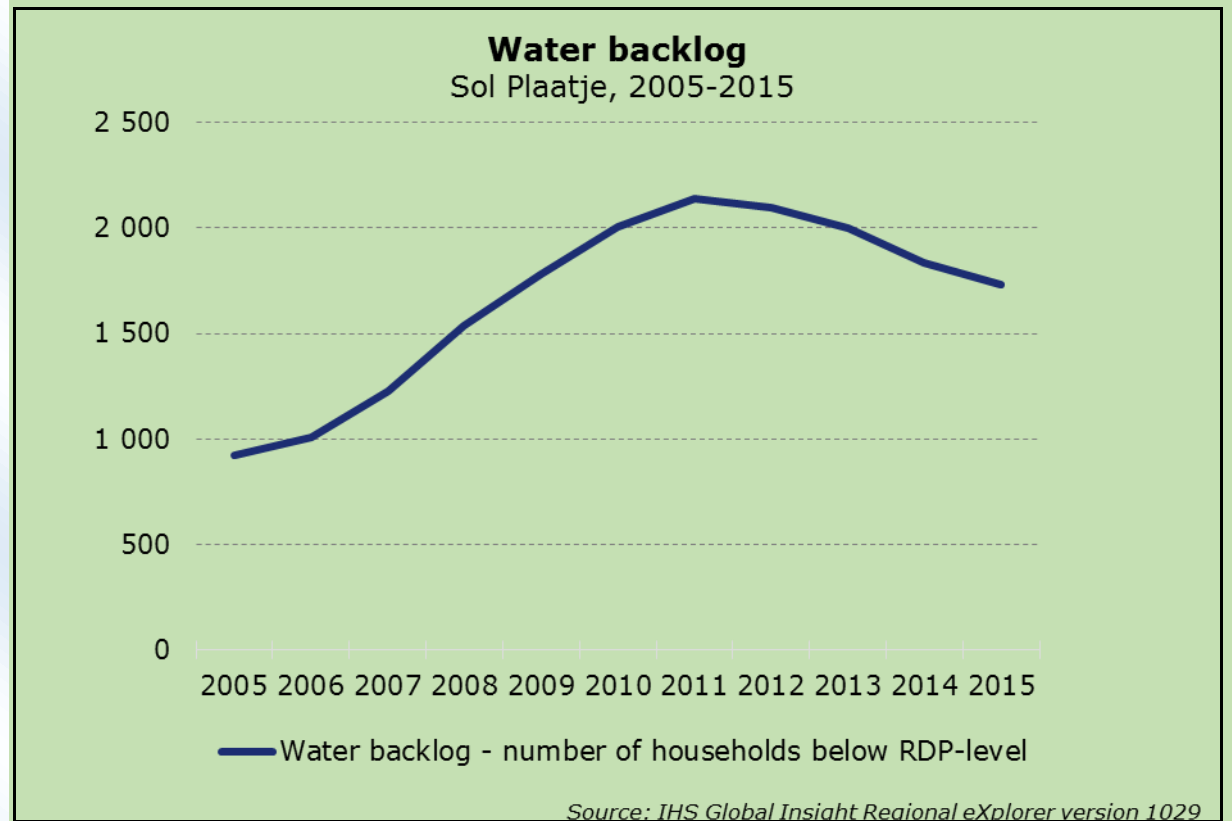
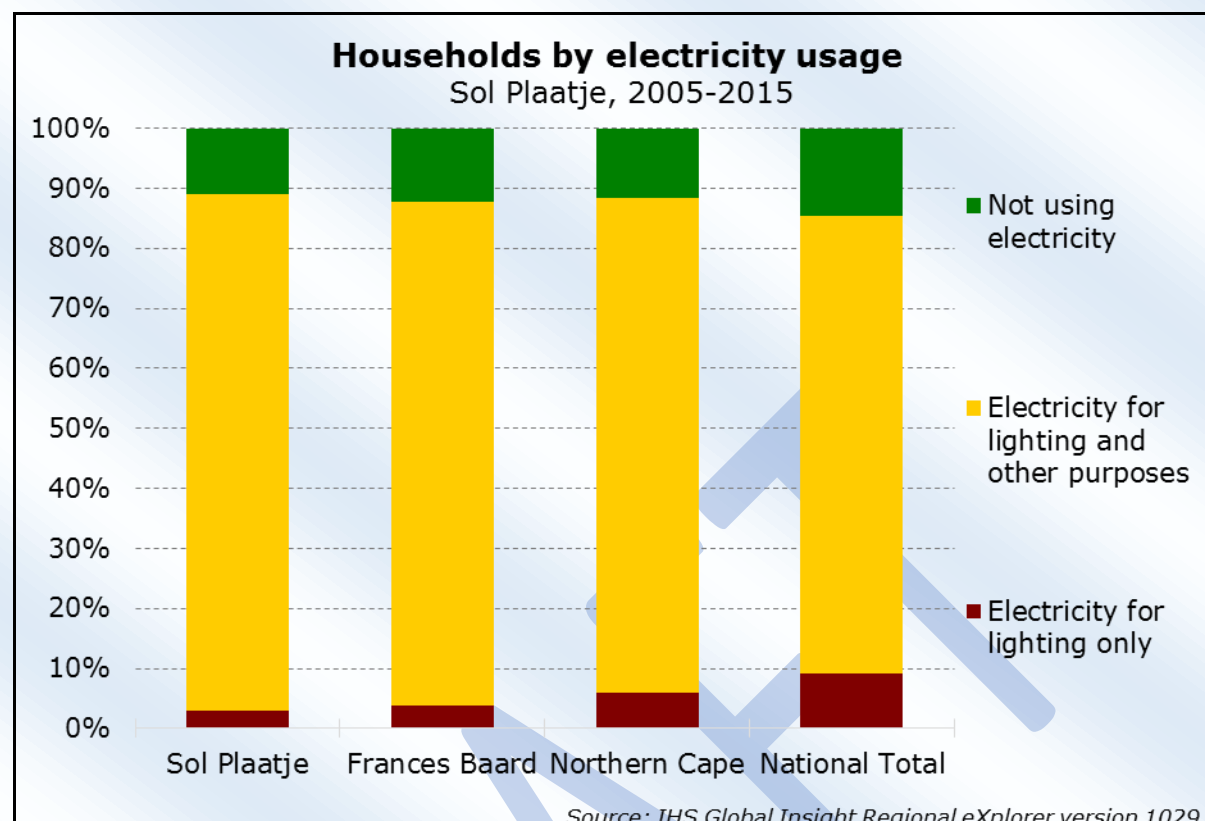
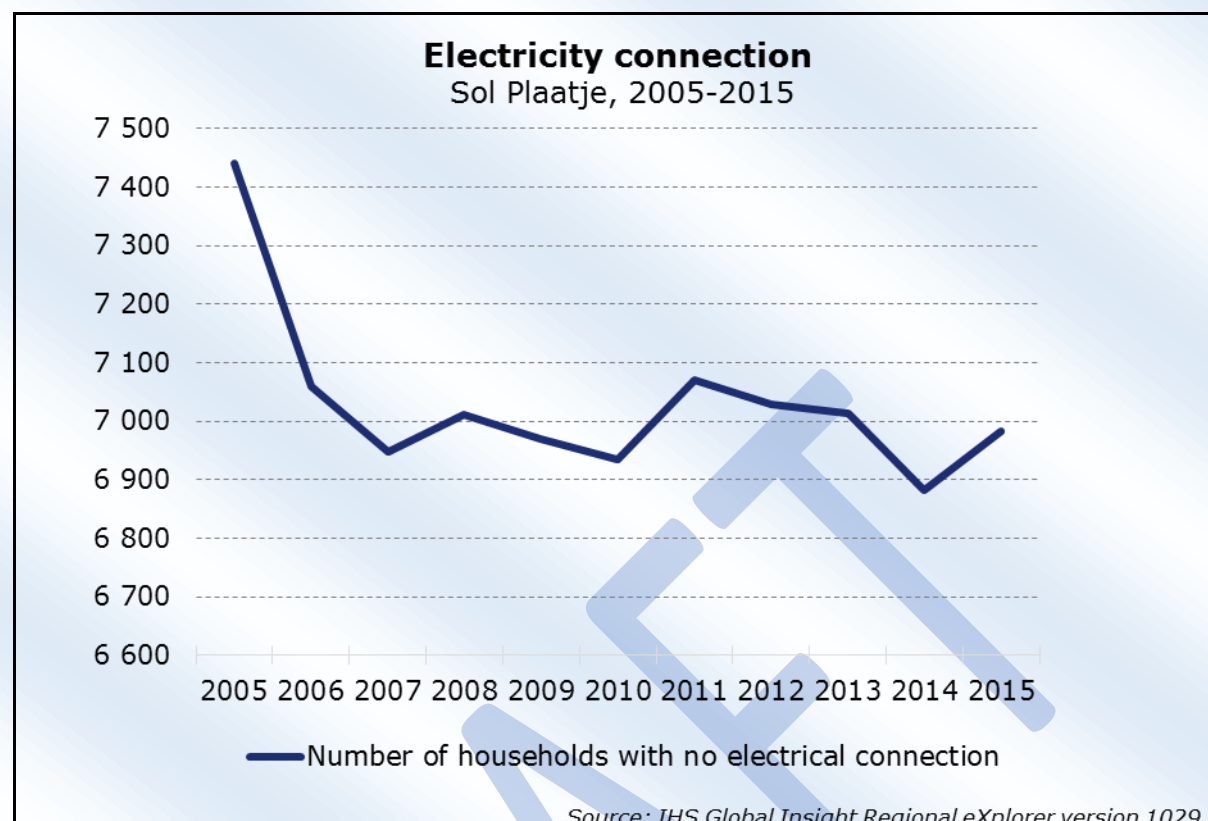


Chart 14: Households by electricity usage



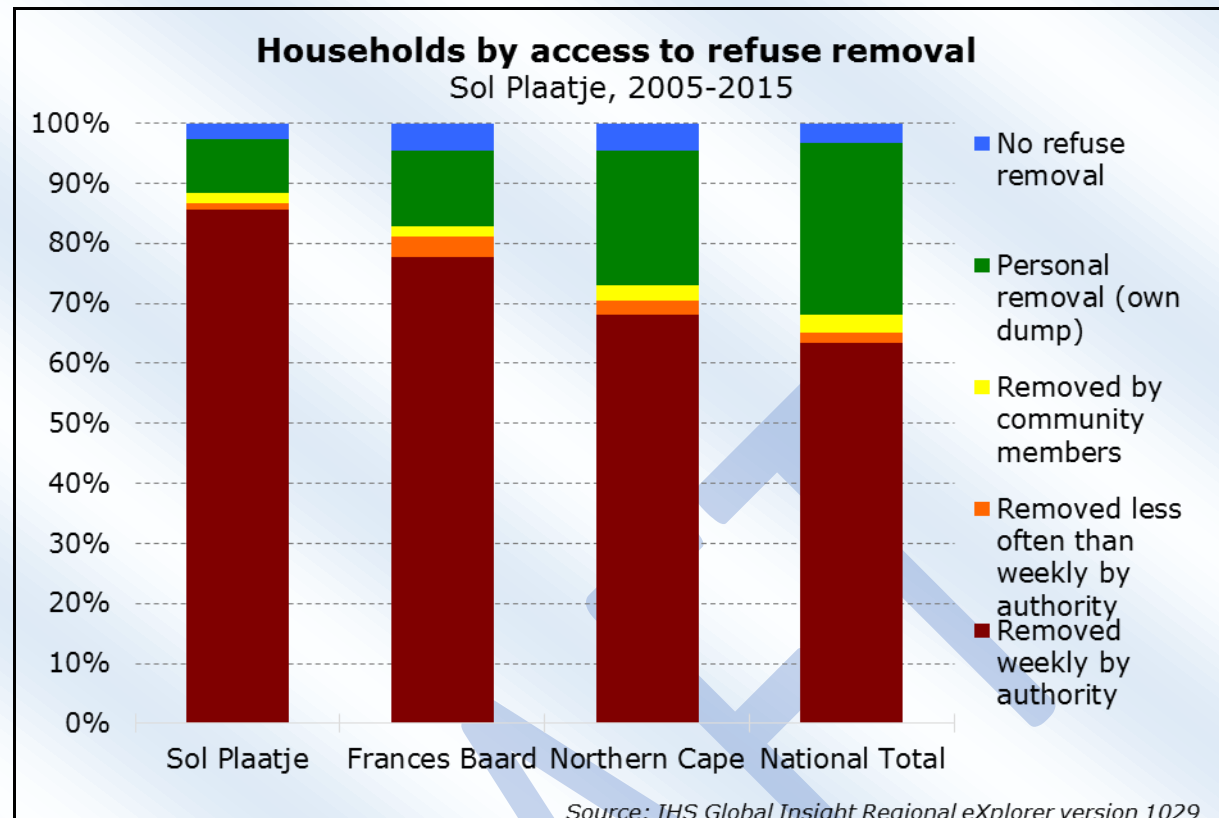
Households are distributed into 3 electricity usage categories: Households using electricity for cooking, Households using electricity for heating, households using electricity for lighting. Household using solar power are included as part of households with an electrical connection. This time series categorises households in a region according to their access to electricity (electrical connection). Sol Plaatje Local Municipality had a total number of 1 920 (3.00%) households with electricity for lighting only, a total of 55 200 (86.11%) households had electricity for lighting and other purposes and a total number of 6 980 (10.89%) households did not use electricity.

Chart 15: Electricity Connections



The region within Frances Baard with the highest number of households with electricity for lighting and other purposes is Sol Plaatje local municipality with 55 200 or a share of 66.36% of the households with electricity for lighting and other purposes within Frances Baard District Municipality. The region with the lowest number of households with electricity for lighting and other purposes is Magareng local municipality with a total of 5 100 or a share of 6.13% of the total households with electricity for lighting and other purposes within Frances Baard District Municipality. When looking at the number of households with no electrical connection over time, it can be seen that in 2005 the households without an electrical connection in Sol Plaatje Local Municipality was 7 440, this decreased annually at -0.64% per annum to 6 980 in 2015.

Chart 16: Households by access to refuse removal



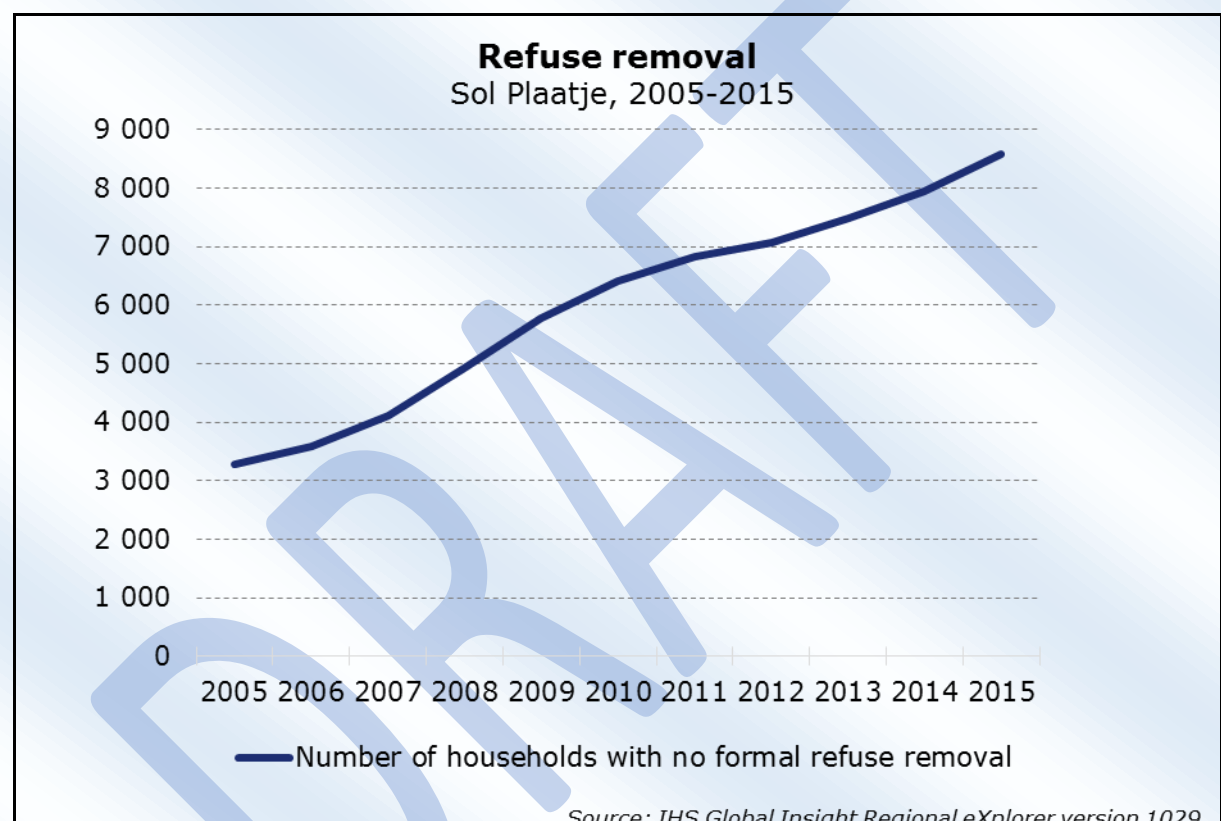
A distinction is made between formal and informal refuse removal. When refuse is removed by the local authorities, it is referred to as formal refuse removal. Informal refuse removal is where either the household or the community disposes of the waste, or where there is no refuse removal at all. A further 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 17: Households by access to 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.

Chart 18: GVA – Broad sector composition, 2015

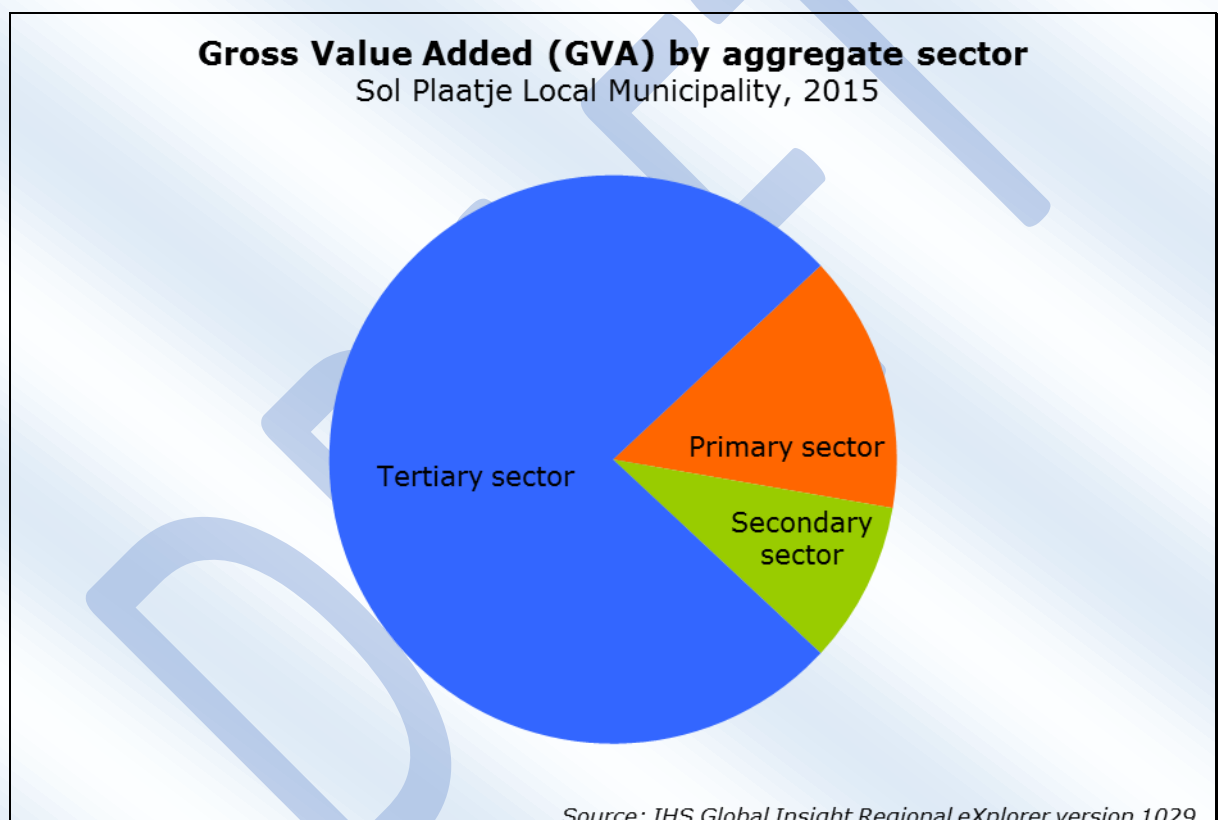
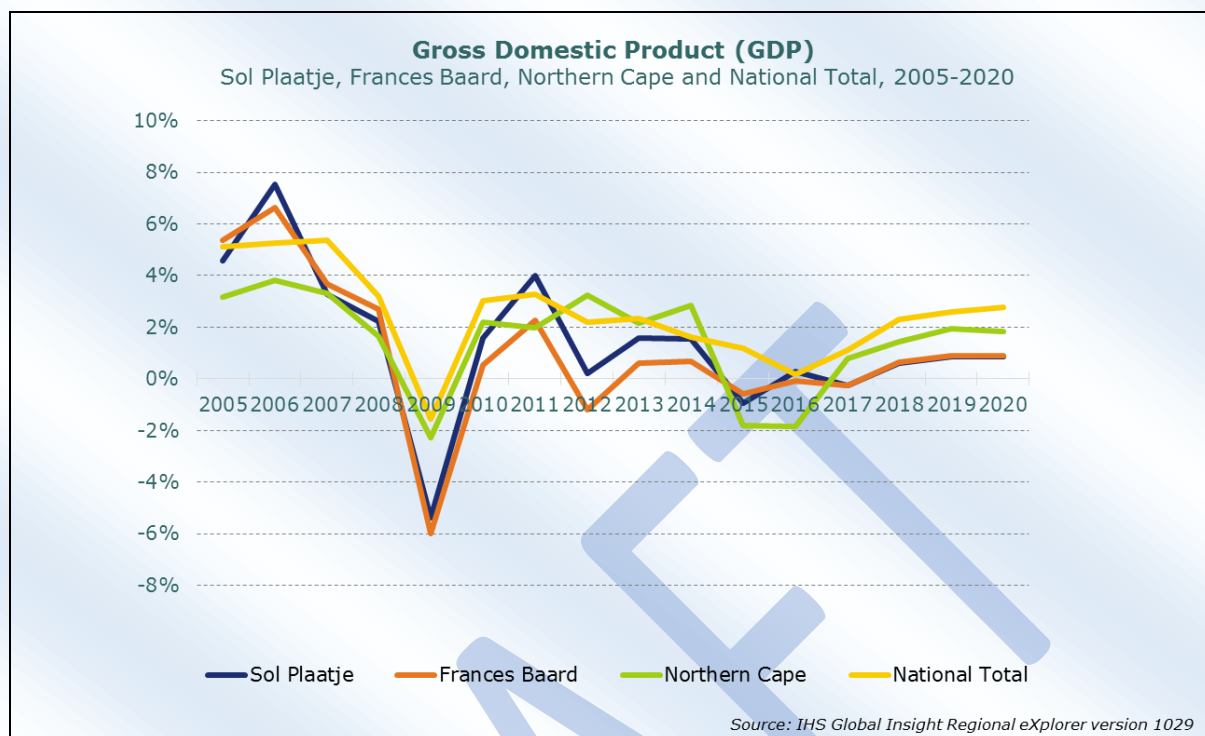


Chart 19: Gross Domestic Product (GDP) Forecast, 2005 - 2015



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

The “new dawn” as promised by President, Mr Cyril Ramaphosa faces dark clouds only after being just one year under his leadership. The expected growth of 0.7% for 2018 did not materialised due the technical recession following two consecutive quarters of negative growth. Unemployment is still at record levels and the debt of mismanaged state companies such as ESKOM is weighing on finances.

On a positive side, Foreign Direct Investments (FDI) into South Africa grew by 446% after sharp declines in FDI since 2014 and aims to attract about R1.4 trillion investment to South Africa by 2023. Despite the increase in FDI the World Bank expects that the South African economy will only grow by 1.3% in 2019.¹

The tabling of the 22nd Medium Term Budget Policy Statement by the New Finance Minister, Mr Tito Mboweni in October 2018 was given against the realisation of the staggering impact State Capture had on SA's economy, strained fiscal numbers and ongoing concerns regarding the risks of further credit rating downgrades.²

SA's economy is shrinking with the unemployment rate at a 14-year high of 27.7%. National Treasury forecasts the GDP growth will slow to 0.7% in 2018, down from 1.3% in 2017, before rising to 1.7% in 2019 and 2.1% in 2020. The global economy is expected to continue growing at 3.7% in 2018 and 2019, although global risks are becoming more pronounced. For the first time since the 2008 global financial crisis, tax revenue growth did not exceed GDP growth.

Reducing of corporate tax would stimulate the South African economy, as it should entice businesses to invest in new products, new projects and new ventures. The longer term benefits would be significant if SA wants to attract more investment. SA is currently ranked number 82 out of 190 countries on the 2019 World Bank's ease of doing business index. According to Ian Matthews, head of business development at Bravura "Investment is necessary to promote economic progress and stability, while stability is an important condition for investment."

The government debt is expected to increase to 55.8% of GDP in 2018/19 and to stabilise at 59.6% of GDP in 2023/24 showing that SA's fiscal position is substantially weaker than in 2008 when the gross debt-to-GDP ratio was just above 26%.

State-owned enterprises like Eskom and SAA have been an enormous drain on government resources. The financial recovery of SOE's is the key to getting economic growth and investor

¹ Provided by Business Insider, SA

² Provided by Bravura Independent Investment Banking Firm

confidence back on track. The quality of public expenditure is often poor and governance problems are often severe, particularly in provincial and local government and SOE's, which imposes risks to public finances.

The 2019 Budget speech delivered on 20 February 2019 by Mr Tito Mboweni took place against a stark and sobering set of factors according to comments made by Bravura, an independent investment banking firm specialising in corporate finance. Public sector debt has more than doubled over the past ten years. Eskom is in crises and needs public funds and significant restructuring to survive. An election is around the corner and public spending demands are rising. Corruption and state capture led to very weak economic growth.

South Africa's best credit rating comes from Moody's and their reaction after the delivering of the budget speech was that the minister highlighted the country's "limited fiscal flexibility".³ The words of the Senior Credit Manager of Moody's *"This budget highlights the government's limited fiscal flexibility amid a challenging economic environment. The budget shows a further erosion in fiscal strength after the October medium-term budget policy statement already pointed to wider deficits for longer."*

The exchange rate of the rand before the budget speech was R14.12 to the dollar, during the budget speech it plummeted by 2.27% to R14.36 when mentioning the tax revenue shortfalls and after the speech the rand shored on to R14.07 to the dollar.

Outlook⁴

The economic and revenue outlook has deteriorated since the October 2018 Medium Term Budget Policy Statement (MTBPS). Funding pressures from state-owned companies have increased and require government financial support. Given these developments, the 2019 Budget proposes large-scale expenditure reprioritisation and tax measures that narrow the deficit from 4.5 per cent of GDP in 2019/20 to 4 per cent by 2021/22.

The 2018 MTBPS noted that weak economic performance and revenue shortfalls had contributed to some slippage in fiscal projections. Since then, economic growth has remained subdued and the domestic GDP outlook has been revised down. In the current year, tax

³ The South African

⁴ National Treasury

revenue will be R15.4 billion below the 2018 MTBPS estimate. Funding pressures from Eskom and other financially distressed state-owned companies have increased, with several requesting state support to continue operating. In this context, the 2019 Budget proposes a series of tax and expenditure measures aimed at narrowing the deficit and stabilising the debt-to-GDP ratio. Additions to spending amount to R75.3 billion over the medium term, consisting mainly of transfers to support the reconfiguration of Eskom. These additions are partially offset by reductions to expenditure baselines and proposed savings from compensation adjustments totalling R50.3 billion. Tax measures raise an additional R15 billion in 2019/20 and R10 billion in 2020/21.

In combination, these measures are expected to narrow the consolidated budget deficit from a projected 4.5 per cent of GDP in 2019/20 to 4 per cent of GDP in 2021/22. Gross national debt is projected to stabilize at 60.2 per cent of GDP in 2023/24. Net loan debt (gross loan debt excluding government's cash balances) stabilises at 57.3 per cent of GDP in 2024/25.

The GDP growth rate is forecasted at 1.5 per cent in 2019, 1.7 per cent in 2020 and 2.1 per cent in 2021. The revisions take into account weaker investment outcomes in 2018, a more fragile recovery in household income and slower export demand than expected due to moderating global growth. Consumer inflation has also been revised down due to lower oil prices and food inflation than previously assumed.

The Consumer Price Index (CPI) is expected to average 4.7% and 5.2% in 2018 and 2019.

The main risks to the economic outlook are continued policy uncertainty and deterioration in the finances of state-owned entities. These factors, alongside continued high unemployment and slow growth will continue to exert pressure on municipal revenue generation and collection levels hence a conservative approach is advised for municipal revenue projections. Municipalities affected by the drought should also consider its impact on revenue generation. In this context, municipalities will have to improve their efforts to limit non-priority spending and to implement stringent cost-containment measures.

Moody's has South Africa's rating at **Baa3**, one notch above sub-investment grade, if SA is downgraded by Moody on 29 March 2019, it will be a severe warning to foreign powers that they must not invest in South Africa.

2.2 CONTEXTUALISING THE ISSUES RELATING TO DEMOGRAPHIC AND SOCIO-ECONOMIC INFORMATION

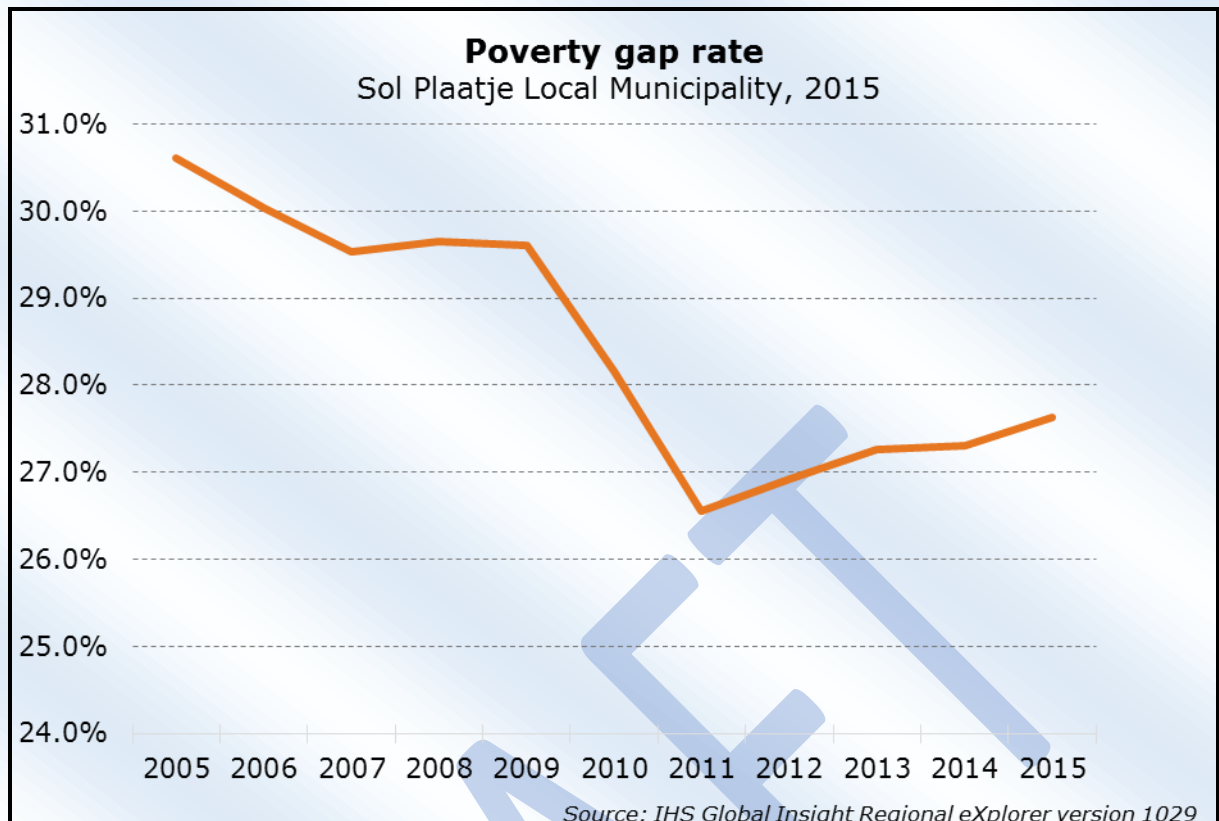
The issues identified above need to be considered when reviewing the IDP and preparing the budget for the 2019/20 MTREF. The SPLM's population growth is 2, 95% (between 2011 and 2016). A large proportion of this growth is in the lower income and indigent component of the population. The unemployment 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. The economy grew by 2% in the 3rd quarter of 2017 (refer above). 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 20: 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.

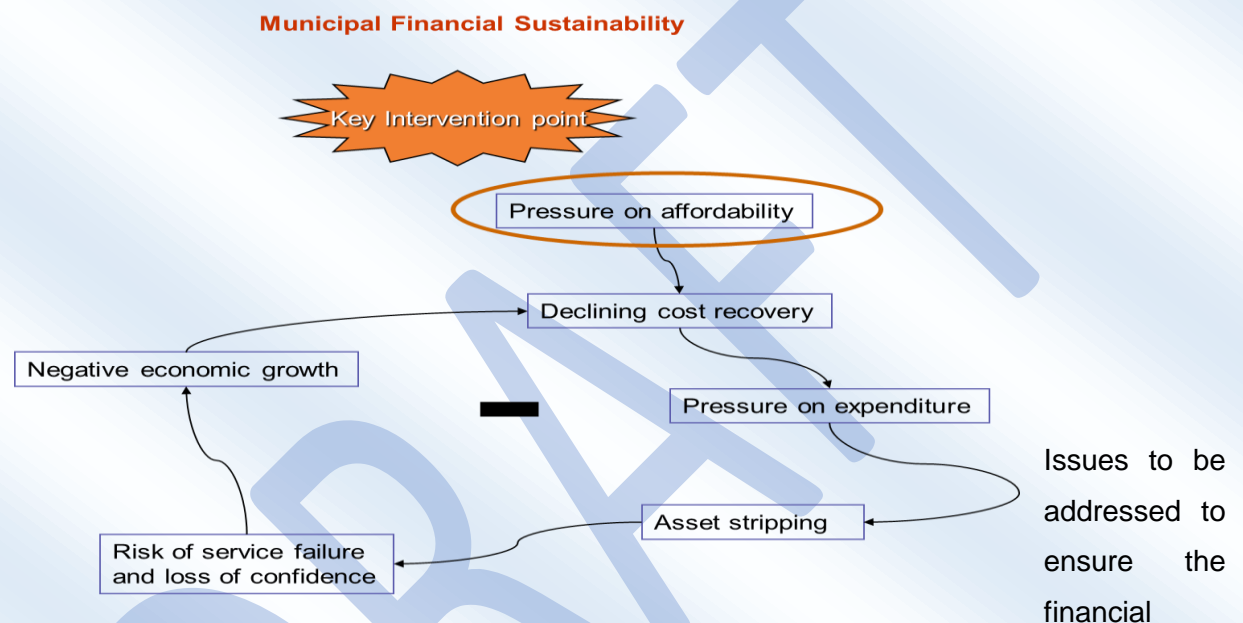
In order to deal with this gap a two pronged approach is necessary, namely:

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 1: Municipal Financial Sustainability



- 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

LED Definition and Mandate

LED Definition:

“Local economic development LED is an outcome: It is a continuous development process based on local initiatives and driven by local stakeholders. It involves identifying and using local resources and skills to stimulate economic growth and development.” Source: Northern Cape Local Economic Development Manual (NCLEDM)

LED Enablers:

LED is about communities continually improving their investment climate and business enabling environment to enhance their competitiveness, retain jobs and improve incomes. Local communities respond to their LED needs in many ways, and a variety of approaches can be taken that include:

- Ensuring that the local investment climate is functional for local businesses;
- Supporting small and medium sized enterprises;
- Encouraging the formation of new enterprises;
- Attracting external investment (nationally and internationally);
- Investing in physical (hard) infrastructure;
- Investing in soft infrastructure (educational and workforce development, institutional support systems and regulatory issues);
- Supporting the growth of particular clusters of businesses;
- Targeting particular parts of the city/town/region for regeneration or growth (areas based initiatives);
- Supporting informal and newly emerging businesses;
- Targeting certain disadvantaged groups.

The National LED policy framework therefore focuses on the following LED Policy Pillars/Thrusts:

- Building a Diverse Economic Base
- Developing Learning and Skillful Local Economies
- Developing Inclusive Economies
- Enterprise development and Support
- Economic governance and infrastructure.

Sol Plaatje LED Vision, Mission and Objectives

Vision:

Sol Plaatje Local Municipality strives to be a vibrant and diversified economy by creating an enabling environment for industrialisation and investment.

Mission:

Ensuring Sol Plaatje Municipality achieves economic diversification, growth and transformation through investment retention and attraction through sound economic policy governance and a conducive business environment stimulating the following:

- The knowledge economy,
- Services and retail sector
- Medical centre of excellence
- Agriculture and agro - processing,
- Transport and logistics,
- Sports, tourism and recreation
- Mineral beneficiation and
- Rural and township development

Objectives

The objectives of Sol Plaatje Municipality Local Economic Development are to:

- Create a conducive business environment,
- Reduce unemployment,
- Reduce inequality,
- Alleviate poverty,
- Ensure spatial transformation,
- Ensure inclusive growth and
- Ensure sound governance.

The above mentioned are summarised as the Sol Plaatje Local Municipality Local Economic Development (LED) strategic vision, mission and objectives. These can be attained through collaborative efforts and integration with government departments and private stakeholders built on solid Local Economic Development synergies.

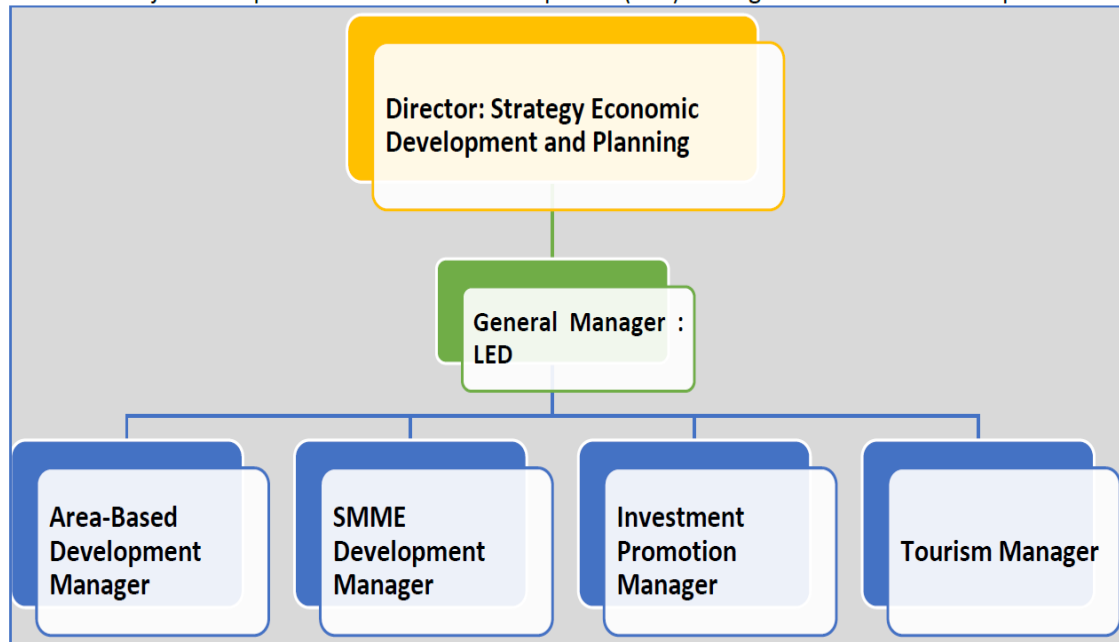
Structure and System

The LED unit is responsible for Local Economic Development, Investment attraction, poverty alleviation, SMME development and tourism promotion. Currently there is a LED General Manager, who reports directly to the Director: Strategy Economy Development and Planning, undertaking Planning and Development for the municipality. The LED unit has 5 managers and a general staff complement.

Organogram

Figure 2: Municipal Financial Sustainability

The Sol Plaatje Municipal Local Economic Development (LED) management unit staffs complement is:

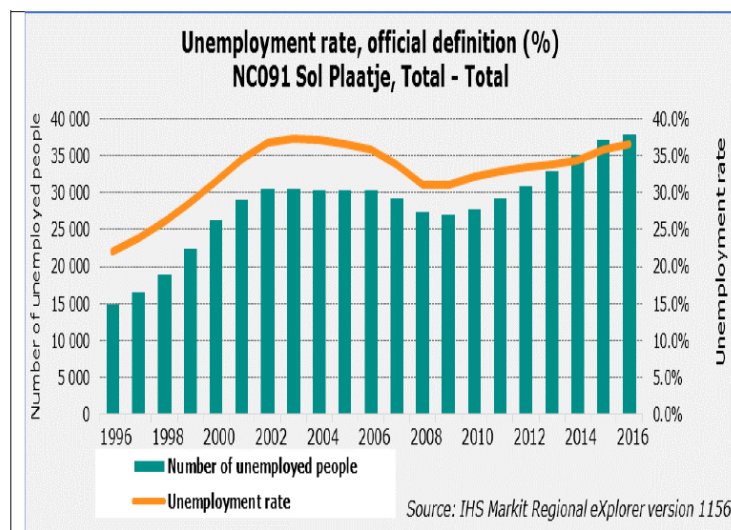


LED Forum

The LED forum is a shared platform of government, business representation and community representatives from the local municipality.

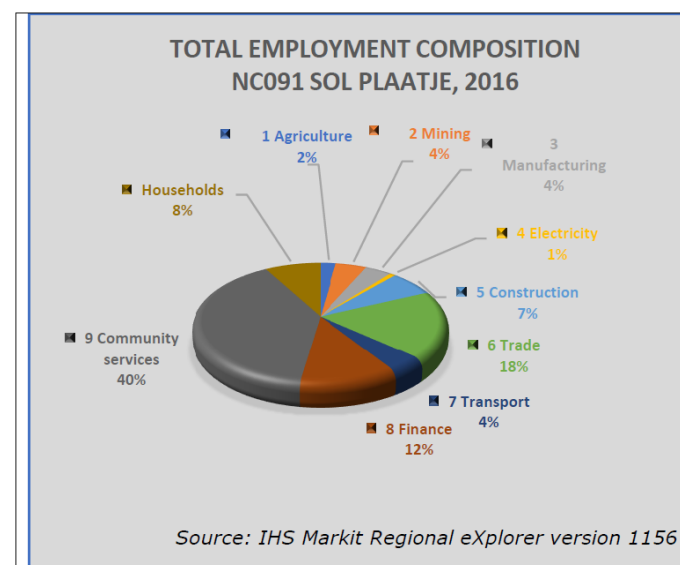
It is important that all stakeholders forming part of the LED forum be actively involved because the LED Forum, creates an environment of inclusivity and charts a way for development in the Sol Plaatje Local Municipality. The local forum should feed into the District Municipality LED forum.

Chart 21: The unemployment rate



The unemployment rate in Sol Plaatje Municipality has been gradually increasing from 2008 where it was 31.09% to 36.56 % in 2016. The population increase in the area has contributed to the increase in unemployment where more people are moving to the area to seek work opportunities. The decrease in economic activities such as mining has also contributed to the increase in unemployment for Sol Plaatje Municipality.

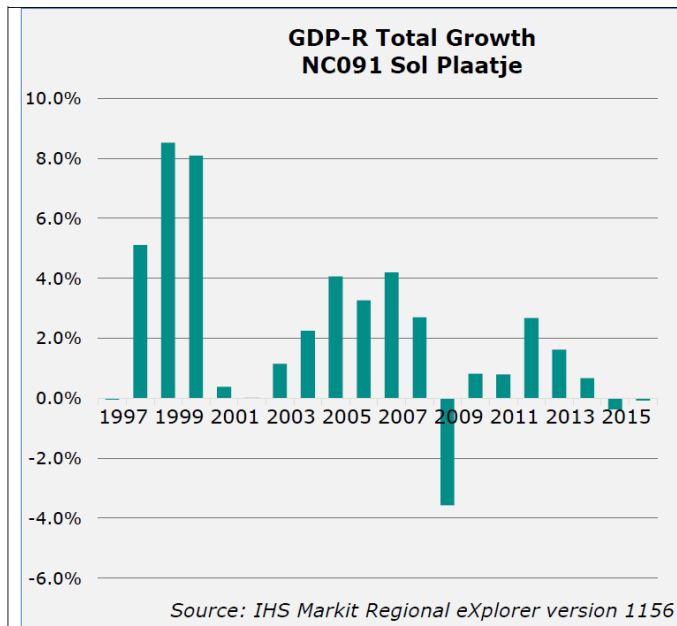
Chart 22: Total employment position



The employment composition of the Sol Plaatje Municipal area is mainly dependent on community services which is 40 % followed by services sector namely household 8%, Finance 12%, Transport 4% and Trade 18%. The area is skewed to the tertiary sector and a minimal contribution is received from the primary and secondary sectors. Sol Plaatje local municipality will need to attract investment and diversify the economy in the secondary sector to increase employment and lower dependence on community services.

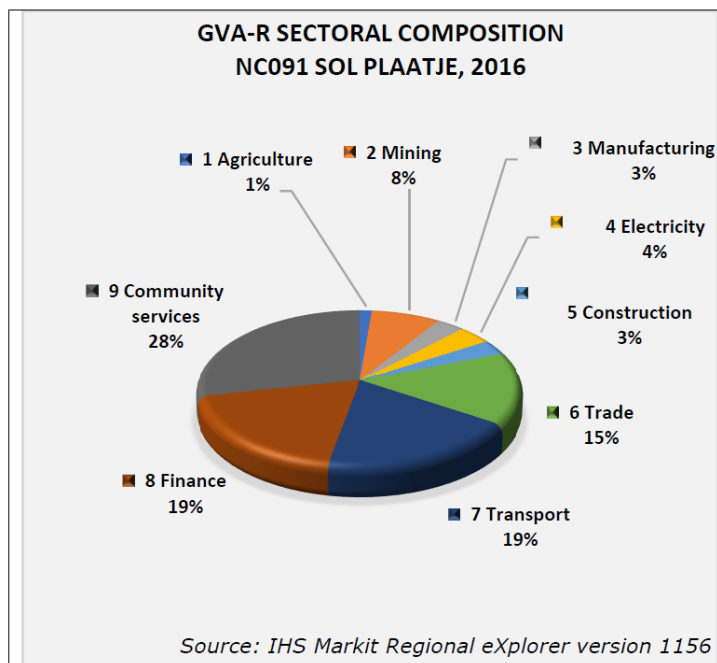
Chart 23: Industry and sectors

Industry and Sectors



Economic growth of Sol Plaatje in 2006 was 3.2% and it increased to 4.1% in 2007. The economy decreased in 2008 and saw a sharp decline in 2009 to -3.5 due to the global recession. Sol Plaatje municipality is mainly dependent on government services and services sector therefore economic growth has been slowly increasing from 2010 – 2012. Economic growth has further decreased from 2013 where it was 1.6% and in 2014 and 2015, 0.6% and 0.3% respectively. This is due to a decline in domestic growth which severely affects the buying power of consumers in Sol Plaatje which is predominantly services sector.

Chart 24: Sectoral composition



The GVA for Sol Plaatje municipality is mainly in the tertiary sector where community services is 28%, Finance 19%, Transport 19% and Trade 15%. The primary sector contributes to 1% in Agriculture and Mining 8% and secondary sector is Manufacturing 3%. The municipality is predominantly government services sector driven and to achieve economic growth the municipality needs to diversify and transform the economy through inclusive growth. The establishment of agro - processing in the area is steadily growing, especially in the meat processing sector.

Sectors

Agriculture and Agro processing

Agriculture in the Sol Plaatje area is mainly Livestock farming in areas such as Ritchie and the surrounding farms around Kimberley. Livestock farming includes cattle, goat and sheep farming. Scattered smaller pockets of irrigated land is present within the south of the Sol Plaatje Local Municipal area, surrounding Ritchie is cash crops, lucerne and soybeans. Some game farming is also available in the Sol Plaatje Municipal area on the outer skirts of the city and in Ritchie.

Agro - processing in the area includes meat processing, packaging and distribution. The cluster of meat processors in the Kimdustria area signifies a protein cluster developing in the heart of Sol Plaatje positioning Kimberley as the home to global meat distributors. In order to ensure sustainability in the Agricultural Sector both government and the private sector needs to take hands to support and promote Agro - processing in the municipal area and ensure integration with surrounding towns and provinces.

Mining

Diamond mining is an old age industry for the Sol Plaatje area. Kimberley was developed during the mining rush dating back to 18th century when the first diamond was found. The Kimberley Big is the largest open mine in the world attracting tourists to the city. Mining in the area still continues with mines such as Petra Diamond and Kimberley Ekapa Mining JV still excavating for diamonds through a large high-volume open cast mine. Small Scale mining continues to take place in the Sol Plaatje area and regulation of such needs to be fast tracked to ensure control in the area especially in old mine dumps.

Diamond beneficiation has long been a government agenda where institutions such as KIDA and KIDJI are pursuing these initiatives through diamond training and jewellery incubation.

EU – LA Mining programme: Mining companies are mandated by law to contribute to the Integrated Development Plan of the municipalities in which they operate. However, mining towns (including SPLM) are faced with declining economies and various socio-economic ills whilst mining companies continue to make profits. This is an indication that the engagement nexus between mining companies and the LA (Local Administration) is not effective enough to promote socio economic upliftment. It is against this backdrop that the VNG International and CLCB had been awarded grant funding from the European Union to support the capacity of five

selected mining towns within South Africa – SPLM was fortunate enough to be selected as one of these towns.

The programme aims to strengthen the engagement nexus between LA's and mining companies through:

- Capacity Development Programme
- Civic Education
- Annual Policy Review
- Policy Alignment
- Study visit and mining town regeneration
- Knowledge sharing

Manufacturing

Manufacturing in the Sol Plaatje area is diverse though it contributes insignificantly to the GDP and employment opportunities. KEW foundry situated in Kimberley is one of the oldest foundries in Kimberley specialising in casting in all grades of grey and SG Iron and exporting to clients across the world. Manufacturing plants such as KEW are important to the industry and much support is needed to ensure their sustainability in the area. Other manufacturing in the area also includes but not limited to:

- Mine Pump manufacturing,
- Renewable energy component manufacturing,
- Product manufacturing and
- Clothing manufacturing, etc.

Services sector

Trade and services sector is the most prevalent sector in the Sol Plaatje Municipal area. Shopping centres, traders, finance and transport etc. dominate the services sector indicating a very services dependent economy.

Knowledge economy

Sol Plaatje University precinct - The development of the new university has been identified and prioritised within the Strategic Integrated Projects (SIP 14) by the Presidential Infrastructure Coordinating Committee (PICC). The university is located in the heart of Kimberley and is an infrastructure catalyst project which will benefit the municipality. Construction of the university building and surrounding precincts opens opportunity growth

and support industries. The Knowledge economy brings about research and development to the city for future development prospects. Research and Development linked to the 4th industrial revolution is a key enabler and creates prospects of technological advancements. The university focuses on areas such as Education, Science, Data Science, ICT applications, Commerce, Heritage and Arts.

Community services

Government services and community services are the main economic drivers of Sol Plaatje. The head offices of the Northern Cape provincial government are all located in Kimberley. Government is the largest employer in Sol Plaatje Municipal area comprising of 40% of the employment composition. Dependence on government for employment is popularity increasing where most people view it as a secure job. Community services also include the SASSA grant payments, pension payments and government contracts. The municipality in turn has a backlog of housing provision in the area and many people are registered as indigents and qualify for free basic services. Frances Baard District Municipality also plays a role in assisting local municipalities with basic services shortfall.

Transport

The transport sector plays an important role in creating a linkage to the major cities in the country and neighbouring countries. The transport networks in Sol Plaatje are as follows:

▪ Road Network

The Sol Plaatje Transport network has two national roads which run through Sol Plaatje Municipality area, namely the N12 from Johannesburg to Cape Town and the N8 from Groblershoop to Bloemfontein. Sol Plaatje Municipality is also well connected to good quality provincial roads such as the R64 to Boshoff and the R31 to Barkly West as well as the R357 to Douglas. Road is the most common mode transport for passengers through private vehicles, taxi's and buses. Maintenance and road upgrades need to be ensured in the area.

▪ Railway

There is well-developed rail infrastructure in the Sol Plaatje Municipality. The Sol Plaatje Municipality has no local commuter railway services in the area though national passenger rail travel is available offered by PRASA. The railway line travels from Gauteng to Cape Town via Kimberley with interchange in De Aar from where it connects to all the other major centres in SA.

▪ Freight Transport

The majority of freight is transported by road. Rail is responsible for bulk loads (mainly raw materials) and high-quality goods are transported by air. Transporting freight by trucks has a big impact on the Sol Plaatje Municipality road system.

▪ Air Transport

- Air Transport is available for passenger and goods transport in the Sol Plaatje area with the Kimberley Airport, governed by Airports Company South Africa, as the port of entry and exist.

LED Pillar Application Opportunities

Pillar	Description	Thrust	Activity/Programme	Opportunity
Building Diverse Economic Base	Sectorial Development, Regional economic development, Regional industrial development, Industrial cluster development.	Agriculture	Agri Parks,	▪ Promotion of Kimberley Farmer Support Production Unit as per Agri Park programme.
			Agriculture and Agro processing,	▪ Promote Kimberley as the national Protein Cluster ▪ Agri Packaging facilities. ▪ Small Scale Farming
		Mining	Small scale Mining	▪ Regulation of Small scale miners. ▪ SLP regulation.
		Transport	Transport and Transport logistics	▪ Logistical holding hub with access to major routes to Johannesburg, Cape Town, Upington and Namibia ▪ Distribution Hub
		Knowledge Economy	Research and Development. Technology	▪ Broadband Connectivity, ▪ ICT technology training, ▪ Alignment to the 4 th industrial revolution.
		Tourism	Tourism promotion and attraction.	▪ Mining Tourism, ▪ Game hunting, ▪ Adventure Tourism, ▪ Expansion of Hospitality Industry
		Medical services	Medical R&D	▪ Hospital of excellence
Developing learning and skilful economy	Developing an entrepreneurial culture, Developing leadership	SMME Development	Entrepreneurial Development and Training.	▪ SMME workshops training and incubation, ▪ LED capacity building.

	and management skills			<ul style="list-style-type: none"> ▪ Youth, women and people with disability training and empowerment. ▪ Diamond Training and incubation
Developing Inclusive economies	Township economic development, EPWP Informal economy support	Informal economy	Community services and Rural Development, Township revitalisation programs.	<ul style="list-style-type: none"> ▪ Sol Plaatje Township revitalisation ▪ EPWP programs, ▪ Develop informal economy strategy. ▪ Inclusive economies linking rural and urban centres.
		Township economy	Township revitalisation	<ul style="list-style-type: none"> ▪ Construction ▪ Socio Economic Development.
Enterprise Development and Support	SMMEs and Cooperatives, BBBEE Youth and women enterprise support	Retail and Trade.	Retail, trade and SMMEs.	<ul style="list-style-type: none"> ▪ SMME development and support, ▪ BBBEE promotion, ▪ Women and youth enterprise development support.
		Manufacturing	Support Manufacturing enterprises	<ul style="list-style-type: none"> ▪ High growth manufacturing enterprises.
		Renewable Energy	Construction and maintenance	<ul style="list-style-type: none"> ▪ Construction and Socio-Economic Development.
Economic Governance	Administrative economic capacity Access to development finance, Economic infrastructure, Developing local economies as district brands.	Government Services	Municipal governance, policy and legislation.	<ul style="list-style-type: none"> ▪ Improve municipal regulations and reduce red tape to promote a conducive environment for economic development. ▪ Develop Sol Plaatje economic infrastructure like incubators, tourism sites, CBD revitalisation.

Sol Plaatje City Development Nodes

- Central Business District (Inner City Node)
- Residential and Retail mix,
- Municipal and Provincial Departments
- Expansion of the Sol Plaatje University.
- Big Hole Precinct and the Mittah Sperepere Convention Centre.
- Kimdustria – Industrial firms, distriutors and abattoirs,
- Fabraccia – Retail and mix use developments,
- Ashburnham- Industrial area
- Moghul Park- Industrial area
- North Cape Mall and El Toro- Retail and residential,
- Beaconsfield- Residential and partially industrial area,
- Galeshewe /Greater No2 /Hulana Node- Mostly Residential densification,
- Roodepan - Mostly Residential,
- Ritchie – Communal Farms and Residential.

Township Development

Definition of Township Development

Township Development is a complex process of converting land into residential, commercial or industrial properties. This will enable access to entrepreneurial and employment opportunities. This process starts with a detailed planning process including people, resources, infrastructure, markets or market access in relation to the township and the opportunities that exist. The first step will be to establish and implement what will enable these investments in the townships.

Purpose of township development in the municipality

Township development is one of the thrusts that drive the economy. The municipalities should focus on breaking the burden of the inherited spatial development of the Apartheids era and work together with the stakeholders to stimulate the economy and bring services and entrepreneurial opportunities closer to the community. This will need to be enabled by services and infrastructure to provide access and advance local entrepreneurs.

Components of Township Development

As the municipality the goal to transition should start by developing local capital: Human, natural, financial, physical, and social.

The sustainable development to be realised in township require human capital and infrastructure investment and will enable economic development. Their components are as follows:

- Social
 - An example would be investing in education and finding investors who are willing to invest in township schools, so that residence can be capacitated.
 - In order to retain talent within the townships and address quality of life issues.
 - Culture and sport initiatives must also be in cooperated into initiatives.
- Financial capital: Secure investment
 - Need to give retail, health and banking services to the community.
 - Township opportunities and entrepreneurs to start up their own businesses or get employed.
 - Keep the money circulating within the townships by assisting and supporting local and existing businesses.
- Physical Infrastructure:

- Reduce transport costs and times for commuters and enhance intra-township mobility and accessibility,
- Intergrade communities spatially to break down segregation barriers and
- Increase access to facilities, goods and services in the township.

The economic activity in the townships is small and undiversified. Economy activity in many townships is generally limited to retail, trade, transportation and government services. Township residences have moved to other parts of the cities or use facilities outside the townships after the Apartheids era implying that the move to integrate has not met the quality of life standards of the residence. An example of this loss is the parents that can afford to take their children to schools outside the townships. Education, access to services, employment and entrepreneurial opportunities must be made through township development

The municipality should also focus on maximising on local spin offs from local development (e.g. mines and solar companies).

Partnership for Industrialisation

The key Local Economic Development (LED) focus for the Sol Plaatje municipality is about utilising the local resource base to create a comparative and competitive investment climate for retention and attraction, creating inclusiveness and partnerships for industrialisation and investment. The opportunities for action are:

- Agriculture and Agro – processing,
- Mining, Socio economic development through SLP funding,
- Tourism attraction and promotion,
- Manufacturing and beneficiation,
- SMME development and High growth SME development,
- Transport and transport logistics,
- Health services and health research,
- Knowledge economy and Information and Communication Technology(ICT).

Measures to support sectors and thrusts will improve the promotion of enterprise support measures i.e Incubators, shared infrastructure, enterprise advice and support access to national incentives schemes such as the Black Industrialist Scheme and the Agricultural Scheme from the DTI Shared Infrastructure.

The municipality has developed an Investment Incentive policy that aims to encourage investment in the municipal area and offers incentives for specific development areas. Primary and secondary sectors are focal points within the policy.

The municipality will also consider programmes such as the Shared Economic Infrastructure Facility of the Department of Small Business Development (DSBD) which intends to leverage public sector investment that will provide necessary infrastructure by creating an enabling environment for businesses to crowd in investment, mostly in townships, rural areas and the inner city and town centres where there is clear business activity taking place.

The SEIF is a 50:50 cost-sharing grant made available on a reimbursable basis, where the DSBD contributes 50% towards qualifying infrastructure projects upon the completion of agreed project milestones.

Identification of possible support and venues must be done in partnership with private partners.

Action Plan - LED

The action plan table tabulates all thrust opportunities identified, responsibilities and progress.

Thrust	Activity	Responsibility	Progress
Mining	SLP projects Small Scale Miners Regulation	<ul style="list-style-type: none"> - Sol Plaatje Municipality - DMR 	<ul style="list-style-type: none"> - SLP projects on-going - Small Scale Miners strategy was developed by FBDM.
Tourism	Tourism promotion	<ul style="list-style-type: none"> - Department of Economic Development and Tourism - Sol Plaatje Municipality - Frances Baard District Municipality - Northern Cape Tourism Authority. 	Tourism Initiatives on going.
Agriculture	<ul style="list-style-type: none"> ▪ Agri Parks -The Agri-Park programme and other rural development projects should partner with the private / commercial farming industry to co-develop future agro-processing facilities as identified in the Agri-Park Business 	<ul style="list-style-type: none"> - Department of Rural Development and Land Reform. - Sol Plaatje Local Municipality - Other government departments. - Private sector 	Status quo can be obtained from Department of Rural Development and Land Reform as implementing agent.

	Plan. <ul style="list-style-type: none"> ▪ Agricultural cluster in support of Agri Parks program with Sol Plaatje as Rural Urban Market Centre and integration of surrounding towns. ▪ Support Small Scale Farming. 		
Manufacturing and SMME development.	Support Potential Manufacturing businesses and High growth SMME development Investment promotion and attraction.	Government Departments, Sol Plaatje Municipality, Stakeholders.	Support is on-going through-Grant Funding Business appraisals Mentorship and Training Linking to incentive packages
Knowledge Economy	Sol Plaatje University Precinct	Sol Plaatje University, Sol Plaatje Municipality, Stakeholders	University Construction underway
Transport and Transport logistics	Strengthen the transport network, Maintenance and upgrade of Roads, rail, network etc.	Sol Plaatje Municipality Government Departments	On - going

Support programmes			
Shared Economic Infrastructure Facility (SEIF)	Establishment and improvement of the SEIF to support businesses with an intention to improve access, create local economic benefits and optimise the performance of businesses operating in those facilities.	Sol Plaatje Municipality	On going
Red Tape Reduction	Continuous implementation of Red tape reduction	Sol Plaatje Municipality	On going
Area Based Development	CBD beautification Outdoor Advertising strategy	Sol Plaatje Municipality.	
Township Revitalisation	Galeshewe Urban Revitalisation Programme and beautification	Sol Plaatje Local Municipality	On-going
EPWP	EPWP and CWP programmes	Sol Plaatje Municipality Department of Economic Development and Tourism	On -going

3.1.1.2 Spatial Development and Urban Planning

The Urban Planning Section is central in developing and promoting an integrated town committed to addressing spatial injustices and guides development towards a vibrant, resilient and sustainable urban & rural areas. In response to spatial transformation, the Urban Planning Section acknowledges that spatial restructuring is necessary to accelerate investment and create opportunities that will enhance the economy and achieve strategic goals of the Municipality

IUDF (INTEGRATED URBAN DEVELOPMENT FRAMEWORK)

Furthermore in order to achieve integration the Sol Plaatje Municipality have endorsed to participate in the IUDF (Integrated Urban Development Framework) programme which seeks to promote spatial transformation as one of the notable imperatives nationally and hence the Integrated Urban Development Framework (IUDF) was adopted by Cabinet in April 2016.

The Framework marks a new deal for South Africa's cities and towns as they respond to the challenges of economic growth and spatial transformation. The identified intermediate city municipalities are eligible to qualify for the Integrated Urban Development Grant (IUDG) in place of the Municipal Infrastructure Grant (MIG) subject to meeting certain minimum requirements

In support of the programme, the Directorate: SED&P invited representatives from Provincial and National DCOG on the 12 April 2018 in order to make a presentation to SPELUM Committee on the implementation of the IUDF and how to acquire the IUDG thereof. **Sol Plaatje Municipality will be the first pilot project for IUDF in the entire Northern Cape.**

SPLUMA (MUNICIPAL PLANNING TRIBUNAL):

Consequent to the endorsement and operational of the Sol Plaatje Land Use Management By-laws, 2015 and Municipal Planning Tribunal (MPT), the process has ensured that high-value developments are not subjected to lengthy land use processes and hence increased private sector investment and turnaround time for land use applications approvals.

UDZ (Urban Development Zone)

In 2004 through Government Gazette 27077, National Treasury promulgated the Urban Development Zone incentive scheme in various municipalities; including Sol Plaatje Local Municipality. This scheme is a tax incentive to promote and stimulate property development within the inner city and create economic spin-offs for adjacent areas.

The Urban Development Zone (UDZ) incentive scheme is meant to be the catalyst for general economic development, the creation of jobs and the attraction of more people to live and work in the inner-city.

- Introduced as an accelerated depreciation allowance
- Sunset clause has been extended to 31 March 2020

- UDZ allowance is applicable in respect of erection, extension, additions or improvement of any commercial or residential building or part of a building (1000m² requirement) which is owned by the tax payer and used solely for the purpose of that tax payers trade;

UDZ is one of SA's most effective incentives due:

- Very high private investment leverage ratio
- Contributes to citywide fiscal sustainability
- Contributes to compact and sustainable urban form
- Triggers market-led spill overs beyond CBD

Actions that the municipality need to take in order to get the UDZ application approved:

- Endorsement of boundary changes
- Council approval
- Treasury submission
- Public participation
- SPLM budget for infrastructure improvements
- Marketing and promotion of UDZ
- Resulting in improved inner city and job creation

A key document in this performance area is the Spatial Development Framework (SDF), which serves as a guiding document for future development. The SDF is therefore a spatial representation of the vision and strategic objectives set out in IDP. The current SDF (2008 to 2012) of the municipality was approved in 2009. This SDF has been reviewed to fully align with the with the current IDP (2017 – 2022), as well as the requirements of SPLUMA.

In addition to the above-mentioned review process, Maxlou Consulting (Pty) Ltd was appointed by Intersite Asset Investments, Sol Plaatje Municipality and National Treasury (herein after referred to as “Intersite”, “SPLM” and “NT”) to undertake the preparation of a Precinct Plan for Sol Plaatje CBD Urban Hub as part of the Neighbourhood Development Partnership Grant (NDPG) Urban Network Strategy (UNS). The ideas and concepts emanating from this project will also be incorporated into the reviewed SDF. The location of the proposed Urban Hub was originally at the Indian Centre of the CBD and after the Status Quo report extended around the City Hall also known as the Epicentre of the Urban Hub.

The preparation of the above “Precinct Plan” involved a methodology consisting of Eight Phases of which the focus was around Transit Orientated Development (TOD) and commercialization. The key phases included the following:

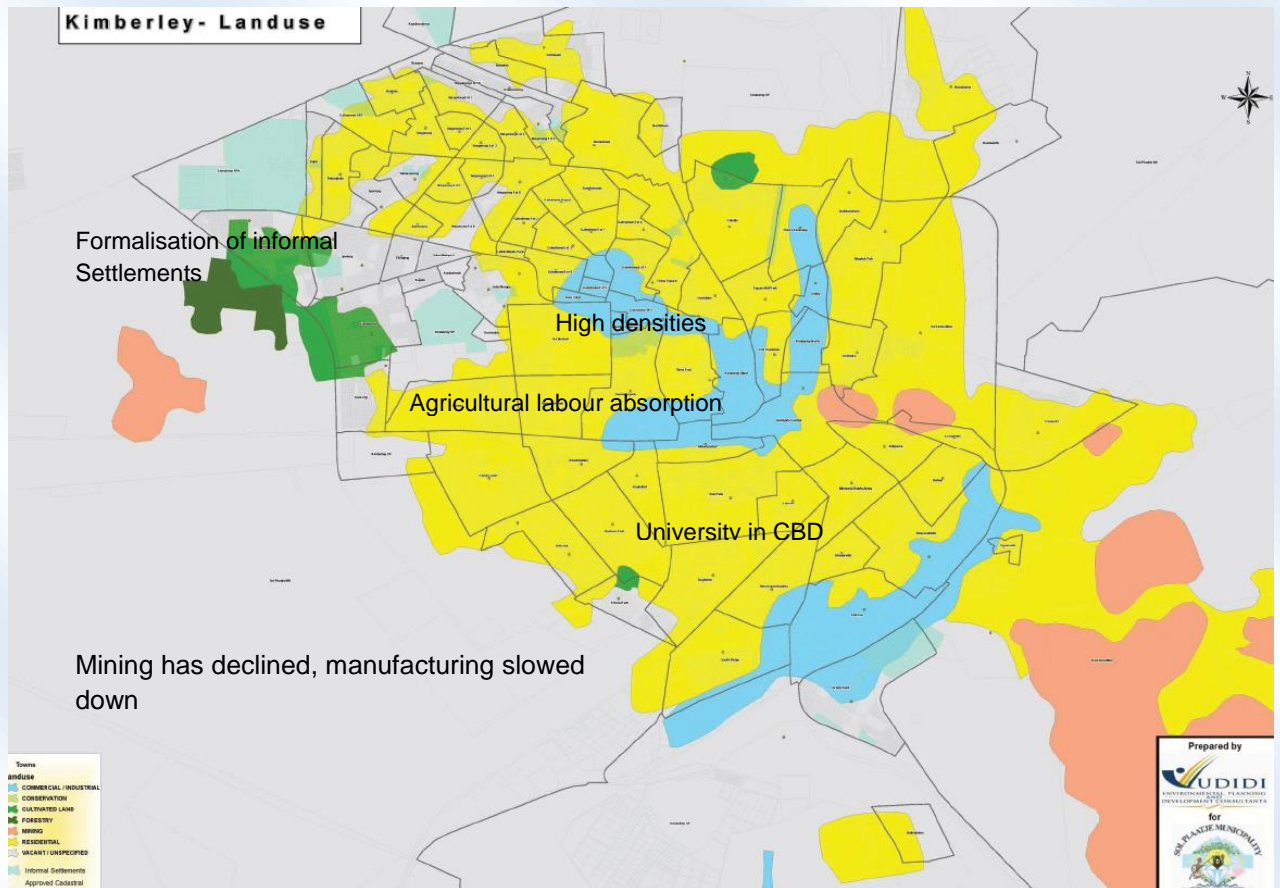
- 1) Phase 1 Draft Concept Framework and Status Quo Review with a Confirmation of the Study Area
- 2) Phase 2: Revised Concept Framework
- 3) Phase 3 & 4: Design Framework and Mixed use Commercialization model/s
- 4) Phase 5: Stakeholder and Investor Engagement
- 5) Phase 6: Programming, Scheduling and Costing
- 6) Phase 7 Project Programming and Plans
- 7) Phase 8: Precinct Management Framework

Private sector development will follow the transport access that connects people to places. Without connectivity there is isolation and the unknown. Connectivity is at the bottom layer of the Economic Growth and Enhancement. The Urban Network Strategy of the NDP identifies the Urban Hub's transport connectivity to the CBD and Urban Hub as a means to stimulating private sector funding through public sector funding. Sol Plaatje Municipality is currently in the process of resubmitting an application for an Urban Development Zone (UDZ) to National Treasury for subsequent approval by SARS.

The focus is on the connectivity of the Urban Hub with the RC Elliot Economic Node, also known as The Circle as well as the Shoprite Centre in Barkly Road, both the Secondary Node. The Legislature Precinct is also a Secondary Node that connects with the Urban Hub. The Planning of the Urban Hub will include some initial Implementation Projects that are "low hanging fruits" to ensure the success of the Urban Hub Precinct. Currently the CBD of Sol Plaatje is a place to work and then exit to residential areas after 5pm until returning on the next working day. The University development started construction in 2012 has opened for the second year with 265 students. This current new university project is valued at R6 billion with its vision of a University within the Kimberley city that will promote visits at night and weekends. Sol Plaatje University with the proposed Urban Hub development with its connectivity to the Secondary Nodes acts as a catalyst for future investment within the town and its secondary nodes.

The precinct plan for Sol Plaatje Urban Hub was completed in November 2016.

The map below represents the current land use in Kimberley (as contained in the draft SDF) with key observations included:



Achievements

When it comes to the area of Spatial planning, most projects are long-term by nature and takes place over a number of years.

In terms of spatial planning and development, the following key achievements over the past 2-3 years should be highlighted:

- ✓ Land preparation and release therefor resulted in approval for construction of SPU, hospitals, currently operational (Gariep, Medi Clinic. Lenmed Hospital, CareLine Psychiatric Hospital).
- ✓ Property Growth was stimulated as a result of at least 8000 new erven/properties yielded and approved by Surveyor General – These range from general subdivisions (private sector) to BNG houses (government).
- ✓ A new industrial injection into the economy was made through promotion of Green Economy and Agro-processing sectors, i.e. the Droogfontein Solar Plant which has since been connected to Eskom as well as GWK Pasta and Biscuit Factory. Both are private sector initiatives with SPLM playing a spatial planning regulatory role.
- ✓ SPLUMA By-Laws have been promulgated and is implemented by the municipality.

- ✓ The land audit linked to billing system was completed.
- ✓ An Ad Hoc committee was established to deal with all quotes and tenders with the intention of giving SMME's preference with regards to their BBBEE scoring.
- ✓ SPLM and Community College have established a partnership skills development specifically for SMME and agricultural development. They are situated at the SMME village.

Challenges

The vast spatial imbalances in Kimberley present major challenges for urban management and social integration as different neighbourhoods are separated by physical barriers and buffer zones. Uneven densities are a source of inefficiency.

The 2011 Moratorium on sale of land and development had a major impact on the development of the city. Although the moratorium was subsequently lifted, its impact is still felt through the backlogs that was generated as a result of this situation

Another huge challenge is that adequate funding to support the development agenda is not available. Detail regarding funding sources and budget constraints will be dealt with in the chapter for Municipal Financial Viability.

The state of the bulk reticulation network remains concerning, with specific reference to the frequent pipe bursts and water interruptions as a result of the poor condition of the water and sanitation infrastructure.

Land invasion due to uncontrolled urbanisation is a problem which also impacts negatively on service delivery.

The lack of professionals (e.g. Town Planners) in the unit, as well as the use of a largely manual system to capture and monitor building plan processes are two other factors that may hamper the performance of this unit.

Mitigation Strategies/Projects

The area of Strategic Development and Planning closely interlinks with the area of Infrastructure and Services, and therefore it is important to mention some of the Infrastructure-

related initiatives and proposed projects that will have a significant impact on the economic development in the municipal area:

SPLM must continue to extend its bulk infrastructure development programme through a Municipal Infrastructure Investment Framework (MIIF). During this process special attention should be given to fully implement the recommendations of the Non-Revenue Water Minimization Report's recommendation to address the excessive water losses and ensure an un-interrupted supply of water to all consumers. SPLM must strive to attain its water supply strategy which is: *Certainty of supply and water quality*.

Due to excessive pollution of the Vaal River the investigation, the use of the Orange River as an alternative source, needs to be expedited. The project entails the investigation of using the Orange River as the water source for Kimberley that will have a futuristic cost saving on the operation and maintenance of the Kimberley water supply system. Currently the water business of Sol Plaatje municipality is becoming unsustainable due to excessive costs of purification due to poor water quality. This initiative is in line with the municipality's strategy of ensuring sustainable water supply to its residents. The current technology at Riverton Water Purification is not designed to purify extreme poor quality water.

Road rehabilitation and development is still a priority. SPLM should, however, focus more on applying preventative maintenance to roads such as resurfacing and crack sealing. These methods have proven to be more effective than patching as they would increase the lifespan of roads and thereby cutting future maintenance costs, enabling SPLM to rather focus on the construction of new roads. Pothole patching is not an effective maintenance practice since it is reactive maintenance and does not contribute towards the structural enhancement of the pavement. Options need to be explored to source additional funding to maintain and upgrade the roads in SPLM.

Bulk Sewer infrastructure has been largely addressed with two sewer treatment works being completed (Beaconsfield 8-9ML and Ritchie 0.5-2.5ML) with Homevale WWTW completed during the 2016/17 financial year. This is clear evidence that bulk sewer is no longer a major crisis as it used to be in the past 5 years. However, the major remaining challenge is the sanitation reticulation network that needs major attention. Regular sewer blockages and sewer burst continues to be a health hazard to communities. This problem needs to be resolved through preventative and proactive maintenance strategies. To achieve the above, SPLM is

currently in a process of procuring a second vacuum truck which will be used to unblock and maintain the municipal sewer system on an ongoing basis.

Similarly, the electricity bulk infrastructure has been upgraded and additional bulk has been procured from Eskom. However, the electricity reticulation system is not yet sufficient to accommodate development in certain areas and must be addressed as a matter of urgency. An Integrated Energy Plan should be developed as a matter of urgency to ensure the integrated and sustainable delivery of electricity.

Apart from its infrastructure initiatives SPLM should also build on its present partnership arrangements in moving towards a Green Economy. In this regard the energy saving programmes funded by the Eskom Demand Side Grant must be enhanced with the work presently being done on Climate Change through the SPLM's Sustainable Energy and Climate Change Unit (SECCU). A total of R17 000 000 has been allocated to the municipality through the EEDMS grant over the next three years. This becomes especially important with the electricity generating capacity crisis prevalent at present nationally. The conservation of energy has become a prominent focus in South Africa – which is also highlighted in the NDP's development goals. To achieve these goals SPLM should have clear plans and dedicated funding to implement projects and programmes which support the green economy. As such, SPLM will consider how the policies pertaining to urban development can be amended to incorporate an element of mandatory contribution to green economy e.g. the use of solar panels and water harvesting will be a pre-requisite for future developments. Another innovative idea is the concept of two water sources for each house: "Cheap water" can be used for all purposes except drinking, whilst the "expensive" water will be used only for drinking. Benchmarking with leaders in the area of water and electricity conservation is a must.

SPLM should also make the most of the opportunities offered by the establishment and development of the Sol Plaatje University. The present inner city revival programme should continue, supporting the development of the inner city component of the University, in order to use it as a catalyst for private sector development. This should be augmented by well-defined and sustainable incentives for economic investment and to reduce "red tape" in development applications to ensure an enabling environment for economic development.

In pursuit of green economy and understanding of the impact this may have on supply and demand side management, the municipality has developed the Small Scale Embedded Energy Generation and Photo Voltaic Installations (SSEG policy). The purpose of the policy is to regulate the installations and connections onto the municipal grid as well as understand any

installations with net generation. This will thus enable the estimation of income to be forfeited by the municipality and the tariff accordingly.

In order to address the financial constraints, partnerships with relevant stakeholders and role players must be strengthened. Intergovernmental Relations with FBDM, COGHSTA and National Treasury as major players e.g. on SDF, Urban Renewal projects and Urban Networks Strategy are key.

The human resource inadequacies may be redressed through ISDG with the appointment of Town Planning interns for 3 years until they are professionalised. Tourism internships placements are also done on an ongoing basis in partnership with Frances Baard District Municipality (FBDM).

A policy to address land invasion is being developed and should be finalized before the end of this financial year.

The table below summarizes the capital projects identified under this key performance area for the next three financial years. The most significant projects in this area are the development of intermodal transport, taxi ranks and stalls as part of the NDPG projects.

Table 7: Capital projects (SEDP)

PROJECT DESCRIPTION	FUNDING SOURCE	2018/19	2019/20	2020/21	2021/22
P-CNIEUA-INVESTM PROP-RESEL OF ERVEN	CRR	5 000 000	2 000 000	2 000 000	2 000 000
P-CNIEUA-BUILDINGS-TRANSPORT LINKS/ stormwater	NDPG	58 000 000	40 000 000	40 000 000	40 000 000
TOTAL		63 000 000	42 000 000	42 000 000	42 000 000

The main focus in this area is the upgrade of various storm water channels in Galeshewe. Funding of R300 million has been allocated for this purpose through the NDPG.

3.1.2 BASIC AND SUSTAINABLE SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

ROADS AND STORMWATER

Status Quo

The core function of the Roads and Storm water section is to provide 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. There is currently no national policy defining basic level of service for roads serving households in residential areas. However, the Municipal Infrastructure Framework refers to “all weather access to within 500m of dwelling.”

In the context of Sol Plaatje Municipality, all dwellings have access to roads, although some may not meet the above standard. Most roads within the municipality can be classified as being between fair to poor, with a very significant number being in a very poor state, in exception of those that were recently resealed, re-graveled or paved in the past three years or so. Excessive brittleness and premature ageing are clearly visible due to extreme weather conditions and insufficient preventative maintenance over the years. However, paved roads in different township areas seem to be holding well over time, with very little maintenance demand. Gravel roads are also in a fair to poor state due to inadequate maintenance.

Sol Plaatje Municipality has a road network of 812 km and flexible pavements constitute about 66% of the entire road infrastructure. The current backlog of gravel and earth roads are approximately 225 km which still need to be upgraded to a higher level of service, which would be more sustainable and weather adaptive. We are constantly trying to improve the condition of roads by performing minor repairs on them, however due to the limited funds allocated for this purpose, allocated funds are not adequate to meet maintenance demand.

Notwithstanding the above scenario, the municipality has in the past financial year 2018/19 managed to make some strides into improving the roads and storm water condition in the municipality. Although the municipality has not performed any resurfacing or rehabilitation work in the last financial year due to lack of funding, it has managed do upgrades to residential roads from gravel to a paved surface from funds allocated through grant funding. These methods have proven to be more effective with a much longer life cycle than patching repairs and re-gravelling, and the municipality intends adopting these methods of asset management strategy in order to prolong and preserve our road infrastructure.

Some of the wards that benefitted from the paving of roads are wards 3, 6, 9, 15, 19, 14 and 28. This project saw approximately 6.7 km of roads being paved in financial year 2017/18.

A lot was done in 2017/18 Financial Year in regards to the actual upgrading of Storm water infrastructure on a project funded by National Treasury through NDPG Programme and a number of major Storm water canals and catch pits were also maintained in order to sustain the network and maintain an adequate level of Storm water management.

Challenges

Approximately one quarter of the value of the municipality's assets lies in the municipal streets and Storm water infrastructure. Hence preservation of these assets through implementation of proper maintenance and upgrading strategies is imperative.

However, as is the case with other local municipalities in the country, Sol Plaatje municipality is faced with extreme pressures on its limited resources in order to address backlog in provision of services to communities that were either under-serviced or not serviced at all while at the same time maintaining existing aging service infrastructure.

The biggest challenge in terms of roads infrastructure has always been to secure adequate funding that will enable the municipality to focus more on applying preventative measures as they have proven to be more effective than reactive maintenance. Planned preventative maintenance enormously increases the lifespan of the roads, thereby allowing us to ultimately spend less on maintenance and focus rather on the construction of new roads and new.

The estimated backlog of storm water drainage systems in Sol Plaatje Local Municipality is beyond the current achievable budget of SPLM. If one further takes into account that a large percentage of the existing storm water drainage systems is under capacity due to urban densification, and previously acceptable but currently outdated design criteria due to climate change. These become evident during the rainy seasons whereby rain patterns have enormously changed and resulting in roads and private properties flooded. There is therefore an immense and urgent need to upgrade our existing storm water infrastructure.

The rapid conversion of land to urban and suburban areas has profoundly altered how water flows during and following storm events. Storm water has long been regarded as a major culprit in flooding, damage to properties etc. within the boundaries of the Sol Plaatje Municipality. As witnessed in some areas within the SPLM boundaries, large volumes of rapidly moving storm water can destroy roads and properties.

Storm water discharges have emerged as a problem because the flow of water is dramatically altered as land is urbanized. Typically, vegetation and topsoil are removed to make way for

buildings, roads, and other infrastructure, and drainage networks are installed. The loss of the water-retaining functions of soil and vegetation causes high storm water runoffs with residential areas.

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 programmes.

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.

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 closure 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.

WATER AND SANITATION INFRASTRUCTURE

Status Quo

The bulk capacity created by the municipality serves the current needs of the population but also determines the manner in which investments, developments and growth of the city can be directed. The current infrastructure for water reticulation is aged and bulk upgrade and refurbishment is required to ensure sustainable delivery of potable water.

The main source of raw water is from the Vaal River for Kimberley and the Modder River for Ritchie. The Municipality is both the water services provider and authority, thus the municipality is responsible to abstract, purify, and distribute water.

Sol Plaatje Municipality has adequate water sources to cater for the current and future demand for up to 10 years (All Town Study 2014). However, raw water quality in the Vaal River is deteriorating, which has a negative impact on treatment and operational costs. This has triggered investigations on sustainability and security of current water supply source, and possible alternative sources for the city.

Currently 2 680 ML of water is supplied per month, while the current demand is 2 160 to 2 700 ML per month, with an average of 2 300 month depending on the season.

In 2018, the Municipality has completed and approved the Water and Sanitation Master Plans, which will be used to guide planned maintenance and upgrading that will be required as a result of ageing infrastructure and development.

Achievements and Mitigation strategies

Sewer

The upgrading of the Gogga Outfall sewer line from Gogga pump station to Homevale WWTW is due for completion in the 2018/19 financial year. The purpose of the project is to replace the dilapidated line which was plague with frequent pipe collapses causing blockages. The end result after the completion of the project would be to minimise blockages in the surrounding areas and to alleviate the spillage of sewer at Gogga pump station.

Various sewer pipe projects have also been identified that needs to be upgraded and refurbished that will include the removal of midblock sewers and also the upgrading of the Seleke/ Homevale outfall line.

The design phase for the carters Ridge pump station has commenced in the 2018/19 financial year. The project will ensure that the increasing demand for reticulated sewer will be met by the municipality and this pump station will also encourage development in the area.

The sanitation master plan will also be incorporated to determine the projects that will required to ensure that the infrastructure will meet the required demand.

Water

Major refurbishment is being implemented to reinstate operational capacity, and minimise downtime at Riverton WTW. However, upgrading of the station was required to cater for future demand due to housing development within its catchment area

The new High Lift Pump Station, with four (4) pumps is under construction. This is aimed at ensuring sustainable and secured supply of water at all times and seasons. The project should be completed in 2018/2019 financial year.

The Ritchie bulk water augmentation project phase 2 is at practical completion stage. This project was incepted in 2014 with phase 1 of the project being completed in 2017. The project entailed the upgrading of the bulk infrastructure in Ritchie from the abstraction point (Modder river) to the plant and all pumps and fixtures at the purification works to ensure sustainable delivery of potable water in Ritchie.

Various pipe replacements projects has been identified to replace old pipe work and to increase capacity. This will ensure that current and future demands are catered for. Newton reservoir network is being upgraded to ensure security of supply. This is a follow-through project linked to Non-Revenue Water Minimisation strategy, initiated in 2012.

The municipality has invested in infrastructure development and upgrading in the past years. However, a need still exists due to old infrastructure, and growth due to normal population increase and immigration into the city.

The capital and related projects identified are aimed addressing these challenging conditions, progressively.

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 8: 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	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

	reported as part of 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 outsourced 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

ELECTRICITY

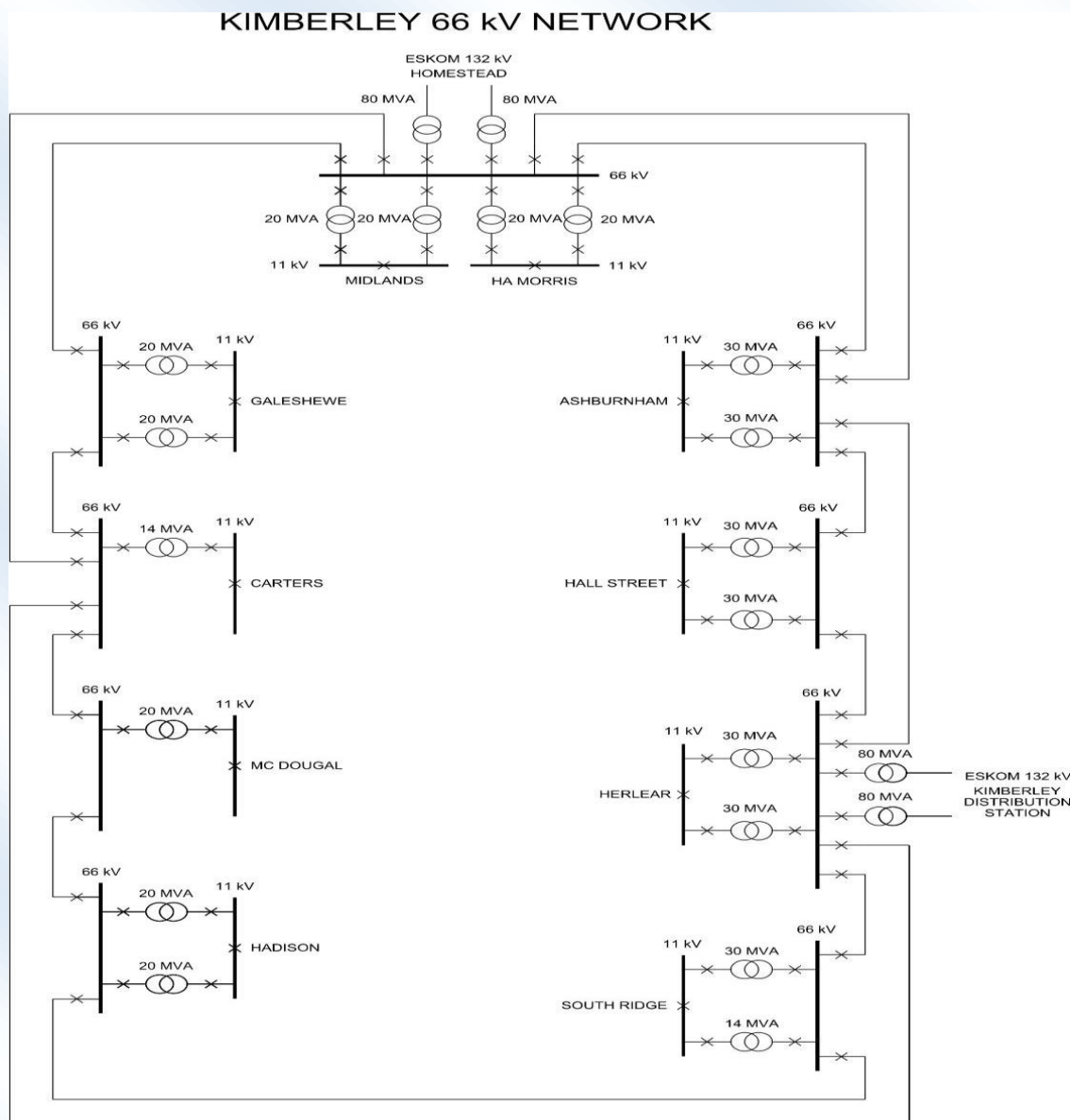
Status Quo

In recent years our Eskom's Kimberley Distribution Station was upgraded in order to handle current and future developments electrical demand. This resulted in a firm 80 MVA supply, of which 60 MVA is available for Kimberley. This puts Sol Plaatje Municipality in a very favourable position in terms of supply from Eskom. A 66 kV ring network is the spine of the Kimberley network, supplying 10 x 66/11 kV substations (including Herlear and Homestead).

DRAFT

Refer to the Figure below for the 66 kV network layout.

Figure 3: Kimberley 66 Kv Network



Other areas of supply include the following:

PLATFONTEIN

Platfontein is supplied from Galeshewe Substation via an overhead 11 kV line.

RIVERTON

Riverton is supplied by SPLM municipality through two old 5 MVA transformers. Sustainable electrical supply at Riverton is crucial as any interruptions may directly affect the water supply from Riverton Water Purification Works to the entire Kimberley and Galeshewe.

MODDERRIVIER, RITCHIE, MOTSWEDIMOSA & RIETVALE

These areas are supplied by Eskom. The municipality is investigating the possibility of a single electricity distributor in future. Negotiations to this effect will need to take place between the relevant stakeholders.

Achievements

The Electricity Masterplan was completed during the year under review.

The previous financial year did not yield many capital projects, although there was one capital project which had a very high impact, which was funded by DOE through INEP funding. This project was the electrification of 586 stands in Snake Park.

The municipality secured R31 million funding from DOE for FY 2017/18 to supplement the above project, which is the electrification project as well as upgrading of Carters Glen Substation. Funding was also secured for the switchgear replacement at Herlear Substation and the replacement of the transformers at Riverton in for 2017/18 financial year.

Challenges

The two priority substations which require upgrading are Galeshewe and Hadison Park Substations, with their switchgears overloaded and requiring replacement in order to improve sustainability and the quality of supply. This was also supported by the audit finding done by NERSA, emphasizing on the switchgear at Herlear and power quality monitoring at other substations. The 11kV infrastructure is under strain as more power is being demanded from existing and new businesses.

Mitigation Strategies

To address the electrification backlog, the municipality has earmarked and planned the following projects in support of new human settlement developments, which would be funded by DOE and should be concluded in the next financial year or two.

Table 9: Current Housing Projects (2018/19)

Development
Complete upgrading of Carters Glen substation with 1 x 20 MVA transformers
Complete 50% of the project to replace the 66KV oil circuit breakers at the Herlear Substation with SF6
Complete 50% of the project to replace the 11 KV circuit breakers at Herlear substation
Complete the upgrading of Riverton substation equipment with 2 x 10 MVA transformers
To complete the electrification of 1591 houses (Snake Park, Platfontein, Ramorwa, Fluffy Park, Santa Centre and Kutlwanong)

Table 10: Planned Housing Projects

Development	Qty	Estimated Load	Cost
			Estimate
Electrification of Donkerhoek	111	278 kVA	2 000 000
Electrification of Soul City	64	160 kVA	1 200 000
Electrification of Witdam	138	345 kVA	2 500 000
Electrification of Golf Course	1 100	2 750 kVA	20 000 000
	4 235	10 590 kVA	R103 600 000

Table 11: Future Housing Projects

Development	Qty	Estimated Load	Cost Estimate
Riverton (formalise stands)	174	435 kVA	R3 200 000
Begonia	102	255 kVA	R2 000 000
Ritchie Erf 2 & 12	800	(ESKOM)	R15 000 000

Tshwaragano (160)	160	400kVA	R3 000 000
Phomolong (163)	163	418kVA	R5 000 000
Jacksonville (195)	195	488kVA	R3 500 000
Mlimba Street Shacks	7	18kVA	R150 000
	4294	8 746 kVA	R80 700 000

The current 2 x 5 MVA transformers are planned to be upgraded to 2 x 10 MVA transformers. After this upgrade 4 MVA of firm supply will be available to any development that takes place in the area. This upgrade will also provide capacity for the electrification of households in Riverton.

The electrical master plan is a critical plan that looks at what is planned for the city in terms of developments, what is currently in the process of unfolding and pro-actively seeks to implement the required infrastructure in time, without negatively affecting the existing customers. The municipality has appointed a service provider to compile an Electrical masterplan.

Our mitigation strategy is captured in the table below:

Table 12: Electricity mitigation strategies

Priority	Project	Explanation	Year
3	Re-design of looping network in Galeshewe	Address the capacity problem created by installation of 60A SP breakers on a network that was not designed for this size of connection. Increase quality of life for all the customers on this antiquated system.	2
4	Upgrade of Hadison Park	Alleviate the severe overloading on the substation	2

An action plan has also been compiled to curb the high electricity losses:

Table 13: 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	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.

		electricity losses suffered by the municipality.		
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.

FLEET

Inadequate and unreliable fleet has always been one of the hinderers of effective service delivery. The municipality has over the years relied on the external hiring of fleet and machinery, but have recently taken a decision to revitalize own fleet by replacing old, unreliable and redundant fleet.

The challenge however remains that funds allocated for the Vehicle Fleet Replacement Plan are inadequate to satisfy the urgency and frequency that this fleet is required, hence the needs to align to the budget thereof to the annual Fleet Replacement Plan/Needs Analysis, taking into consideration financial constraints that may exist.

An amount of R4m was made available for the 18/19 financial year but during mid year the amount of adjusted downwards to R1m due to financial constraints. A projected budget of R4m per year was made available for the following three financial years.

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 21 informal settlements. Nine of the 21 informal settlements have however been formally registered and declared as townships, although infrastructure provision remains a challenge.

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- 1994 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.

The municipality currently has a total rental stock of 1092 units in Kimberley, Roodepan Beaconsfield, Kenilworth and Galeshewe. This consists of municipal owned flats aimed at providing short-term accommodation to address the shortage of rental accommodation and affordable housing in the city. The municipality is also in possession of 77 units utilized specifically for the purpose of old age facility.

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.

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.

One of the prevalent issues over the past number of years is the so-called gap-market or middle income group. This group of people earns too much to qualify for an RDP house but too little to qualify for a bond. This is something that needs to be addressed. The proposed areas for relocation and informal settlement upgrading and middle-income erven registered with no services, are shown in the tables below:

The only project undertaken in the for the past year is the Diamond Park 300 houses built of the 892 sites in the area, of which Cogstha only budgeted for this amount.

Table 14: Registered middle- income areas with no service

REGISTERED MIDDLE INCOME WITH NO SERVICES						
NO.	LOCALITY	NO. OF ERVEN	OWNERSHIP	ZONING	AVERAGE SIZE PER ERF	ESTIMATED VALUATION
1	PHOMOLONG	161	SOL PLAATJE	Residential	+/-330m ²	+/-90 000.00
2	MOGHUL PARK	10	SOL PLAATJE	Residential	+/-320m ²	+/-100 000.00
3	SOUTH RIDGE	100	SOL PLAATJE	Residential	+/-590m ²	+/-300 000.00
4	HERLEAR	11	SOL PLAATJE	Residential	+/-950m ²	+/- 360 000.00
	TOTAL	282				

Table 15: Informal areas identified for relocation and upgrading

LOCALITY	EXTENT OF ERF	NO. OF ERVEN FOR FUTURE DEVELOPMENT	CURRENT NO. OF INFORMAL STRUCTURES/SHACKS
Ivory Park Extension	±7.1 Ha	± 2000	± 600
Ramorwa	±3,6 Ha	± 98	± 98
Witdam	±5 Ha	± 138	± 138
Homevale		± 112	± 112
Erf 3052 Galeshewe Mathibe/ Fluffy Park	±1,2 Ha	± 50	± 50
Erf 17177 Homevale	±4 Ha	± 55	± 0
Portion of Erf 1318 Galeshewe (Santa Centre Extension)	±1,5 Ha	± 24	± 24
Erf 17725 Begonia	±62 Ha	±100	± 112
Back of Legislature	±40 Ha	± 800	± 2500
Tshwaragano Shacks	±3 Ha	± 160	± 160

LOCALITY	EXTENT OF ERF	NO. OF ERVEN FOR FUTURE DEVELOPMENT	CURRENT NO. OF INFORMAL STRUCTURES/SHACKS
Riemvasmaak	±135 Ha	± 180	± 1000
Ramorwa & Witdam Overflow.	±3.5 Ha	± 55	± 55
Erf 1046 (Tswelelang)	±9399.7 square metres	± 90	± 90
Erf 25151 Greenpoint	±2.14 Ha	± 120	± 500
Jacksonville Extension		± 200	± 0
Erf 30299 Green point	±1.36 Ha	±31	±20
Erf 30058 Green Point	±7207 square metres	±07	±16
Erf 30074 Green Point	±1751 square metres	±05	±04
Erf 25105 Green Point	±7400 square metres	± 30	±100
Erven 29272 &29257	±1.67 Ha	±29	±250
Green Point			
Waterloo	±19.3 Ha	±230	±800
Erven 25151 & 30059 Green Point	± 2.25 Ha	±61	±300
Total Planned	±295.62 Ha	± 4575	
Total number of shacks		± 6929	

Table 16: Backlogs per service

SERVICE	BACKLOG CENSUS 2011	BACKLOG IHS SURVEY 2015	SERVICES PROVIDED UP TO 30 JUNE 2015	SERVICE PROVIDED UP TO 30 JUNE 2017	NEW STRUCTURES - NO SERVICES MAY 2018	CURRENT BACKLOG	PLANNED PROJECTS 2018/19 AND BEYOND
WATER	8743	1730	7013	none - COGHSTA	7211	8941	870 - implemented by COGHSTA
SANITATION	9343	5050	4293	none - COGHSTA	7211	12261	870 - implemented by COGHSTA
ELECTRICITY	9127	6890	2237	3151	7211	1502	1502
REFUSE REMOV	9490	8560	930	none	7211	15771	<i>Strategy to be developed</i>

The table above shows the backlogs per service based on the data available at this point (taking cognisance of the latest informal settlement statistics shown above. Emphasis is placed on the fact that COGHSTA is responsible for the construction of houses as well as the installation of water and sanitation services. This is also funded by the department and as such, not included in the SDBIP of the municipality.

The table below details the funded infrastructure projects that the municipality has included in its capital budget for 2019/20.

Table 17: Capital Infrastructure projects

Project Description	Asset Class	Total Project Estimate	2019/20 Medium Term Revenue & Expenditure Framework			Project Information
			Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22	
Upgrading of roads and storm water channels in Galeshewe	Roads Infrastructure	163 436	53 436	55 000	55 000	ALL
Replacement of computer equipment	Computer Equipment	30 000	5 000	5 000	20 000	ALL
Replacement of loose equipment	Furniture And Office Equipment	9 000	3 000	3 000	3 000	ALL
Reselling of erven	Revenue Generating	6 000	2 000	2 000	2 000	ALL
Fleet Replacement programme	Transport Assets	22 000	6 000	6 000	10 000	ALL
Upgrade of Homevale Fire Station	Community Facilities	12 668	12 668	–	–	WARD 3
Herlear f11 kV Switchgear	Electrical Infrastructure	10 000	5 000	5 000	–	WARD 29
Electrification of golf course	Electrical Infrastructure	18 920	18 920	–	–	WARD 19
Electrification of Ramorwa – 106 houses	Electrical Infrastructure	1 823	1 823	–	–	WARD 21
Electrification of Donkerhoek	Electrical Infrastructure	3 753	3 753	–	–	WARD 28
Electrification of Witdam – 138 houses	Electrical Infrastructure	2 374	2 374	–	–	WARD 4
Electrification of Waterloo	Electrical Infrastructure	4 128	4 128	–	–	WARD 7
Upgrade of electrical infrastructure	Electrical Infrastructure	31 880	–	16 000	15 880	ALL
Upgrading of streetlights	Electrical Infrastructure	16 000	5 000	5 000	6 000	ALL
Replacement of pre-paid meters	Electrical Infrastructure	9 000	3 000	3 000	3 000	ALL
Upgrading of water treatment works	Water Supply Infrastructure	20 000	–	10 000	10 000	WARD 29
Water Meter Replacement	Water Supply Infrastructure	9 000	3 000	3 000	3 000	ALL
Water supply Reservoirs	Water Supply Infrastructure	14 750	–	10 000	4 750	WARD 11
Water Supply Reservoirs	Water Supply Infrastructure	1 406	–	–	1 406	WARD 14
Lerato Park bulk water mains	Water Supply Infrastructure	377	377	–	–	WARD 28
Bulk water mains	Water Supply Infrastructure	12 747	–	1 547	11 200	ALL
Water Infrastructure Distribution points	Water Supply Infrastructure	9 030	–	6 000	3 030	ALL
Renewal of Sewer pump station	Sanitation Infrastructure	6 000	–	3 000	3 000	WARD 27
Carters Glen Sewer pump station	Sanitation Infrastructure	45 000	5 000	20 000	20 000	ALL
Renewal of sewer reticulation	Sanitation Infrastructure	5 000	–	–	5 000	WARD 17
Renewal of sewer reticulation	Sanitation Infrastructure	40 000	–	15 000	25 000	ALL
Reconstruction of old sink toilets Kutlwanong	Sanitation Infrastructure	20 000	10 000	5 000	5 000	WARD 17
Upgrading of sewer reticulation	Sanitation Infrastructure	9 950	–	6 950	3 000	WARD 24
Upgrading of Seleke / Homevale sewer lines	Sanitation Infrastructure	15 000	15 000	–	–	WARD 5
Lerato Park Bulk sewer mains	Sanitation Infrastructure	24 806	24 806	–	–	WARD 28
		574 048	184 285	180 497	209 266	

As can be seen from the table above, the following flag ship projects currently receive priority at the municipality:

Galeshewe Storm Water Upgrade is implemented under the Urban Renewal Program (URP) as part of the Public Network Transport (PNT) mainly in Galeshewe and other areas in the

city. The *Galeshewe* Storm Water Upgrade is currently the biggest project on the capital budget with a total allocation from Neighborhood Development Partnership Grant (NDPG) from National Treasury to the tune of R53 436 000 for 2019/20 and R110 000 000 over the MTREF. This project will replace most of the existing storm water drainage pipes and install box and pipes culverts where heavy floods are experienced in the greater Galeshewe and will significantly reduce the huge storm water problems experienced in both primary and secondary networks as well as reducing floods in private and business properties. This will create great water harvesting opportunities for municipality amidst national current water crisis.

The project is implemented for the total upliftment of the area as well as to facilitate improved drainage to a significant part of the city.

In addition to this, R13 436 371 has been allocated for the paving of roads in Galeshewe. As a result of paving being far more cost effective than tarring, over 20 kilometres will be paved.

An amount of R30 000 000 has been allocated over the MTREF (2019/20 R 5 000 000) for the replacement and upgrading of computer equipment. The continuous upgrading of computer hardware and equipment is essential to keep abreast of technology especially with regard to mSCOA and SOLAR implementation in order for the systems to run optimally.

As a result of the housing development in the city, new areas are mushrooming and provision for the electrification of houses need to be made. An amount of R26 661 723 has been earmarked for these projects, with the areas mentioned in the table above for electrification during 2019/20.

Table 18: Capital projects (Community services)

DESCRIPTION	FUNDING SOURCES	2018/19	2019/20	2020/21	2021/22
P-CNIEUA-BUILDINGS-SATELITE FIRE STAT	UDG	2 472 752	12 668 255	0	0
Upgrade De Beers Stadium	MIG	2 117 678	0	0	0
Upgrade Galeshewe Stadium	MIG	1 190 741	0	0	0
Refurbish Florianville Swimming Pool	CRR	1 409 021	0	0	0
TOTAL		7 190 192	12 668 255	0	0

Planned capital funding sources for the next three financial years are shown in the table below. It is clear from this table that the funding mix for capital spending is not well balanced at this point, as it is funded only from internally generated funds and grants.

Table 19: Capital funding sources over the MTREF

FUNDING	2019/20	2020/21	2021/22
CRR	27 000 000	27 000 000	41 000 000
MIG	0	0	0
RBIG	0	0	0
NDPG	40 000 000	40 000 000	40 000 000
Tech-NDPG	0	0	0
INEP	30 998 000	16 000 000	15 880 000
Inep(esk)	0	0	0
WSIG	30 000 000	40 000 000	50 000 000
EEDSM	5 000 000	5 000 000	6 000 000
IUDG	51 287 000	52 497 000	56 386 000
ACIP			
DSAC	0		
GURP	0	0	0
FBDM			
Prov			
	184 285 000	180 497 000	209 266 000

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 1 – Multi-year capital plan for a comprehensive list of funded and unfunded projects. Below is a list of ward priorities received:

Table 20: 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	Lucias Visagie	Paving of Weaver, Finch, Seeduif, Papegaaï, 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	<p>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, Marthennay 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</p>	Rectify Homevale Ext houses and Homevalley houses Provision for disable houses Provision for houses in Homevalley shacks	Build in door sport facility, multi-purpose recreation ahll, 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	Provision of high mast lights Electrification of Homevalley shacks, high mass, Sardine 2nd Street. Homevalley shacks, between Homevalley and Roodepan Road, 21st Street	Replacement of water meters. Replacement of sewer mains. Communal water and sanitation services level 1. Installation of water and sanitation services for 55 sites.	Survey of 350 sites for informal housing
			Build a paypoint and one stop centre, Buildt houses in all open spaces, build youth centre, build houses in open spaces next to Lerato Park, replace all asbestos roofs		Recreational park next to Roodepan roads and Homevalley ext.		Replace all water pipes in ward.	Rezoning and subdivision empty erven
					Upgrade soccer field Homevalley, 11th Str, 18th Str, Sandshark Str playgrounds, Baracuda in open space			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
					Build park in Homevale and Homevalley			
					Put up hockey fields Volley Ball pitch erect, Gym Park			
4	TH Mpanza	Uplifting of paving in Chris Hani Park (last street facing Waterloo Str	Provision of housing in Ramorwa and Witdam	Sickbay at old age home in Seochoareng Str	2 Parks Mphela and Tholo Str	Electrification of Ramorwa	Upgrade of Gogga outfall sewer main	
		Paving of roads in Peme, Botsang and Boikanyo Str and all streets in Santa Zone 2 and Otto Str		Community Hall open space in Botsang Str			Communal services for water and sanitation	
		Upgrading of s/w drainage system between Peme and Botsang Str					Household water and sanitation connections for informal areas	
5	M Mohapi	Rehabilitation of retention dam between Peme and Botsang Str.						
		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 Setlholo	Ramora & Blikkies dorp sloot, gully to be closed and s/w pipes to be installed	Audit to be conducted to establish damage done to slab houses	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	
		Themba Slood, gully to be closed and s/w pipes to be installed	Infill & Old cracked Vergenoeg houses					
		Upgrade s/w next to Solly;s store, Maphutha Str opposite Deke Str, Boitsanape, Motlhaba and Masakhane Clinic	6116, 6118, 6107, 6112 Maphuta Str, 6002 Seleki Str, 6566, 6573, 6913 Deke Str, 7031, 7032 Mathibe Str, 7033, 7056, 7057 Stamper Str					
		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, Tlhabanelo, Kgalalelo, Tsholofelo, Mochudi & Lekuku, Tau Streets						
		Speed bumps in Thutlo, Stamper, Deke, Goitseman, Seleki and Moheta Str						

7	PP Kwagile	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.	New Area Riemvasmaak still informal settlement no development only taps
							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	
8	Charles Ngoma	Pedestrian walkway from Schmidtsdrift Rd to Freedom Rd	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 Gorp Park	Provision of electricity and High Mast Lights	Provision of basic water and sanitation services	
		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						
9	DM Swazi	Paving of roads, Boitumelo, Mosamo, Chou, Solani, Mokonyama, Hlongwane, Lilian Mantsane, Jenkis 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, Tlhapi, and Bothale Str (Unit 1)	Provision of housing		Upgrade of Tommy Morebudi Sports facility	Solar Geysers to be installed	Provision of basic services in Tshwaragano shacks, pipe replacement programme Nobengula	
		Erection of speed bumps : Phajane, Modise, Ditake, Nkgare, Street no name between Phajane shops, Tetlanyou Secondary school, Mongale, Moagi, Letlhaku, Molema Unit 3, Gwele, Fish Crescent, Siwisa, Simino, Madibane, Leqwabe and Sontlaba Str Unit 2, Obakeng Str Unit 1				Installation of high mast light at area of Dingaan Str and Pick 'n Pay Centre, substation between Siwisa and Dingaan Str to be closed by council		
		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 electricity to shack currently at Tshwaragano shacks		
11	IM Mojakwe	Paving in Arena, Badumedi, LM Mojake, Suzan Tlhalepe, Molemo and Thokoza	Agisang (Katima Molelo) residents extension of 2 rooms and	Job for youth	Cleaning of parks		15895 Mojakwe Str, meter box leakage	

			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	Playground at Stranger Nkosi open space	Upgrading of Agisanang Park			
			Geysers are cracking roofs	Cleaning of graveyard				
			Removal of asbestos					
			Greater Vergenoeg houses are cracked					
			Arena Residents want houses to be renovated, new toilets.					
			Refurbishment of hostels into CRU's					
12	LL Mocwagole	Unit 1 - Paving of roads (Mashilo, Magonare, vicinity at Peme Office and car wash),	Unit 4 - Dilapidated house in Phillip Mphiwa	Unit 1 - Magonare big tree church side open area for	Unit 4 & 5 Upgrading of park in	Maintenance needed at all units	Construction of brick toilets in Tyala Drive,	

		Witdam streets	next to Faima Church should be renovated for Ward 12	small park for relaxation and gathering purposes	Phillip Mpiwa down to Phakedi Str		Mocumi Str	
		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, Redirile 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	consultation house causes rapes and robberies	Unit 2 - Building of libraryNext to African Church in Kwnobanthu				
		Unit 3 - Tyala- Kekane Str same		Unit 4 & 5 Cutting of trees which causes a lot of rapes and robbery at Phillip Mphiwa down Phakedi Str				
		Unit 4 - Hulana str all internal streets Phakedi Str		Develop food garden for the (jojo) community and create jobs at open space next to Salvation Creche at Nkoane 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						
13	MK Molatudi	Paving of ext 6, Sesing 2, Maji, Methodist Str (next to St James Church), Methodis 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, Malunga, Modiakgotla, Sol Plaatje	Santa Centre and Zone 2		Social centre park needs to be cleaned and revamped	Zone 2, electricity boxes needs to be transferred from shacks into the houses	Provision of basic services to Santa Centre & Zone 2 shacks	
		Speed bumps in Riet Str, Phakedi Str			Galeshewe Stadium needs to be paved in the front entrance	Street lights in Long Str		
		Infrastructure Mahala Park, Santa Santa				Electricity Santa Centre		

14	LHS 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</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</p>				Formal settlement - area has to be 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.
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		<p>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. 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 bumkps (half-shaped roundels) to be placed near c/o NG Church to avoid speeding.</p> <p>All roads that have speed bumkps 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>Baptist Church c/o Recreation Rd & Apostolic Church c/o Petunia Str, behind Squarehill Park, water furrow slood 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</p>				
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				<p>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 exsit as it is occupied by housing)</p> <p>Cyril Crescent (Park in Carl Str & Cyril Crescent and area bordering Progress Primary School)</p>				
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				<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</p>				
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				<p>College Road embarked from St Pauls Rd opposite Dept of Education to 50m from last house in road.</p> <p>Area between New Homestead and AR Abass Stadium next to Santa Centre rubbish are dumped by informal settlements.</p> <p>Island between Hugo & Orange Str overgrown.</p> <p>Gemdene (Buffer area Ruby St & Barkly Rd regular maintenance overgrown.</p>				
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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 Tswelelang	Snakepark & Promise Land. Provision of housing in Tswelelang	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 & Orange Str overgrown)		Complete Snake Park electrification	Provision of basic services Snake Park & Promise land	
17	GI Petoro	Unit 1 Club 2000 (Road in Peace/Khutsonong to be fixed, potholes to be patched, no s/w intakes in Tidimalo, Kakaretso,	Unit 1, Club 2000 (cracked houses, roofs)	Gemdene (Buffer Area Ruby Str & Barkly Rd)	Unit 1 Club 2000 (Trees to be cutted in Peace Str	Unit 1 - Club 2000 Refurbishment of all high mast lights	Unit 2 (Zink toilets Convention, Julia,	

		Khutsanong)			and cleaning of ground)		Chabagae, Patric Mothelesi, Molete, Motlhanke, Matshidiso, Vanani, Mac Sebao Str)	
		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. Extension of Morris Lenyibi Main road too small for 2 cars, Patches to be repaired, no intakes)	Unit 2 (cracked houses and leaking roofs to be repaired)	Unit 2 (Close ground facility to be fixed has been vandalised, community hall, cleaning of veld)	Unit 2 (Park to be upgraded, security 24 hours, trees to be cutted in Kulia, Chabagae, Convention Str)	(3 street lights in every str, Khutsanang, Kakaretso/Tidimalo/Peace when high mast is off street lights must serve as back up)	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)	
		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). Bridge to be built over s/w canal	Unit 3 (cracked and leaking roofs to be repaired)	Kaghiso (School, library, clinic near ground in John Mampe, Kagiso, Tlhageng)	Kaghiso (Park and fencing to be upgraded, rubbish drums in Gala Mottheo,	Unit 2 - (3 Str lights in every streets, Molete, Motlhanke, Matshidiso, Patric Mothelesi, Convention, Vanani, Mac Sebao)	Unit 3 (King Senare, Phidisanang, Tirisano, Gabriel, Baremedi, Forest View,	

					Tlhageng Unit, as well as at park)			
		Extension of Morris Lenyibi Main road too small for 2 cars, Patches to be repaired, no intakes)	Kagiso (36 cracked houses built by Mulan Construction to be rectified, other cracked houses and leaking roofs to be repaired)	Ipeleng (Netball, basket ball fields to be provided)	John Mampe II (John Daka 2 and Kagiso Parks and fencing to be upgraded)	Unit 2 (High mast light in Moleteand at close ground to be fixed)	Kagiso (Zink toilets to be built with bricks Gala Moetheo, Morris Lenyibi, Rebecca Mothwaeng, Bunny Mamba, Captain Matsie, George Molaolwa, Gloria Mathebula, Tebogo Maseng)	
		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)	Provision of housing in King Sengari		Ipeleng (rubbish drum at Ipeleng Park and park and fencing to be upgraded)	Unit 3 (3 street lights Gabriel, Tirisano, Edward Moeng, King Senare, Tshidisanang)	Pipe replacement on sewer mains with an option of upgrading top structures. Point repairs on sewer mains in Kagiso, basic services for King Sengari.	

		Ipeleng (No s/w intakes Chris Marais, Masisi, Man Zana, potholes to be patched)				Kaghisso (3 street lights as back up in Rebecca Motllhwaeng, Gloria Mathebula, bunny Mamba, Morris Lenyibi, Gala Motheo, Captain Matsie, Tebogo Maseng,)		
						John Mampe II (3 street lights in John Daka, Mampe, Manne Dipico, Albert Lethuli, Phakamile Mabija for back up)		
						Ipeleng (High mast light at Ipeleng Park)		
18	PR van Wyk	S/w system in whole ward (foculs also in Nxumalo as system is in back of yards)	Renovation of Heritage Houses (mud houses) Mlimba Str shacks + 7.	Development of small village - LED (Mayibuye Precinct - Robert Sobukwe office)		Service and upgrade of electricty transformers Mlimba Str Shacks	Provision of services Mlimba Str shacks	Over population double packing of families
		More speed bumps to be erected	Block brick houses in Greater No 2 and some houses in Nxumalo cracking because of poor workmanship	Unemployment and lack of skills program for young people				
		Paving of streets Malat Str, Nxumalo cul-de-sac	Registration of Greater No 2 for the title deeds	Lack of library in this cluster ward				
			Infill houses					

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	CA Pearce	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 West End, Kimberley North and Utility Partching of roads in other units in Ward 20. Visible street names S/w drains in West End, Utility and CBD, especially at Big Hole	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		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	WA van Rooyen	Rehabilitation and resealing of Hull Str. Upgrade s/w management system in Hull Str and Diamantveld Primary School. Automize and upgrade s/w management at subways	Upgrading of Flamingo Court				Pipe replacement for water mains	
22	ND Maditse	Paving of roads, Woodburn, Idutywa, Soga, Lemonwood, Ironwood, Denomthuli, Liphuku, Mokoalane, Thomspon,	Provision of housing in Greenpoint	Elektra Park - no service delivery	Upgrading of sports ground	Greenpoint, investigation into lighting levels	Provision of basic services in Greenpoint, Point repairs on	Land for new cemetery

		Magugu, Bonbani, Mohosh, Sneezewood and Witpad Streets					sewer reticulation	
		Extension of s/w canal in Greenpoint			Development of parks in Southridge			
		Maintenance of roads in Southridge and cleaning of s/w drains (Landbou Rd, Britten Close, Smart and Beddome Str - serious need)						
		Elektra Park (Paving of streets)						
23	PJ 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	OC Fourie		Upgrading of flats, Krisant, Hercules, Jonker, and	Provision of bulk refuse bins at municipal flats		Highmast ligths Diamond Park	Replace main water line in Dalham Rd,	

			Eureka Courts				Broadway from Carrington Rd up to Old Cape Town Rd	
				Bulk refuse bins at Diamond Park			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	Rietvale informal settlement	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	
		Paving : Motsweding, Moremi, Shuping, Zepe, Kgabang, Morometssi, Kutlwano, Goolam Akharwaray, Ratanang, Matlhaku Zone, Pakes Dikgetsi Str	Rebuilding of Old Phelindaba houses in 3 phases					
		S/w Management for Ritchie, R	Repairing rooftops of Ikageng houses					
		Paving sidewalk from Ritchie to Modderive						
27	N Hammer	Paving of Fraser Moleketi and other bus & taxi routes, Seeduif, John Humphres, Van Riebeeck and Venus Str.	Riemvasmaak Moving of app 30 in Suiderkruis & Kleindam Str (fountain flooding), Houses to be developed for	Cleaning of illegal dumping sites. Purchase of refuse removal truck, Upgrading and maintenance of community hall	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	Surveying 220 informal structures, 750 erven including complimenting facilities such
		Speed bumps for Opperman, Van Riebeeck, Stokroos, Pelikaan Str.						

		Underground s/w drains to river	Rietvale, Houses for app 1000 houses.	(Paving and parking area)			bulk meters, provision of basic water services in Riemvasmaak	as business, creche, government office, etc
28	Currently vacant	Upgrade of s/w in St Luke Rd and s/w sloop c/o Pine and Farm Roads	Community Road Settlement	Building of community hall (500 people)		Electrification of Colville and bulk upgrade	Provision of basic services in Community Rd	
		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						
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)	Park in Lerato Park and Jacksonville	Electrification of Jacksonville	Upgrade of pump stations. Bulk linking services. Upgrading of sewer outfall main	
				Community Hall, Clinic				
				Jacksonville (Indigents, clinic)				

31	BJ 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	KM Sebegu	Paving of Kgatlane, Legodi and George Joseph Str Paving of Chris Hani 2 Streets Street names						

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.

The high cost of purchasing bulk electricity from ESKOM, together with the increasing electricity losses have contributed this. In addition to this, NERSA did not grant the municipality any increase in rates for the 2017/18 financial year. All of the other services' proposed increases are in line with inflation

Table 21: State of the Budget – 2019/20 Tariff increases

SUMMARY SERVICES	DEFICIT	AVERAGE
SEWERAGE SERVICE	4 243 347	6.50%
CLEANSING SERVICE	3 762 229	7.50%
ELECTRICITY SERVICE	78 142 270	11.40%
WATER SERVICE	16 184 082	6.00%
RATES AND GENERAL SERVICE	32 752 084	6.00%
	135 084 012	8.36%

The figures below depict the trend in terms of tariff increases over the past 11 years, both on an average basis, and for the rates service specifically.

Chart 25: Average tariff increases

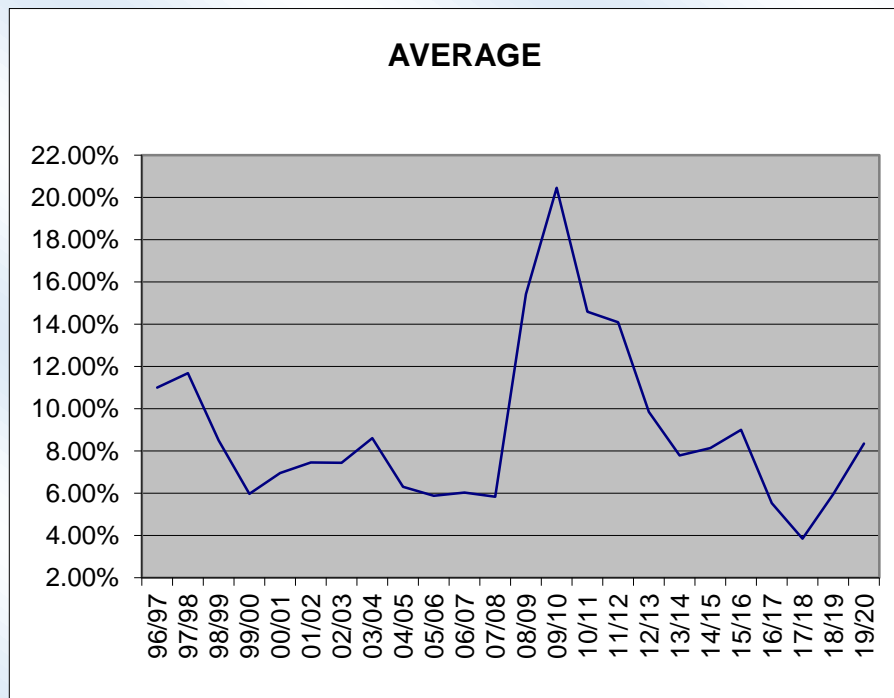
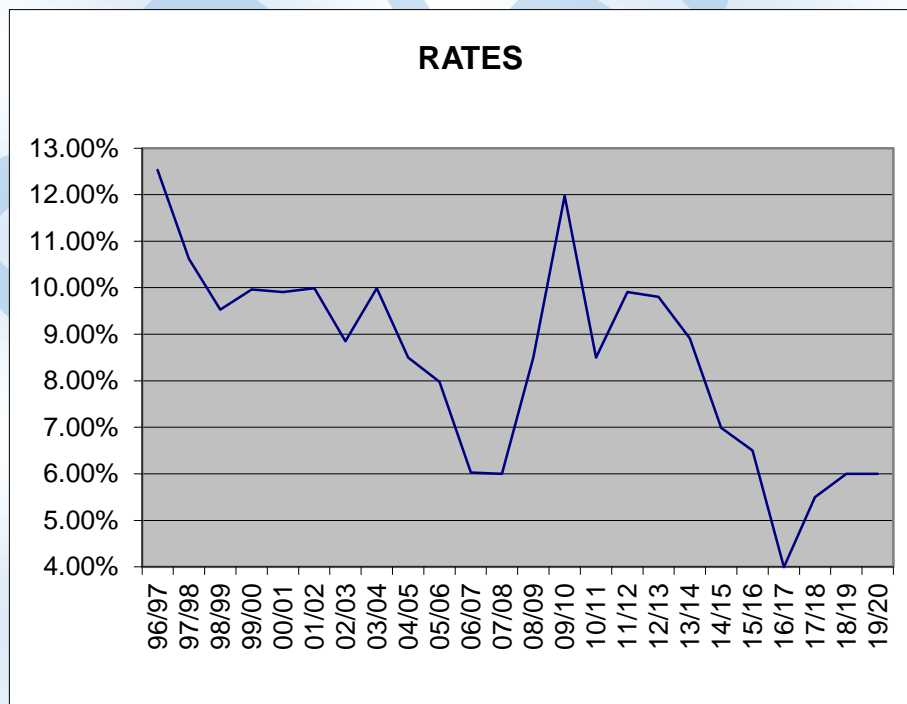


Chart 26: Rates tariff increases



The main cost drivers for the municipality over the past 7 years are shown in the table below:

Table 22: Main cost drivers

Expenditure as a % of Total Expenditure	2013/2014 Audited Outcome	2014/2015 Audited Outcome	2015/2016 Audited Outcome	2016/2017 Audited Outcome	2017/2018 Audited outcome	2018/2019 Adjusted Budget	2019/2020 Budget
Employee costs	35%	32%	39%	35%	37%	36%	35%
Other Materials	4%	10%	8%	7%	7%	7%	7%
Bulk Purchases	27%	27%	28%	27%	27%	30%	28%
Debt impairment	9%	9%	10%	10%	10%	12%	10%

It is clear from the information above that the largest part of operating expenditure relates to employee costs and bulk purchases of water and electricity. These costs are very difficult to reduce or contain and therefore it leaves very little room for leverage within the operating expenditure budget.

Status Quo – revenue

The process of review for the current General Valuation Roll (GVR) has been concluded by the 1st January 2019 and was submitted to the Accounting officer before 31st January 2019, and has since been published for objection processes in February 2019. The new General Valuation Roll will see the increase of valuation for 2019 to R35 447 774 070 from R30 061 766 637 (December 2018) with 53 993 properties (53 227: Sept 2017)

The current valuation roll is completed and the objection process is running with the closing date on 25 March 2019.

Below is a summary of the status of the General valuation roll:

Total number of registered properties as at December 2018: **53 993**

Valuation Modelling Progress: 100 %

Inspections Progress: 100 %

Capturing into valuation modelling: 100 %

Total Progress: 100 %

The G.V. 2019 is completed and lodging of objections has commenced.

Submission to the Accounting Officer – 30 January 2019

Chart 27: Current value of G.V. Roll – R 35 447 774 070.00

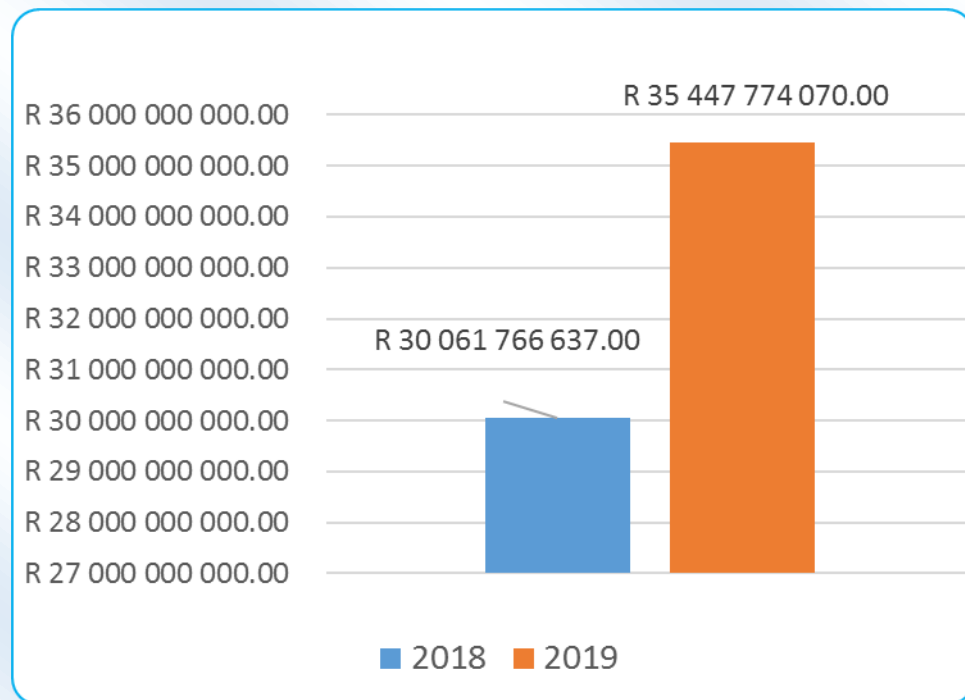
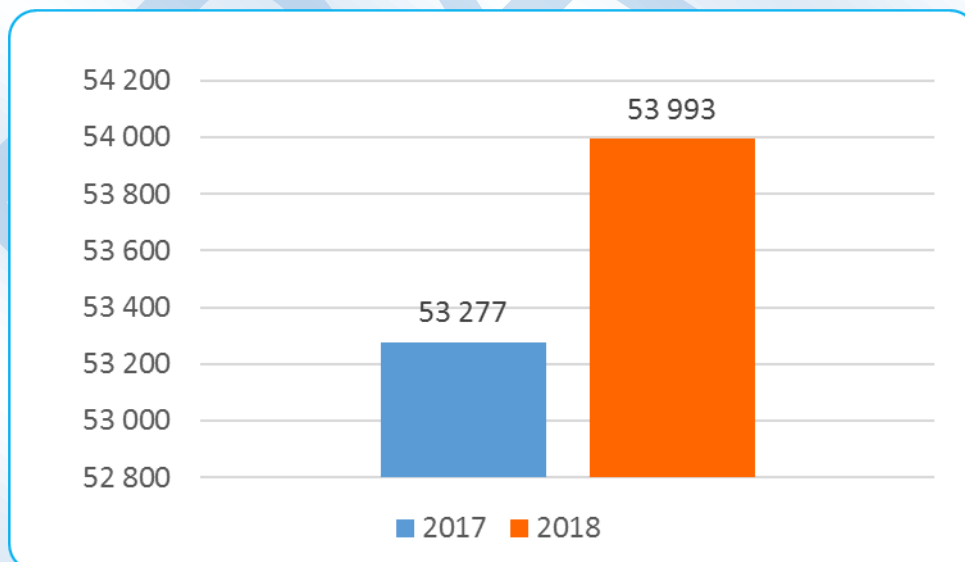
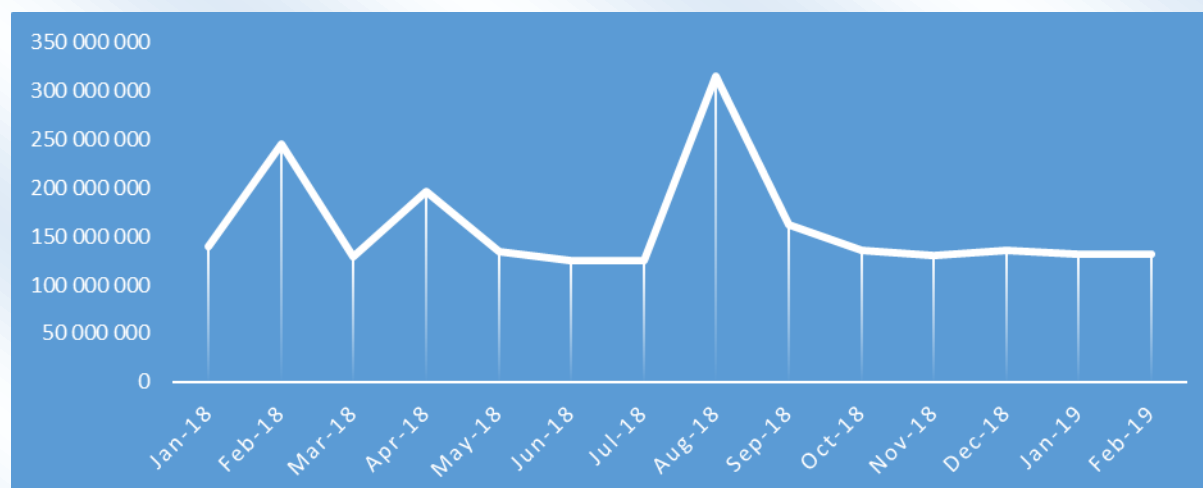


Chart 28: Growth in Number of properties in SPLM



It is further important to understand the trends in terms of billing, and the growth in account holders in order to plan and strategize for the future. The graph below depicts the movement in terms of number of accounts from January 2018 to February 2019:

Chart 29: Billing Trends (2018-2019) Monthly trends



Billing trends are in line with expectation, with a spike during July/August as a result of the annual billings that are done at the beginning of the financial year. It is therefore evident that the growth in debtors cannot be attributed to shortcomings of the billing system or procedures, but rather inability to collect money that has been billed.

Achievements

The municipality was a pilot site for the implementation of the municipal Standard Chart of Accounts (mSCOA) since 2015. The regulated date for final implementation was 1 July 2017. Sol Plaatje Municipality met this deadline and successfully implemented version 6.1 of the mSCOA chart during July 2017. Version 6.2 of mSCOA was implemented in July 2018 and version 6.3 will be implemented from 1 July 2019. All submissions of supporting documents and data was done as per the regulation.

In conjunction with implementation of mSCOA, the municipality also successfully upgraded from the E-Venus financial system to the SOLAR system. This upgrade will enable the municipality to better achieve seamless integration between the core financial system and other systems, as required by the mSCOA regulation.

The municipality has also managed, once again, to produce a budget that was assessed by the National Treasury to be credible and funded.

For the 2017/18 financial year Sol Plaatje municipality received a financially qualified audit report as well as for reporting on predetermined objectives.

New developments that will generate revenue in the form of rates and service charges include:

- Lenmed Hospital – Erf 43769
- Additions to both the North Cape mall and Diamond Pavillion mall – Erf 45831 and 33933
- SPU Building (University) – Erf 879 and 2503
- Goffee Manor (Sectional Title Complex – Theo Paton) – Erf 4459
- Corns Building (Van der Wall & Partners offices) – Erf 41179
- New Hill Manor (Hillcrest Residential Complex) – Erf 45720 – 45739
- Rhodesdene (New Residential Complex in Jameson Avenue) – Erf 24604
- The Palms – sectional title complex of 75 units – Erf 47963

Improved debt collection practices

Following the shortfall in revenue and concomitant cash flows early during the financial year due to resistance to R260 electricity basic charges on residential account holders, the municipality embarked on an improved method to implement the credit control policy to all categories of customers including Organs of State, resulting in a collection rate of 81.6% (Dec 2018) bringing municipality closer to realize its intended debt collection rate of 89.4%

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
- Municipal tariffs are perceived by the public to be too expensive and not competitive, not cost reflective
- 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.
- 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 stumbling block 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. In addition to this the commission received from the Department of Transport as compensation for handling some of the vehicle licensing and registration function, are also to be forgone as the Department of Transport plans to take back that function. It is still unclear what the strategy around the municipal staff employed specifically for that function would be.

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 reasonability. Two-way communication between the Municipality and its community is imperative. 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. 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 Incentives and Partnerships

It is further important to look at the current IT Infrastructure, as a business enabler for the whole municipality, and ensure that it is capacitated through IT Capital Projects. The municipality should leverage off current system agreements to ensure that all functionalities that are available from these systems are optimally utilized, include for better information security capabilities, and promote efficient and effective service delivery before purchasing any additional systems.

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, 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 November 2018, Sol Plaatje had a total of 2503 employees including:

- 1489 permanent employees
- 489 contract employees
- 130 interns
- 65 councilors
- 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.

In particular, key changes required in the management of Human Resources at SPLM include:

- A properly structured skills development plan, clearly indicating where the most critical skills gaps are and how they will be addressed.
- A Succession Management Plan needs to be put in place (specifically taking the age profile of key staff and managers into account).
- A Consequence Management Plan – 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.

Achievements

The nature of this KPA is largely driven by strategy, policy and legislation. It includes indicators such as 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 was not done due to political instability in the organisation. A new date has been secured with the Service Provider as well as the Executive Directors for completing the annual (2017/2018) and mid-year (2018/2019) performance assessments.

Challenges

Many of the challenges faced by this directorate overlap with those already mentioned, including the economic climate, high unemployment rate and budget constraints. Internally, a lack of adequate strategic planning/direction may impact negatively on this KPA. An improvement in policy development is required. Leadership should be collective.

Mitigation Strategies

The approved organogram should be analysed and reviewed to ensure that it is as efficient and service delivery orientated as possible. 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. Centralising the training budget to the Human Resources department will also assist in fast tracking skills development and training of staff.

The SPLM HR plan aims to align its Human Resources with the Municipal requirements by acquiring, developing and retaining the right staff with competencies that support SPLM's IDP objectives and creating a Human Resource framework that promotes efficiency and productivity.

In particular, key changes required in the management of Human Resources at SPLM include:

- A properly structured skills development plan, clearly indicating where the most critical skills gaps are and how they will be addressed.

- A Succession Management Plan needs to be put in place (specifically taking the age profile of key staff and managers into account).

Another critical HR deliverable is a culture change programme to reinvigorate the organization, establish a new code of conduct at all levels and positively enhance the profile of the municipality.

The present Individual Performance Management System (IPMS) must be fully institutionalized to all levels of staff and a Reward and Recognition Policy must be completed to ensure proper buy-in into the IPMS. A process to prepare Standard Operational Procedures for all functions should also be prioritized.

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.

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). Modernisation in these areas should be prioritised.

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.

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). Modernisation in these areas should be prioritised.

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 and it 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 post the 2016 elections.
- Effective public participation programmes are conducted by Council.
- Functioning of council and committees is optimal.
- The audit opinion regress from an unqualified to a qualified opinion in 2017/18.on both financial statements and reporting on predetermined objectives. Compliance findings in all areas have reduced significantly.
- No claims of tender violations were in the past two years.
- National Treasury considers SPLM amongst better performing municipalities in the country (eg budget funded, reliable and credible)
- SPLM is also amongst more financially viable municipalities in South Africa
- 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.
- Health and safety compliance have improved.

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 contracts 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.

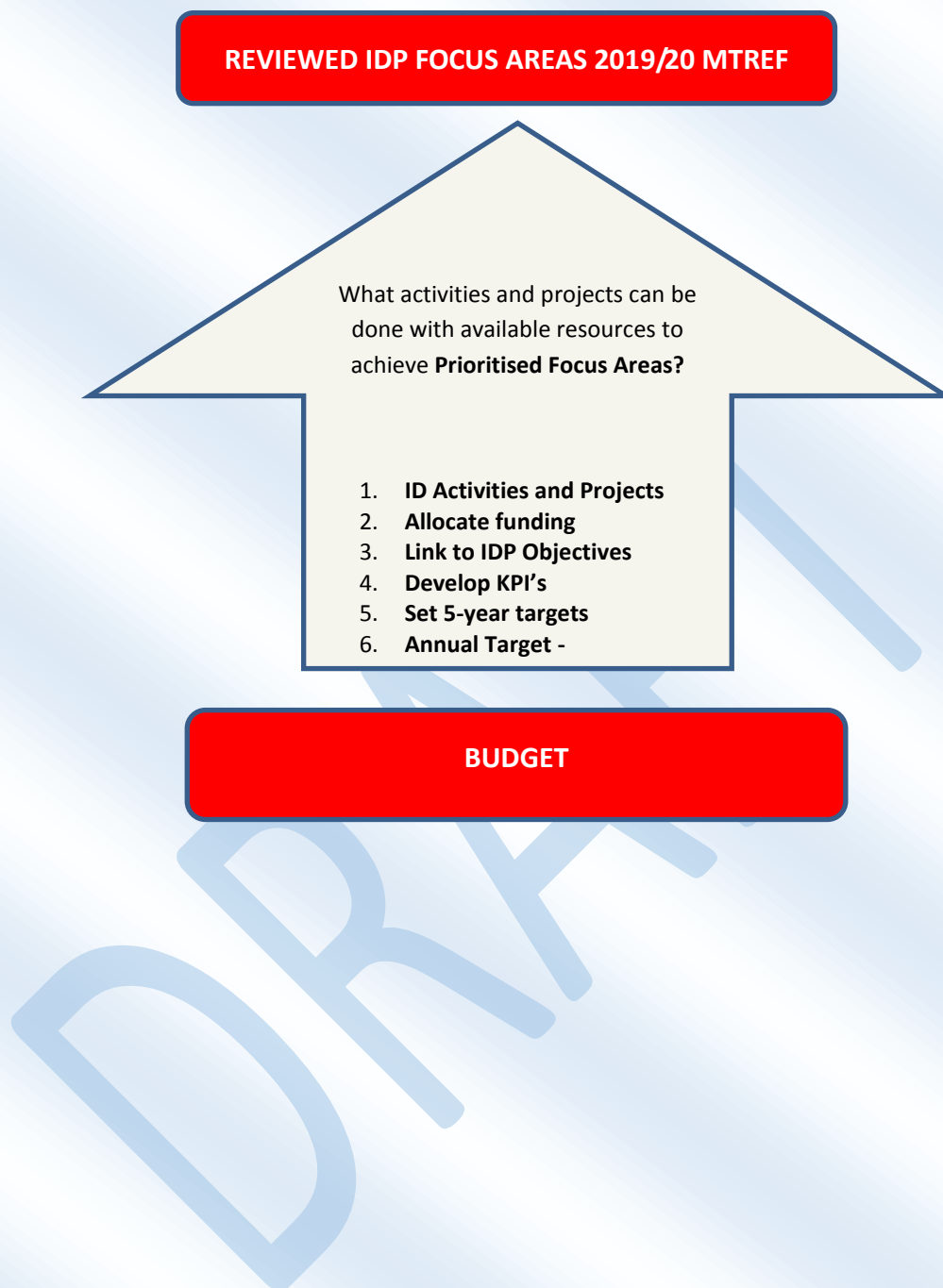
Other than weak institutions and absence of participation and democratization, lack of social capital poses a major challenge to approaching good governance. Social capital is viewed as emerging from the collection of norms, belief, attitudes and practices that govern relationship between individuals 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 2019/20 MTREF. Some of the line items in the Operational Budget need to address the IDP priorities indicated above – especially in light of the B2B programme as not all priorities relate to the capital programme.

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



3.2 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 23: Roles and responsibilities of political structures

Council	Executive Mayor	Mayoral Committee
<p>Governs by making and administering 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: Governance 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 programmes. 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 programmes.
- 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 programme 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.

3.2.1 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.

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.

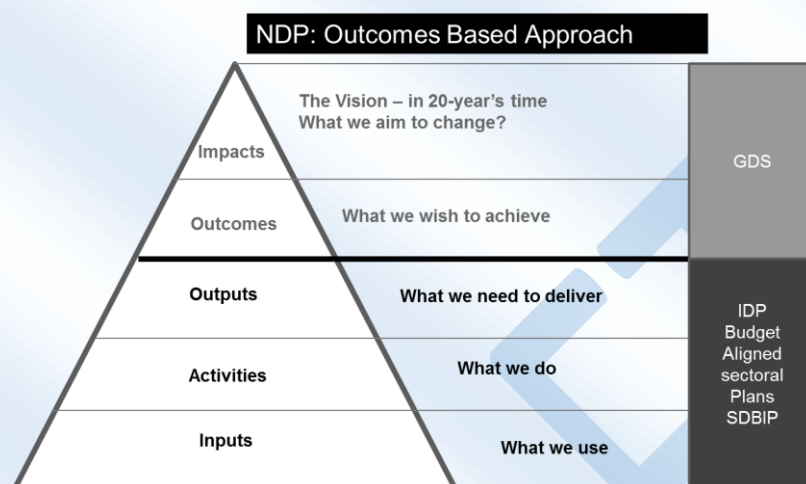
However, the National Development Plan (NDP) – Vision 2030 has been given greater emphasis as the point of departure for all spheres of Government in terms of planning and budgeting for next 20 to 30 years. The Plan includes integrated strategies for accelerating growth, eliminating poverty and reducing 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.

At present the long term planning framework of the Municipality is fragmented and to a large extent incoherent which complicates development decision making and management due to its sectoral (silo) approach. A variety of plans and frameworks exist but the integration and alignment of these plans and frameworks are weak and outdated. It is for this reason that a service provider has been appointed to work with SPLM in reviewing the existing sector plans,

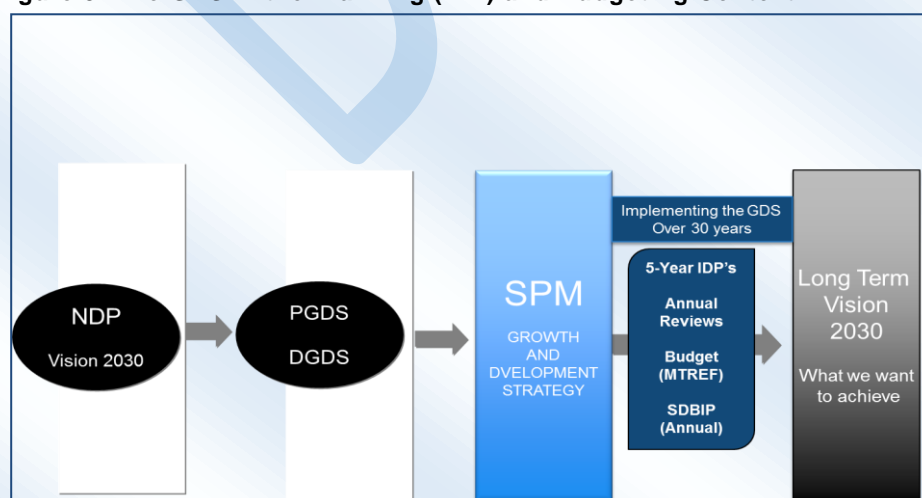
developing plans where no existing plans are in place. National Treasury has appointed consultants to proceed with the Long Term Financial Strategy of the municipality. Collaboration will be required between the consultants appointed to review the sectoral plans and the National Treasury team in order to finalise both projects.

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. The municipality is currently in the process, together with a service provider, to update and align the existing sectors plans. After this process has been complete the development of a growth and development strategy will be prioritized. In the illustration below this “gap” is filled with the SPLM GDS which will then feed into the 5-year IDP’s.

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 (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 programmes 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 (IUDF)

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.

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.

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. At present SPLM has a range of sectoral plans (see table below) which at this stage is to a large extent fragmented, incoherent and outdated. This complicates planning, decision making and management. The process of reviewing and establishing the required sector plans has already commenced, with the assistance of appointed professionals.

It should further be noted that a loan of R50 million has been approved by the Council two years ago. Once the process of review of the relevant sector plans has been concluded,

projects to be funded through the loan can be identified and the legislative process can continue.

Table 24: 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>An SDF was adopted by Council in 2005 and a review was adopted by Council in May 2009. Linked to the review of the SDF is the preparation of a The LUMS which was published in June 2012 and became fully operational in July 2012.</p> <p>The SDF is currently under review and this review is envisaged to be completed by 30 June 2018.</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>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</p>	<p>A LED Strategy was adopted by Council in 2009 and is due for a review. The LED strategy review forms part of the scope of work to be performed by the appointed service provider, V3 consulting Engineers.</p>

Sector Plan	Contribution to IDP Objectives	Status
	<p>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 proactive tool to be used by the municipality to promote regeneration and economic development.</p>	
Integrated Transport Plan (ITP)		<p>Council adopted its ITP in October 2006. This plan is now due for review especially in relation to the "Space-economic Strategy". The roads and storm water master plans are currently under review. Only after this review has been completed, the integrated Transport Plan can be updated.</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 comments 4. finalize and adopt the WSDP 5. supply copies to DWS, CoGTA & neighbouring WSA's 6. incorporate the WSDP into the IDP 7. report on the implementation of the WSDP every year 	<p>SPLM in 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.</p>

Sector Plan	Contribution to IDP Objectives	Status
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 is currently under review and the review is aimed to complete by 30 June 2018.</p>
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 	<p>An Integrated Waste Management Plan has been adopted by Council in October 2011 and programmes/projects emanating from this plan have been included in the 5-year Action Plan of this IDP. This Plan is also in process of being reviewed and will be finalized by 30 June 2018.</p>

Sector Plan	Contribution to IDP Objectives	Status
	<p>and limited impact on the health of communities and the environment.</p> <ul style="list-style-type: none"> ○ 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>Integrated Environmental Management Plan (IEMP)</p>	<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; ○ To ensure that the Chapter 1 principles of the National Environmental Management Act (Act No. 107 of 1998) are applied when: <ul style="list-style-type: none"> ● Strategies are designed; and ● Projects planned; ● To ensure a healthy environment by ensuring that: <ul style="list-style-type: none"> ● Urgent environmental issues are addressed; and ● Envisaged projects have no negative impacts on the natural environment. 	<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 for addressing prioritised environmental issues and harnessing the potential of natural assets. Volume 2 has been completed in Mar 2012.</p>

Sector Plan	Contribution to IDP Objectives	Status
Municipal Infrastructure Investment Framework (MIIF)	<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, stormwater and the IT and telecom networks) 	<p>Due to the seriousness of the bulk infrastructure backlogs the Municipality commissioned a feasibility study to quantify the actual infrastructure backlog and to come up with a funding model. The feasibility study focused on critical infrastructure delivery such as water, sanitation and electricity capacity. This feasibility study was accepted by Council in 2010. As mentioned above, a number of sector plans are currently under review. The completed plans will form the basis of developing the MIIF, long term financial strategy and financial plan.</p>
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> <p>Revenue raising strategies</p> <ul style="list-style-type: none"> ○ Asset management strategies ○ Financial management strategies ○ Capital financing strategies ○ Strategies that will enhance cost-effectiveness ○ Operational financing strategies 	<p>National Treasury has appointed consultants to proceed with the Long Term Financial Strategy of the municipality. Collaboration will be required between the consultants appointed to review the sectoral plans and the National Treasury team in order to finalise both projects.</p>
Institutional Plan	<p>The SPLM's Institutional Plan will address:</p> <ul style="list-style-type: none"> ○ A revised HR Policies and Procedures 	<p>As part of its Turnaround Strategy and OPCAR the Sol Plaatje Municipality has identified Institutional Building as a key focus</p>

Sector Plan	Contribution to IDP Objectives	Status
	<p>Handbook were prepared.</p> <ul style="list-style-type: none"> ○ An assessment of changes required to Macro and Micro Organisational Structure was completed and proposals on the “to be” Organisational Structure were drafted ○ A draft 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 it was revised in line with relevant legislation.</p>	<p>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. Although a single Institutional Plan is not in place – the institutional plan is effectively contained in the HR policies, the reviewed Organisational Structure as well as the HR 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>
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 	<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 (table 15).</p>

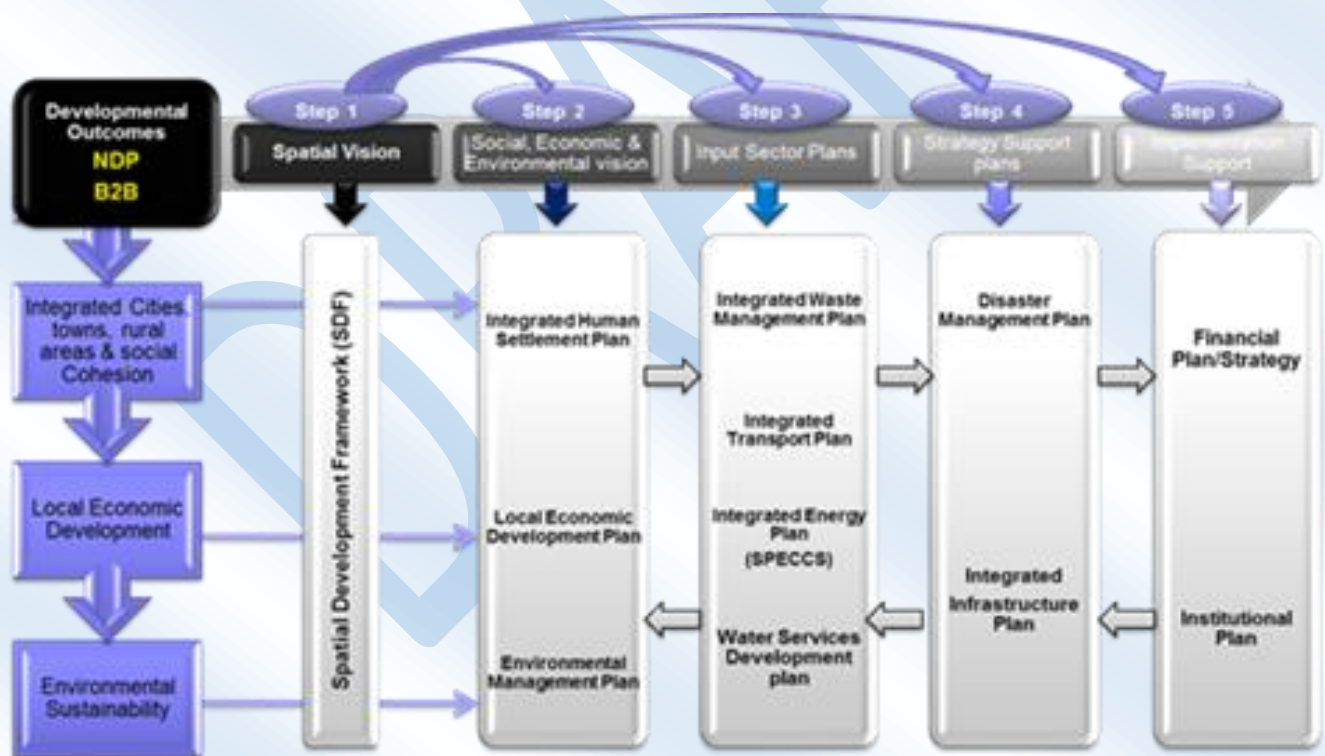
Sector Plan	Contribution to IDP Objectives	Status
	<p>addressed.</p> <ul style="list-style-type: none"> ○ A useful planning and monitoring tool to use is a matrix. The matrix effectively links plan, budget, responsibility and performance in one document/page. ○ The plan should also be illustrative. 	

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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 diagramme below – which follows a logic sequence. It is emphasized once again that the process of developing a long term growth and development strategy will only commence once the review of sector plans has been completed.

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.

SPLM has a SDF in place that is being reviewed to establish whether it still addresses the challenges as envisaged to create an integrated City that include social cohesion in terms of its space-economic development.

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.

Although SPLM has prepared all three these plans – they were developed in isolation and therefore are fragmented and incoherent and complicates planning, decision making and management. It also do not contribute meaningful towards the goals and objectives of the NDP and B2B. Hence the strong focus of reviewing and updating the sectoral plans within the municipality, as mentioned above.

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

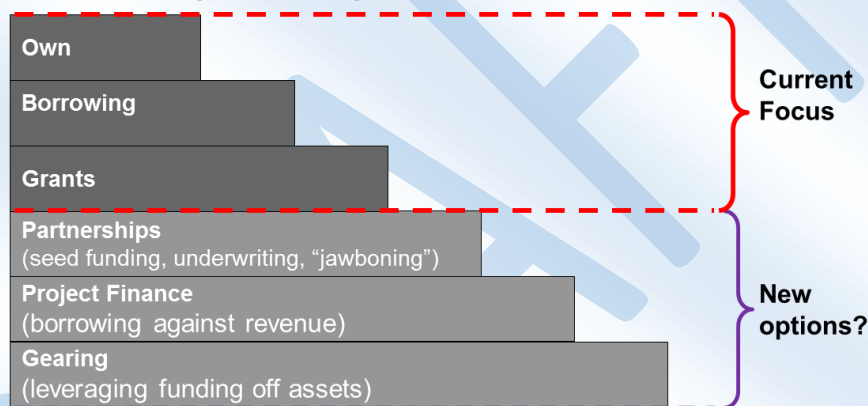
The last step in the sequence of the “logical sector plans” is the resources needed to implement these plans. At this stage the Municipality is aware of what it needs to implement to achieve its goals and objectives and therefore need to allocate the necessary resources, which will include:

- 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 2019/20 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 draft Capital Budget is attached in the schedules while the draft 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 2019/20 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.

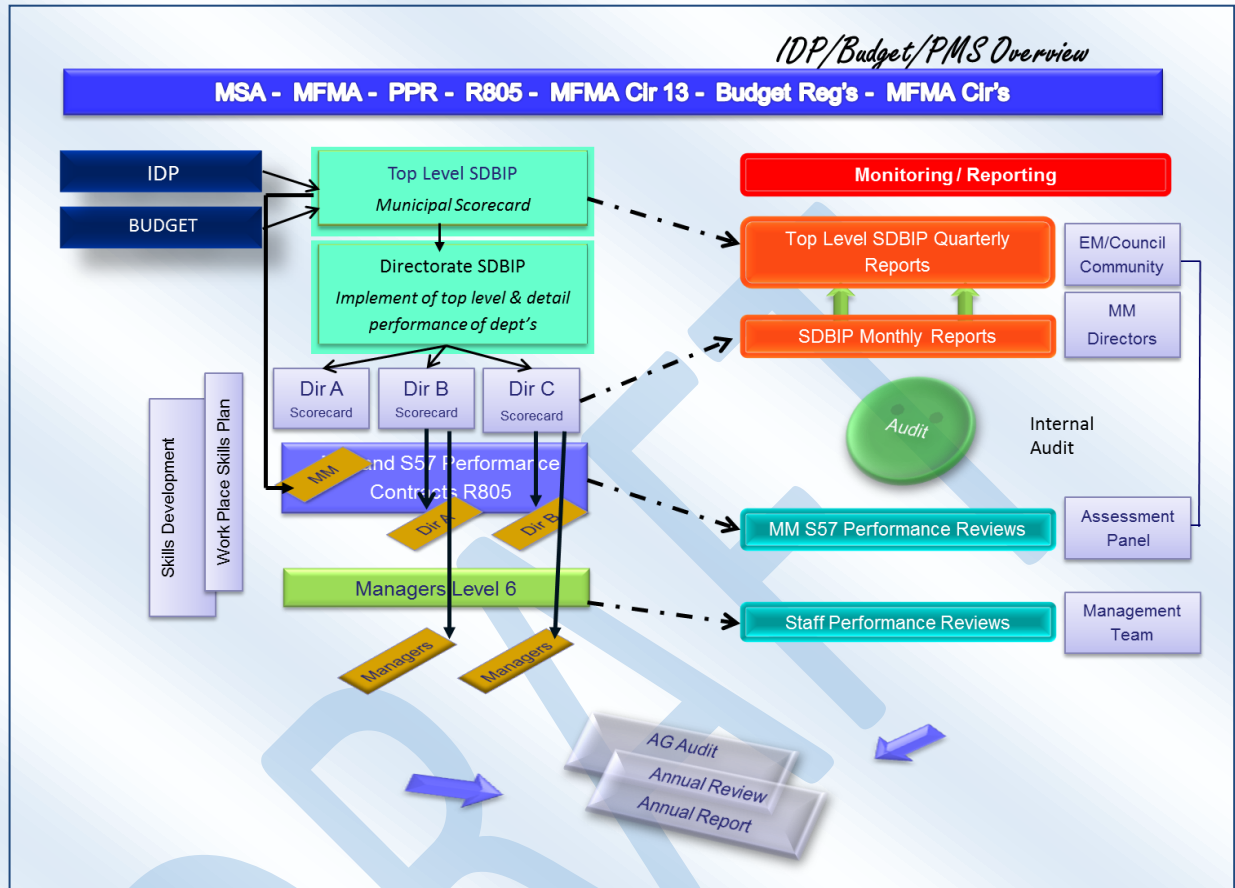
The SDBIP gives effect to the implementation of the IDP and Budget of the Municipality. The IDP Objectives, Key Performance Indicators and Targets aligned to the Budget within each Key Performance Area in the Multi-Year Municipal Performance Plan will then inform the SDBIP for the 2019/20 financial year 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 prioritised projects, programmes 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 – MULTI YEAR CAPITAL PLAN

PROJECT DESCRIPTION	ESTIMATED TOTAL COST	RESPON SIBLE	FUNDING SOURCE	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	Beyond 5 Years	Funded and included in capital budget
WATER AND SANITATION PROJECTS											
LINKING SERVICES - BULK WATER LERATO PARK	20 783 414.00	SPLM	MIG	8 402 274	8 796 308						✓
			CRR		3 584 832						✓
LINKING SERVICES - BULK SANITATION LERATO PARK	16 839 176.00	SPLM	MIG	6 558 321	7 370 383						✓
			CRR		2 910 472						✓
GOGGA PUMP SEWER OUTFALL MAIN	28 500 000.00	SPLM	WSIG	28 500 000							✓
RITCHIE BULK WATER (ABSTRACTION AND DISTRIBUTION)	30 551 000.00	SPLM	RBIG/MIG	20 000 000	10 551 000						✓
RIVERTON PUMP STATION BUILDING	31 657 205.00	SPLM	CRR	31 657 205							✓
RIVERTON HIGH LIFT PUMPS (MECHANICAL AND ELECTRICAL WORKS)	6 096 300.00	SPLM	CRR	6 096 300							✓
CARTERS RIDGE SEWER PUMP STATION	3 000 000.00	SPLM	WSIG		3 000 000						✓
CARTERS RIDGE SEWER PUMP STATION	32 000 000.00	SPLM				10 000 000.00	15 000 000	7 000 000			NOT FUNDED
RECONSTRUCTION OF OLD SINK TOILETS IN KHUTLANONG	14 000 000.00	SPLM	WSIG		14 000 000						✓
REFURBISHMENT OF SEWER PUMPS VARIOUS WARDS	12 000 000.00	SPLM	MIG			5 000 000.00	7 000 000				✓
REFURBISHMENT OF SEWER PUMPS VARIOUS WARDS	2 400 000.00	SPLM	CRR			1 000 000.00	1 400 000				✓
PIPE REPLACEMENT (water mains)	20 000 000.00	SPLM	MIG		5 000 000	5 000 000	10 000 000				✓
PIPE REPLACEMENT (water mains)	3 000 000.00		CRR			1 000 000	2 000 000				✓
PIPE REPLACEMENT (water mains) UNFUNDED PORTION	317 000 000.00	SPLM	MIG	CRR		30 000 000	30 000 000	30 000 000	50 000 000	200 000 000	NOT FUNDED
PIPE REPLACEMENT (sewer mains)	310 000 000.00	SPLM	MIG	CRR	25 000 000	25 000 000	25 000 000	25 000 000		210 000 000	NOT FUNDED
RIVERTON SUMP RESERVOIR	30 000 000.00	SPLM	RBIG/MIG		10 000 000	10 000 000	10 000 000				NOT FUNDED
BULK WATER RISING MAIN	100 000 000.00	SPLM	RBIG/MIG		30 000 000	30 000 000	30 000 000	10 000 000			NOT FUNDED
REPLACEMENT OF WEST END/TAMBO SQUARE SEWER OUTFALL MAIN	13 000 000.00	SPLM	RBIG/MIG		2 000 000	5 000 000	6 000 000				NOT FUNDED
UPGRADING OF SEWER PUMP STATIONS IN AND AROUND GALESHEWE	50 000 000.00	SPLM	MIG		10 000 000	20 000 000	10 000 000	10 000 000			NOT FUNDED
UPGRADE RIVERTON WATER TREATMENT PLANT	200 000 000.00	SPLM	RBIG			20 000 000	30 000 000	30 000 000	50 000 000	70 000 000	NOT FUNDED
REVENUE AND BILLING (WATER METERS)	14 000 000.00	SPLM	CRR	2 000 000	3 000 000	3 000 000.00	3 000 000	3 000 000			✓
WATER ZONE METERING	8 500 000.00		CRR	8 500 000							✓
REPLACEMENT OF PIPES AT NEWTON RESERVOIR	11 200 000.00	SPLM	CRR	11 200 000							✓
NEWTON RESERVOIR EXTENDED PHASE	32 000 000.00	SPLM	RBIG		10 000 000	10 000 000	12 000 000				NOT FUNDED
BEACONSFIELD WWTW	50 000 000.00	SPLM	RBIG/MIG			20 000 000	12 000 000	12 000 000	6 000 000		NOT FUNDED
REFURBISHMENT OF ROODEPAN TOWER	20 000 000.00	SPLM	CRR				10 000 000	6 000 000	4 000 000		NOT FUNDED

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PROJECT DESCRIPTION	ESTIMATED TOTAL COST	RESPON SIBLE	FUNDING SOURCE	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	Beyond 5 Years	Funded and included in capital budget
ELECTRICITY RELATED PROJECTS											
CARTERS GLEN SUBSTATION/GALESHEWE BULK ELECTRICITY	12 336 500.00	DOE	INEP	7 000 000	5 336 500						✓
UPGRADE OF HADISON PARK SUBSTATION	35 000 000.00	DOE/SPL	INEP	CRR	20 000 000	15 000 000					NOT FUNDED
UPGRADE OF GALESHEWE SUBSTATION WITH 2x 30 MVA TRANSFORMERS	35 000 000.00	SPLM	INEP		20 000 000	15 000 000					NOT FUNDED
UPGRADE OF SOUTH RIDGE SUBSTATION WITH 1X 30 MVA AND EXTENSION OF 11KV SWITCHROOM	25 000 000.00	SPLM	INEP	CRR	10 000 000	15 000 000					NOT FUNDED
REDESIGN OF LOOPING NETWORK IN GALESHEWE	10 000 000.00	SPLM	INEP			3 000 000	3 000 000	4 000 000			NOT FUNDED
RESTRUCTURE LANDBOU AVENUE 11KV OVERHEAD LINE	13 000 000.00	SPLM	INEP			5 000 000	5 000 000	3 000 000			NOT FUNDED
UPGRADE OF SUPPLY IN CARTERS, LONG ,MEMORIAL, DU TOITSPAN, MCDUGAL	25 000 000.00	SPLM	INEP	CRR		10 000 000	8 000 000	7 000 000			NOT FUNDED
REPLACE 66KV OIL CIRCUIT BREAKERS WITH SF6 AT HERLEAR	13 000 000.00	SPLM	INEP	CRR	3 000 000	10 000 000					✓
REPLACE 11KV CIRCUIT BREAKERS AT HERLEAR	9 000 000.00	SPLM	INEP	CRR	7 000 000	2 000 000					✓
REPLACE TWO 11 KV RINGS FROM HERLEAR/CASSANDRA/ERNSTVILLE	32 000 000.00	SPLM	INEP	CRR			16 000 000	16 000 000			NOT FUNDED
INSTALLATION OF LIGHTING AND SURGE ARRESTER EQUIPMENT AT OVERHEAD LINES	3 500 000.00	SPLM	INEP	CRR			3 500 000				NOT FUNDED
UPGRADE OF 11KV SUBSTATIONS, MEDIUM AND LOW VOLTAGE CABLES	28 000 000.00	SPLM	INEP	CRR	3 000 000	4 000 000	7 000 000	7 000 000	7 000 000		NOT FUNDED
UPGRADE OF MINIATURE SUBSTATIONS AND POLE TRANSFORMERS, KIOSKS AND LOW VOLTAGE CABLES	30 000 000.00	SPLM	INEP	CRR	6 000 000	6 000 000	6 000 000	6 000 000	6 000 000		NOT FUNDED
UPGRADE RIVERTON SUBSTATION WITH 2x10 MVA TRANSFORMERS	8 000 000.00		INEP	CRR	4 000 000	4 000 000					✓
LED/HIGH MAST LIGHTING	4 000 000.00	SPLM	MIG			2 000 000	2 000 000				✓
LED/HIGH MAST LIGHTING	560 000.00		CRR			280 000	280 000				✓
LED/HIGH MAST LIGHTING (UNFUNDED PORTION)	8 000 000.00		MIG	CRR			5 000 000	3 000 000			
ELECTRIFICATION OF SG APPROVED ERVEN	123 794 000.00	DoE/ESK	INEP		24 660 500	19 200 000	16 000 000	20 000 000			✓
<i>Electrification of Snake Park 949</i>	20 000 000.00				14 709 500						✓
<i>Electrification of Platfontein 300</i>	4 650 000.00				4 650 000						✓
<i>Electrification of Soul City</i>	1 200 000.00										
<i>Electrification of Romorwa 106</i>	2 000 000.00				1 643 000						✓
<i>Electrification of Mathibe "Fluffy Park" 49</i>	1 000 000.00				759 500						✓
<i>Electrification of Witdam</i>	2 500 000.00										
<i>Electrification of Santa Centre 139</i>	2 500 000.00				2 154 500						✓
<i>Electrification of Golf Course</i>	20 000 000.00										
<i>Electrification of Kutlwanong 48</i>	744 000.00				744 000						✓
FUTURE HOUSING PROJECTS											
<i>Riverton (formalise stands)</i>	3 200 000.00										
<i>Begonia</i>	2 000 000.00										
<i>France Farm</i>	49 000 000.00										
<i>Ritchie Erf 2 & 12</i>	15 000 000.00										
ELECTRIFICATION OF IVORY PARK (1175)	97 343 000.00	DoE	INEP	19 000 000							✓
ELECTRICITY METER REPLACEMENT	14 000 000.00			CRR	2 000 000	3 000 000	3 000 000	3 000 000	3 000 000		✓
UPGRADE POWER MONITORING EQUIPMENT AT STATIONS	1 000 000.00			CRR		1 000 000					NOT FUNDED
EEDSM STREETLIGHTING AND OWN BUILDINGS	17 000 000.00	EEDMS			7 000 000	5 000 000	5 000 000				✓

PROJECT DESCRIPTION	ESTIMATED TOTAL COST	RESPON SIBLE	FUNDING SOURCE	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	Beyond 5 Years	Funded and included in capital budget
ELECTRICITY RELATED PROJECTS											
ELECTRIFICATION OF IVORY PARK (1175)	97 343 000.00	DoE	INEP	19 000 000							✓
ELECTRICITY METER REPLACEMENT	14 000 000.00		CRR	2 000 000	3 000 000	3 000 000	3 000 000	3 000 000			✓
UPGRADE POWER MONITORING EQUIPMENT AT STATIONS	1 000 000.00		CRR			1 000 000					NOT FUNDED
EEDSM STREETLIGHTING AND OWN BUILDINGS	17 000 000.00	EEDMS			7 000 000	5 000 000	5 000 000				✓
ROADS AND STORMWATER PROJECTS											
ROADS RESEALING	38 706 600.00	SPLM	MIG		10 748 507	11 203 418.00	16 754 675.00				✓
ROADS RESEALING	12 000 000.00	SPLM	CRR			8 000 000.00	4 000 000.00				✓
ROADS RESEALING (UNFUNDED PORTION)	160 000 000.00				20 000 000	10 000 000.00	10 000 000.00	10 000 000.00	30 000 000	80 000 000	NOT FUNDED
PAVING OF ROADS	20 101 724.00		MIG		14 868 488	5 233 236.00					✓
PAVING OF ROADS	2 667 000.00	SPLM	CRR	2 667 472	2 950 713	4 000 000.00					✓
GRAVEL ROADS	30 000 000.00	SPLM	ES/CF	6 000 000	6 000 000	6 000 000	6 000 000	6 000 000			NOT FUNDED
N12 BYPASS	200 000 000.00	DoT	ITNG		4 000 000	15 000 000	100 000 000	50 000 000	31 000 000		NOT FUNDED
SANRAL INTERSECTIONS UPGRADE	80 000 000.00	DoT	ITNG		8 000 000	72 000 000					NOT FUNDED
UPGRADING OF STORM WATER CHANNELS GALESHEWE	409 379 000.00	SPLM	NDPG	97 537 000	151 699 000	154 447 000.00	5 696 000.00				✓
ROADS AND STORMWATER UPGRADES VARIOUS WARDS	16 000 000.00		MIG			6 000 000.00	10 000 000.00				✓
ROADS AND STORMWATER UPGRADES VARIOUS WARDS	2 840 000.00		CRR			840 000.00	2 000 000.00				✓
THLAGENG RETENTION DAM	20 000 000.00	SPLM	NDPG		20 000 000						✓
ROODEPAN ACCESS ROADS	4 378 284.00	SPLM	MIG	4 378 284							✓
GALESHEWE ACCESS ROADS	7 005 542.00	SPLM	MIG	7 005 542							✓

PROJECT DESCRIPTION	ESTIMATED TOTAL COST	RESPON SIBLE	FUNDING SOURCE	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	Beyond 5 Years	Funded and included in capital budget
<u>ECONOMIC DEVELOPMENT, COMMUNITY SERVICES AND OTHER PROJECTS</u>											
PLANNING AND SURVEYING OF ERVEN	13 000 000.00	SPLM	CRR	2 000 000	5 000 000	3 000 000.00	3 000 000				✓
ROODEPAN SWIMMING POOL	3 500 000.00	DSAC	DSAC	CRR		3 500 000					NOT FUNDED
UPGRADE OF FLORIANVILLE SWIMMING POOL	5 183 506.00	DSAC	DSAC		5 183 506						✓
UPGRADE OF VARIOUS FACILITIES AT DE BEERS STADIUM	2 742 416.00	DSAC	DSAC		2 742 416						✓
UPGRADE OF GALESHEWE SPORT STADIUM	1 336 986.00	DSAC	MIG		1 336 986	10 952 704	2 206 483				✓
UPGRADE OF GALESHEWE SPORT STADIUM			CRR			1 800 000	300 000				
CRAVEN STREET STALLS	1 000 000.00	SPLM	CRR	-	1 000 000						NOT FUNDED
INFORMAL TRADERS MARKET	1 000 000.00	ECONOMIC AFFAIRS	CRR				1 000 000				NOT FUNDED
HOMEVALE FIRE STATION	11 526 729.00	SPLM	MIG	CRR	6 762 002	4 764 727					✓
RC ELLIOT PRECINCT - NMMM	800 000 000.00	DSAC	DSAC		200 000 000	200 000 000	200 000 000	200 000 000			NOT FUNDED
MANDELA MEMORIAL STATUE	8 153 649.00	SPLM	DSAC		8 153 649						✓
REFURBISHMENT OF OTHER MONUMENTS	-	SPLM	CRR	-							NOT FUNDED
TOMMY MOREBUDI PHASE 2	2 500 000.00	SPLM	GURP		2 500 000						NOT FUNDED
GREEN POINT SQUARE	5 000 000.00	SPLM	GURP					5 000 000			NOT FUNDED
GREEN POINT INFORMAL TRADING ZONE	3 000 000.00	ECONOM	ECON	CRR		3 000 000					NOT FUNDED
FRESH PRODUCE MARKET	200 000.00	SPLM	NDPG		200 000						NOT FUNDED
GOVERNMENT/MARKET SQUARE DEVELOPMENT	8 000 000.00	SPLM	NDPG		1 000 000	7 000 000					NOT FUNDED
TAXI LAY BY'S GALESHEWE	-	SPLM	NDPG		-						NOT FUNDED
REFURBISH LANDFILL SITE		SPLM	CRR	2 617 371							✓
UPGRADE OF RESORTS	2 500 000.00	SPLM	CRR	500 000		2 000 000					NOT FUNDED
UPGRADE OF COMMUNITY HALLS	5 200 000.00	SPLM	MIG			2 000 000	2 000 000	1 200 000			✓
UPGRADE OF COMMUNITY HALLS			CRR			280 000	280 000				✓

PROJECT DESCRIPTION	ESTIMATED TOTAL COST	RESPON SIBLE	FUNDING SOURCE	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	Beyond 5 Years	Funded and included in capital budget
RITCHIE MULTI SPORT PARK (NMMM)	15 000 000.00	SPLM	DSAC		15 000 000						NOT FUNDED
RENEWABLE ENERGY INCUBATOR	2 500 000.00	SPLM	CRR	250 000	250 000	1 000 000		1 000 000			NOT FUNDED
NEW COURT BUILDING	25 000 000.00	DoCJ	DoCJ			25 000 000					NOT FUNDED
DSAC NEW LIBRARY	25 000 000.00	DSAC	DSAC		25 000 000						NOT FUNDED
PLATFONTEIN MULTI SPORT - NMMM	15 000 000.00	SPLM	DSAC				15 000 000				NOT FUNDED
PLATFONTEIN COMMUNITY HALL - NMMM	8 000 000.00	SPLM	NDPG					8 000 000			NOT FUNDED
PLATFONTEIN MIFARM	2 500 000.00	PRIVATE	PRIVATE			2 500 000					NOT FUNDED
ECD CENTRE LERATOPARK	3 000 000.00	DSD	DSD		3 000 000						NOT FUNDED
UPGRADE OF LANGLEY AND RIVERTON RESORTS	2 500 000.00	SPLM	CRR	2 500 000							NOT FUNDED
LIFTS BUILDING	2 000 000.00	SPLM	CRR	2 000 000							✓
SECURITY	15 000 000.00	SPLM	CRR	4 000 000	5 000 000	3 000 000	3 000 000				NOT FUNDED
RENTAL STOCK UPGRADE	8 000 000.00	SPLM	CRR			3 000 000		5 000 000			NOT FUNDED
FIRE ENGINES	4 500 000.00	SPLM	CRR			2 500 000	2 000 000				NOT FUNDED
UPGRADE OF EXISTING TEST CENTRE	750 000.00		CRR	750 000							✓
SMOKE DETECTION BUILDINGS	1 000 000.00	SPLM	CRR					1 000 000			NOT FUNDED
FLEET REPLACEMENT/REFUSE COMPACTORS	22 000 000.00		CRR	6 000 000	4 000 000	4 000 000	4 000 000	4 000 000			✓
FLEET REPLACEMENT (UNFUNDED PORTION)	59 000 000.00				10 000 000	10 000 000	12 000 000	12 000 000	15 000 000		NOT FUNDED
COMPUTER EQUIPMENT	42 592 608.00		CRR	4 592 608	4 000 000	5 000 000	27 000 000	2 000 000	4 000 000	4 000 000	✓
SOFTWARE ACQUISITIONS	2 300 000.00		CRR	2 300 000			4 000 000			6 000 000	✓
FURNITURE AND OFFICE EQUIPMENT	16 000 000.00		CRR	3 000 000	3 000 000	3 000 000	3 000 000	4 000 000	4 000 000	6 000 000	✓
	4 193 418 639.00			536 190 936	805 851 930	898 736 358	726 417 158	311 200 000			

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**SERVICE
DELIVERY AND
BUDGET
IMPLEMENTATION
PLAN**



Sol Plaatje Municipality: Service Delivery and Budget Implementation Plan (2019/20)

Draft SDBIP





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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 second to be prepared for the IDP covering the next five years (2017 – 2022). The Sol Plaatje Municipality has prepared its 2019/20 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 2019/20 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 2019/20 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:

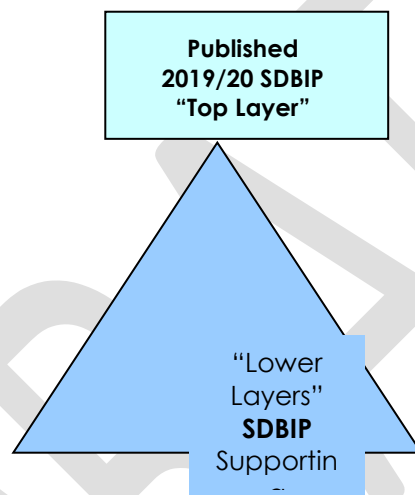


Figure 1: SDBIP

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:

- **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.

- o **Monthly Projections of Consolidated Service Delivery Targets and Performance Indicators for each Vote**

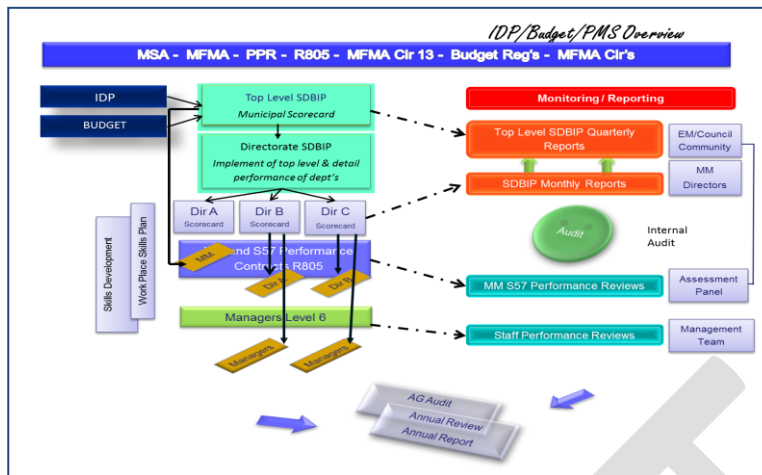
While the first two components indicate projections of budgeted amounts for revenue and expenditure, this component requires non-financial measurable key performance indicators and service delivery targets (including reduction of backlogs). The focus here is on outputs and outcomes, and not so much on inputs or internal management objectives.

- o **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 second 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.

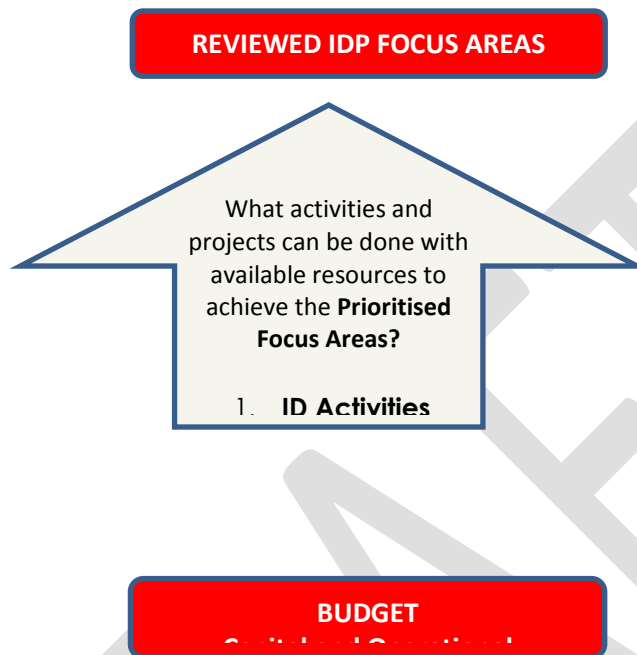
The budget, both capital and operational, addresses the strategic development agenda of the Municipality as per the IDP. During the present IDP review and considering the present IDP implementation progress it was found that SPM has achieved both financial and administrative stability and that emphasis 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 2019/20 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 2019/20 MTREF Funding Plan

The Tables below indicate the funding plan to fund the IDP Priorities for the 2019/20 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 2019/20 MTREF.

**Table 1: Revenue by Source for the 2019/20 MTREF to be replaced**

NC091 Sol Plaatje - Table A4 Budgeted Financial Performance (revenue and expenditure)								
Description	Ref	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1							
Revenue By Source								
Property rates	2	541 312	541 312	541 312	415 258	578 654	625 994	674 739
Service charges - electricity revenue	2	727 992	617 992	617 992	403 999	763 527	820 800	863 653
Service charges - water revenue	2	268 108	268 108	268 108	184 670	286 042	302 997	324 944
Service charges - sanitation revenue	2	63 813	68 813	68 813	46 921	69 517	73 766	78 731
Service charges - refuse revenue	2	47 595	60 395	60 395	43 147	53 898	57 317	60 690
Rental of facilities and equipment		11 257	11 257	11 257	7 494	11 810	12 307	12 983
Interest earned - external investments		20 000	15 000	15 000	2 769	15 000	21 000	22 000
Interest earned - outstanding debtors		130 490	141 490	141 490	93 391	137 940	130 262	126 478
Dividends received		—	—	—	—	—	—	—
Fines, penalties and forfeits		25 735	25 735	25 735	3 243	26 805	28 413	29 976
Licences and permits		3 450	3 450	3 450	8 571	4 764	5 002	5 277
Agency services		—	—	—	—	—	—	—
Transfers and subsidies		188 874	194 729	194 729	174 080	230 509	224 026	240 687
Other revenue	2	25 213	25 213	25 213	18 430	25 146	26 654	28 110
Gains on disposal of PPE		—	10 000	10 000	579	—	—	—
Total Revenue (excluding capital transfers and contributions)		2 053 839	1 983 495	1 983 495	1 402 554	2 203 612	2 328 538	2 468 270

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 R27 000 000 is available for the 2019/20 financial year and the total own funds that can be allocated to the CRR over the next 2 years amounts to R68 000 000 based on the table below.

Table 2: Own revenue utilised for funding of capital expenditure

Vote Description	Ref	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1							
Funded by:								
Internally generated funds		36 446	37 552	37 552	14 375	27 000	27 000	41 000
Total Capital Funding	7	333 241	231 113	231 113	98 225	184 285	180 497	209 266

o Conditional Grants

Funding is availed from National Treasury and Provincial Treasury 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 grant receipts

NC091 Sol Plaatje - Supporting Table SA18 Transfers and grant receipts							
Description	Ref	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand							
RECEIPTS:	1, 2						
Operating Transfers and Grants							
National Government:		180 061	183 202	183 202	202 709	215 741	232 402
Local Government Equitable Share							
Equitable Share		171 424	171 424	171 424	189 151	205 041	222 702
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		3 137	3 137	3 137	3 608	-	-
Infrastructure Skills Development Grant [Schedule 5B]		3 800	6 941	6 941	6 500	8 000	7 500
Local Government Financial Management Grant [Schedule 5B]		1 700	1 700	1 700	1 700	1 700	1 700
Municipal Disaster Grant [Schedule 5B]		-	-	-	-	-	-
Municipal Human Settlement Capacity Grant [Schedule 5B]		-	-	-	-	-	-
Municipal Infrastructure Grant		-	-	-	-	-	-
Municipal Infrastructure Grant [Schedule 5B]		-	-	-	-	-	-
Municipal Systems Improvement Grant [Schedule 5B]		-	-	-	1 750	1 000	500
Neighbourhood Development Partnership Grant		-	-	-	-	-	-
Provincial Disaster Recovery Grant [Schedule 5B]		-	-	-	-	-	-
Water Services Operating Subsidy Grant [Schedule 5B]		-	-	-	-	-	-
Provincial Government:		8 813	10 078	10 078	27 800	8 285	8 285
Capacity Building		-	-	-	-	-	-
Expanded Public Works Programme		-	515	515	-	-	-
Health		-	750	750	-	-	-
Libraries; Archives and Museums		8 813	8 813	8 813	-	-	-
Specify (Add grant description)		-	-	-	27 800	8 285	8 285
District Municipality:		-	1 450	1 450	-	-	-
14/15: AWARENESS PROGRAMMES		-	-	-	-	-	-
Finance and Admin		-	1 450	1 450	-	-	-
IT Related Projects		-	-	-	-	-	-
Public Safety		-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-
Total Operating Transfers and Grants	5	188 874	194 729	194 729	230 509	224 026	240 687
Capital Transfers and Grants							
National Government:		278 063	186 560	186 560	157 285	153 497	168 266
Infrastructure Skills Development Grant [Schedule 5B]		29 997	29 997	29 997	-	-	-
Integrated National Electrification Programme		-	-	-	35 998	21 000	21 880
Municipal Infrastructure Grant		48 816	54 619	54 619	51 287	52 497	56 386
Municipal Water Infrastructure Grant		-	-	-	-	-	-
Neighbourhood Development Partnership Grant		171 699	58 000	58 000	40 000	40 000	40 000
Regional Bulk Infrastructure Grant		10 551	15 494	15 494	-	-	-
Water Services Infrastructure Grant		17 000	28 450	28 450	30 000	40 000	50 000
Provincial Government:		7 000	7 000	7 000	-	-	-
Capacity Building		7 000	7 000	7 000	-	-	-
Libraries; Archives and Museums		-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-
Total Capital Transfers and Grants	5	285 063	193 560	193 560	157 285	153 497	168 266
TOTAL RECEIPTS OF TRANSFERS & GRANTS		473 937	388 290	388 290	387 794	377 523	408 953

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	12 668 255	Homevale Fire Station
IUDG	376 860	Lerato park construction of bulk water mains
IUDG	24 805 514	Lerato Park Sewer upgrading of downstream infrastructure
IUDG	13 436 371	Upgrade gravel roads wards 6,7,9,10,15
Sub Total	51 287 000	
NDPG	40 000 000	Upgrade of Storm water channels in Galeshewe
Sub Total	40 000 000	
WSIG	15 000 000	Sewer line Seleke / Homevale sewer line
WSIG	10 000 000	Reconstruction old sink toilets Kutlwanong
WSIG	5 000 000	Carter glen pump station sewer
Sub Total	30 000 000	
INEP	2 373 600	Electrification of Witdam -138 houses
INEP	18 920 000	Electrification of Golf course
INEP	1 909 200	Electrification of Donkerhoek
INEP	4 128 000	Electrification of Waterloo
INEP	1 823 200	Electrification of Ramorwa -106 houses
INEP	1 844 000	Lerato Park link services Network strengthening
INEP	5 000 000	Herlear 11kV Switchgear
Sub Total	35 998 000	
Total	157 285 000	

The upgrading of storm water in Galeshewe is currently the biggest project on the capital budget with a total allocation through the NDPG of R40 000 000 for 2019/20 and R110 000 000 over the MTREF. This project will replace all the existing storm water drainage in the greater Galeshewe and will greatly reduce the huge storm water problems experienced in the area as well as reduce the pressure on the roads.

In addition to this, R13 436 371 has been allocated for the paving of roads in Galeshewe. As a result of paving being far more cost effective than tarring, over 20 kilometres will be paved.

An amount of R30 000 000 has been allocated over the MTREF (2019/20 R 5 000 000) for the replacement and upgrading of computer equipment. The continuous upgrading of computer hardware and equipment is essential to keep abreast of technology especially with regard to mSCOA and SOLAR implementation in order for the systems to run optimally.

As a result of the housing development in the city, new areas are mushrooming and provision for the electrification of houses need to be made. An amount of R26 661 723 has been earmarked for these projects, with the areas mentioned in the table above for electrification during 2019/20.

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 2019/20 MTREF

Table 5: Capital Funding Sources for the 2018/19 MTREF

Vote Description	Ref	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Funded by:								
National Government		296 795	193 560	193 560	83 849	157 285	153 497	168 266
Provincial Government		–	–	–	–	–	–	–
District Municipality								
Other transfers and grants								
Transfers recognised - capital	4	296 795	193 560	193 560	83 849	157 285	153 497	168 266
Borrowing	6							
Internally generated funds		36 446	37 552	37 552	14 375	27 000	27 000	41 000
Total Capital Funding	7	333 241	231 113	231 113	98 225	184 285	180 497	209 266

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 2019/20 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 2019/20 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)

3.1 The 2019/20 MTREF Budget

Table below indicates the alignment of the revenue budget with the Strategic Objectives of the IDP for the 2019/20 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	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
			Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand								
GOOD GOVERNANCE AND PUBLIC PARTICIPATION			271 509	279 224	279 224	310 907	300 219	311 747
MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT			556 928	556 928	556 928	596 060	643 468	692 509
MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION			7 564	10 705	10 705	10 176	11 897	11 611
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT			1 208 943	1 127 743	1 127 743	1 277 609	1 363 558	1 442 480
LOCAL ECONOMIC DEVELOPMENT	Marketing the municipality	A	8 895	8 895	8 895	8 860	9 396	9 923
Allocations to other priorities								
Total Revenue (excluding capital transfers and contributions)			2 053 839	1 983 495	1 983 495	2 203 612	2 328 538	2 468 270

The municipality's expenditure for the 2019/20 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 2019/20 financial year.

Table 7: Monthly Revenue Targets per Source for the 2019/20 Financial Year

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

Description	Ref	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand																
Revenue By Source																
Property rates		48 221	48 221	48 221	48 221	48 221	48 221	48 221	48 221	48 221	48 221	48 221	48 221	578 654	625 994	674 739
Service charges - electricity revenue		63 627	63 627	63 627	63 627	63 627	63 627	63 627	63 627	63 627	63 627	63 627	63 627	763 527	820 800	863 653
Service charges - water revenue		23 837	23 837	23 837	23 837	23 837	23 837	23 837	23 837	23 837	23 837	23 837	23 837	286 042	302 997	324 944
Service charges - sanitation revenue		5 793	5 793	5 793	5 793	5 793	5 793	5 793	5 793	5 793	5 793	5 793	5 793	69 517	73 766	78 731
Service charges - refuse revenue		4 492	4 492	4 492	4 492	4 492	4 492	4 492	4 492	4 492	4 492	4 492	4 492	53 898	57 317	60 690
Rental of facilities and equipment		76	76	76	76	76	76	76	76	76	76	76	10 976	11 810	12 307	12 983
Interest earned - external investments		1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	15 000	21 000	22 000
Interest earned - outstanding debtors		7 583	7 583	7 583	7 583	7 583	7 583	7 583	7 583	7 583	7 583	7 583	54 523	137 940	130 262	126 478
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		1 182	1 182	1 182	1 182	1 182	1 182	1 182	1 182	1 182	1 182	1 182	13 802	26 805	28 413	29 976
Licences and permits		397	397	397	397	397	397	397	397	397	397	397	397	4 764	5 002	5 277
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-	-	230 509	230 509	224 026	240 687
Other revenue		1 350	1 350	1 350	1 350	1 350	1 350	1 350	1 350	1 350	1 350	1 350	10 290	25 146	26 654	28 110
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		157 809	157 809	157 809	157 809	157 809	157 809	157 809	157 809	157 809	157 809	157 809	467 718	2 203 612	2 328 538	2 468 270

Table 8: Monthly Expenditure Targets per Type for 2019/20

NC091 Sol Plaatje - Supporting Table SA25 Budgeted monthly revenue and expenditure														medium term Revenue and Expenditure Framework		
Description	Ref	Budget Year 2019/20												Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June			
Expenditure By Type																
Employee related costs		64 135	64 135	64 135	64 135	64 135	64 135	64 135	64 135	64 135	64 135	64 135	65 476	770 966	818 205	864 258
Remuneration of councillors		2 646	2 646	2 646	2 646	2 646	2 646	2 646	2 646	2 646	2 646	2 646	2 646	31 753	33 817	35 846
Debt impairment		18 833	18 833	18 833	18 833	18 833	18 833	18 833	18 833	18 833	18 833	18 833	18 833	226 000	240 800	259 984
Depreciation & asset impairment		5 967	5 967	5 967	5 967	5 967	5 967	5 967	5 967	5 967	5 967	5 967	5 967	71 600	76 724	81 747
Finance charges		2 055	2 055	2 055	2 055	2 055	2 055	2 055	2 055	2 055	2 055	2 055	2 055	24 661	23 543	22 343
Bulk purchases		51 458	51 458	51 458	51 458	51 458	51 458	51 458	51 458	51 458	51 458	51 458	51 458	617 500	669 370	709 325
Other materials		14 256	14 256	14 256	14 256	14 256	14 256	14 256	14 256	14 256	14 256	14 256	34 411	191 225	178 868	195 314
Contracted services		4 300	4 300	4 300	4 300	4 300	4 300	4 300	4 300	4 300	4 300	4 300	4 300	51 605	54 694	57 697
Transfers and subsidies		–	–	–	–	–	–	–	–	–	–	–	7 670	7 670	7 710	7 749
Other expenditure		16 769	16 769	16 769	16 769	16 769	16 769	16 769	16 769	16 769	16 769	16 769	16 769	201 231	215 276	223 274
Loss on disposal of PPE		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure		180 420	180 420	180 420	180 420	180 420	180 420	180 420	180 420	180 420	180 420	180 420	209 586	2 194 210	2 319 006	2 457 537

Table 9: Capital Budget Funding Sources for 2019/20

Sphere of Government	2019/20	
	Amount	Weighting
National	157 285	85.35%
Provincial	–	0.00%
Internally generated funds	27 000	14.65%
	184 285	100.00%

Table 10 below indicate the capital contribution to the IDP Objectives for the 2019/20 Financial Year.

Table 10: 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	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand												
GOOD GOVERNANCE AND PUBLIC PARTICIPATION				–	–	149 054	185 511	90 351	90 351	82 105	71 000	90 000
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT				–	–	96 704	147 730	140 762	140 762	102 180	109 497	119 266
Allocations to other priorities			3									
Total Capital Expenditure			1	–	–	245 758	333 241	231 113	231 113	184 285	180 497	209 266

Table 11: Monthly Capital Expenditure per Municipal Vote: 2019/20

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

Description	Ref	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand																
Multi-year expenditure to be appropriated	1															
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		4 667	4 667	4 667	4 667	4 667	4 667	4 667	4 667	4 667	4 667	4 667	17 335	68 668	71 000	90 000
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		500	500	500	500	500	500	500	500	500	500	500	10 500	16 000	34 547	41 110
Vote 09 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	2	5 167	5 167	5 167	5 167	5 167	5 167	5 167	5 167	5 167	5 167	5 167	27 835	84 668	105 547	131 110
Single-year expenditure to be appropriated																
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		-	-	-	-	-	-	-	-	-	-	-	13 436	13 436	-	-
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		1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	72 430	86 180	74 950	78 156
Vote 09 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	2	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	85 867	99 617	74 950	78 156
Total Capital Expenditure	2	6 417	6 417	6 417	6 417	6 417	6 417	6 417	6 417	6 417	6 417	6 417	113 702	184 285	180 497	209 266

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Table 12 : Capital Project Schedule for 2019/20 per Vote and Ward

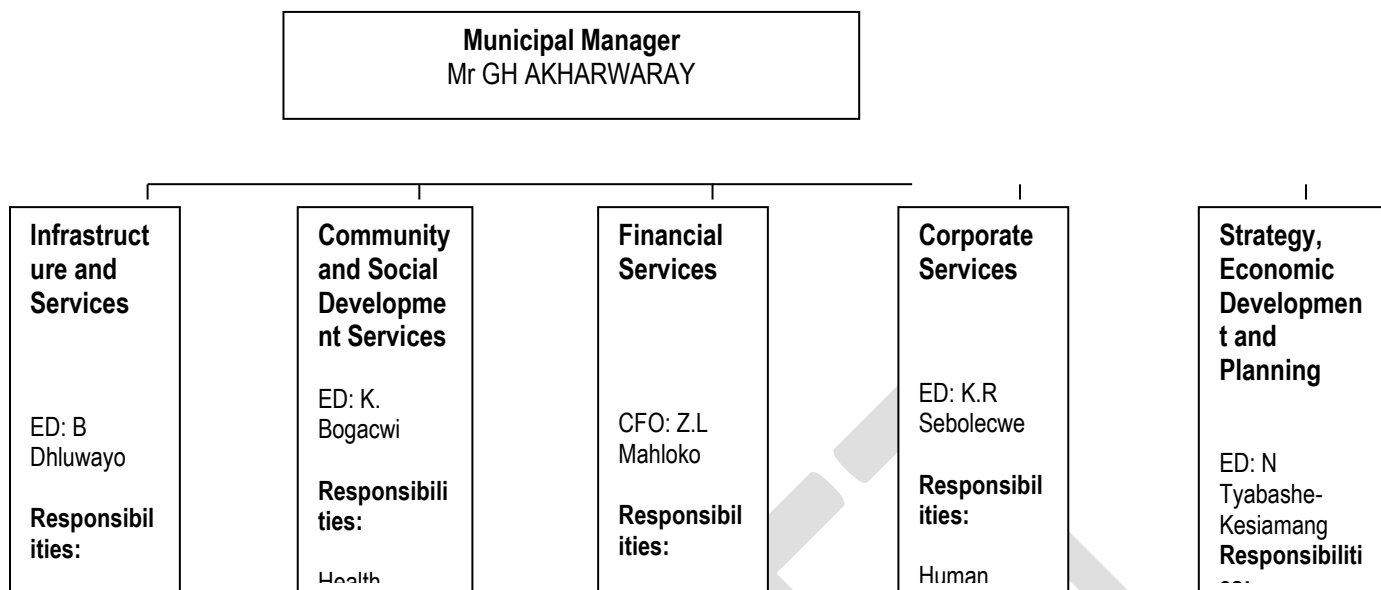
2019/2020				
Projects	Ward	Funding Source	Internal	Grant
Replacement of computer equipment	ALL	CRR	5 000 000	
Replacement of loose equipment	ALL	CRR	3 000 000	
Upgrade gravel roads wards 6,7,9,10,15	Various	IUDG		13 436 371
Homevale Fire Station	1,2,3	IUDG		12 668 255
Upgrade of Storm water channels in Galeshewe	Various	NDPG		40 000 000
Reselling of erven	Various	CRR	2 000 000	
Fleet Replacement Programme	All	CRR	6 000 000	
Electrification of Witdam -138 houses		INEP		2 373 600
Electrification of Golf course		INEP		18 920 000
Electrification of Donkerhoek		INEP		1 909 200
Electrification of Waterloo		INEP		4 128 000
Electrification of Ramorwa -106 houses	22	INEP		1 823 200
Lerato Park link services Network strengthening	28	INEP		1 844 000
Herlear 11kV Switchgear	All	CRR	5 000 000	
Reconstruction old sink toilets Kutlwanong	All	WSIG		10 000 000
Carter glen pump station sewer	26	WSIG		5 000 000
EEDSM streetlights and own buildings	All	EEDMS		5 000 000
Lerato park construction of bulk water mains	28	IUDG		376 860
Lerato Park Sewer upgrading of downstream infrastruc	28	IUDG		24 805 514
Water Meter Replacement	All	CRR	3 000 000	
Replacement of prepaid meters	All	CRR	3 000 000	
Sewer line Seleke / Homevale sewer line	All	WSIG		15 000 000
TOTAL			27 000 000	157 285 000
GRAND TOTAL			184 285 000	

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 2019/20 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 2019/20.

3.2.3 Service Delivery Quarterly Targets and Performance Indicators per key performance indicators 2019/20 SDBIP (Annexure 2)

Annexure 2 indicates the KPI's and Quarterly Targets for the 2019/20 financial year – the second year of the multi-year performance plan.

Annexure 1: 2019/20 SDBIP Service Delivery Targets per Key Performance Area

Description	Unit of measurement	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
1. Local Economic Development							
1.1 To ensure effective spatial planning and development in order to establish a competitive economic position							
<i>To improve the SCM turnaround time to 12 weeks for annual contracts from closing date to date of award</i>	Average time in weeks to award tenders	12	12	12	12	12	12
<i>To improve the SCM turnaround time to 6 weeks for once off contracts from closing date to date of award</i>	Average time in weeks to award tenders	6	6	6	6	6	6
<i>Ensuring a response time of 10 weeks for building plan submissions received in the current financial year for buildings or architectural buildings greater than 500m² annually</i>	Average response time in weeks to approve building plans	10	10	10	10	10	10
<i>Ensuring a response time of 6 weeks for building plan submissions received in the current financial year for buildings or architectural buildings less than 500m² annually.</i>	Average response time in weeks to approve building plans	6	6	6	6	6	6
<i>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 2018 in terms of the SPLUM by-law (2015)</i>	Percentage of land use applications approved	100%	100%	100%	100%	100%	100%
<i>To process at least 100 buildings plans that were received before 1 July 2019 by the end of the current financial year (30 June 2020)</i>	Percentage of building plans approved	100	100	100	100	100	100
1.2 Marketing the municipality as premier destination for tourism and investment							
<i>Promote tourism into the city using arts, culture and heritage as a strategy by creating a marketing platform for SMME's through at least 4 events partnered by Sol Plaatje on an annual basis</i>	Number of marketing platforms created (events)	4	4	4	4	4	4
1.4 To capacitate SMME's and local entrepreneurs							
<i>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 2020</i>	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%

Description	Unit of measurement	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<i>To implement Standards for Infrastructure Procurement and Demand Management by ensuring compliance with predetermined timeframes by 30 June 2020</i>	Compliance with the predetermined time frames	100%	100%	100%	100%	100%	100%
<i>Support SMME's through business incubation by setting up developmental programmes for at least 10 businesses annually</i>	Number of business provided with a developmental programme	10	10	10	10	10	10
1.5 To develop sustainable living through job creation (EPWP and other initiatives)							
<i>Create 300 FTE jobs through EPWP initiatives of the SPM by 30 June 2020</i>	Number of jobs created	300	300	300	300	320	330
1.7 To position the market as a productive and profitable section of the municipality							
<i>To perform an assessment of the completed business plan in relation to the profitability potential of the fresh produce market of the municipality and implement a decision by 30 June 2020</i>	Assessment of Business Plan	1	1	1	1	1	1
2. Basic service delivery and Infrastructure development							
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 complete the construction of the Homevale Fire Station by 30 June 2020</i>	Percentage completion as per project progress reports	100%	100%	100%	100%	100%	0
<i>Respond to 85% of emergency call-outs within time limits as prescribed in table 1 and table 2 of SANS 10090 by 30 June 2020</i>	% call-outs that were responded to within the time limits	85%	85%	85%	85%	85%	85%
<i>To achieve at least 70% compliance with the National Disaster Management Tool by 30 June 2020</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							
<i>To upgrade at least 4.5 km of Galeshewe access roads to a paved surface by 30 June 2020 (Wards 6,7,9,10 and 15)</i>	Distance of km paved	12km	7 km	7 km	4.5 km	10 km	5 km
<i>To complete the implementation of the construction projects in terms of Priority 1 for the upgrading of storm water channels in Galeshewe by 30 June 2020</i>	Percentage completion as per project progress reports	80%	80%	80%	100%	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 2020</i>	Percentage of identified fleet items delivered at year end	100%	0	0	100%	100%	100%

Description	Unit of measurement	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
2.4 To ensure the adequate provision, upgrading and maintenance of electricity services infrastructure							
<i>To complete 100% of the project to replace the 66KV oil circuit breakers at the the Herlear Substation with SF6 by 30 June 2020</i>	Percentage completion as per project progress reports	50%	50%	50%	100%	0	0
<i>To complete 100% replace the 11KV Circuit breakers at Herlear Substation by 30 June 2020</i>	Percentage completion as per project progress reports	50%	50%	50%	100%	0	0
2.5 To ensure the adequate provision, upgrading and maintenance of water and sanitation services infrastructure							
<i>To complete the bulk water connections for the Lerato park development by 30 June 2020</i>	Percentage completion as per project progress reports	100%	100%	100%	100%	0	0
<i>To complete the bulk sewer connections for the Lerato park development by 30 June 2020</i>	Percentage completion as per project progress reports	100%	100%	100%	100%	0	0
<i>To complete the water pipe replacement project at the following area: New by 30 June 2020</i>	Percentage completion as per project progress reports	100%	100%	100%	100%	0	0
<i>To spend at least 8% of the operational budget to repairs and maintenance annually</i>	Percentage of operating budget spend on R&M	8%	8%	8%	8%	8%	8%
<i>To complete 10% of the upgrading of the Carters Glen Sewer pump station by 30 June 2020</i>	Percentage completion as per project progress reports	30%	30%	30%	10%	50%	100%
<i>To complete 100% of the repair/refurbishment of the Homevale/Seleke outfall sewer line to Homevale WWTW by 30 June 2020</i>	Percentage completion as per project progress reports	New	New	New	100%	0	0
2.6 To ensure a basic standard of living for all through the provision of basic sanitation, water, electricity and refuse delivery services							
<i>To replace 2500 water meters by 30 June 2019.</i>	Number of water meters replaced	2500	3000	3000			
<i>To complete the electrification of 1691 houses Golf course, Donkerhoek, Waterloo and Lerato Park by 30 June 2020</i>	Number of houses connected to electricity network	New	New	New	1 691	1 791	1 891

Description	Unit of measurement	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<i>To replace at least 2500 prepaid electricity meters by 30 June 2020</i>	Number of electricity meters replaced	2500	2500	2500	2500	3000	3000
<i>Decrease electricity losses to 18% by 30 June 2020</i>	Percentage electricity loss	18%	18%	18%	18%	17%	16%
<i>Decrease water losses to 45% by 30 June 2020</i>	Percentage water loss	45%	45%	45%	45%	40%	35%
<i>16 000 Indigent households to receive free basic services (water, electricity, sanitation and waste removal according to national guidelines) by 30 June 2020</i>	Number of indigents per the indigent register	15 500	15 500	15 500	16 000	17 500	18 500
<i>To complete phase 1 of the reconstruction of aged sink toilets in Kutlwanong by 13 December 2019</i>	Percentage completion as per project progress reports	100%	100%	100%	100%	0	0
<i>To complete phase 2 of the reconstruction of aged sink toilets in Kutlwanong by 30 June 2020</i>	Percentage completion as per project progress reports	New	New	New	100%	0	0
2.7 To ensure management of the quality of the drinking water and waste water through compliance with the applicable legislation							
<i>To ensure through effective monitoring that a 97% Blue Drop Status is achieved by 30 June 2020</i>	Percentage Blue Drop Status achieved	97%	97%	97%	97%	97%	97%
<i>To ensure through effective monitoring that a 90% Green Drop Status is achieved by 30 June 2020</i>	Percentage Green Drop Status achieved	90%	90%	90%	90%	90%	90%
2.11 To improve the public transport system and services							
<i>To complete 60% of the taxi lay-by project in Galeshewe by 30 June 2020</i>	Percentage completion as per project progress reports	100%	100%	100%	60%	100%	
3. Municipal Institutional Development and Transformation							
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 2020 : 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							

Description	Unit of measurement	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<i>Review the organisational structure of the municipality on an annual basis, with the aim of optimising efficiency, and make recommendations by 30 June 2020</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 2020</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>Ensure that all identified Information Technology related needs as per the procurement plan have been addressed by 30 June 2020</i>	Percentage of items per the procurement plan delivered	100%	100%	100%	100%	100%	100%
<i>To conduct at least 4 IT Steering Committee meetings by 30 June 2020</i>	Number of meetings held and attendance registers	4	4	4	4	4	4
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 2019/20</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	4	4	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 2020</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							
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 89,4% after debt write off by 30 June 2020</i>	Collection rate	89.4%	89.4%	89.4%	89.4%	89.4%	89.4%
4.2 Promote sound financial management and financial sustainability of Sol Plaatje Municipality through prudent fiscal management							

Description	Unit of measurement	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<i>To spend at least 95% of the Capital Budget (including VAT) on capital projects identified in the IDP by 30 June 2020</i>	Percentage capital spending	95%	95%	95%	95%	95%	95%
<i>To spend at least 95% of the Operational Budget annually (30 June)</i>	Percentage operational spending	95%	95%	95%	95%	95%	95%
<i>Maintain the debt coverage ratio of at least 2:1 against net assets of the municipality by 30 June 2020</i>	Debt coverage ratio	2.1	2.1	2.1	2.1	2.1	2.1
<i>Reduce net debtor days to 200 days by 30 June 2020</i>	Net debtor days	200	200	200	200	200	200
<i>Maintain the cost coverage ratio of at least 3 months (annually)</i>	Cost coverage ratio	3	3	3	3	3	3
<i>Ensure that the actual spending on employee related costs does not exceed 32% of the total expenditure, by 30 June 2020</i>	Employee cost as a percentage of total operating cost	32%	32%	32%	32%	32%	32%
<i>Ensure through regular communication and submission data streams monthly, that mSCOA compliance is maintained throughout the financial year</i>	Monthly submission of data streams to National Treasury	12	12	12	12	12	12
5. Good Governance and Public Participation							
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 2020</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 by 31 January 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 enquires 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: 2019/20 SDBIP Service Delivery Quarterly Targets per Key Performance Area

Description	Unit of measurement	Budget Year 2019/20	Quarterly targets 2019/20			
			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						
<i>To improve the SCM turnaround time to 12 weeks for annual contracts from closing date to date of award</i>	Average time in weeks to award tenders	12	12	12	12	12
<i>To improve the SCM turnaround time to 6 weeks for once off contracts from closing date to date of award</i>	Average time in weeks to award tenders	6	6	6	6	6
<i>Ensuring a response time of 10 weeks for building plan submissions received in the current financial year for buildings or architectural buildings greater than 500m² annually</i>	Average response time in weeks to approve building plans	10	10	10	10	10
<i>Ensuring a response time of 6 weeks for building plan submissions received in the current financial year for buildings or architectural buildings less than 500m² annually.</i>	Average response time in weeks to approve building plans	6	6	6	6	6
<i>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 2018 in terms of the SPLUM by-law (2015)</i>	Percentage of land use applications approved	100%	100%	100%	100%	100%
<i>To process at least 100 buildings plans that were received before 1 July 2019 by the end of the current financial year (30 June 2020)</i>	Percentage of building plans approved	100	25	50	75	100
1.2 Marketing the municipality as premier destination for tourism and investment						
<i>Promote tourism into the city using arts, culture and heritage as a strategy by creating a marketing platform for SMME's through at least 4 events partnered by Sol Plaatje on an annual basis</i>	Number of marketing platforms created (events)	4	1	1	1	1
1.4 To capacitate SMME's and local entrepreneurs						

Description	Unit of measurement	Budget Year 2019/20	Quarterly targets 2019/20			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
<i>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 2020</i>	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%
<i>To implement Standards for Infrastructure Procurement and Demand Management by ensuring compliance with predetermined timeframes by 30 June 2020</i>	Compliance with the predetermined time frames	100%	30%	50%	80%	100%
<i>Support SMME's through business incubation by setting up developmental programmes for at least 10 businesses annually</i>	Number of business provided with a developmental programme	10	3	2	2	3
1.5 To develop sustainable living through job creation (EPWP and other initiatives)						
<i>Create 300 FTE jobs through EPWP initiatives of the SPM by 30 June 2020</i>	Number of jobs created	300	100	150	220	300
1.7 To position the market as a productive and profitable section of the municipality						
<i>To perform an assessment of the completed business plan in relation to the profitability potential of the fresh produce market of the municipality and implement a decision by 30 June 2020</i>	Assessment of Business Plan	1	0	0	0	1
2. Basic 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.						
<i>To complete the construction of the Homevale Fire Station by 30 June 2020</i>	Percentage completion as per project progress reports	100%	45%	65%	85%	100%
<i>Respond to 85% of emergency call-outs within time limits as prescribed in table 1 and table 2 of SANS 10090 by 30 June 2020</i>	% call-outs that were responded to within the time limits	85%	85%	85%	85%	85%
<i>To achieve at least 70% compliance with the National Disaster Management Tool by 30 June 2020</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						
<i>To upgrade at least 4.5 km of Galeshewe access roads to a paved surface by 30 June</i>	Distance of km paved	4.5 km	0	1 km	2 km	4.5 km

Description	Unit of measurement	Budget Year 2019/20	Quarterly targets 2019/20			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
2020 (Wards 6,7,9,10 and 15)						
To complete the implementation of the construction projects in terms of Priority 1 for the upgrading of storm water channels in Galeshewe by 30 June 2020	Percentage completion as per project progress reports	100%	0%	70%	80%	100%
2.3 To ensure the availability of critical service delivery tools at all times (fleet management)						
Ensure that all identified fleet items to be procured for the year, are delivered by 30 June 2020	Percentage of identified fleet items delivered at year end	100%	20%	30%	60%	100%
2.4 To ensure the adequate provision, upgrading and maintenance of electricity services infrastructure						
To complete 100% of the project to replace the 66KV oil circuit breakers at the the Herlear Substation with SF6 by 30 June 2020	Percentage completion as per project progress reports	100%	0	50%	70%	100%
To complete 100% replace the 11KV Circuit breakers at Herlear Substation by 30 June 2020	Percentage completion as per project progress reports	100%	0	50%	70%	100%
2.5 To ensure the adequate provision, upgrading and maintenance of water and sanitation services infrastructure						
To complete the bulk water connections for the Lerato park development by 30 June 2020	Percentage completion as per project progress reports	100%	60%	80%	100%	0
To complete the bulk sewer connections for the Lerato park development by 30 June 2020	Percentage completion as per project progress reports	100%	60%	80%	90%	100%
To complete the water pipe replacement project at the following area: New by 30 June 2020	Percentage completion as per project progress reports	100%	30%	60%	80%	100%
To spend at least 8% of the operational budget to repairs and maintenance annually	Percentage of operating budget spend on R&M	8%	8%	8%	8%	8%
To complete 10% of the upgrading of the Carters Glen Sewer pump station by 30 June 2020	Percentage completion as per project progress reports	10%	6%	7%	8%	10%
To complete 100% of the repair/refurbishment of the Homevale/Seleke outfall sewer line to Homevale WWTW by 30 June 2020	Percentage completion as per project progress reports	100%	10%	40%	70%	100%
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 2019/20	Quarterly targets 2019/20			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
To replace 2500 water meters by 30 June 2019.	Number of water meters replaced	2 500	500	600	700	700
To complete the electrification of 1691 houses Golf course, Donkerhoek, Waterloo and Lerato Park by 30 June 2020	Number of houses connected to electricity network	1 691	0	563	0	1 691
To replace at least 2500 prepaid electricity meters by 30 June 2020	Number of electricity meters replaced	2 500	500	600	700	700
Decrease electricity losses to 18% by 30 June 2020	Percentage electricity loss	18%	18%	18%	18%	18%
Decrease water losses to 45% by 30 June 2020	Percentage water loss	45%	45%	45%	45%	45%
16 000 Indigent households to receive free basic services (water, electricity, sanitation and waste removal according to national guidelines) by 30 June 2020	Number of indigents per the indigent register	16 000	4 000	8 000	12 000	16 000
To complete phase 1 of the reconstruction of aged sink toilets in Kutlwanong by 13 December 2019	Percentage completion as per project progress reports	100%	50%	100%	0	0
To complete phase 2 of the reconstruction of aged sink toilets in Kutlwanong by 30 June 2020	Percentage completion as per project progress reports	100%	10%	40%	70%	100%
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 97% Blue Drop Status is achieved by 30 June 2020	Percentage Blue Drop Status achieved	97%	0	0	0	97%
To ensure through effective monitoring that a 90% Green Drop Status is achieved by 30 June 2020	Percentage Green Drop Status achieved	90%	0	0	0	90%
2.11 To improve the public transport system and services						
To complete 60% of the taxi lay-by project in Galeshewe by 30 June 2020	Percentage completion as per project progress reports	60%	15%	30%	45%	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						

Description	Unit of measurement	Budget Year 2019/20	Quarterly targets 2019/20			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
and partnering with the private sector						
<i>Equip staff to Implement efficiency, monitoring and productivity through the following improvement interventions by 30 June 2020 : Leadership and management development training, Learning/competency and development programme</i>	Number of interventions performed	2	0	1	0	1
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 2020</i>	Record of review and recommendations made and review performed	100%	0	0	100%	0
<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	1	0
<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 2020</i>	% compliance to the EAP	72%	0	72%	0	0
3.3 To ensure continuous maintenance and replacement of furniture, office and computer equipment and create a secure environment within the municipality						
<i>Ensure that all identified Information Technology related needs as per the procurement plan have been addressed by 30 June 2020</i>	Percentage of items per the procurement plan delivered	100%	25%	50%	75%	100%
<i>To conduct at least 4 IT Steering Committee meetings by 30 June 2020</i>	Number of meetings held and attendance registers	4	1	2	3	4
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	0	0	1	0
<i>Submit quarterly organisational performance reports to the Executive Mayor by the 20th of the month following the end of each Quarter for 2019/20</i>	No of Reports submitted	4	1	2	3	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	1	2	3	4
<i>Co-ordinate bi-annual performance assessments of the municipal manager and managers reporting directly to the municipal manager by 30 June 2020</i>	Number of assessments conducted	2	0	1	0	1
<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
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						

Description	Unit of measurement	Budget Year 2019/20	Quarterly targets 2019/20			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
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 89,4% after debt write off by 30 June 2020</i>	Collection rate	89.4%	89.4%	89.4%	89.4%	89.4%
4.2 Promote sound financial management and financial sustainability of Sol Plaatje Municipality through prudent fiscal management						
<i>To spend at least 95% of the Capital Budget (including VAT) on capital projects identified in the IDP by 30 June 2020</i>	Percentage capital spending	95%	20%	45%	60%	95%
<i>To spend at least 95% of the Operational Budget annually (30 June)</i>	Percentage operational spending	95%	20%	45%	60%	95%
<i>Maintain the debt coverage ratio of at least 2:1 against net assets of the municipality by 30 June 2020</i>	Debt coverage ratio	2.1	2.1	2.1	2.1	2.1
<i>Reduce net debtor days to 200 days by 30 June 2020</i>	Net debtor days	200	200	200	200	200
<i>Maintain the cost coverage ratio of at least 3 months (annually)</i>	Cost coverage ratio	3	3	3	3	3
<i>Ensure that the actual spending on employee related costs does not exceed 32% of the total expenditure, by 30 June 2020</i>	Employee cost as a percentage of total operating cost	32%	32%	32%	32%	32%
<i>Ensure through regular communication and submission data streams monthly, that mSCOA compliance is maintained throughout the financial year</i>	Monthly submission of data streams to National Treasury	12	3	6	9	12
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	3	2	2	3
<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 2020</i>	Percentage successful appeals	5%	5%	5%	5%	5%
<i>Submit an Audit Action Plan to the Municipal Manager to address issues raised by the Auditor General by 31 January annually</i>	Audit action plan submitted	1	0	0	1	0
<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	1	2	3	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	0	0	0	1

Description	Unit of measurement	Budget Year 2019/20	Quarterly targets 2019/20			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
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	3	6	9	12
<i>To respond to all media enquires and issue media statements within 24 hours after an occurrence</i>	Response times after and event has occurred	24h	24h	24h	24h	24h

Description	Unit of measurement	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
1. Local Economic Development							
1.1 To ensure effective spatial planning and development in order to establish a competitive economic position							
<i>To improve the SCM turnaround time to 12 weeks for annual contracts from closing date to date of award</i>	Average time in weeks to award tenders	12	12	12	12	12	12
<i>To improve the SCM turnaround time to 6 weeks for once off contracts from closing date to date of award</i>	Average time in weeks to award tenders	6	6	6	6	6	6
<i>Ensuring a response time of 10 weeks for building plan submissions received in the current financial year for buildings or architectural buildings greater than 500m² annually</i>	Average response time in weeks to approve building plans	10	10	10	10	10	10
<i>Ensuring a response time of 6 weeks for building plan submissions received in the current financial year for buildings or architectural buildings less than 500m² annually.</i>	Average response time in weeks to approve building plans	6	6	6	6	6	6
<i>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 2018 in terms of the SPLUM by-law (2015)</i>	Percentage of land use applications approved	100%	100%	100%	100%	100%	100%
<i>To process at least 100 buildings plans that were received before 1 July 2019 by the end of the current financial year (30 June 2020)</i>	Percentage of building plans approved	100	100	100	100	100	100
1.2 Marketing the municipality as premier destination for tourism and investment							
<i>Promote tourism into the city using arts, culture and heritage as a strategy by creating a marketing platform for SMME's through at least 4 events partnered by Sol Plaatje on an annual basis</i>	Number of marketing platforms created (events)	4	4	4	4	4	4
1.4 To capacitate SMME's and local entrepreneurs							
<i>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 2020</i>	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%
<i>To implement Standards for Infrastructure Procurement and Demand Management by ensuring compliance with predetermined timeframes by 30 June 2020</i>	Compliance with the predetermined time frames	100%	100%	100%	100%	100%	100%

Description	Unit of measurement	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<i>Support SMME's through business incubation by setting up developmental programmes for at least 10 businesses annually</i>	Number of business provided with a developmental programme	10	10	10	10	10	10
1.5 To develop sustainable living through job creation (EPWP and other initiatives)							
<i>Create 300 FTE jobs through EPWP initiatives of the SPM by 30 June 2020</i>	Number of jobs created	300	300	300	300	320	330
1.7 To position the market as a productive and profitable section of the municipality							
<i>To perform an assessment of the completed business plan in relation to the profitability potential of the fresh produce market of the municipality and implement a decision by 30 June 2020</i>	Assessment of Business Plan	1	1	1	1	1	1
2. Basic service delivery and Infrastructure development							
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 complete the construction of the Homevale Fire Station by 30 June 2020</i>	Percentage completion as per project progress reports	100%	100%	100%	100%	100%	0
<i>Respond to 85% of emergency call-outs within time limits as prescribed in table 1 and table 2 of SANS 10090 by 30 June 2020</i>	% call-outs that were responded to within the time limits	85%	85%	85%	85%	85%	85%
<i>To achieve at least 70% compliance with the National Disaster Management Tool by 30 June 2020</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							
<i>To upgrade at least 4.5 km of Galeshewe access roads to a paved surface by 30 June 2020 (Wards 6,7,9,10 and 15)</i>	Distance of km paved	12km	7 km	7 km	4.5 km	10 km	5 km
<i>To complete the implementation of the construction projects in terms of Priority 1 for the upgrading of storm water channels in Galeshewe by 30 June 2020</i>	Percentage completion as per project progress reports	80%	80%	80%	100%	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 2020</i>	Percentage of identified fleet items delivered at year end	100%	0	0	100%	100%	100%
2.4 To ensure the adequate provision, upgrading and maintenance of electricity services infrastructure							

Description	Unit of measurement	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<i>To complete 100% of the project to replace the 66KV oil circuit breakers at the the Herlear Substation with SF6 by 30 June 2020</i>	Percentage completion as per project progress reports	50%	50%	50%	100%	0	0
<i>To complete 100% replace the 11KV Circuit breakers at Herlear Substation by 30 June 2020</i>	Percentage completion as per project progress reports	50%	50%	50%	100%	0	0
2.5 To ensure the adequate provision, upgrading and maintenance of water and sanitation services infrastructure							
<i>To complete the bulk water connections for the Lerato park development by 30 June 2020</i>	Percentage completion as per project progress reports	100%	100%	100%	100%	0	0
<i>To complete the bulk sewer connections for the Lerato park development by 30 June 2020</i>	Percentage completion as per project progress reports	100%	100%	100%	100%	0	0
<i>To complete the water pipe replacement project at the following area: New by 30 June 2020</i>	Percentage completion as per project progress reports	100%	100%	100%	100%	0	0
<i>To spend at least 8% of the operational budget to repairs and maintenance annually</i>	Percentage of operating budget spend on R&M	8%	8%	8%	8%	8%	8%
<i>To complete 10% of the upgrading of the Carters Glen Sewer pump station by 30 June 2020</i>	Percentage completion as per project progress reports	30%	30%	30%	10%	50%	100%
<i>To complete 100% of the repair/refurbishment of the Homevale/Seleke outfall sewer line to Homevale WWTW by 30 June 2020</i>	Percentage completion as per project progress reports	New	New	New	100%	0	0
2.6 To ensure a basic standard of living for all through the provision of basic sanitation, water, electricity and refuse delivery services							
<i>To replace 2500 water meters by 30 June 2019.</i>	Number of water meters replaced	2500	3000	3000			
<i>To complete the electrification of 1691 houses Golf course, Donkerhoek, Waterloo and Lerato Park by 30 June 2020</i>	Number of houses connected to electricity network	New	New	New	1 691	1 791	1 891
<i>To replace at least 2500 prepaid electricity meters by 30 June 2020</i>	Number of electricity meters replaced	2500	2500	2500	2500	3000	3000

Description	Unit of measurement	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<i>Decrease electricity losses to 18% by 30 June 2020</i>	Percentage electricity loss	18%	18%	18%	18%	17%	16%
<i>Decrease water losses to 45% by 30 June 2020</i>	Percentage water loss	45%	45%	45%	45%	40%	35%
<i>16 000 Indigent households to receive free basic services (water, electricity, sanitation and waste removal according to national guidelines) by 30 June 2020</i>	Number of indigents per the indigent register	15 500	15 500	15 500	16 000	17 500	18 500
<i>To complete phase 1 of the reconstruction of aged sink toilets in Kutlwanong by 13 December 2019</i>	Percentage completion as per project progress reports	100%	100%	100%	100%	0	0
<i>To complete phase 2 of the reconstruction of aged sink toilets in Kutlwanong by 30 June 2020</i>	Percentage completion as per project progress reports	New	New	New	100%	0	0
2.7 To ensure management of the quality of the drinking water and waste water through compliance with the applicable legislation							
<i>To ensure through effective monitoring that a 97% Blue Drop Status is achieved by 30 June 2020</i>	Percentage Blue Drop Status achieved	97%	97%	97%	97%	97%	97%
<i>To ensure through effective monitoring that a 90% Green Drop Status is achieved by 30 June 2020</i>	Percentage Green Drop Status achieved	90%	90%	90%	90%	90%	90%
2.11 To improve the public transport system and services							
<i>To complete 60% of the taxi lay-by project in Galeshewe by 30 June 2020</i>	Percentage completion as per project progress reports	100%	100%	100%	60%	100%	
3. Municipal Institutional Development and Transformation							
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 2020 : 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 2020</i>	Record of review and recommendations made and review performed	100%	100%	100%	100%	100%	100%

Description	Unit of measurement	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Monitor the implementation of the Human Resource Management Plan through conducting at least one review meeting annually	Number of review meetings held	1	1	1	1	1	1
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 2020	% 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							
Ensure that all identified Information Technology related needs as per the procurement plan have been addressed by 30 June 2020	Percentage of items per the procurement plan delivered	100%	100%	100%	100%	100%	100%
To conduct at least 4 IT Steering Committee meetings by 30 June 2020	Number of meetings held and attendance registers	4	4	4	4	4	4
3.4 To provide a basis for sustainable municipal performance improvement							
Monitor the implementation of the Integrated Performance Management Policy by conducting at least one review meeting annually	Minutes of meeting conducted. Item on policy review tabled to Council	1	1	1	1	1	1
Submit quarterly organisational performance reports to the Executive Mayor by the 20th of the month following the end of each Quarter for 2019/20	No of Reports submitted	4	4	4	4	4	4
On a quarterly basis communicate the funded vacant positions in each directorate to the relevant Executive Director.	Number of communications provided	4	4	4	4	4	4
Co-ordinate bi-annual performance assessments of the municipal manager and managers reporting directly to the municipal manager by 30 June 2020	Number of assessments conducted	2	2	2	2	2	2
Submit the final IDP document for adoption to Council by 31 May annually	Tabled IDP for Council adoption	1	1	1	1	1	1
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							
4.1 Enhance revenue through leveraging alternate sources of funding and identifying new revenue streams							
Improve revenue enhancement by ensuring a collection rate of 89,4% after debt write off by 30 June 2020	Collection rate	89.4%	89.4%	89.4%	89.4%	89.4%	89.4%
4.2 Promote sound financial management and financial sustainability of Sol Plaatje Municipality through prudent fiscal management							
To spend at least 95% of the Capital Budget (including VAT) on capital projects identified in the IDP by 30 June 2020	Percentage capital spending	95%	95%	95%	95%	95%	95%
To spend at least 95% of the Operational Budget annually (30 June)	Percentage operational spending	95%	95%	95%	95%	95%	95%

Description	Unit of measurement	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Maintain the debt coverage ratio of at least 2:1 against net assets of the municipality by 30 June 2020	Debt coverage ratio	2.1	2.1	2.1	2.1	2.1	2.1
Reduce net debtor days to 200 days by 30 June 2020	Net debtor days	200	200	200	200	200	200
Maintain the cost coverage ratio of at least 3 months (annually)	Cost coverage ratio	3	3	3	3	3	3
Ensure that the actual spending on employee related costs does not exceed 32% of the total expenditure, by 30 June 2020	Employee cost as a percentage of total operating cost	32%	32%	32%	32%	32%	32%
Ensure through regular communication and submission data streams monthly, that mSCOA compliance is maintained throughout the financial year	Monthly submission of data streams to National Treasury	12	12	12	12	12	12
5. Good Governance and Public Participation							
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	10	10	10	10	10
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 2020	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 by 31 January annually	Audit action plan submitted	1	1	1	1	1	1
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	4	4	4	4	4
Submit an Annual Report on risk management maturity level of SPM to NT by 30 June each year.	Maturity Report submitted	1	1	1	1	1	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	12
To respond to all media enquires and issue media statements within 24 hours after an occurrence	Response times after and event has occurred	24h	24h	24h	24h	24h	24h

Description	Unit of measurement	Budget Year 2019/20	Quarterly targets 2019/20			
			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						
<i>To improve the SCM turnaround time to 12 weeks for annual contracts from closing date to date of award</i>	Average time in weeks to award tenders	12	12	12	12	12
<i>To improve the SCM turnaround time to 6 weeks for once off contracts from closing date to date of award</i>	Average time in weeks to award tenders	6	6	6	6	6
<i>Ensuring a response time of 10 weeks for building plan submissions received in the current financial year for buildings or architectural buildings greater than 500m² annually</i>	Average response time in weeks to approve building plans	10	10	10	10	10
<i>Ensuring a response time of 6 weeks for building plan submissions received in the current financial year for buildings or architectural buildings less than 500m² annually.</i>	Average response time in weeks to approve building plans	6	6	6	6	6
<i>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 2018 in terms of the SPLUM by-law (2015)</i>	Percentage of land use applications approved	100%	100%	100%	100%	100%
<i>To process at least 100 buildings plans that were received before 1 July 2019 by the end of the current financial year (30 June 2020)</i>	Percentage of building plans approved	100	25	50	75	100
1.2 Marketing the municipality as premier destination for tourism and investment						
<i>Promote tourism into the city using arts, culture and heritage as a strategy by creating a marketing platform for SMME's through at least 4 events partnered by Sol Plaatje on an annual basis</i>	Number of marketing platforms created (events)	4	1	1	1	1
1.4 To capacitate SMME's and local entrepreneurs						
<i>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 2020</i>	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%

Description	Unit of measurement	Budget Year 2019/20	Quarterly targets 2019/20			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
<i>To implement Standards for Infrastructure Procurement and Demand Management by ensuring compliance with predetermined timeframes by 30 June 2020</i>	Compliance with the predetermined time frames	100%	30%	50%	80%	100%
<i>Support SMME's through business incubation by setting up developmental programmes for at least 10 businesses annually</i>	Number of business provided with a developmental programme	10	3	2	2	3
1.5 To develop sustainable living through job creation (EPWP and other initiatives)						
<i>Create 300 FTE jobs through EPWP initiatives of the SPM by 30 June 2020</i>	Number of jobs created	300	100	150	220	300
1.7 To position the market as a productive and profitable section of the municipality						
<i>To perform an assessment of the completed business plan in relation to the profitability potential of the fresh produce market of the municipality and implement a decision by 30 June 2020</i>	Assessment of Business Plan	1	0	0	0	1
2. Basic 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.						
<i>To complete the construction of the Homevale Fire Station by 30 June 2020</i>	Percentage completion as per project progress reports	100%	45%	65%	85%	100%
<i>Respond to 85% of emergency call-outs within time limits as prescribed in table 1 and table 2 of SANS 10090 by 30 June 2020</i>	% call-outs that were responded to within the time limits	85%	85%	85%	85%	85%
<i>To achieve at least 70% compliance with the National Disaster Management Tool by 30 June 2020</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						
<i>To upgrade at least 4.5 km of Galeshewe access roads to a paved surface by 30 June 2020 (Wards 6,7,9,10 and 15)</i>	Distance of km paved	4.5 km	0	1 km	2 km	4.5 km
<i>To complete the implementation of the construction projects in terms of Priority 1 for the upgrading of storm water channels in Galeshewe by 30 June 2020</i>	Percentage completion as per project progress reports	100%	0%	70%	80%	100%
2.3 To ensure the availability of critical service delivery tools at all times (fleet management)						

Description	Unit of measurement	Budget Year 2019/20	Quarterly targets 2019/20			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
<i>Ensure that all identified fleet items to be procured for the year, are delivered by 30 June 2020</i>	Percentage of identified fleet items delivered at year end	100%	20%	30%	60%	100%
2.4 To ensure the adequate provision, upgrading and maintenance of electricity services infrastructure						
<i>To complete 100% of the project to replace the 66KV oil circuit breakers at the the Herlear Substation with SF6 by 30 June 2020</i>	Percentage completion as per project progress reports	100%	0	50%	70%	100%
<i>To complete 100% replace the 11KV Circuit breakers at Herlear Substation by 30 June 2020</i>	Percentage completion as per project progress reports	100%	0	50%	70%	100%
2.5 To ensure the adequate provision, upgrading and maintenance of water and sanitation services infrastructure						
<i>To complete the bulk water connections for the Lerato park development by 30 June 2020</i>	Percentage completion as per project progress reports	100%	60%	80%	100%	0
<i>To complete the bulk sewer connections for the Lerato park development by 30 June 2020</i>	Percentage completion as per project progress reports	100%	60%	80%	90%	100%
<i>To complete the water pipe replacement project at the following area: New by 30 June 2020</i>	Percentage completion as per project progress reports	100%	30%	60%	80%	100%
<i>To spend at least 8% of the operational budget to repairs and maintenance annually</i>	Percentage of operating budget spend on R&M	8%	8%	8%	8%	8%
<i>To complete 10% of the upgrading of the Carters Glen Sewer pump station by 30 June 2020</i>	Percentage completion as per project progress reports	10%	6%	7%	8%	10%
<i>To complete 100% of the repair/refurbishment of the Homevale/Seleke outfall sewer line to Homevale WWTW by 30 June 2020</i>	Percentage completion as per project progress reports	100%	10%	40%	70%	100%
2.6 To ensure a basic standard of living for all through the provision of basic sanitation, water, electricity and refuse delivery services						
<i>To replace 2500 water meters by 30 June 2019.</i>	Number of water meters replaced	2 500	500	600	700	700
<i>To complete the electrification of 1691 houses Golf course, Donkerhoek, Waterloo and Lerato Park by 30 June 2020</i>	Number of houses connected to electricity network	1 691	0	563	0	1 691

Description	Unit of measurement	Budget Year 2019/20	Quarterly targets 2019/20			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
<i>To replace at least 2500 prepaid electricity meters by 30 June 2020</i>	Number of electricity meters replaced	2 500	500	600	700	700
<i>Decrease electricity losses to 18% by 30 June 2020</i>	Percentage electricity loss	18%	18%	18%	18%	18%
<i>Decrease water losses to 45% by 30 June 2020</i>	Percentage water loss	45%	45%	45%	45%	45%
<i>16 000 Indigent households to receive free basic services (water, electricity, sanitation and waste removal according to national guidelines) by 30 June 2020</i>	Number of indigents per the indigent register	16 000	4 000	8 000	12 000	16 000
<i>To complete phase 1 of the reconstruction of aged sink toilets in Kutlwanong by 13 December 2019</i>	Percentage completion as per project progress reports	100%	50%	100%	0	0
<i>To complete phase 2 of the reconstruction of aged sink toilets in Kutlwanong by 30 June 2020</i>	Percentage completion as per project progress reports	100%	10%	40%	70%	100%
2.7 To ensure management of the quality of the drinking water and waste water through compliance with the applicable legislation						
<i>To ensure through effective monitoring that a 97% Blue Drop Status is achieved by 30 June 2020</i>	Percentage Blue Drop Status achieved	97%	0	0	0	97%
<i>To ensure through effective monitoring that a 90% Green Drop Status is achieved by 30 June 2020</i>	Percentage Green Drop Status achieved	90%	0	0	0	90%
2.11 To improve the public transport system and services						
<i>To complete 60% of the taxi lay-by project in Galeshewe by 30 June 2020</i>	Percentage completion as per project progress reports	60%	15%	30%	45%	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						
<i>Equip staff to implement efficiency, monitoring and productivity through the following improvement interventions by 30 June 2020 : Leadership and management development training, Learning/competency and development programme</i>	Number of interventions performed	2	0	1	0	1
3.2 To improve effective human resource development to staff and Councillors						

Description	Unit of measurement	Budget Year 2019/20	Quarterly targets 2019/20			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
<i>Review the organisational structure of the municipality on an annual basis, with the aim of optimising efficiency, and make recommendations by 30 June 2020</i>	Record of review and recommendations made and review performed	100%	0	0	100%	0
<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	1	0
<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 2020</i>	% compliance to the EAP	72%	0	72%	0	0
3.3 To ensure continuous maintenance and replacement of furniture, office and computer equipment and create a secure environment within the municipality						
<i>Ensure that all identified Information Technology related needs as per the procurement plan have been addressed by 30 June 2020</i>	Percentage of items per the procurement plan delivered	100%	25%	50%	75%	100%
<i>To conduct at least 4 IT Steering Committee meetings by 30 June 2020</i>	Number of meetings held and attendance registers	4	1	2	3	4
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	0	0	1	0
<i>Submit quarterly organisational performance reports to the Executive Mayor by the 20th of the month following the end of each Quarter for 2019/20</i>	No of Reports submitted	4	1	2	3	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	1	2	3	4
<i>Co-ordinate bi-annual performance assessments of the municipal manager and managers reporting directly to the municipal manager by 30 June 2020</i>	Number of assessments conducted	2	0	1	0	1
<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
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 89,4% after debt write off by 30 June 2020</i>	Collection rate	89.4%	89.4%	89.4%	89.4%	89.4%
4.2 Promote sound financial management and financial sustainability of Sol Plaatje Municipality through prudent fiscal management						

Description	Unit of measurement	Budget Year 2019/20	Quarterly targets 2019/20			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
<i>To spend at least 95% of the Capital Budget (including VAT) on capital projects identified in the IDP by 30 June 2020</i>	Percentage capital spending	95%	20%	45%	60%	95%
<i>To spend at least 95% of the Operational Budget annually (30 June)</i>	Percentage operational spending	95%	20%	45%	60%	95%
<i>Maintain the debt coverage ratio of at least 2:1 against net assets of the municipality by 30 June 2020</i>	Debt coverage ratio	2.1	2.1	2.1	2.1	2.1
<i>Reduce net debtor days to 200 days by 30 June 2020</i>	Net debtor days	200	200	200	200	200
<i>Maintain the cost coverage ratio of at least 3 months (annually)</i>	Cost coverage ratio	3	3	3	3	3
<i>Ensure that the actual spending on employee related costs does not exceed 32% of the total expenditure, by 30 June 2020</i>	Employee cost as a percentage of total operating cost	32%	32%	32%	32%	32%
<i>Ensure through regular communication and submission data streams monthly, that mSCOA compliance is maintained throughout the financial year</i>	Monthly submission of data streams to National Treasury	12	3	6	9	12
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	3	2	2	3
<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 2020</i>	Percentage successful appeals	5%	5%	5%	5%	5%
<i>Submit an Audit Action Plan to the Municipal Manager to address issues raised by the Auditor General by 31 January annually</i>	Audit action plan submitted	1	0	0	1	0
<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	1	2	3	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	0	0	0	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	3	6	9	12

Description	Unit of measurement	Budget Year 2019/20	Quarterly targets 2019/20			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
<i>To respond to all media enquires and issue media statements within 24 hours after an occurrence</i>	Response times after and event has occurred	24h	24h	24h	24h	24h

**BUDGET
RELATED
POLICIES
OVERVIEW
AND
AMENDMENTS**

SOL PLAATJE MUNICIPALITY

ANNEXURE : BUDGET RELATED POLICIES

<u>List of Budget related policies</u>	Explanation numbers	Approved	Resolution Number	Reviewed
Policy Asset Management	1	28-May-14	C125/05/14	March 2018
Policy Cash Management & Investment	1	07-Apr-05	CR22	March 2018
Policy Customer Services Credit Control Debt Collection	1	31-May-18	C38/05/18	March 2018
Policy Indigent	1	28-May-14	C121/05/14	March 2018
Policy Internal Audit	1	17-Nov-05		March 2018
Policy Property Rates	1 and 2	27-May-15	C100/05/15	March 2018
Policy Risk Management	1	17-Nov-05	CR500	March 2018
Policy Supply Chain Management	1 and 2	04-Nov-14	C265/11/14	March 2018
Tariff Policy on Property Rates	1	31-May-18	C38/05/18	March 2018
Tariff Policy on Electricity	1	31-May-18	C38/05/18	March 2018
Tariff Policy on Water	1	31-May-18	C38/05/18	March 2018
Tariff Policy on Sanitation	1	31-May-18	C38/05/18	March 2018
Tariff Policy on Refuse Removal/Solid Waste	1	31-May-18	C38/05/18	March 2018
Policy Debt Write-off	1 and 2	28-May-14	C125/05/14	March 2018
Policy Regarding Audit Committees	1	17-Nov-05	CR500	March 2018
Disposal of Moveable Assets Policy	1	27-May-15	C100/05/15	March 2018
Policy Borrowing	1	28-May-14	C125/05/14	March 2018
Policy irregular, fruitless and wasteful expenditure	1	28-May-14	C125/05/14	March 2018
Budget Implementation and Management Policy (Budget policy)	1	27-May-15	C100/05/15	March 2018
Funding and Reserves policy	1	25-May-16	C148/05/16	March 2018
Policy Short and Long term borrowing	1	19-Apr-11	C150/11	March 2018
Financial Management and Revenue Enhancement Strategy policy	1	27-May-15	C100/05/15	March 2018
Policy related to long-term financial planning	1	27-May-15	C100/05/15	March 2018
Consumer Deposit Policy New	1	31-May-17	C60/05/17	March 2018
Free Basic Services Policy New	1	31-May-17	C60/05/17	March 2018
Sol Plaatje Materiality and Significance Framework	1	31-May-18	C38/05/18	March 2018
Contracts Policy New	1 and 2	31-May-17	C60/05/17	March 2018
SSEG PV Policy New	1	31-May-17	C60/05/17	March 2018
Bulk Infrastructure Contribution Policy	1	31-May-17	C60/05/17	March 2018
Water Restrictions Policy	1	31-May-17	C60/05/17	March 2018
Infrastructure investment and capital projects policy (included in Budget policy)	1	28-May-14	C125/05/14	March 2018

Explanation numbers

1. These policies are accessible on the Sol Plaatje website: www.solplaatje.org.za.
2. Policy to be approved with budget process 2019/20.

SOL PLAATJE LOCAL MUNICIPALITY

DEBT WRITE-OFF POLICY



APPROVED ON THE

RESOLUTION NUMBER



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1. Definitions:

In this policy, unless the context indicates otherwise:

- a. "the municipality" means the Sol Plaatje Municipality;
- b. "debt" means an obligation sounding in money and/or services due and owing to the municipality;
- c. "debtor" means a person, natural or juristic, who owes a debt to the municipality and who may be compelled to pay in terms of a claim or demand by the municipality;
- d. "irrecoverable debt" means the debt which in terms of this policy meets the criteria for writing off;
- e. "metered services" means the supply of a service in which the consumption of the commodity supplied (such as water or electricity) is measured by means of a meter;
- f. "occupier" in relation to a property, means a person in occupation thereof irrespective of whether that person has the right to occupy;
- g. "owner" means:
 - i. in relation to an immovable property, a person in whose name ownership thereof is registered in the Deeds Office;
 - ii. a trustee, in the case of an immovable property which is trust property;
 - iii. an executor or administrator in the case of an immovable property which falls in a deceased estate;
 - iv. a trustee or liquidator, in the case of an immovable property in an insolvent estate or an estate in liquidation;
 - v. a judicial manager, in the case of an immovable property owned by a corporate body under judicial management;
 - vi. a curator, in the case of an immovable property registered in the name of a person under curatorship;



- vii. a lessee, in the case of an immovable property that is registered in the name of the municipality and is let by it;
- viii. a buyer, in the case of an immovable property sold by the municipality to the buyer and of which possession has been given to the buyer pending registration of ownership in the name of the buyer.

2. Purpose and Scope of the Policy

The purpose of this policy is to provide a framework for regulating the writing-off of irrecoverable debts and the consequent further enhancement of the municipality's debt management strategy.

3. Transparency and accountability

- a. The process of writing-off of debts by the municipality will be undertaken in a transparent and accountable manner.
- b. A proposal to write-off a debt, either as part of a group of debts, or individually, will be considered by the Council on its merits pursuant to the procedure and with due regard to the information which must be provided to it in terms of this policy.
- c. 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.
- d. 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.
- e. 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.

- f. The municipality commits itself and its officers to act fairly and justly in an open and transparent manner in implementing this policy.

4. Procedures for writing-off of debt

- a. General

- i. A debt other than that in respect of indigent registrations may only be written-off by resolution of the Council and/or as in accordance with clause number 6 of this policy on prescribed debt and *in duplum* interest.
- ii. The Council may only write-off a debt after consideration of a report and recommendations from the Accounting Officer containing at least the information prescribed by this policy and a certification from the Council's attorney seized with recovery thereof or from the Accounting Officer that the debt collection procedures of the municipality (as provided for in the municipality's Customer Care, Credit Control and Debt Collection Policy) have been adhered to and that in his/her opinion there is no reasonable prospect of recovery of the debt and/or that further efforts to do so would be uneconomical.
- iii. A debt may only be written-off by the Council against the municipality's provision for doubtful debts, being a funded reserve established pursuant to the municipality's Funding and Reserves Policy and otherwise compliant with regulation 8 of the Municipal Budget Reporting Regulations R3214 dated 17/4/09.
- iv. The writing-off of a debt by the Council is an accounting procedure and does not constitute abandonment by the municipality of its claim against a debtor.
- v. Copies of the reports to the Council in regard to all debts written-off is to be retained in the records of the municipality against the name of the debtor and the Accounting Officer must implement a system to alert the municipality to the contents thereof in the event that the debtor



again seeks to establish a credit-based relationship with the municipality.

b. Information to be placed by the Accounting Officer before the Council in a report recommending the writing-off of a debt or group of debts:

i. In the case of an individual debt, particulars of the debt including:

- the amount of the debt, stating separately the capital amount and interest accrued;
- the composition of the capital amount (cause of action);
- whether the debt was secured by a mortgage bond or any other security and whether such security has been realised.

ii. In the case of a group of debts, particulars of the group including:

- motivation for submission of the debts in question as a group (e.g. cause of action, collection procedures and prospect of recovery similar in each case)
- the total amount of the debts in the group, stating separately the total of the capital amounts and interest accrued;
- the composition of the capital amount (cause of action);
- whether any debt was secured by a mortgage bond or any other security and whether such security has been realised.

iii. Steps taken to recover the debt or group of debts including:

- all debt collection procedures and mechanisms implemented;
- the results yielded thereby;
- any arrangements entered into with the debtor during the course of collection;
- an age analysis of the debt or group of debts.

iv. Particulars of the debtor including:



- whether the debtor is a natural or juristic person;
 - if the debtor is a natural person, whether he/she has been sequestrated and if so, the outcome of the municipality's claim against the insolvent estate.
 - If the debtor is a juristic person, whether it has been liquidated and if so, the outcome of the municipality's claim against the estate in liquidation;
 - whether the debtor can be traced;
 - whether the debtor is gainfully employed or otherwise in receipt of an income and the outcome of any arrangements made with the debtor, emoluments attachment orders issued and/or any distribution orders made.
- v. Details of any attachable movable or immovable property which had been owned by the debtor and the outcome of execution by the municipality against it.
- vi. A recommendation to the Accounting Officer in the instance of immovable property that it is not desirable to attach such property where it is not in the interests of the community to do so because the owner is without alternative means, or on humanitarian grounds it would be undesirable to do so.
- vii. Any other information relating to the debt which may be requested by the Council.
- viii. Details of costs incurred thus far in pursuing collection of the debt, and an estimation of the potential liability of the municipality for further costs should the debt be pursued.
- ix. The certificate referred to in 4(a)(ii) above.

5. Factors which the Council may take into account in writing-off debt

- a. A debt is deemed to be irrecoverable:
- i. if it has prescribed in terms of the Prescription Act, No. 68 of 1969; or
 - ii. the debtor has been sequestrated or liquidated and the proceeds of the sequestration or the liquidation are insufficient to satisfy the debt.



- b. A debt may not be deemed to be irrecoverable unless:
 - i. all of the debtor's attachable movable and immovable property has been sold in execution and the proceeds have not satisfied the debt;
 - ii. if the debtor is employed or in receipt of an income and all processes to attach that income or to obtain a court order for payment of the debt in instalments have been exhausted.
- c. A debt may be considered irrecoverable if all reasonable attempts to trace the whereabouts of the debtor have been unsuccessful and no attachable assets have been found.
- d. Notwithstanding the provisions contained herein, special circumstances exist which necessitate the writing off such debt where it is in the interests of the community to do so. This debt would be deemed irrecoverable and the following criteria in this instance would apply:
 - i. The debt must belong to an organisation which is operated not for gain and which serves the community.
 - ii. There is no reasonable prospect of such organisation paying such debt.
 - iii. It would be *contra bonas mores* not to write off such debt.

6. Delegation to write off debt – Prescribed debt and in duplum interest

6.1 The Accounting Officer will, after thorough review of any request in terms of this Policy, be delegated to write off any amounts in respect of prescribed debts per clause no. 5.(a) (i); individually to the maximum amount of:-

- 6.1.1 in the case of a household consume an amount of R10 000 (excluding interest and penalties) per submission, and
- 6.1.2 in the case of a business consume an amount of R20 000 (excluding interest and penalties) per submission.



6.1.3 All other amounts in excess of the stipulated limit above, shall be referred to council for consideration per clause number 5 of this policy.

6.2 The Accounting Officer will, after thorough review of any request in terms of this Policy, be delegated to write off any qualifying portion of amounts in respect of *in duplum* rule from the accumulated interest debt for every individual account.

6.3 The accounting officer shall present a report on all write offs per clause number 6.1 above, to council for information.

7. General provisions relating to the writing-off of debt

- a. Not less often than twice during the municipality's financial year, the Accounting Officer shall submit a report to the Council on debts to be written-off.
- b. A debt shall not be regarded as written-off until the Council has so resolved.
- c. Prior to writing-off a debt and after consideration of the report and recommendation of the Accounting Officer in terms of this policy, the Council must be satisfied that:
 - i. the municipality has exhausted all means of debt recovery provided for in its Customer Care, Credit Control and Debt Collection Policy;
 - ii. recovery of the debt in question has been pursued diligently and completely;
 - iii. no other reasonably possible and practical means of recovering the debt exists.
- d. The writing-off of a debt must be recorded in the records of the municipality and in its books of account in terms of Generally Recognised Accounting Practice.
- e. The Council must in its budget make provision for doubtful debts through the medium of a funded reserve established in terms of the municipality's Funding and Reserve Policy, compliant with regulation 8, Municipal Budget and Reporting Regulations R3214 dated 17/4/09.



- f. Should any provision of this policy conflict with a provision of the municipality's Indigent Management Policy relating to a debt of a registered indigent, the latter policy takes precedence.
- g. In writing off a debt, the municipality does not abandon its claim and all amounts recovered in reduction of a debt subsequently to its writing-off shall be recorded in the books of the municipality as income.

SOL PLAATJE LOCAL MUNICIPALITY

PROPERTY RATES POLICY



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;

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.

4.2.8.5 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 or permitted use of the property and the geographical area in which the property is situated.

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 properties owned by an organ of state and not used for public service purposes, except for municipality owned properties and improved residential properties owned by an organ of state and used for residential purposes;
- 5.11 Public Service Infrastructure properties;
- 5.12 Private Service Infrastructure
- 5.13 Properties owned by public benefit organizations and used for specified public benefit activities.
- 5.14 Place of Public Worship.
- 5.15 Private Open Space;
- 5.16 Property owned by the Municipality and used for municipal purposes in service delivery;
- 5.17 Independent schools registered in terms of the South African Schools Act, 84 of 1996.
- 5.18 Sports grounds and facilities used and operated for gain.
- 5.19 Solar Farms



5.20 University

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 MUST 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. Property rates will then be billed to this “owner” from the date of the letter of authority from the Master of the High Court.

11. SOLAR FARMS

Means agricultural land as defined in the Subdivision of Agricultural Land Act 70 of 1970, on which energy producing solar energy panels have been erected for the purpose of generating electricity, but which is dually used for agricultural purposes.

12. LIABILITY FOR AND RECOVERY OF RATES

The MPRA and the Municipality’s Credit Control and Debt Collection Policy applies.



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 2019.

23. TRANSITIONAL ARRANGEMENTS

Due to the introduction of many new categories of property as well as the rebates, the municipality shall, during the financial year 2018/2019 and as soon as possible, amend the General Valuation Roll accordingly and where necessary, by way of Supplementary Valuations, to include these categories and rebates.



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 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)	MNG	No
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	Yes
Property used by Organ of State	Properties owned and used by an organ of state (excluding Sol Plaatje Municipality and improved residential properties owned by an organ of state and used for residential purposes;) and NOT used for public service purposes as defined in the Act	GOV	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
Solar farms	Means agricultural land as defined in the Subdivision of Agricultural Land Act 70 of 1970, on which energy producing solar energy panels have been erected for the purpose of generating electricity, but which is dually used for agricultural purposes	SOF	No
Sports Fields	Sports grounds and facilities used and operated for gain. This includes offices, shops etc. supporting such purpose	SPRT	Yes
University	For the purpose of this policy, all properties owned by the Sol Plaatje	UNI	No



	University, excluding the sports grounds used for sports purposes.		
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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 African Agricultural Union, which is used for the purposes of such a society which is not operated for gain. Per paragraph 6.1.7	AGO	Yes
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
Property Used by Organ of State	6
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	0.25
Solar farms	3
Sports Fields	0
University	3



Annexure F – PENSIONER REBATE APPLICATION FORM



SOL PLAATJE MUNICIPALITY
DIRECTORATE: FINANCIAL SERVICES

PENSIONERS RATES REBATE APPLICATION FORM

QUESTIONNAIRE FOR RATEPAYERS INCOME AND REQUIRED DOCUMENTS

(Indicate gross income per annum)		GROSS INCOME					
		SELF	SPOUSE				
1. Do you receive income from an employer? If so, please specify. -----	<table border="1" style="margin: auto;"> <tr><td>YES</td><td style="width: 40px;"></td></tr> <tr><td>NO</td><td></td></tr> </table>	YES		NO			
YES							
NO							
2. Do you receive a pension/grant/annuity/interest? If so, please specify. ----- -----	<table border="1" style="margin: auto;"> <tr><td>YES</td><td style="width: 40px;"></td></tr> <tr><td>NO</td><td></td></tr> </table>	YES		NO			
YES							
NO							
3. Do you receive any other for of income (e.g. rental, financial assistance from children, etc.)? If so please specify. ----- -----	<table border="1" style="margin: auto;"> <tr><td>YES</td><td style="width: 40px;"></td></tr> <tr><td>NO</td><td></td></tr> </table>	YES		NO			
YES							
NO							
TOTAL R							

N.B: Where applicable, **COPIES** of the following documents must be submitted:

- | | |
|--|------------------------------|
| 1. Pension Book/Card or Pay slip | 3. Identification Document |
| 2. Salary advices/3months bank statement | 4. Proof of Income from SARS |

The applicant must meet the following criteria to qualify for a Pensioner Rebate on property rates:

- Must be the registered owner or usufructury of the property;
- The household income may not exceed R 140 000 per annum;
- May not be registered as an Indigent and in receipt of an Indigent subsidy;
- Only owners of a property with a rating category "Residential";
- Must be at least 60 years of age on the 1st of July of the financial year concerned;
- No additional dwelling units on the property or residential businesses being used for income generation;
- Must reside on the property;
- Applications for the rebate must be made before the 30th of June every financial year.
- May not own more than one property **nationally**.
- Late applications may be considered in terms of this policy and granted pro-rata from the date of the of the successful application.

SOL PLAATJE MUNICIPALITY



SUPPLY CHAIN MANAGEMENT POLICY

Final Version 1.0 of March 2019

Reviewed by Council in March 2019

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	28 March 2018	

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** 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; original valid tax clearance certificate and Tax Compliance Status (TCS) pin certificate from the South African Revenue Services.
 - (iv) check in respect of the recommended bidder whether municipal rates and taxes and municipal service charges are not in arrears;
 - (v) Current compliant CSD registration certificate; and
 - (vi) Original BBBEE certificate accredited by SANAS or a 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. **The municipality shall accept the SARS pin-code for tax status validation and for bidders to qualify, a green tax status is acceptable to confirm this information.**
 - (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 **and be registered on the CSD**;
 - (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 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) Offers below R30 000 (VAT included) must be awarded based on compliance to specifications and conditions of contract, ability and capability to deliver the goods and services and lowest price;
- (f) Acceptable offers, which are subject to the BBBEE status level system (PPPFA and associated regulations), must be awarded to the bidder whose offer is according to specifications, has got the ability to deliver the required service, has scored the highest points and is compliant with all the other requirements **such as CSD registration**;
- (g) Minimum requirements for proper record keeping must be complied with.

19. **Competitive bids**

- (1) Goods or services above a transaction value of R200 000 (VAT included) and long term contracts may only be procured through a competitive bidding process, subject to paragraph 11(2) of this Policy.
- (2) No requirement for goods or services above an estimated transaction value of R200 000 (VAT included), may deliberately be split into parts or items of lesser value merely for the sake of procuring the goods or services otherwise than through a competitive bidding process.
- (3) Point systems to be used:
 - 3.1 80:20 point principle 80 points for price
20 points for BBBEE status level:
(R30 000 – **R50 000 000**)
 - 3.2 90:10 point system 90 points for price
10 points for BBBEE status level
(**R50 000 000**= plus)
 - 3.3 The specification committee will make proposals if functionality points need to be used, and the evaluations committee will approve a variation in the point system for a specific bid.
 - 3.4 For construction procurements CIDB Act and Regulations to be used for quotations/bids.

20. **Process for competitive bidding**

- (1) The procedures for the following stages of a competitive bidding process are as follows:
 - (a) Compilation of bidding documentation as detailed in paragraph 21;
 - (b) Public invitation of bids as detailed in paragraph 22;

- (c) Site meetings or briefing sessions as detailed in paragraph 22;
- (d) Handling of bids submitted in response to public invitation as detailed in paragraph 23;
- (e) Evaluation of bids as detailed in paragraph 28;
- (f) Award of contracts as detailed in paragraph 29;
- (g) Administration of contracts
 - (i) 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.
- (h) 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 twenty-one (21) working days 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) working days. 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, as the case may be, 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 30 days in the case of transactions over R10 million (VAT included), or which are of a long term nature, or 14 days in any other case, from the date on

- which the advertisement is placed in a newspaper, subject to subparagraph (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 21 or 14 **working** 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.
- (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. 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. The names of the bidders and if practical, the total price of each bid and of any alternative bids, should be read aloud.

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 labeling 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 two or more officials appointed for period as determined by the Accounting Officer; one of which is a supply chain management practitioner; a co-opted procurement 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 two or more officials appointed for a period as determined by the Accounting Officer; one of which is from the Infrastructure and Services Directorate or Strategy, Economic Development Directorate, a co-opted procurement official responsible for the Infrastructure and a supply chain management 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.

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.

(3) A bid evaluation committee for goods and services must as far as possible be composed of-

- a) Four (4) members of which one should be a SCM practitioner, an official from the Financial Services Directorate and two (2) 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 not less than three (3) people. The chairperson shall be an employee of the municipality with required skills. Other members shall include a SCM practitioner and an official from the department requiring Infrastructure delivery.

30. Validity period

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 award 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.

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.

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.

31. Evaluation of bids based on functionality as a criterion

In general, the need to invite bids on the basis of functionality as a criterion depends on the nature of the required commodity or service taking into account 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 on the basis of 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 60 days from the date on which the advertisement is placed in a newspaper in terms of paragraph 22(1). Bids must be restricted to banks registered in terms of the Banks Act, 1990 (Act No. 94 of 1990).

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:

.

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

- (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) Valid SARS certificate, and
- 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/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.

41. Conflict of interest

1)Consultants are required to provide professional, objective and impartial advice and at all times hold the client's interests 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 be in 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 be in 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 willfully 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)
- (2) 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 committees 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 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 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 financial declaration of interest form may be completed and submitted to the Accounting Officer annually by all bid committee members.
- (5) A cooling off period for former employees and councilors 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 seven (7) 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.

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:
 - i. 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

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.

SOL PLAATJE LOCAL MANAGEMENT



CONTRACT PERFORMANCE MANAGEMENT POLICY

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CONTRACT MANAGEMENT POLICY SOL PLAATJE LOCAL MUNICIPALITY

1. PRE-AMBLE

The policy applies to all transactions undertaken by the Sol Plaatje Local Municipality which involves a contract whether explicitly agreed in writing, or implicitly implied through actions.

Properly managed contracts by all stakeholders involved, can ensure that services are delivered within specifications as set and agreed by all, during the specifications phase and at the agreed cost , (inclusive of VAT and escalation clauses in contracts) time period and qualities of the goods and services procured.

All contracts must be managed throughout the contract Life Cycle, based on the level of management control appropriate for the classification of that contract.

Improperly managed contracts may impact negatively on service delivery. Adverse effects of ineffective contract management include but are not limited to:

- 1.1 goods and services outside of specification;
- 1.2 cost overruns;
- 1.3 poor suppliers-, buyer- or other stakeholder relations;
- 1.4 negative public perception, and
- 1.5 Potentially complete service delivery failures.

Hence, good contract management by all stakeholders involved is essential for good financial management and will contribute greatly to the effectiveness and efficiency of service delivery. In effect, it would give strategic direction to all directorates following a centralised strategy of contract management. This policy must be read in conjunction with the SCM Policy of the Sol Plaatje Local Municipality.

2 DEFINITIONS:

In this Policy, unless the context indicates otherwise:

Accounting Officer <i>(in relation to a municipality)</i>	Means the municipal official referred to in section 60 of the MFMA (2003); and include a person acting as the accounting officer.
Act or MFMA	Means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);
Circular 62	Means communication from National Treasury by means of a Circular to enhance compliance and accountability to SCM Regulations and the MFMA of 2003.
Construction Industry Development Board (CIDB):	Means the Construction Industry Development Board (CIDB), a national body established by an Act of Parliament (Act 38 of 2000) to oversee the sustainability and growth of construction enterprises across the country.
Contract	means the agreement that results from the acceptance of a bid by the Municipality (mutual agreement)
Contract Alteration	Means changing technical writing or input errors to the agreement of the contract without changing the scope of contract.
Contract Amendment	Means changing the scope, nature, duration, purpose or objective of the agreement or contract (In context of Circular 62 and section 116 (3) of the MFMA).
Contract Champion	Means the official/ Line Manager within a specific department, responsible for all day to day activities (including performance management and dispute resolution) during the life cycle of the contract (with delegated powers to perform this function).
Contract Management	Means the holistic term of all role players involved in an agreement (SLA/SDA) or contract and include the; SCM contract manager, contract owner, contract champion and supplier.
SCM Contract Performance Manager	Means the SCM official responsible for monitoring, regulating and reporting on all contract related activities as set out in Section 116 of the MFMA.
Contract Owner	Means the deputy director, senior manager or manager, as the case may be, that is ultimately accountable for all activities during the life cycle of the contract. The Contract Owner can also be seen as the Budget holder.
Director	Appointment according to sect 56 of the Systems Act
Delegation <i>(in relation to a duty)</i>	Includes an instruction or request to perform or to assist in performing the duty.

Force Majure	Is the expression used to denote irresistible superior force which might cause damage or prevent the execution of an obligation, therefore suppliers is not liable for damages caused by force majeure or for failure to carry out a contract if prevented (Term and conditions in this regard will be determined by every individual contract/s).
Official (In relation to a municipality)	means: <ul style="list-style-type: none"> • an employee of a municipality; • a person seconded to a municipality to work as a member of the staff of the municipality; or • a person contracted by a municipality to work as a member of the staff of the municipality otherwise than as an employee.
Users	Means all officials as set out in the organogram of the Sol Plaatje Local Municipality involved with contracts.

3. ABBREVIATIONS:

BEE	Black economic empowerment
B-BBEE	Broad-Based Black Economic Empowerment
GCC	Means General Conditions of contract.
MSA	Means Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000).
NT	Means National Treasury established by section 5 of the Public Finance Management Act.
SCC	Means Special Conditions of Contract.
SCM	Means Supply Chain Management
SDA	Means Service Delivery Agreement.
SLA	Means Service Level Agreement.

4. OBJECTIVES:

4.1 The objectives of this policy are to give effect to Section 217 of the Constitution of South Africa (1996) that stipulate:

4.1.1 When an organ of state in the national, provincial or local sphere of government, or any other institution identified in national legislation, contracts for goods or services, it must do so in accordance with a system which is:

4.1.1.1 Equitable

4.1.1.2 Transparent

4.1.1.3 Competitive

4.1.1.4 Cost-effective and

4.1.1.5 Fair

4.2 The effective and efficient control of contracts procured through the SCM system ensuring:

4.2.1 proper recording and enforcement of contracts throughout the contract life cycle (specifications to contract reviews);

4.2.2 support to the demand management framework as set out in Circular 62 of National treasury (August 2012), optimizing proper planning, resulting in effective service delivery; 4.2.3 Management of Contract Performance;

4.2.3 compliance with the regulatory framework;

4.2.4 to assist officials in understanding their legal and managerial responsibilities with regards to contract management;

4.2.5 the optimization of efficient and sustainable financial wellbeing of the municipality, resulting in lower cost drivers, and

4.2.6 the continuous development of effective Management Information systems, resulting in strategic support and risk preventions.

4.3 To ensure that no contract procurement of goods and services (excluding land sales or rentals of Sol Plaatje Local Municipal Assets, which are managed by Property Management Services), takes place outside of the SCM System.

5 STATUTORY AND REGULATORY FRAMEWORK FOR MANAGING CONTRACTS

5.1 Application and Framework of the Contract Management Policy 5.1.1

5.1.1 All officials and other role players in the Supply Chain Management system of the Sol Plaatje Local Municipality must implement this Policy in a way that gives effect to:

- 5.1.1.1 Section 217 of the Constitution;
- 5.1.1.2 Section 116 of the MFMA;
- 5.1.1.3 Section 33 of the MFMA;
- 5.1.1.4 SCM Policy;
- 5.1.1.5 SCM Regulations
- 5.1.1.6 Any other legislation pertaining to SCM.

5.1.2 This Policy applies when the Municipality:

- 5.1.2.1 procures goods or services;
- 5.1.2.2 disposes of goods no longer needed; and
- 5.1.2.3 Selects service providers and suppliers to provide assistance in the provision of municipal services including circumstances where Chapter 8 of the Municipal Systems Act applies.

5.2 Adoption, Amendment and Implementation of the Contract Management Policy

5.2.1 The accounting officer must:

- 5.2.1.1 at least annually review the implementation of this Policy; and
- 5.2.1.2 When the accounting officer considers it necessary, submit proposals for the amendment of this Policy to Council;
- 5.2.1.3 In terms of section 62(1) (f) (iv) of the Act, take all reasonable steps to ensure that the Contract Management Policy is implemented.

5.3 Conditions of Contract

5.3.1 A contract or agreement procured through the Supply Chain Management System of the Municipality must:

5.3.1.1 be in writing;

5.3.1.2 stipulate the terms and conditions of the contract or agreement, which must provide for:

5.3.1.2.1 the termination of the contract or agreement in the case of non- or underperformance;

5.3.1.2.2 dispute resolution mechanisms to settle disputes between the parties;

5.3.1.2.3. a periodic review of the contract or agreement once every three years in the case of a contract or agreement for longer than three years; and

5.3.1.2.4 any other matters that may be prescribed.

5.4 Administrative Capacity

5.4.1 The relevant Senior Manager, with delegated powers from the Municipal Manager, must establish capacity in his/her directorate to assist the accounting officer in carrying out the duties set out in section 116(2) of the MFMA.

5.5 Management of Contracts

5.5.1 The Accounting Officer and delegated officials must take all reasonable steps to:

5.5.1.1 Ensure that a contract or agreement procured through the supply chain management policy of the municipality is properly enforced;

5.5.1.2 Monitor on a monthly basis the performance of the contractor under the contract or agreement.

5.5.1.3 Administrate the contract with the necessary competencies and delegations, ensuring effective management of contracts.

5.5.2 The Contract Owner (Municipal Manager/Executive Directors) must ensure that Contract Champions (Line Managers) submit suppliers' performance reports to the SCM Contract Performance Manager within **5 business days** after the end of each month.

5.5.3 The SCM Contract Performance Manager submits a consolidated report to the relevant Director and Contract Owner (Municipal Manager/Executive Directors) within **10 business days** after the end of each month for purposes of Section 116 (2)(b) of the Act.

5.5.4 The SCM Contract Performance Manager submits a consolidated report on the performance of contracts or agreements for purposes of Section 116 (2)(d), to the Accounting Officer within **15 business days** of the end of each quarter.

5.6 Amendment of Contracts

5.6.1 A contract or agreement procured through the supply chain management policy of the municipality may be amended by the parties, in exceptional circumstances in order to mitigate abuse, in perception after the fact to prevent financial inefficiencies and influencing financial sustainability.

5.6.2 In terms of Section 116(3) of the MFMA, (56 of 2003), amendments (in compliance with SCM procedures), may only be made after.

5.6.2.1 The reasons for the proposed amendment have been tabled in the council; and

5.6.2.2 the local community has been given reasonable notice of the intention to amend the contract or agreement; and

5.6.2.3 has been invited to submit representations to the municipality.

5.6.3 Amendments of contracts where the expansion or variation is not more than (NT Circular 62):

5.6.3.1 20% (construction related goods, services and/or infrastructure projects), and

5.6.3.2 15% (all other goods and/or services) of the original value of the contract, must be submitted directly to the Head of Supply Chain Management Division for approval and further reference to the Bid Committees, and or Chief Financial Officer or Municipal Manager (depending on delegations) committee system for approval.

5.6.4 Amendments of contracts where the expansion or variation is more than the threshold prescribed by National Treasury (Circular 62), must be dealt with in terms of the provisions of section 116(3) of the MFMA, and are exempt from this process.

5.6.5 Amendments to the contract, without influencing the value or term of the contract, within the scope of the original terms and conditions, may be altered, provided that both parties have consensus on the amendment and the contract amendment is in writing and signed by both parties.

5.6.6 No agreement to amend or vary a contract shall be valid and of any force unless such agreement to amend or vary is entered into in writing and signed by the contracting parties.

5.6.7 When an amendment has a budgetary implication for a term longer than 3 (three) years, section 33 of the MFMA will apply to this amendment (Section 116 (3) of the MFMA will be followed with section 33, when amending an existing contract for longer than 3 years).

6. MAINTENANCE AND CONTRACT ADMINISTRATION

6.1 Contract administration includes all administrative duties associated with a contract once it is adjudicated and implemented.

6.2 No rights in terms of an awarded contract will accrue before the SCM appeal period and/or appeal has been finalised.

- 6.3 The contract should be signed by all parties concerned (The relevant official should also ensure that the suppliers have the delegated powers to sign and amend the contractual agreement).
- 6.4 The contract will only be enforceable after all the signatures of the relevant parties are documented.
- 6.5 A signed service level agreement (if applicable) must be compiled and signed which will incorporate all the relevant sections of the tender documentation.
- 6.6 All once-off purchases shall have a specified end delivery date.

7. ROLES AND RESPONSIBILITIES OF OFFICIALS:

7.1 Head of Supply Chain Management Division or his/her delegate:

- 7.1.1 The Head of Supply Chain Management Unit or his/her delegate, being the Contracts Performance Manager is the SCM official responsible for system administration, status and SCM performance reporting on all contracts related activities.
- 7.1.2 For the purposes of Contract Management activities performed by the relevant role players, the SCM Contract Performance Manager will monitor and report on the following activities:
- 7.1.2.1 Identification and classification of contracts for management purposes in terms of the SCM processes;
 - 7.1.2.2 Recognition, measurement and disclosure;
 - 7.1.2.3 Oversight of contract management as is provided for in this policy;
 - 7.1.2.4 Document and information management;
 - 7.1.2.5 Relationship management
 - 7.1.2.6 Performance management;
 - 7.1.2.7 Contract risk management.

7.2 Contract Champion Management (Line Managers)

7.2.1 The Contract Champion (Line Managers) is responsible for the following activities:

- 7.2.1.1 Ensuring that all the necessary legal formalities in entering into the contract are adhered to
- 7.2.1.2 Ensuring that purchase orders are processed on the financial system in accordance with the pricing schedule;
- 7.2.1.3 Maintaining adequate records (paper and/or electronic) in sufficient detail on an appropriate contract file to provide an audit trail;
- 7.2.1.4 Inform the Asset Management section of the Expenditure Department of the location of newly procured assets for asset register and insurance purposes; and
- 7.2.1.5 Where appropriate, in terms of Council's Delegations, authorise invoices due for payment.
- 7.2.1.6 To take appropriate action in consultation with the Contract Owner (Municipal Manager/Executive Directors) and the SCM Contract Performance Manager, where a contractor is underperforming or is in default or breach of the contract.
- 7.2.1.7 Ensure performance of suppliers is managed appropriately to the terms and conditions of the contract.

7.3 Contract Owner (Municipal Manager/Executive Directors)

7.3.1 The Contract Owner (Municipal Manager/Executive Directors) is responsible for ensuring that Contract Champions (Line Managers) are assigned to all contracts.

7.3.2 The Contract Champion (Line Manager) is ultimately responsible for management of the activities.

8. RECORD KEEPING

- 8.1 Proper records regarding all aspects of the contract must be maintained and kept in accordance with relevant legislation.
- 8.2 All communication related to contracts must be linked to the master document on the electronic system, by the relevant official.
- 8.3 Safe custody of all contract documents must be enforced by all relevant users.
- 8.4 Contract Champions (Line Managers) and SCM Contract Management office are responsible for the electronic capturing of the contract information and maintenance thereof on the Contract Management system.
- 8.5 The original signed contract must be sent to the records department (by the SCM Contract Management office) for safekeeping and storage.
- 8.6 The Records Department is responsible for the administration of archived contract documentation.

9. CONTRACTS HAVING BUDGETARY IMPLICATIONS BEYOND THREE FINANCIAL YEARS

Sol Plaatje Local Municipality may not enter into any contract that will impose financial obligations beyond the three years covered in the annual budget for that financial year, unless the requirements of Section 33 of the Municipal Finance Management Act have been fully complied with.

10. RESOLUTION OF DISPUTES, OBJECTIONS, COMPLAINTS AND QUERIES:

The accounting officer is responsible to establish a dispute resolution mechanism as per paragraph 5.3.1.2. and also as required by section 116(1) of the MFMA and paragraph 50 of the SCM Policy.

11. CONTRACT PRICE ESCALATIONS:

- 11.1 An appropriate contract price adjustment formula or specified terms of escalation must be specified in the bid documents.
- 11.2 Escalation notification must be in writing and presented before the implementation date thereof.
- 11.3 The Contracts Champion (Line Managers), User departments are responsible to manage, verify and implement price escalations as per originally agreed terms and conditions set out in the specifications of the contract and keep proof of evidence to the newly agreed escalations on the system for all other relevant stakeholders to access.

12. PERFORMANCE ON CONTRACTS:

In terms of the SCM Policy and the Municipal Systems Act, the Accounting Officer must implement an internal monitoring system in order to determine, on the basis of a retrospective analysis, whether the authorised supply chain management processes were followed and whether the objectives of this Policy were achieved in terms of the Performance Management System Implementation Policy (Paragraph 9).

12.1 Municipality's Performance:

- 12.1.1 The municipality is required to pay creditors within 30 days of receiving all relevant invoice statements.
- 12.1.2 The municipality is also required to create a favourable environment to receive services and goods without preventing the supplier to perform their duties.
- 12.1.3 All parties involved must perform according to the terms and conditions of the relevant contract, while the contract is alive.

12.2 SUPPLIER PERFORMANCE:

12.2.1 **The supplier of goods and services** is required to perform as per terms and conditioned agreed upon and should inform the municipality if circumstances prevents them to perform, with reasons provided, within **5 working days** (to be included in all contracts).

12.2.2 For all relevant deviations from the agreed terms and conditions of any contract, the key performance indicators (KPI's) should be reviewed as well as the alignment with the strategic objectives established in the IDP.

12.2.3 **Supplier's performance will be reviewed** by Sol Plaatje Local Officials / Contracts Champions (Line Managers) on a monthly basis (every 25th of the month) giving effect to section 116 of the MFMA, 2003 and the Performance Management System Implementation Policy.

12.2.4 The Contract Owner (Municipal Manager/Executive Directors) must ensure that Contract Champions (Line Managers) submit suppliers' performance reports to the SCM Contract Performance Manager within **5 business days** after the end of each month.

12.2.5 Prescribed procedures to evaluate service providers must be complied with.
(Refer to the Performance Management Framework Policy)

The following procedures need to be followed:

1. The requirements of this policy must be included in the contract of the service provider.
2. The performance of the service provider under the contract or service level agreement must be assessed monthly by the Reporting Officer / Contract Champion (Line Manager)
3. The assessment must be completed in the contract management system.

4. The Reporting Officer / Contract Champion (Line Manager) must complete the Service Provider Assessment on the Contract Management System at the end of each month.
5. The quarterly assessment and reporting must be completed within 15 working days after the end of each quarter. (Refer to the Performance Management Framework Policy, paragraph 9.2.1).
6. The Reporting Officer / Contract Champion (Line Manager) must provide a copy of the assessment to the Service Provider at the end of each quarterly assessment period and on completion or termination of the contract.
7. Supply Chain Management Unit, Contract Performance Management Office will review the quarterly Service Provider assessments within 20 days after the end of each quarter and submit a summary report to Council.
8. The Accounting Officer need to develop the necessary forms and report structures to be utilised to manage the above processes. The forms and reporting requirements need to be reviewed on a regular basis.
9. In the instance of under-performance:
 - a) The Municipality will facilitate support interventions to service providers in the identified areas of underperformance.
 - b) Service providers who have been identified as under-performing in identified areas must be informed of these support interventions.
 - c) The impact of support interventions must be monitored by the Reporting Officer / Contract Champion (Line Managers). Corrective action should be documented in writing within the Contract Management System

12.3 The records of the support interventions must be documented, signed by both parties and appropriately filed in the Contract Management System.

13. REVIEW OF CONTRACTS

13.1 In terms of section 116 (1) of the MFMA, a contract or agreement procured through the Supply Chain Management system must have a periodic review once every three years in the case of a contract or agreement that are longer than three years.

13.2 The Contract Owner (Municipal Manager/Executive Directors) or Contract Champion (Line Managers) must conduct, as appropriate, within 3 months after the expiry of contracts, post contract reviews.

14. IMPLEMENTATION AND REVIEW PROCESS

- 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;
- c) This policy will come into effect on 1 July 2019;

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 2019/20

M F M A

CIRCULARS

ANNEXURE : MFMA CIRCULARS

1. All MFMA circulars are accessible on the NT website:
www.treasury.gov.za
2. The following MFMA circulars are included in the budget book:

MFMA Circular 93
MFMA Circular 94



Municipal Budget Circular for the 2019/20 MTREF

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Introduction

This circular comes at a time where National Treasury needed to respond to a call by the President of the Republic of South Africa for a stimulus package and the implementation of the recovery plan in order to stimulate the economy. The stimulus package call responds to amongst others the recent technical recession, the high percentage of unemployment that sits at 27 per cent, slow economic growth, weakening of the currency amidst rising global interest rates and the strengthening of the US dollar affecting most developing countries.

Local government has a vital role to play in turning around the economy. In many areas of the country, municipal finances are under pressure. This is the result of the rising cost of delivering basic services and weak financial planning and controls, with poor management decisions leading to underinvestment in and insufficient maintenance of infrastructure. In some cases, corrupt practices have taken root in local administrations. Over the period ahead, national transfers to local government will continue to support the delivery of basic services, while incentivising improved performance and the turnaround of troubled municipalities.

In the local space, fiscal prudence cannot be overemphasised, renewed attitude towards revenue management, improvement of governance and financial management to support service delivery including the adoption of funded budgets and implementation of the municipal standard chart of accounts and the long awaited plan to infuse consequence management for maladministration must be the primary way to respond to a stimulus package plan by the President.

The purpose of the annual MFMA budget circular is to guide municipalities with their compilation of the 2019/20 Medium Term Revenue and Expenditure Framework (MTREF), in particular to ensure that funded budgets are adopted by municipal Councils. This means that expenditure must be contained within realistic revenue projections.

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

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

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 at a crossroads

South Africa finds itself at a crossroads. The Medium Term Budget Policy Statement (MTBPS) presented by the Minister of Finance, Mr Tito Mboweni highlights the difficult economic and fiscal choices confronting government over the next several years. In the 2018 MTBPS, the Minister of Finance stated that given *the current economic climate the country faces, the government is confronted by difficult economic and fiscal choices over the medium term*. The Minister further indicated that South Africa needs to choose a path that leads to faster and more inclusive economic growth and strengthens private and public sector investment. The path should also stabilise and reduce the national debt, as South Africa cannot afford to borrow at the rate we are currently borrowing at.

The 2018 Budget set out expectations of improved economic performance that proved premature. During the first half of this year, South Africa experienced a technical recession – that is, declining of the two consecutive quarters of Gross Domestic Product (GDP) – driven primarily by contractions in agriculture and mining.

A strengthening US dollar and rising global interest rates have triggered fiscal crises in several major developing countries. South Africa's inflation targeting regime, flexible exchange rate and prudent debt management strategy have protected the economy from some of the global fallout. However, these events have led to a sharp depreciation of the Rand and large increases in government bond yields. It is important to note that the 2018 projected GDP growth forecast has been revised down from 1.5 per cent to 0.7 per cent. Growth is expected to recover gradually to over 2 per cent in 2021 as confidence returns and investment gathers pace.

To promote a return to faster growth and job creation, the President announced an economic stimulus and recovery plan in September 2018. The initiative focuses on five interventions:

- Implementing growth-enhancing economic reforms;
- Reprioritising public spending to support economic growth and job creation;
- Establishing an infrastructure fund;
- Addressing urgent matters in education and health; and
- Investing in municipal social infrastructure improvement.

Increased investment in social and economic infrastructure will be a focus of economic recovery over the medium term. This requires an increased role for private sector and better implementation of government's existing plans.

Similar to the same period last year (2017), the country's tax collection targets have not been met, further reducing the funds available to allocate across the three spheres of government.

The following macro-economic forecasts must be considered when preparing the 2019/20 MTREF municipal budgets.

Table 1.1 Macroeconomic projections, 2017 – 2021

Calendar year	2017 Actual	2018 Estimate	2019 Forecast	2020 Forecast	2021 Forecast
<i>Percentage change unless otherwise indicated</i>					
Household consumption	2.2	1.6	1.9	2.3	2.6
Gross fixed-capital formation	0.4	0.9	1.5	2.1	2.9
Real GDP growth	1.3	0.7	1.7	2.1	2.3
GDP at current prices (R billion)	4,651.8	4,949.1	5,317.2	5,724.1	6,167.2
CPI inflation	5.3	4.9	5.6	5.4	5.4
Current account balance (% of GDP)	-2.4	-3.2	-3.2	-3.7	-3.9

Source: Reserve Bank and National Treasury

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 2019/20 budget process

2.1 Local government conditional grants and additional allocations

The proposed division of revenue continues to prioritise funding services for poor communities. Allocations to local government subsidise the cost of delivery of free basic services to low-income households, and the infrastructure needed to deliver those services.

The 2018 Medium Term Budget Policy Statement (MTBPS) indicates transfers to local government for the 2019 MTEF are R415.5 billion, of which R269.2 billion is in the form of unconditional allocations while the remainder is conditional grant funding. The allocations for local government over the medium term represent 8.9 per cent of non-interest expenditure and grows to 9.1 per cent during the same period, which constitutes an increase of 7.2 per cent. These are notable increases from 2018 MTEF, which require municipalities, despite the rising cost of providing basic services, find innovative, effective and efficient ways of making better use of the limited resources, given the current economic situation.

The equitable share and the allocation of the general fuel levy to local government constitute unconditional funding. Municipalities are reminded that this funding allocation is formula driven and designed to fund the provision of free basic services to disadvantaged communities.

Conditional grant funding must be utilised for the intended purpose within the stipulated timeframes, as specified in the annual Division of Revenue Act. Monies not spent must be returned to the fiscus and requests for roll-overs will only be considered where unforeseen and unavoidable circumstances led to underspending of conditional grants.

The annual Division of Revenue Bill will be tabled in February 2019 when the Minister of Finance delivers the budget speech. The grant allocations will be specified in this Bill and municipalities must reconcile their budgets to the numbers published therein.

Municipalities are advised to use the indicative numbers presented in the 2018 Division of Revenue Act to compile their 2019/20 MTREF. In terms of the outer year allocations (2021/22 financial year), it is proposed that municipalities conservatively limit funding allocations to the indicative numbers as proposed in the 2018 Division of Revenue Act for 2020/21. The DoRA is available at:

<http://www.treasury.gov.za/documents/national%20budget/2018/default.aspx>

Changes to local government allocations

- Over the MTEF period, R415.5 billion will be transferred to local government, including R146.3 billion in infrastructure conditional grants. The largest transfer to municipalities is the local government equitable share, which grows by 9.9 per cent in 2019/20, 9.7 per cent in 2020/21 and 8.6 per cent in 2021/22. These above-inflation increases are due to expected growth in household numbers, and higher bulk water and electricity costs.
- Government will strengthen municipal capacity to improve the use of these allocations. Although the rules have been changed to allow municipalities to use grant funds to refurbish infrastructure, develop water conservation projects and maintain roads if certain conditions are met – few municipalities have taken advantage of these provisions. The national departments that administer these grants are improving their capacity to support municipalities and to assess proposed projects.

- It should be emphasised that the widespread decline in the quality and performance of essential municipal infrastructure significantly constrains the potential for inclusive economic growth. Municipalities should prioritise the maintenance and where necessary the refurbishment of essential municipal infrastructure.
- In many areas of the country, municipal finances are under pressure. This is the result of the rising cost of delivering basic services and weak financial planning and controls, with poor management decisions leading to underinvestment in and insufficient maintenance of infrastructure. In some cases, corrupt practices have taken root in local administrations. Over the period ahead, national transfers to local government will continue to support the delivery of basic services, while incentivising improved performance and the turnaround of troubled municipalities.
- The Department of Cooperative Governance (DCoG) has managed the process to assess applications from municipalities to shift from the Municipal Infrastructure Grant to the new Integrated Urban Development Grant. This new grant has different planning requirements and incentives intended to more integrated developments and greater leveraging of non-grant finance. Several municipalities applied to join this grant during 2018 and the Department of Cooperative Governance (DCoG) will notify those municipalities that have qualified. All other non-metropolitan municipalities should continue to adhere to the Municipal Infrastructure Grant's project registration processes in preparation for 2019/20.
- More than 3.1 million South Africans live in informal settlements, over half of which are in metropolitan municipalities. Over the medium term, informal-settlement upgrading will intensify. On-site upgrading of settlements involves providing municipal services and security of tenure to households. This will encourage residents to improve their own dwellings. Public programmes and funding mechanisms will focus on allowing more flexible and differentiated improvements to settlements. Government will prioritise engagement with communities and their inclusion in upgrading, for example through helping to build and maintain infrastructure. New conditions and ring-fenced funding for upgrading will be included in the urban settlements development grant for metropolitan areas and the human settlements development grant for provinces in 2019/20. Following the pilot phase, government intends to introduce separate metropolitan and provincial grants for informal settlement upgrading. With most electrification backlogs in metros in informal settlements, it is also proposed that allocations for the integrated national electrification programme (municipal) grant be incorporated into the new grant mechanism in these cities.

Reforms to local government fiscal framework

Metropolitan areas and other large cities fund most of their operational budgets from revenues they raise themselves. There is ample scope for creditworthy municipalities with strong financial management to increase local capital investment by expanding municipal borrowing. In 2017/18, half of infrastructure spending by metros and large cities was still funded from transfers, primarily from national government. Reforms over the medium term will enhance the ability of municipalities to raise revenue to invest in their own development.

Government will introduce: Policy reforms to clarify the role of development finance institutions in municipal borrowing and to regulate municipal development charges are under way to broaden municipal access to private capital markets. Financing arrangements with development finance institutions and multilateral development institutions will include much needed technical assistance to improve project planning, preparation and implementation. Government is also updating the policy framework for municipal borrowing and financial emergencies.

The purpose is to establish a system which not only ensures stability and certainty in local government finances, but also seeks to implicitly create incentives and attract more players in the municipal debt market space, i.e. insurers, pension funds, fund managers and DFIs.

2.2 Tabling of funded budgets

The importance of tabling funded budgets is highlighted in MFMA Circular No. 74 and 89. Adopting a funded budget has become more critical now than before as it has direct bearing on the financial sustainability of the institution. It has been agreed that no municipality will adopt an unfunded budget in the future. There are cases that may warrant a plan as this may not be achievable over one year. As a result, such municipalities must, together with their 2019/20 MTREF budget, table a plan in a municipal council on how and by when the budget will improve from an unfunded to a funded position. This will be essential when the National and provincial treasuries are assessing the budget to determine its credibility. The assessment of the 2018/19 MTREF budgets have shown a deterioration with more budgets being unfunded. Plans and support will have to be re-evaluated to produce a positive outcome.

2.3 Addressing the growing financial crisis in municipalities

In 2018/19, 113 municipalities adopted unfunded budgets, compared to 83 in the prior year. In addition, municipalities owe more than R23 billion in arrears, including to Eskom and water boards. Although the primary responsibility to resolve these financial problems rests with municipalities themselves, the Constitution states that when a municipality is in financial crisis, the provincial government must intervene – and if the province is not able to, then national government must do so. However, few past interventions have succeeded in producing a sustained turnaround.

Over R2.5 billion has been allocated per year over the 2019/20 MTREF to enable National and provincial treasuries to better manage interventions. This will strengthen the National Treasury's Municipal Financial Recovery Service (MFRS) capacity to draft financial recovery plans for municipalities and that of provinces to implement these plans. These recovery plans set revenue and spending targets for the municipality and identify specific revenue-raising measures.

The new grant that government had proposed to help municipalities facing financial crisis will no longer be introduced. The funds set aside for this will instead be reprioritised for other initiatives that will assist the turnaround of municipalities. Ultimately, sustainable financial recovery will require improved governance within the affected municipalities following the intervention. And better use of grants, together with improved maintenance, will also reduce pollution from wastewater treatment works, which has become a more pressing concern in a number of municipalities.

Government also provides extensive support to build municipal capacity, including over R2.5 billion per year allocated for this purpose in the budget. The growing number of distressed municipalities indicates the need to make better use of these resources. The current system will be reviewed during 2019.

2.4 Municipal Standard Chart of Accounts (mSCOA)

Release of Version 6.3 of the Chart

On an annual basis, the mSCOA chart is reviewed to address implementation challenges and correct chart related errors. Towards this end, Version 6.3 is released with this circular (see Annexure A). Version 6.3 of the chart will be effective from 2019/20 and must be used to compile the 2019/20 MTREF and is available on the link below:

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

Amendments of adopted budget errors during the adjustments budget

During the 2018/19 budget verification process it was evident that municipalities are still not able to align mSCOA original budget data string to the original budget adopted by municipal council. The root cause for the discrepancies is that municipalities do not plan, test and generate the Schedules A1 directly from the financial systems but prepare the Schedules A1 manually on excel spreadsheets and then captured the tabled and original budgets on the system (or worse, the core system vendor does it for them) after these were tabled and adopted in Council.

Furthermore, some municipalities prepared their tabled budgets in the financial system but made changes to it during community consultation and council meeting(s). These changes were effected to the Schedule A that served before Council but never made on the financial system. Hence, the municipality started transacting against the tabled budget on the system instead of the adopted budget. In terms of the mSCOA Regulations, the budget must be approved and locked on the financial system prior to the municipality transacting against it on the financial system.

In terms of the MFMA and Municipal Budget and Reporting Regulations, errors in the budget can only be corrected during the adjustments budget process. Municipalities should therefore ensure that their adjusted budget data strings align to Schedule B adopted by municipal council. National and provincial treasuries will undertake a verification process on the adjusted budgets in relation to the data strings. Municipalities are advised to submit the draft adjusted budget data strings and Schedule B in advance for verification purposes to ensure that aligned documents are adopted by municipal council by 28 February 2019.

Changing of the Core Financial System

Municipalities must follow the required due diligence processes required in terms of MFMA Circular 80 and mSCOA Circulars No. 5 and 6 prior to changing their core financial systems. In terms of these circulars:

1. A municipality must conduct an ICT due diligence of all the existing ICT system(s).
2. Once this ICT Due Diligence has been completed, the municipality's mSCOA Project Steering Committee (chaired by the Accounting Officer) must:
 - a) Assess whether the municipality's existing system(s) as a package, meets the systems comply with the functionality requirements for its category and 15 business processes required in terms of mSCOA. This should be the main consideration in the decision on whether a new financial system is required;
 - b) Consider the cost of any additional functionality the municipality will have to procure from its existing package of service provider(s) and the affordability

- thereof to the municipality considering its budget. Importantly, if a municipality did not budget to purchase or upgrade their core financial system or any component thereof in the budget adopted by Council, then the purchase will have to be deferred to the next financial year to avoid irregular expenditure;
- c) Compare the total cost of its existing 'package of system(s)', including the cost for any additional functionality with the other available service offerings for its category; and
 - d) Consider the penalties and reasons for contract termination in any of its contracts with existing service providers.
3. The project steering committee must document its decision and recommendation(s) on the way forward (relating to the items listed above) for the municipality and its municipal entities (on the municipality's 'package of existing system(s)'), clearly setting-out its findings.
 4. Once the municipality's *mSCOA* project steering committee has made its decision and recommendation(s), the municipality must solicit the comments of the National Treasury and Provincial Treasury. A detailed motivation on the need to change the core financial system should be provided to the National and Provincial Treasuries, the Municipal Manager and Council.
 5. Once the municipality has received the comments of the National Treasury and the Provincial Treasuries, the *mSCOA* Project Steering Committee and Municipal Manager should consider such comments and prepare a recommendation to the Municipal Council in this regard.
 6. The municipal manager must submit a copy of the municipal council's decision to the National Treasury and Provincial Treasury within five (5) working days after the meeting during which the Municipal Council has made the decision in this regard.
 7. **The municipality should then follow its own tender processes to procure a financial system on the open market until such time that a new transversal tender for the procurement of integrated municipal financial and internal control systems are in place.** Thereafter, municipalities may request permission from National Treasury's Office of the Chief Procurement Officer to use the transversal tender to procure a financial system.
 8. The municipality should ensure that the Service Level Agreement entered into with the system provider provides for specific and realistic milestones and include penalties and termination clauses for failing to meet milestones. In addition, municipalities should implement proper contract management and exercising tight control over contractual obligations by system providers.

The National Treasury has also secured funding to conduct independent audits on all municipal core financial systems to determine to what extent these systems comply with the functionality requirements and 15 business processes required in terms of *mSCOA*. These results will also inform the new transversal tender for the procurement of municipal financial and internal control systems in 2019. Until these audits have been concluded and the results have been released, municipalities should exercise caution when changing their financial system to avoid purchasing a system that do not comply with the necessary *mSCOA* functionality requirements.

Municipalities are advised to use their internal audit function to ensure that the correct process was followed. Internal audit must ensure that the municipality has complied with the requirements of *mSCOA* and the reports of internal audit must be tabled at audit committee and at municipal council for their consideration.

3. The revenue budget

The economic situation has not improved since the previous financial year. Therefore, municipalities are reminded as it was communicated in MFMA Circular No. 89 that weak economic growth has put stress on consumers' ability to pay for services, while transfers from national government are growing more slowly than in the past. Some municipalities have managed these challenges well, but others have fallen into financial distress and face liquidity problems. These include municipalities that are unable to meet their payment obligations to Eskom, water boards and other creditors. There is a need for municipalities to focus on collecting revenues owed to them, and eliminate wasteful and non-core spending. Municipal budgets will be scrutinised to ensure that municipalities adequately provide to service their debt obligations. Municipalities must ensure that expenditure is limited to the maximum revenue collected and not spend on money that they do not have.

National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the financial sustainability of the municipality. The Consumer Price Index (CPI) inflation is forecasted to be within the upper limit of the 3 to 6 per cent target band; therefore, municipalities are required to **justify all increases in excess of the projected inflation target for 2019/20** in their budget narratives, and pay careful attention to the differential incidence of tariff increases across all consumer groups. In addition, municipalities should include details of their revenue growth assumptions for the different service charges in the budget narrative.

3.1 Maximising the revenue generation of the municipal revenue base

Municipalities must comply with Section 18 of the MFMA and ensure that they fund their 2019/20 MTREF budgets from realistically anticipated revenues to be collected. Subsequently, municipalities are cautioned against assuming collection rates that are unrealistic and unattainable as this has been identified as a fundamental reason for municipalities in financial distress.

It is critical to compare the valuation roll data to that of the billing system to ensure that revenue anticipated from property rates are realistic. The list of exceptions derived from this reconciliation will provide an indication of where the municipality may be compromising its revenue generation in respect of property rates. A further test would be to reconcile this with the deeds office registry. This reconciliation should be undertaken quarterly. Towards this end, municipalities are requested to submit the following information to the National Treasury:

1. A copy of the approved current General Valuation Roll of the municipality;
2. A copy of the approved Supplementary Valuation Roll of the municipality;
3. An extract from the financial system showing the property rates information (preferably in excel);
4. The detail of the reconciliation between the GVR and the financial system illustrating the variances; and
5. The proposed process to rectify the variances.

In addition, the format below (excel) is required that captures a high level summary of the exercise.

Rates Category	Approved General Valuation Roll		Financial System		Variance	Comments
	Number of Properties	Consolidated Value of Properties	Number of Properties	Consolidated Value of Properties		

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

For couriered documents

Ms Linda Kruger
National Treasury
40 Church Square
Pretoria, 0002

For posted documents

Ms Linda Kruger
National Treasury
Private Bag X115
Pretoria, 0001

In addition, municipalities that maintain an indigent register and not utilise a targeted approach, are requested to periodically review the indigent register to verify that beneficiaries are still legible for the subsidy that they obtain. Municipalities are also encouraged to revise their Local Economic Development strategies to have a targeted approach to alleviate the situation of the indigents as part of poverty alleviation.

3.2 Eskom bulk tariff increases

The National Energy Regulator of South Africa (NERSA) develops the municipal tariff guideline increase based on Eskom's approved bulk price increase of electricity to municipalities and the increase on the municipalities' cost structures. Eskom has made a revenue application for the 2019/20 financial year, but NERSA has yet to make a decision on the application. Municipalities should refer to www.nersa.org.za for updates on the outcome of this process. Municipal bulk tariff increases will depend on the outcome of that process.

Municipalities are also urged to examine the cost structure of providing electricity services and to apply to NERSA for electricity tariff increases that reflect the total cost of providing the service so that they work towards achieving fully cost-reflective tariffs that will help them achieve financial sustainability. Municipalities in arrears with Eskom should ensure that their payment arrangements are effected in their 2019/20 MTREF budget.

3.3 Water tariff increases

Drought conditions makes it difficult for some municipalities to improve revenue generation from this service. It is now more important to improve demand management, infrastructure maintenance, loss management, meter reading and tariff setting in respect of water services.

Municipalities must ensure that the tariffs charged are able to cover for the cost of bulk purchases, ongoing operations as well as provision for future infrastructure. There are municipalities that are struggling to pay water boards due to a number of issues, one of which is poor financial sustainability and cost recovery. All municipalities in arrears with bulk suppliers must ensure that their payment arrangements are effected in their 2019/20 MTREF budget.

Accounting officers should take note that failure to undertake proper due diligence in terms of the affordability of payment arrangements and making the necessary provision in the municipality's budget will be considered as an act of financial misconduct and the necessary action in terms of chapter 15 of the MFMA read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014, will have to be taken.

4. Funding choices and budgeting issues

As a result of the economic landscape and weak tariff setting, municipalities are under pressure to generate additional revenue. The ability of customers to pay for services continues to decline, leading to limited revenue collection. Therefore, municipalities must consider the following when compiling their 2019/20 MTREF budgets:

- improving the effectiveness of revenue management processes and procedures;

- paying special attention to cost containment measures by, amongst other things, controlling unnecessary spending on nice-to-have items and non-essential activities as was highlighted in MFMA Circular No. 82;
- ensuring value for money through the procurement process;
- the affordability of providing free basic services to all households; and
- curbing consumption of water and electricity by the indigents to ensure that they do not exceed their allocation.

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

4.1 Employee related costs

The *Salary and Wage Collective Agreement* for the period 01 July 2018 to 30 June 2021 dated 15 August 2018 through the South African Local Government Bargaining Council Circular No. 6 of 2018 should be used when budgeting for employee related costs for the 2019 MTREF. Municipalities are encouraged to perform an annual head count and payroll verification process by undertaking a once a year manual salary disbursement, in order to root out ghost employees.

4.2 Remuneration of councilors

Municipalities are advised to budget for the actual costs approved in accordance with the Government Gazette No. 20 of 1998 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 (DCoG). Any overpayment to councilors contrary to the upper limits as published by the Minister of Cooperative Governance and Traditional Affairs will be irregular expenditure in terms of Section 167 of the MFMA and must be recovered from the councilor(s) concerned.

4.3 Budgeting for Trade Payables on Table SA3

Municipalities raised concerns about the calculation used for determining the creditors' payment period ratio. As a result, an analysis was undertaken of the note in the Annual Financial Statements relating to Trade Payables from Exchange Transactions as it is disclosed on the face of the Statement of Financial Position. The analysis revealed that this liability includes creditors which do not have a direct impact on the ratio, such as payments received in advance, funds administered on behalf of third parties, retention, accrued staff leave, license fees etc.

The inclusion of such liabilities as "Trade and Other-Payables from Exchange Transactions" under "Working Capital – Creditors due" on Table A8 has an impact on the funding assessment as they are considered when determining whether the budget is funded as per the Municipal Budget and Reporting Regulations schedules. Table A8 is separated into three disclosures which are:

- Unspent Grants – linked by a formula from Table SA3;
- Working Capital – Creditors due - linked by a formula from Table SA3 that currently includes all Trade and Other-Payables from Exchange Transactions as explained above; and

- Statutory Requirements – This refers to VAT and taxation and is not linked by a formula to any table as it may include VAT and taxation receivable included under Other Debtors in Table A6 and/or VAT and taxation payable included in Table SA3.

The disclosure above may be adequate in terms of the requirements to determine the funding of the budget on Table A8, but it does not assist with disclosing Trade Payables (“true trade creditors”) for the purpose of calculating the expenditure management efficiency ratio “Creditors Payment Period (Trade Creditors)” in terms of the National Treasury Circular No. 71.

Accordingly, Table SA3 has been amended to separate Trade and Other Creditors into two separate lines. The revised disclosure will be as follows:

- Trade payables - (should be “true creditors” only);
- Other creditors – (should include all the above liabilities, except VAT that is disclosed separately);
- Unspent conditional transfers; and
- VAT.

“Trade Payables” and “Other Creditors” will be added together for the purpose of calculating “Creditors Due” in row 31 under the working capital calculation on Table A8.

4.4 Budgeting for Inventory: Water

Bulk water purchases meet the criteria of the definition of inventory as per GRAP 12, paragraph .07. Therefore, water bulk purchases should be treated as inventory and should be budgeted and accounted for accordingly. National Treasury issued guidance on the treatment of non-revenue water and electricity in Annexure B to the MFMA Circular No. 70 for the 2014/15 MTREF. However, since the issue of that circular, National Treasury has allowed municipalities to either budget for water bulk purchases as a direct expense in the Statement of Financial Performance as an interim measure or to account for water under inventory. The *mSCOA* chart also makes provision for such. However, to ensure compliance to GRAP 12 the necessary amendments must be effected to the Schedule A tables and the chart.

National Treasury considered the impact that the changes to the Schedule A tables will have on municipalities, as a result it was resolved that they are significant and should not be implemented in the 2019/20 MTREF. This entails a change in approach where water bulk purchases will be processed as a cash transaction in the Statement of Financial Position – Acquisition of Inventory (Table A6). The system input volume (acquisitions) of water stock includes the following:

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

It is therefore evident that the total input volume of water as it relates to water purified and water from natural sources should include both primary and secondary cost components. The allocation of secondary cost to the input volume of water will necessitate the utilisation of the Costing Segment of the *mSCOA* chart.

Municipalities are cautioned that the Schedule A for the 2020/21 MTREF will be amended in line with the prescripts of GRAP12 and *m*SCOA in relation to the treatment of water bulk purchases as inventory. Therefore, municipalities will be required to budget accordingly and should now in advance consider the requirements necessary to facilitate this conversion and to ensure accurate configuration of their financial systems as it is a *m*SCOA requirement that the schedules must be extracted directly from the system. Municipalities are urged to refer to the *m*SCOA chart on the definitions and the detail of what constitutes water inventory consumed (cost of sales). Furthermore, reference should be made to the Department of Water and Sanitation (DWS) Municipal Water Balance Guideline for guiding principles which is accessible on the link below:

[Department of Water and Sanitation \(DWS\) Municipal Water Balance Guideline](#)

5. Conditional Grant transfers to Municipalities

5.1 Summary of changes in the Division of Revenue Amendment Bill, 2018

An adjustments budget provides for unforeseen and unavoidable expenditure; appropriation of monies already announced during the tabling of the annual budget (but not allocated at that stage); the shifting of funds between and within votes where a function is transferred; the utilisation of savings; and the roll-over of unspent funds from the preceding financial year. If the adjustments budget effects changes to the division of revenue as contained in the Division of Revenue Act for the relevant year, the Minister of Finance must table a Division of Revenue Amendment Bill with the revised framework. There are amendments to the 2018 Budget that affect the Division of Revenue Act, 2018 which will be effected through the Division of Revenue Amendment Act, 2018, once enacted. The amendments as they impact on provinces and municipalities are discussed below.

Funding for drought relief

The Minister of Finance announced during the 2018 Budget Speech that, “a provisional allocation of R6 billion has been set aside in 2018/19 for several purposes, including drought relief and to augment public infrastructure investment.” National Treasury managed a process to determine the allocation of drought relief funds that included two windows for applications. All applications were reviewed together with inputs from sector departments and the National Disaster Management Centre. A total of R3.4 billion in drought response funding has been allocated to all three spheres of government, including several direct and indirect grant allocations, which are included in this Bill.

A total of R1.98 billion is added to direct conditional grants for drought relief. These amounts have already been gazetted on 4 October 2018, after the Minister of Finance approved that the funds could be spent in terms of Section 6(1) of the Appropriation Act, 2018, (Act No. 4 of 2018). This section provides for the Minister of Finance to approve expenditure before an adjustment appropriation bill is enacted if that expenditure cannot reasonably be delayed without negatively affecting service delivery and such expenditure was announced during the tabling of the 2018/19 national annual budget. The following amounts have been added to direct conditional grants to municipalities:

- R288.1 million for the water services infrastructure grant to local government. This allocation will fund a variety of water supply augmentation projects for drought affected municipalities, including drilling and equipping boreholes to access groundwater and implementing water conservation measures where the reduction of water losses will improve the sustainability of supply.

- R1.03 billion for the municipal disaster recovery grant to local government. Funds allocated through this grant will be transferred to three metropolitan municipalities that have been severely impacted by the drought: Cape Town, Nelson Mandela Bay and Mangaung. The funds will subsidise the costs of water augmentation projects, including groundwater development and water conservation measures where the reduction of water losses will improve the sustainability of supply. All of these cities are also expected to contribute funds from their own revenue base to their water augmentation projects.

The following amounts have been added to indirect conditional grants that benefit local government:

- R1.01 billion for the indirect water services infrastructure grant. This allocation will fund a variety of water supply augmentation projects for drought affected municipalities, including drilling and equipping boreholes to access groundwater and implementing water conservation measures where the reduction of water losses will improve the sustainability of supply.
- R6 million for the indirect regional bulk infrastructure grant. This allocation will fund a water supply augmentation project in Ndlambe Local Municipality affected by drought. The municipality is already receiving an allocation managed through this indirect grant in the 2018/19 financial year.

Additional changes to local government allocations

- *Additional allocations to support disaster recovery*

R143.3 million is added to the municipal disaster recovery grant for post disaster repair and rehabilitation projects in a number of municipalities in KwaZulu-Natal and Western Cape. The municipalities in KwaZulu-Natal are allocated a total of R138.7 million for the repair and rehabilitation of roads, storm water and sanitation infrastructure and community facilities that were damaged by floods. R4.6 million is allocated for the repair and rehabilitation of water and electricity infrastructure in the Bitou Local Municipality in Western Cape.

- *Additional allocation for the public transport network grant*

R33 million is added to the public transport network grant for the City of Cape Town to begin detailed design on a new phase of the MyCiti public transport network approved through the Budget Facility for Infrastructure.

- *Conversion of the municipal systems improvement grant from Schedule 6, Part B (indirect) to Schedule 5, Part B (direct)*

R23.2 million of the municipal systems improvement grant will be converted from Schedule 6, Part B (indirect) to Schedule 5, Part B (direct) for 22 municipalities affected by major boundary changes that took effect after the 2016 local government elections. This amount was made available in the indirect municipal systems improvement grant in 2018/19, to assist with the completion of transitional work in the affected municipalities, following the end of the municipal demarcation transition grant (Schedule 5, Part B (direct)) at the end of the 2017/18 financial year.

These municipalities have been implementing the institutional and administrative changes that were required as a result of the boundary changes, including with funding from the former municipal demarcation transition grant. This conversion supports these 22 municipalities to complete the implementation of these transitional matters.

5.2 Conditional grant monitoring support and Non-compliance of in year monitoring

National Treasury has through its in-year Division of Revenue Act monitoring observed that certain departments that administer municipal grants have not fully complied with the provisions of the Act. Notably the national departments of Transport and Water Services have not fully transferred some of the transfers that were due to the municipalities. Stringent measures are being put in place to ensure compliance to the Division of Revenue Act, 2018 (Act No 1 of 2018) in that regard.

Furthermore, National Treasury has facilitated an adjustment gazette in terms of the Division of Revenue Act in terms of distressed municipalities that could not safeguard the transfers bestowed to them but also to reallocate some of these grants to the respective district municipalities in support of their distressed locals. Government gazette No. 42067 of 28 November 2018 provides for the following in this regard:

Municipal Infrastructure Grant (MIG)

National Treasury in consultation with the Department of Cooperative Governance (DCoG), concluded that municipalities reflecting significant uncommitted underspending would have their funds stopped within four provinces, namely: Eastern Cape, Free State, Northern Cape and North West, and be re-allocated to the respective District Municipalities for delivery on behalf of their locals.

The Municipal Emergency Housing Grant (MEHG)

The Department of Human Settlements (DHS) recommended to National Treasury that an allocation of an amount of R3.9 million is allocated through MEHG following a fire disaster that damaged most of the informal settlements within the Bitou LM in the Western Cape in order to fund the relocation costs and Transitional Residential Area units.

The Neighbourhood Development Partnership Grant (NDPG)

Based on Msunduzi Local Municipality's (LM) request, R27.4 million is stopped from Msunduzi's 2018/19 allocation and re-allocated to West Rand District Municipality (DM) in Gauteng province and City of Matlosana LM in North West province. West Rand DM will receive R20 million, while City of Matlosana LM will be allocated R7.4 million of the R27.4 million stopped from Msunduzi LM.

5.3 Support afforded to municipalities reflecting significant underspending

The municipalities that are affected by the stopping process due to governance and financial challenges will continue to receive support from National Treasury, DCoG and the relevant stakeholders on the MIG cost reimbursement and invoice verification which has been ongoing in the current financial year.

5.4 2017/18 Unspent conditional grant process

National Treasury has concluded the assessment of the 2017/18 conditional grant rollovers and the verification of the unspent conditional grants. This is a process that is governed by Section 22 of the 2017 Division of Revenue Act.

National Treasury through this process undertakes to travel to all provinces on a roadshow and set-up a combined session with all provincial treasuries and all sector departments responsible for administering conditional grants. In these sessions, rollover requests from municipalities are assessed in accordance to the division of revenue act and the guiding MFMA Circular. It is a process that begins on 31 August 2018 and ends 03 December 2018.

Municipalities with unspent conditional grants that were not approved for rollover, are afforded an opportunity to refund the portion of the unspent funds to the National Revenue Fund (NRF). In instances wherein the unspent funds are not refunded to the NRF, National Treasury in accordance to Section 22 of the Division of Revenue Act, offsets these funds against the equitable share allocations.

6. Preparation of Municipal Budgets for 2019/20 MTREF

6.1 Schedule A1 version to be used for the 2019/20 MTREF

National Treasury has released Version 6.3 of the Schedule A1 (the Excel Formats) which is aligned to Version 6.3 of the mSCOA classification framework and must be used when compiling the 2019/20 MTREF budget. Refer to Annexure B for the changes to this version of the Schedule A1.

ALL municipalities **MUST** use this version for the preparation of their 2019/20 MTREF budget.

It is imperative that all municipalities prepare their 2019/20 MTREF budgets in their financial systems and that the Schedule A1 be produced directly from their financial system. Vendors have recently 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. 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.

To promote this approach, from the **2020/21 MTREF** the National Treasury will only accept a Schedule A1 in PDF format, containing ALL sheets as prescribed and with each worksheet displaying an embedded system stamp to certify that it has been produced directly from the system. For purposes of collecting additional data which we previously did using the Schedule A1 in Excel, a prescribed data string containing the data must be populated and uploaded by each municipality (refer to the attachment to MFMA Budget Circular No 93 on the website).

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

Special attention must be given to the supporting schedules in the prescribed Schedule A1. Where detailed data is lying in a sub-system e.g. human resource data for SA22 to SA24, this data must be pulled from the sub-system into the applicable supporting sheet and must form part of the complete endorsed Schedule A1.

Version 6.3 of Schedule A1 is available on the following link:

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>

6.2 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	Bernard Mokgabodi Matjatji Mashoeshoe	012-315 5936 012-315 5553	Bernard.Mokgabodi@treasury.gov.za Matjatji.Mashoeshoe@treasury.gov.za
Free State	Jordan Maja Cethekile Moshane	012-315 5663 012-315 5079	Jordan.Maja@treasury.gov.za Cethekile.moshane@treasury.gov.za
Gauteng	Kgomotso Baloyi	012-315 5866	Kgomotso.Baloyi@treasury.gov.za
KwaZulu-Natal	Bernard Mokgabodi Johan Botha	012-315 5936 012-315 5171	Bernard.Mokgabodi@treasury.gov.za Johan.Botha@treasury.gov.za
Limpopo	Una Rautenbach Sifiso Mabaso	012-315 5700 012-315 5952	Una.Rautenbach@treasury.gov.za Sifiso.Mabaso@treasury.gov.za
Mpumalanga	Willem Voigt Mandla Gilimani	012-315 5830 012-315 5807	WillemCordes.Voigt@treasury.gov.za Mandla.Gilimani@treasury.gov.za
Northern Cape	Jordan Maja Anthony Moseki	012-315 5663 012-315 5174	Jordan.Maja@treasury.gov.za Anthony.Moseki@treasury.gov.za
North West	Willem Voigt Makgabo Mabotja	012-315 5830 012-315 5156	WillemCordes.Voigt@treasury.gov.za Makgabo.Mabotja@treasury.gov.za
Western Cape	Kgomotso Baloyi Kevin Bell	012-315 5866 012-315 5725	Kgomotso.Baloyi@treasury.gov.za Kevin.Bell@treasury.gov.za
Technical issues with Excel formats	Elsabe Rossouw	012-315 5534	lgdataqueries@treasury.gov.za

National and provincial treasuries, will undertake a compliance check and, where municipalities have not provided complete budget information, the municipal budgets will be returned to the mayors and municipal managers of the affected municipalities for the necessary corrections. Municipal managers are reminded that the annual budget must be accompanied by a quality certificate and council resolution in accordance with the format specified in item 31 of Schedule A of the Municipal Budget and Reporting Regulations.

The National Treasury would like to emphasise that where municipalities have not adhered to the Municipal Budget and Reporting Regulations, ***they will be required to go back to the municipal Council and table a complete budget document aligned to the requirement of the Municipal Budget and Reporting Regulations. In addition, where municipalities have adopted an unfunded budget, they will be required to correct the budget to ensure they adopt and implement a funded budget. However, where there are challenges the process indicated in paragraph 2.2 above will be applied.***

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

7. Budget process and submissions for the 2019/20 MTREF

7.1 Submitting budget documentation and schedules for 2019/20 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 both printed and electronic formats. If the annual budget is tabled to council on 29 March 2019, the final date of submission of the electronic budget documents and corresponding electronic returns is **Monday, 01 April 2019**. The deadline for submission of hard copies including council resolution is **Friday, 05 April 2019**.
- Section 24(3) of the MFMA, read together with regulation 20(1) of the Municipal Budget and Reporting Regulations, requires that the approved annual budget must be submitted to both National Treasury and the relevant provincial treasury **within ten working days** after the council has approved the annual budget. E.g. if the council approves the annual budget on 31 May 2019, the final date for such a submission is Friday, 14 June 2019.

The municipal manager must submit:

- the budget documentation as set out in Schedule A (version 6.3) of the Municipal Budget and Reporting Regulations, including the main Tables (A1 - A10) and ALL the supporting tables (SA1 – SA38) in PDF format with stamp that will confirm production directly out of the financial system;
- the draft service delivery and budget implementation plan in both printed and electronic format;
- the draft integrated development plan;
- the council resolution;
- signed Quality Certificate as prescribed in the Municipal Budget and Reporting Regulations; and
- schedules D specific for the entities.

Budget related documents and schedules must be uploaded by approved registered users using the LG Upload Portal at:

<https://lguploadportal.treasury.gov.za/>

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

1. be in PDF format; and
2. each PDF file must NOT contain multiple document e.g. council resolution and quality certificate within the budget document.

Municipalities may still send electronic versions of documents and the Schedule A1 to lgdocuments@treasury.gov.za but only when experiencing problems with the LG Upload Portal. Any problems experienced in this regard can be addressed with Elsabe Rossouw at Elsabe.Rossouw@treasury.gov.za.

Note: lgbigfiles@gmail.com is no longer available.

Municipalities are required to send printed submissions of their budget documents and council resolution to:

For couriered documents

Ms Linda Kruger
National Treasury
40 Church Square
Pretoria, 0002

For posted documents

Ms Linda Kruger
National Treasury
Private Bag X115
Pretoria, 0001

In addition to the above-mentioned budget documentation, metropolitan municipalities must submit the draft Built Environment Performance Plan (BEPP) tabled in council by 29 March 2019 to Yasmin.coovadia@treasury.gov.za. If the BEPP documents are too large to be sent via email (exceeds 4MB) please submit to yasmin.coovadia@gmail.com or send to Yasmin Coovadia via Dropbox; any problems experienced in this regard can be addressed with Yasmin.Coovadia@treasury.gov.za. Hard copies of the BEPP may be sent to Yasmin Coovadia, National Treasury, 3rd floor 40 Church Square, Pretoria, 0002 or Private Bag X115, Pretoria, 0001.

7.2 Retirement of the Budget reform returns (Appendix B)

From 2019/20 onwards, municipalities will no longer be required to continue with the use of the Budget Reform Returns to upload budget and monthly expenditure to the National Treasury Local Government Database for publication purposes. The National Treasury will use only the *mSCOA* data strings required for submission as prescribed and all publications will use the data collected from the *mSCOA* data strings.

This places the responsibility on each municipality to ensure that:

1. Budgets are accurately locked into the financial system;
2. Each transaction is accurately recorded on a daily base;
3. Data collected from sub-systems is accurately represented in the General Ledger (GL);
4. At the end of the reporting period, all reconciliations are done, sub-systems are in balance and the Municipal Manager and CFO agrees with the figures as presented in the Schedule C and other management reports or dashboards;
5. The reporting period is **CLOSED** for further transactions; and
6. The data string for the period is produced directly out of the financial system and uploaded using the LG Upload Portal.

While the National Treasury will still share control reports and Schedule C as produced from the data uploaded by municipalities, the verification process before each quarterly Section 71 publication will fall away as the responsibility now lies with the municipality **BEFORE** submitting the data strings to ensure that the data is an accurate reflection of the state of municipal finances.

The tabled and adopted budget data strings submitted to the Local Government Database and Reporting system should also be consolidated figures.

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

7.3 Budget verification process

Annually during the budget verification process, it is noted that municipalities have challenges to align the audited years, which results in amendments to the Schedule A. Municipalities must ensure that the audited figures and adjusted budget figures captured on the Schedule A aligns to the annual financial statements and Schedule B respectively.

7.4 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

07 December 2018

Annexure A – Changes to mSCOA Version 6.3

No.	Segment	Amendment
1	Item Revenue: National transfers and subsidies	Included all national transfers and subsidies as per MTBPS and allowed for the split between operating and capital as per the grant frameworks
2	Item Revenue: Provincial transfers and subsidies	Allowed provincial transfers and subsidies to be breakdown required where municipalities will specify the names of the grants
3	Item Revenue: Property rates	Included the new property categories as per section 8 of the Municipal Property Rates Act (MPRA)
4	Item Revenue: Sale of goods: Agricultural products	Added a separate line for fresh produce
5	Item Revenue	Added availability charges under non-exchange revenue
6	Item Expenditure: Operational costs	Included breakdown for Speaker under entertainment
7	Item Expenditure: Depreciation	Retired sport and recreation facilities as an asset category as it is included in community assets as per CIDMS
8	Item Expenditure	Changed the spelling for Eskom
9	Item gains and losses	Aligned the high level structure for impairment and reversal of impairment to depreciation and amortisation
10	Item gains and losses and Item assets	Added a line for impairment of construction work in progress assets as per GRAP 21
11	Item assets	Retired libraries as an asset category as it is included in community assets as per CIDMS
12	Item assets: Construction Work in Progress	Added a line to transfer assets from construction work in progress to completed assets
13	Item assets	Changed the definition for general plant to align to the ASB guideline
14	Function	Retired the line item for Budget and Treasury Office as it is part of Finance
15	Function	Retired public forces, traffic and street parking control from Road Transport and included it as Public Safety
16	Region	Included ward / township breakdown as requested by municipalities
17	Region	Retired decommissioned municipalities due to demarcation
18	Region	Swopped municipalities included under DC 36 and DC 30
19	Region	Retired duplicated municipality

Annexure B – Changes to Schedule A1 – the ‘Excel formats’

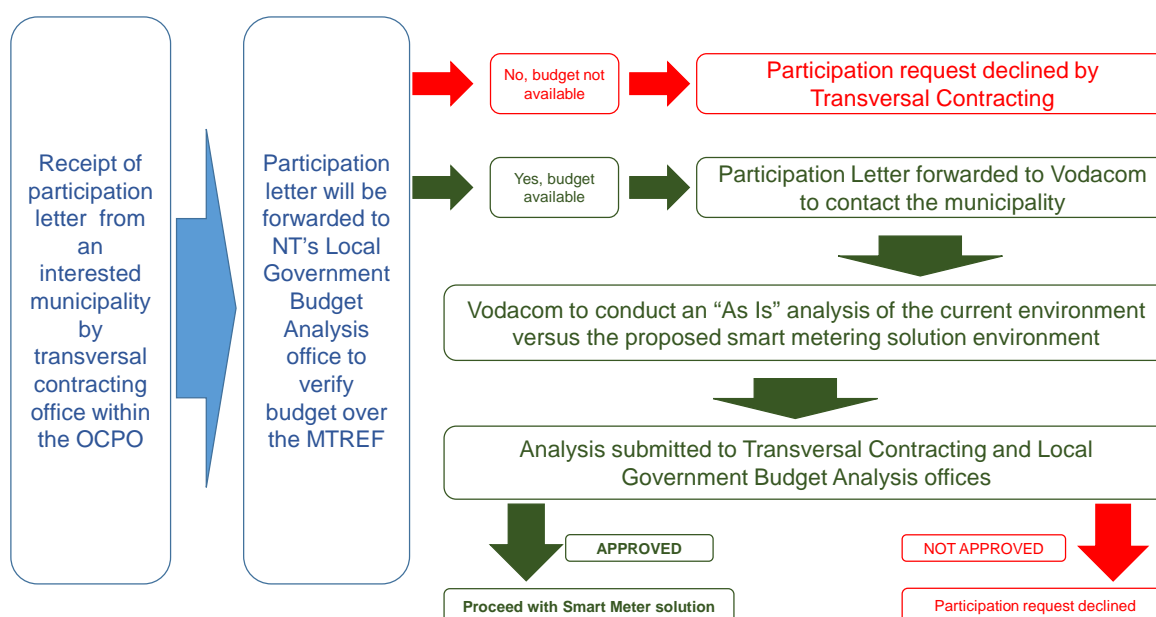
As noted above, National Treasury has released Version 6.3 of Schedule A1 (the Excel Formats). It incorporates the following changes:

No.	Sheet	Amendment	Reason
1	A2A	Budget and Treasury office has been removed	It is a duplication of Finance
2	A4	Line 10 Service charges – other is no longer available	Not available on the mSCOA chart
3	A6	Line 20 Agriculture is no longer available	Not available on the mSCOA chart
2	A6	Formula link change on line 32 Trade and other payables	Adjustments made on SA3
4	A8	Formula link change on line 31 Creditors due	Adjustments made on SA3
5	A9	Adjustments made to lines 134 to 165 Asset Register Summary – PPE (WDV)	Only high level summary required
6	SA3	Line 35 and 36 – split Trade payables and Other creditors	To refine calculation of creditors days ratio
8	SA8	Note: Formula in line 23 now only take into account Trade payables	Due to change made on SA3
9	SA25	Line 10 Service charges – other is no longer available	Not available on the mSCOA chart
11	SA30	Line 10 Service charges – other is no longer available	Not available on the mSCOA chart

Annexure C – Participation in RT15-2016 Vodacom transversal contract

Participation in RT15-2016 Vodacom transversal contract for the supply and delivery of mobile communication services to the state

It has become apparent that an increasing number of municipalities are intending to embrace smart technology to augment their operations. One such opportunity is through the RT15-2016 transversal contract that provides the option for an account management service offering in respect of smart meters. The pre-requisite, however, is that the municipality intending to participate must demonstrate evidence of adequate operating budget provision over the MTREF. The following process is applicable for the approval to participate.



In this regard the municipality should engage the Office of the Chief Procurement Officer (OCPO) in the National Treasury as the first point of contact. Kindly contact Ms. Kwanele Mtembu, Tel: (012) 406 9188 or email: Kwanele.Mtembu@treasury.gov.za for guidance.

Annexure D – MFMA Circular No. 71 aligned *m*SCOA Dashboard

The objective of the attached excel spreadsheet is to assist municipalities and system vendors to populate the indicators contained in MFMA Circular No. 71 automatically. Secondly, all system vendor dashboards should host as a minimum these indicators. It will assist the Accounting Officer to understand the overall financial management position of the municipality before submitting the regulated Budget and Reporting Schedules and *m*SCOA data strings to the Local Government Database and Reporting System (LGDRS).



Municipal Budget Circular for the 2019/20 MTREF

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Introduction

This budget circular is a follow-up to the one issued on 07 December 2018 and it complements the many other circulars that have been issued previously. It guides municipalities with their preparation of the 2019/20 Medium Term Revenue and Expenditure Framework (MTREF) and, as with previous annual budget circulars it should be read within this context. Among the objectives of this Circular, is to support municipalities with giving effect to National Treasury's Municipal Budget and Reporting Regulations (MBRR) within the current economic climate. The key focus of this Circular is the grant allocations per the 2019 Budget Review and the 2019 Division of Revenue Bill.

1. The South African economy and inflation targets

The economic and revenue outlook has deteriorated since the October 2018 Medium Term Budget Policy Statement (MTBPS). Funding pressures from state-owned companies have increased and require government financial support. Given these developments, the 2019 Budget proposes large-scale expenditure reprioritisation and tax measures that narrow the deficit from 4.5 per cent of GDP in 2019/20 to 4 per cent by 2021/22.

The 2018 MTBPS noted that weak economic performance and revenue shortfalls had contributed to some slippage in fiscal projections. Since then, economic growth has remained subdued and the domestic GDP outlook has been revised down. In the current year, tax revenue will be R15.4 billion below the 2018 MTBPS estimate. Funding pressures from Eskom and other financially distressed state-owned companies have increased, with several requesting state support to continue operating. In this context, the 2019 Budget proposes a series of tax and expenditure measures aimed at narrowing the deficit and stabilising the debt-to-GDP ratio. Additions to spending amount to R75.3 billion over the medium term, consisting mainly of transfers to support the reconfiguration of Eskom. These additions are partially offset by reductions to expenditure baselines and proposed savings from compensation adjustments totalling R50.3 billion. Tax measures raise an additional R15 billion in 2019/20 and R10 billion in 2020/21.

In combination, these measures are expected to narrow the consolidated budget deficit from a projected 4.5 per cent of GDP in 2019/20 to 4 per cent of GDP in 2021/22. Gross national debt is projected to stabilize at 60.2 per cent of GDP in 2023/24. Net loan debt (gross loan debt excluding government's cash balances) stabilises at 57.3 per cent of GDP in 2024/25.

The GDP growth rate is forecasted at 1.5 per cent in 2019, 1.7 per cent in 2020 and 2.1 per cent in 2021. The revisions take into account weaker investment outcomes in 2018, a more fragile recovery in household income and slower export demand than expected due to moderating global growth. Consumer inflation has also been revised down due to lower oil prices and food inflation than previously assumed.

The main risks to the economic outlook are continued policy uncertainty and deterioration in the finances of state-owned entities. These factors, alongside continued high unemployment and slow growth will continue to exert pressure on municipal revenue generation and collection levels hence a conservative approach is advised for municipal revenue projections. Municipalities affected by the drought should also consider its impact on revenue generation. In this context, municipalities will have to improve their efforts to limit non-priority spending and to implement stringent cost-containment measures.

The following macro-economic forecasts must be considered when preparing the 2019/20 MTREF municipal budgets.

Table 1: Macroeconomic performance and projections 2018 -2021

Fiscal Year	2018/19 Estimates	2020/21		
		2019/20	Forecast	2021/22
Consumer Price Inflation (CPI)	4.7%	5.2%	5.4%	5.4%
Real GDP Growth	0.7%	1.5%	1.7%	2.1%

Source: 2019 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 2019/20 municipal budget process

Over the medium-term expenditure framework (MTEF) period, after budgeting for national government's debt-service costs, the contingency reserve and provisional allocations, 47.9 per cent of nationally raised funds are allocated to national government, 43 per cent to provinces and 9.1 per cent to local government.

Local government receives the smallest share of the division of nationally raised revenue because it has significant own revenue-raising powers. These revenue raising powers must be exercised more than ever before in the current dispensation. Local government raises about 70 per cent of its own revenue, but would be able to raise more if municipalities improved municipal revenue policies, billing and collection practices. In 2017/18, almost half of all municipalities collected less than 80 per cent of their billed revenue.

Spending outcomes for 2017/18 varied across the 257 municipalities. Many municipalities continue to adopt unrealistic spending plans. As a result, 217 municipalities underspent their operating budgets and 220 municipalities underspent their capital budgets. Of the R30 billion in conditional grants transferred to municipalities in 2017/18, R28 billion (93 per cent) was spent – an improvement from 86.8 per cent in 2016/17.

2.1 Local government grants and municipal revenue strength

Since the 2018 Medium Term Budget Policy Statement (MTBPS) reprioritisation and reductions undertaken have affected planned spending for 2018/19. Over the next three years there is strong growth in allocations to the local government equitable share, while growth in conditional grants recovers following significant reductions made in the 2018 MTEF. Total direct allocations to local government will now grow at an annual average rate of 7.6 per cent over the MTEF period.

Over the 2019 MTEF period, R414.7 billion will be transferred directly to local government and a further R22.5 billion has been allocated to local government through indirect grants. Direct transfers to local government over the medium term account for 9 per cent of national government's non-interest expenditure. When indirect transfers are added to this, total spending on local government increases to 9.4 per cent of national non-interest expenditure.

While there are some reductions in some grant programmes, they do not affect all conditional grants and not all grants were reduced by the same percentage. The infrastructure conditional grants, particularly the larger ones, were mainly affected as this was considered the most practical approach. However strong growth is realized in the local government equitable share with an average annual rate of 9.4 per cent over the MTEF period, while the conditional transfers see slower growth at an annual average rate of 7.6 per cent.

Conditional grant funding targets delivery of national government's service delivery priorities. It is imperative that municipalities understand and comply with the conditions stipulated in the Division of Revenue Act (DoRA) in order to access this funding. The equitable share and the sharing of the general fuel levy constitute unconditional funding, of which the equitable share is designed to fund the provision of free basic services to disadvantaged communities.

Government has repeatedly emphasised the importance of municipalities focussing on growing their own revenue base in order to expand resources available for local service delivery. Municipalities with significant revenue bases are expected to invest more of their own resources, offsetting some of the impact of reductions to infrastructure grants, while building partnerships with the private sector for infrastructure delivery over the period ahead.

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

Municipalities are reminded that all allocations included in their budgets must correspond to the allocations listed in the Division of Revenue Bill. All the budget documentation can be accessed from the National Treasury website by clicking on the link below:
<http://www.treasury.gov.za/documents/national%20budget/2019/>

2.1.1 Changes to local government allocations

2.1.1.1 Unconditional grants

In the process of determining the baseline for the outer year (2021/22) of the 2019 MTEF period, the local government equitable share allocation has grown by 8.6 per cent of the baseline. This will cover the anticipated increase in the costs of providing free basic services to a growing number of households, and takes account of likely above-inflation increases in the costs of bulk water and electricity. It will also allow for above-inflation increases in the allocations to poorer and rural municipalities through the redistributive components of the equitable share formula.

2.1.1.2 Conditional grants

- A total of R295.9 million has been cut from direct local government conditional grant allocations for the MTEF period ahead to fund other government priorities. Indirect grants to local government have been reduced by an additional R600 million.
- An amount of R60.7 million is shifted from the incentive component of the integrated urban development grant in 2019/20 and added to the municipal disaster recovery grant to fund the repair of roads damaged by floods in Joe Gqabi District Municipality in the Eastern Cape.
- A total of R2.8 billion is added to the public transport network grant for the construction of a new public transport corridor on the MyCiti bus network in Cape Town. This corridor, connecting Mitchells Plain and Khayelitsha to the city, was approved through the Budget Facility for Infrastructure and will be implemented over a nine-year period.

2.2 Technical adjustment and continued funding of Drought disaster relief

The following technical adjustments were made to grant programmes:

- R2.9 billion over the MTEF period from the municipal infrastructure grant to a new integrated urban development grant.
- R814.5 million over the MTEF period from the integrated national electrification programme (municipal) grant to the urban settlements development grant, as electrification projects in municipal licenced areas in metropolitan municipalities will now be funded as part of this integrated grant.
- R3 billion in 2020/21 and R4.4 billion in 2021/22 from the urban settlements development grant to create a new informal settlements upgrading partnership grant for municipalities.

2.2.1 Funding for Disaster Relief

After the initial response to a disaster has been addressed, including funding from the municipal disaster relief grant discussed below, the repair of damaged municipal infrastructure is funded through the municipal disaster recovery grant.

The municipal disaster relief grant is administered by the National Disaster Management Centre in the Department of Cooperative Governance as an unallocated grant to local government. The centre is able to disburse disaster-response funds immediately, without the need for the transfers to be gazetted first. The grant supplements the resources local government would have already used in responding to disasters. To ensure that sufficient funds are available in the event of disasters, section 21 of the Division of Revenue Bill allows for funds allocated to the provincial disaster relief grant to be transferred to municipalities if funds in the municipal grant have already been exhausted, and vice versa. Over the MTEF period, R1 billion is available for disbursement through this grant. To ensure that sufficient funds are available for disaster relief, clause 20(6) of the Division of Revenue Act allows funds from other conditional grants to be reallocated for this purpose, subject to the National Treasury's approval.

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

Government continues to provide responses to the FFC's recommendations on an annual basis. These annual recommendations by the FFC are required in terms of section 9 of the Intergovernmental Fiscal Relations Act. The FFC, amongst other recommendations, indicated that government should develop and strengthen control measures on the financial transfers in order to ensure compliance and that these funds be properly spent for their intended purposes, typically of improving service delivery and related specific priority outcomes.

The commission further highlighted that control measures should be underpinned by tighter monitoring of and reporting by sub-national governments on the use of grant funding and associated outcomes of such spending, and that National Treasury should ensure that decisive action, such as withholding of funds, is taken by national sector departments as soon as cases where inefficient, ineffective, wasteful or irregular spending of these funds are detected.

National Treasury in its response indicated that in terms of the annual Division of Revenue Act, the transferring officer of the grant (the department administering a conditional grant) is responsible for monitoring performance and withholding funds where necessary. However, the National Treasury is also empowered by section 216(2) of the Constitution to stop the transfer of funds to any organ of state that commits a serious or persistent breach of the

measures prescribed to promote transparency, accountability and the effective financial management of the economy, debt and the public sector. A legislative framework and related policies, including guidelines and circulars, already exists to assist with early detection of issues that warrant withholding funds (by transferring officers or the National Treasury). Chapter 6 of the Budget Review describes complementary efforts to build municipal capacity. National Treasury will strengthen this role in the 2019/20 financial year in support of the recommendation by FFC.

2.4 Borrowing for capital infrastructure

The Circular also provides clarity and updates the December 2017 MFMA Circular No. 89 specifically with regards to long-term borrowing.

National Treasury has taken the position that municipalities may not incur long-term debt to replenish internally generated funds which were spent in prior financial years, even if such spending was for capital expenditure. Borrowing to replace municipal funds previously spent is inconsistent with section 46 of the MFMA, which provides that a municipality can only incur long-term debt for the purpose of capital expenditure on property, plant, and equipment to be used for lawful purposes, and in certain circumstances, for refinancing existing long-term debt. Borrowing proceeds must be used to fund current and future capital expenditure, and may not be attributed to expenditures in previous years.

PLEASE NOTE that the sentence contained on MFMA Circular No. 89 stating that *“The incurring of the expenditure against a different source of finance that was approved will be regarded as unauthorised expenditure”* has been revoked.

3. 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 financial sustainability of the municipality. The Consumer Price Index (CPI) inflation is forecasted to be within the upper limit of the 3 to 6 per cent target band; therefore, municipalities are required to **justify all increases in excess of the projected inflation target for 2019/20** in their budget narratives, and pay careful attention to the differential incidence of tariff increases across all consumer groups. In addition, municipalities should include details of their revenue growth assumptions for the different service charges in the budget narrative.

Local government also confronts tough fiscal choices in the face of financial and institutional problems that result in service-delivery breakdowns and unpaid bills. Municipalities can offset these trends by improving own revenue collection, working more efficiently and implementing cost containment measures. Addressing bloated organizational structures that have been observed to contribute towards this problem warrants decisive action across all municipalities.

3.1 Eskom bulk tariff increases

The National Energy Regulator of South Africa (NERSA) published their new multi-year price determination for the period from 2019/20 to 2021/22 on 7 March 2019.

NERSA will shortly publish their “Municipal Tariff Guideline Increase, Benchmarks and Proposed Timelines for Municipal Tariff Approval Process for the 2019/20 financial year”. Municipalities are encouraged to download the full guideline document when it becomes available (at www.nersa.org.za) and study it carefully. The guideline includes an update to the average cost structure used to determine the municipal tariff increase. It will set out proposed timeframes for the approval of municipal tariffs.

Municipalities are urged to examine the cost structure of providing electricity services and to apply to NERSA for electricity tariff increases that reflect the total cost of providing the service so that they work towards achieving fully cost-reflective tariffs that will help them achieve financial sustainability. Municipalities in arrears with Eskom should ensure that their payment arrangements are effected in their 2019/20 MTREF budget.

The 2019 Budget Review notes that, the NERSA tariff increases would be announced after the equitable share allocations had been calculated and tabled in the Division of Revenue Bill. In the absence of approved tariff increases for the period ahead, the equitable share formula allocations were calculated using the previously approved Multi-Year Price Determination of an 8 per cent annual bulk price increase for electricity in its calculations. If the approved tariff increases are higher than this, the equitable share allocations will not be increased in 2019/20. The Budget Review then explains that municipalities are expected to offset the increased cost of providing free basic services against above cost increases that they have received in the past. In recent years, municipalities have benefited from equitable share funding that has grown faster than actual increases in electricity costs (in 2017/18 the formula calculation used a bulk electricity price increase of 8 per cent, but NERSA only approved a bulk price increase of 0.3 per cent for the municipal financial year, and in 2018/19 a bulk increase of 8 per cent was used in the formula, but the actual increase was only 7.3 per cent). Municipalities have also benefited from increased allocations that were provided to cover household growth projections that were higher than the revised estimates in the 2017 General Household Survey. To provide for the possibility of larger cost increases in future, amounts of R1 billion in 2020/21 and R1.1 billion in 2021/22 remain unallocated in the equitable share.

4. Conditional Grant Transfers to Municipalities

This section provides guidance to municipalities with regard to the preparation for the 2018/19 unspent conditional grant and roll-over process and should be referenced against previous annual budget circulars.

4.1 Criteria for the rollover of conditional grant funds

Section 22 of the 2018 Division of Revenue Act (DoRA) requires that any conditional grants which are not spent at the end of the municipal financial year must revert to the National Revenue Fund, unless the receiving officer, provincial treasury and transferring national officer proves to the satisfaction of National Treasury that the unspent allocation is committed to identifiable projects, in which case the funds may be rolled over.

When applying to retain unspent conditional allocations committed to identifiable projects or requesting a rollover in terms of section 22(2) of the DoRA, municipalities must include the following information with their submission to National Treasury:

1. A formal letter, signed by the accounting officer must be addressed to the **National Treasury** requesting the rollover of unspent conditional grants in terms of section 22(2) of the 2018 DoRA;
2. A list of all the projects that are linked to the unspent conditional grants and a breakdown of how much was allocated and spent per project;
3. The following evidence indicating that work on each of the projects has commenced, as applicable to the specific rollover(s):
 - a) Proof that the project tender was published and the period for tender submissions closed before 31 March;
 - b) Proof that a contractor or service provider was appointed for delivery of the project before 31 March; or

- c) Proof of a project tender, appointment of contractor or service provider for delivery of service before 30 June in cases where additional funding was allocated during the course of the final year of the project;
 - d) Incorporation of the Appropriation Statement;
 - e) Evidence that all projects linked to an allocation will be fully utilised by 30 June 2019 (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. Municipalities must not include previous year's unspent conditional grants as a rollover request. Rollover of rollovers will not be considered;
 8. An indication of the time-period within which the funds are to be spent if the roll over is approved; and
 9. Proof that the Municipal Manager and Chief Financial Officer are permanently appointed.

No rollover requests will be considered for municipalities with vacant or acting Chief Financial Officers and Municipal Managers for a period exceeding 6 months from the date of vacancy.

If any of the above information is not provided or the application is received by National Treasury (Intergovernmental Relations Division) after 31 August 2019, 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 2018 DoRA, **including the municipal manager and chief financial officer signing-off on the information** sent to National Treasury;
2. Submission of the pre-audited Annual Financial Statements information to National Treasury by 31 August 2019;
3. Accurate disclosure of grant performance in the 2018/19 pre-audited Annual Financial Statements, (i.e. correct disclosure of grant receipts and spending in the notes to the AFS);
4. Cash available in the bank (net position including short term investments) as at 30 June 2019 is in line with the cash flow statements to finance the roll-over request. If the full amount that is requested for roll over is not entirely cash backed, such a roll over will not be approved. National Treasury will not approve portions of roll over requests.

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

1. The entirety of any allocation to the municipality, as there should be a minimum spend of 50 per cent of the allocation per programme;
2. Funding from 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. Funding where there is evidence that the roll over application is linked to invoices that were issued within the last 30 days of the municipal financial year end.

4.2 Unspent conditional grant funds for 2018/19

The process to ensure the return of unspent conditional grants for the 2018/19 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 2019 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 2019. These amounts **MUST** exclude all interest earned on conditional grants, retentions and VAT related to conditional grant spending that has been reclaimed from SARS, which must be disclosed separately.
- Step 3: If the receiving officer wants to motivate in terms of section 22(2) of the 2018 DoRA that the unspent funds are committed to identifiable projects, the roll over application pack must be submitted to National Treasury by 31 August 2019.

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 2019 or whether it will agree to any alternative payment arrangement or schedules.
- Step 5: National Treasury will communicate the unspent conditional grants amount by 05 November 2019. A municipality must return the remaining unspent conditional grant funds that are not subject to a specific repayment arrangement to the National Revenue Fund by 18 November 2019.
- Step 6: Any unspent conditional grant funds that should have, but has not been repaid to the National Revenue Fund by 18 November 2019, and for which a municipality has not requested a repayment arrangement, will be offset against the municipality's 02 December 2019 equitable share allocation.

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

5. The Municipal Budget and Reporting Regulations

5.1 Tabling of budget documents

The slow spending of capital budgets by most municipalities is a national concern as it has a negative impact on service delivery. In most cases the hockey stick phenomenon that exists (i.e. spending increases in the last six months of the year) is a direct result of poor planning by municipalities. Going forward and to address weak planning process, all municipalities will be required to table the following supporting documents to Council, as part of the budget pack, when they table their budgets by 29 March 2019:

- 1) Service Delivery and Budget Implementation Plan (SDBIP); and
- 2) Procurement Plan.

This is also in terms of the requirements and spirit of the MFMA and its Municipal Budget and Reporting Regulations.

5.2 The impact of VAT on tariffs

VAT remains at 15 per cent, which was an increase from 1 April 2018 in the previous year. To mitigate the effects of this increase on low income households, the MTBPS announced various zero rated items, wherein the VAT would be charged at 0 per cent.

Whether the additional amount is recoverable from the customer or not, the supplier must account for VAT on any supplies made on or after 1 April 2018 at the increased VAT rate. (See MFMA Circular No. 91 on the relevant supporting documentation regarding the VAT guides).

5.3 Schedule A - version to be used for the 2019/20 MTREF

National Treasury has released Version 6.3 of the Schedule A1 (the Excel Formats) which is aligned to Version 6.3 of the mSCOA classification framework and must be used when compiling the 2019/20 MTREF budget.

ALL municipalities **MUST** use this version for the preparation of their 2019/20 MTREF budget.

It is imperative that all municipalities prepare their 2019/20 MTREF budgets in their financial systems and that the Schedule A1 be produced directly from their financial system. Vendors have recently 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. 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.

To promote this approach, from the **2020/21 MTREF** the National Treasury will only accept a Schedule A1 in PDF format, containing ALL sheets as prescribed and with each worksheet displaying an embedded system stamp to certify that it has been produced directly from the system. For purposes of collecting additional data which we previously did using the Schedule A1 in Excel, a prescribed data string containing the data must be populated and uploaded by each municipality (refer to the attachment to MFMA Budget Circular No 93 on the NT Website).

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

Special attention must be given to the supporting schedules in the prescribed Schedule A1. Where detailed data is lying in a sub-system e.g. human resource data for SA22 to SA24, this data must be pulled from the sub-system into the applicable supporting sheet and must form part of the complete endorsed Schedule A1.

The following supporting tables will be included for perusal and sign-off during the verification process of the 2019 MTREF: SA11, SA12a, SA13a, SA14, SA22, SA23, SA24, SA25, SA27, SA36, SA37 and SA38.

It is therefore important to focus on the additional supporting data as well as the financial data submitted on A1 to A10 during the verification process undertaken with National Treasury, the provincial treasuries and all municipalities.

Download Version 6.3 of Schedule A1 by clicking [HERE](#)

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>

5.4 Assistance with the compilation of budgets

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

Province	Responsible NT officials	Tel. No.	Email
Eastern Cape	Bernard Mokgabodi	012-315 5936	Bernard.Mokgabodi@treasury.gov.za
	Matjatji Mashoeshoe	012-315 5553	Matjatji.Mashoeshoe@treasury.gov.za
Free State	Jordan Maja	012-315 5663	Jordan.Maja@treasury.gov.za
	Cethekile Moshane	012-315 5079	Cethekile.moshane@treasury.gov.za
Gauteng	Kgomotso Baloyi	012-315 5866	Kgomotso.Baloyi@treasury.gov.za
KwaZulu-Natal	Bernard Mokgabodi	012-315 5936	Bernard.Mokgabodi@treasury.gov.za
	Johan Botha	012-315 5171	Johan.Botha@treasury.gov.za
Limpopo	Una Rautenbach	012-315 5700	Una.Rautenbach@treasury.gov.za
	Sifiso Mabaso	012-315 5952	Sifiso.Mabaso@treasury.gov.za
Mpumalanga	Willem Voigt	012-315 5830	Willem.Voigt@treasury.gov.za
	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
Northern Cape	Jordan Maja	012-315 5663	Jordan.Maja@treasury.gov.za
North West	Willem Voigt	012-315 5830	Willem.Voigt@treasury.gov.za
	Makgabo Mabotja	012-315 5156	Makgabo.Mabotja@treasury.gov.za
Western Cape	Vuyo Mbunge	012-315 5661	Vuyo.Mbunge@treasury.gov.za
	Kevin Bell	012-315 5725	Kevin.Bell@treasury.gov.za
Technical issues with Excel formats	Elsabe Rossouw	012-315 5534	lgdataqueries@treasury.gov.za

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

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

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

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

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

6. Municipal Chart of Accounts (*mSCOA*)

6.1 Virement in an *mSCOA* environment

The MFMA and the Municipal Budget and Reporting Regulations, 2009, allow for the shifting of funds between items, projects, programmes and votes in the budget in line with a Council approved virement policy. MFMA Circulars No. 12, 51 and 88 provide the principles municipalities must consider when doing a virement.

With the promulgation of the *mSCOA* Regulation in 2014, municipalities should have aligned their virement policies to *mSCOA*. *mSCOA* provides a uniform and standardised financial transaction classification framework for municipalities and their entities to transact in and record its transactions using seven (7) segments. Six of these *mSCOA* segments are compulsory¹.

6.2 *mSCOA* training

The National Treasury has developed *mSCOA* training materials on the fundamentals and reporting requirements of *mSCOA*. Officials from National and Provincial Treasuries and the Preferred Trainers on *mSCOA* from the Chartered Institute of Government Finance, Auditors and Risk Officers (CIGFARO) have been trained to provide training in this regard.

While the CIGFARO Preferred Trainers have been issued with certificates of competence to provide training on the “On the fundamentals and reporting requirements of *mSCOA*”, it should be emphasized that this training is **unaccredited**. There is currently not any accredited training available on *mSCOA* that has been endorsed by the National Treasury. Therefore, municipalities and other role-players that require training on *mSCOA* should not request for accredited training or trainers in their adverts.

The contact details of the CIGFARO Preferred Trainers is available on the CIGFARO website, www.CIGFARO.co.za.

7. Budget process and submissions for the 2019/20 MTREF

7.1 Budgeting for the audited years on Schedule A (*mSCOA*)

According to international learning practices, it is appropriate to reclassify historical information in accordance with the changes that occur in the Standard Chart of Accounts. Municipalities must capture the reclassified audit outcomes for 2015/16 to 2017/18 in version 6.3 of the Schedule A when compiling 2019/20 MTREF budgets.

¹ Refer to Municipal SCOA Circular No 1. An introduction to the seven (7) segments.

7.2 Submitting budget documentation and schedules for 2019/20 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 the municipal council, it must be submitted to the National Treasury and the relevant provincial treasury in both printed and electronic formats. If the annual budget is tabled to council on 29 March 2019, the final date of submission of the electronic budget documents and corresponding data strings is **Wednesday, 03 April 2019**. The deadline for submission of hard copies including council resolution is **Friday, 05 April 2019**.
- Section 24(3) of the MFMA, read together with regulation 20(1), requires that the approved annual budget must be submitted to both National Treasury and the relevant provincial treasury **within ten working days** after the council has approved the annual budget. If the council only approves the annual budget on 30 June 2019, the final date for such a submission is **Friday, 12 July 2019**, otherwise an earlier date applies.

The municipal manager must submit:

- the budget documentation as set out in Schedule A (version 6.3) of the Municipal Budget and Reporting Regulations, including the main Tables (A1 - A10) and ALL the supporting tables (SA1 – SA38) in both printed and electronic formats;
- the draft Service Delivery and Budget Implementation Plan (SDBIP) in both printed and electronic format;
- the draft Integrated Development Plan (IDP);
- Procurement Plan;
- the council resolution;
- signed Quality Certificate as prescribed in the Municipal Budget and Reporting Regulations;
- the budget locking certificate; and
- schedules D specific for the entities.

Municipalities are required to send electronic versions of documents and the A1 schedule to lgdocuments@treasury.gov.za. Any problems experienced in this regard can be addressed with Elsabe Rossouw at Elsabe.Rossouw@treasury.gov.za. Budget related documents and schedules may also be uploaded using the LG Upload Portal at <https://lguploadportal.treasury.gov.za/sites/iguploadportal/SitePages/Home.aspx>

Municipalities are required to send printed submissions of their budget documents and council resolution to:

For couriered documents

Ms Linda Kruger
National Treasury
40 Church Square
Pretoria, 0002

For posted documents

Ms Linda Kruger
National Treasury
Private Bag X115
Pretoria, 0001

In addition to the above-mentioned budget documentation, metropolitan municipalities must submit the draft Built Environment Performance Plan (BEPP) tabled in council by 29 March 2019 to yasmin.coovadia@treasury.gov.za. If the BEPP documents are too large to be sent via email (exceeds 4MB) please submit to yasmin.coovadia@gmail.com or send to Yasmin Coovadia via Dropbox; any problems experienced in this regard can be addressed with yasmin.coovadia@treasury.gov.za. Hard copies of the BEPP may be sent to Yasmin

Coovadia, National Treasury, 3rd floor 40 Church Square, Pretoria, 0002 or Private Bag X115, Pretoria, 0001.

7.3 Retirement of the Budget reform returns (Appendix B)

From 2019/20 onwards, municipalities will no longer be required to continue with the use of the Budget Reform Returns to upload budget and monthly expenditure to the National Treasury Local Government Database for publication purposes. The National Treasury will use only the *mSCOA* data strings required for submission as prescribed and all publications will use the data collected from the *mSCOA* data strings.

This places the responsibility on each municipality to ensure that:

1. Budgets are accurately locked into the financial system;
2. Each transaction is accurately recorded on a daily base;
3. Data collected from sub-systems is accurately represented in the General Ledger (GL);
4. At the end of the reporting period, all reconciliations are done, sub-systems are in balance and the Municipal Manager and CFO agrees with the figures as presented in the Schedule C and other management reports or dashboards;
5. The reporting period is **CLOSED** for further transactions; and
6. The data string for the period is produced directly out of the financial system and uploaded using the LG Upload Portal.

While the National Treasury will still share control reports and Schedule C as produced from the data uploaded by municipalities, the verification process before each quarterly Section 71 publication will fall away as the responsibility now lies with the municipality **BEFORE** submitting the data strings to ensure that the data is an accurate reflection of the state of municipal finances.

The tabled and adopted budget data strings submitted to the Local Government Database and Reporting system should also be consolidated figures.

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

7.4 Upload of the *mSCOA* budget data strings to the LG upload portal

Municipalities must upload the *mSCOA* data strings for the tabled (**TABB**) and adopted (**ORGB**) budget to the upload portal. The budget data strings must be accompanied by the IDP project details data strings (**PRTA** and **PROR**). The deadlines for submission of the MBRR documents are also applicable to the *mSCOA* data strings. Refer to paragraph 7.2 above.

7.5 Publication of budgets on municipal websites

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

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

7.6 The process to be followed to issue version 6.4 of the *m*SCOA chart

Municipalities have raised concerns that National Treasury issue the *m*SCOA chart changes late in the budget process. Therefore, to address this challenge, the FAQ database will be closed on 31 August 2019 for logging new queries. As a result, the new version of the chart will be issued by 31 October 2019.

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 2019