

SOL PLAATJE LOCAL MUNICIPALITY

ANNUAL BUDGET (DRAFT)

2020/21 – 2022/23 MTREF



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

List of acronyms

ACIP	Accelerated Community Infrastructure Programme
BEE	Black Economic Empowerment
CAPEX	Capital Expenditure
CBD	Central Business District
CDW	Community Development Worker
COGHSTA	Co-operative Governance Human Settlement and Traditional Affairs
CPIX	Consumer Price Index
CRR	Capital Replacement Reserve
DBSA	Development Bank of South Africa
DEAT	Department of Education and Training
DoRA	Division of Revenue Act
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
EQS	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

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PART 1 - ANNUAL BUDGET

1. Mayor's Report

Honourable Speaker: Ms Ingrid Koopman;
Honourable Chief Whip of the Council of the Sol Plaatje Municipality;
Esteemed Members of the Executive Mayor's Mayoral Committee and Chairpersons of Oversight Committees;
Honourable Councillors;
Representative of all Political Parties in Council;
The Acting Municipal Manager and Acting CFO;
Executive Directors and Senior Managers;
All Municipal Officials;
The Leadership of Organized Business; Organized Labour and Civil Society Organizations;
My Fellow Residents of the Sol Plaatje Municipality
Members of the Media
Distinguish Guest
Ladies and Gentlemen
Good Afternoon,

Honourable Speaker,

Allow me to open my address here today with the words of our distinguish Premier, Dr. Zamani Saul, when he delivered his State of the Province Address (SOPA-2020) and Vision 2040.

As he quotes from our founding father of the nation utata Nelson Mandela when he opens the first democratic State of the Nation Address. And I quote: "We must, regardless of the accumulated effect of our historical burdens, seize the time to define for ourselves what we want to make of our shared destiny."

Today, is my singular honour and privilege to table my Second Annual Budget and our 16th Annual Budget of the new democratic era, which saw the promulgation and implementation of a new financial regulatory regime as per the MFMA (Act 56 of 2003).

This our first Annual Budget Report in conjunction with the first Budget Statement of the sixth Provincial Administration and Provincial Legislature. On this particular budget day, Honourable Members of this House, we as a city are under severe pressure to curb, contain and minimise the spread of the deadly Corona Virus (COVID-19).

We are truly blessed as a City, a Province, a Country and a Continent to be the least affected by this life-threatening strain of the Coronavirus. However, my fellow citizens we must remain vigilant in fighting this scourge as it is predicted by the World Health Organization (WHO) that Africa will be the hardest hit before we as mankind eventually win this war against this deadly and undefinable strain of the Coronavirus called COVID-19.

Honourable Speaker, what does this mean for us as a Capital City and the economic hub of the province? It means that we as a council are bestowed with the responsibility to learn lesson from other provinces and countries which have successfully contain the spread of the virus.

Also, Madam Speaker, it means we must then learn from those countries and cities across the globe which have been hit the hardest and most severe by this virus.

We are indeed in a better position to heed the call from the Highest Office in the land as well as the World Health Organization to be vigilant and put in place all necessary and relevant measures to curb the effect of this virus.

My fellow Councillors, it is our responsibility and accountability to ensure that each and every one of our citizens are educated (**correctly & factually**) about this virus and what basic measure to put in place as to prevent contracting and spreading the virus. It is also incumbent upon us as a collective and not as a divided house, along party lines to render all the necessary support to our staff, our clients, our residents and every visitor to the city requires to stay safe and healthy, while we battle this enemy.

Madam Speaker and Honourable Chief Whip allow me the opportunity to first thank my Mayoral Committee and my fellow Council Members for their contribution to the realization of the multi-year Capital- and Operating budget for 2020/2021 Medium Term Revenue and Expenditure Framework.

Also, Madam Speaker, I would like to give a very big thank you to the management team under the leadership of Acting Municipal Manager, Mr Mabija. We must never forget that we are partners when it comes to the management of the municipality and municipal funds for the benefit of the community and each of you play a very important task and role in making this a reality. Thanks to this year's Finance, Budget & Treasury teams and especially to our Acting CFO, for continuously keeping us abreast on the financial status of the municipality and ensuring that we remain liquid and honour our monthly obligations. Also, a big thanks to the employees of Sol Plaatje Municipality for ensuring that service delivery continues through these tumultuous times.

Solutions to our challenges:

The adjustment budget, adopted by council on 25th February 2020, as well as this budget reflects the serious challenges confronting the municipality such as a low revenue base, unfunded budgets, more than R50 million budget deficit, serious cash flow constraints, which literally make us to conduct business on a day-to-day basis. Through all these challenges and obstacles facing us during these tumultuous financial crises, our communities expect changes to their living conditions. Resources of the municipality must be utilised for the express purpose intended.

We are confronted with the following challenges in the municipal area, high unemployment (specifically the youth), poverty, inequality and the sever lack of economic growth and investment.

Revenue advancement must be strengthened and implemented as a matter of priority. We must rebuild the municipality and make it great again. We must forge ahead permitting neither adversity nor doubt to divert our attention.

We must focus on our key priorities that is the provision of quality and affordable services. The executive management team of the municipality must ensure that they execute their core mandate.

I must spell it out:

- **The city as well as all the wards must be kept clean as a priority;**
- **All sewer and water leaks must be fixed within a reasonable turnaround time;**
- **Electricity outages must be attended to timeously**

- **On potholes, there's is a concern that Kimberley has become leading city with potholes. As the Mayor and the team, we declare a war on potholes. Priority must be given to fixing of potholes**

Madam Speaker, it is in this spirit, which I as the Executive Mayor and the Members of the Mayoral Committee, have embark on an extensive campaign of the Executive Meets the People. As I speak to you here and now, a cry for quality service delivery has descended upon our city during the **108 Anniversary Celebrations of the ANC** visit of the President and has captured our volunteers, young people, old people, people everywhere in the city.

As I table this Annual Budget here today, I wish to demonstrate that indeed, we are ready and committed to deliver and roll-out services to our people, because as stewards and custodians of this Budget, we are fully aware that is what our people expects from us and nothing less. We are proudly saying as a council, it's time to hurry up with the mandate to improve the lives of our people for the better. Therefore, my fellow councillors the time has come for us to move from ***Thuma Mina! to Khawuleza! Call To Action.***

When this council and administration came into office on the 24 November 2018, I presented my vision, which was and still is grounded on the principles of being ***Pro Poor and Pro Local.***

This Vision present us with the perfect roadmap for united action, precisely, for it carries the support of the people out there. Communities support this new administration and it is up to us not to disappoint them. Leaders from all walks of life should be ready to rise above factional interests and sectional biased and with great majority pull together as one unified team to take our city forward and reclaim its status as the ***City of Firsts.***

This challenge I put to all sections of our society; business, labour, public representatives, political leaders, activists, veterans and every citizen in each and every household in the Sol Plaatje Municipality. Our government continues to establish new channels of communication and aspire to build a more inclusive and cohesive relationship with our primary stakeholders as well as those who are affected indirectly by our business model.

As a council and administration, we have embarked on a new direction to create the conditions necessary and conducive enough to create much needed confidence in our local economy and the prosperity of our society.

The Sol Plaatje Municipality is centred on the people who live and work here.

We are a municipality hard at work to provide services of good quality and correct the mistakes of the past both distant as well as recent. With the recent results of the by-elections it is indicative that our government is a functional, trusted and reliable movement. I would like to extend my best wishes and heartfelt congratulations to all councillors who have been chosen as the people's representatives for restoring confidence and to continuing to provide our people with quality services by our ANC led government.

Ladies and Gentlemen, we have been given a mandate by the His Excellency, Honourable President, Cyril Ramaphosa to continue prioritising access to quality services, improving infrastructure, address the triple challenges of poverty, unemployment and inequality, fight against the scourge of drug abuse and high rates of crime. As a municipality we remain committed to the transformation the social and economic statuses of our communities.

Honourable Speaker we have been granted a new opportunity of renewal, restoration and hope. The time has come to walk towards the new dawn. In restoring the municipality as a trustworthy and sustainable institution we are working towards taking it to greater heights.

Ladies and gentlemen, we have been confronted by the tough economic challenges as experienced in all corners of the country. The revenue collection has been on a downward trajectory with some residents, businesses, government departments and state-owned enterprises not paying their municipal debts.

In line with the municipality, a critically Integrated Development Plan (IDP) must be adopted in order to contribute to the strategic objectives of the institution. As part of monitoring and evaluation, we will together with the technical teams, outline effective and efficient planning to assess the progress of ongoing projects, particularly those that have been in the system for a number of years. We are committed to finding sustainable solutions to bring economic, social and environmental services. With that we will strengthen the internal financial standings of the institution and enhance financial compliance and heighten performance management. Cash flow system must be strengthened in order to coincide with budget expenditure to ensure revenue and expenditure are in sync.

Madam speaker, we have to be frank and candid in acknowledging the number of challenges faced by the municipality, off which the **Cash Flow, is our number one priority**. The anticipated income streams are not forthcoming, and the budget has taken a downward turn compelling us to take extraordinary budgetary measures to ensure the municipality remains functional and stable. We are still faced with some of our ongoing challenges, namely the sewer spills, water cuts, and potholes and refuse collection and electricity cuts. Our teams have been working diligently on addressing these challenges, however chief amongst these are the vandalism of our assets, primarily our electrical infrastructure.

At this juncture, Honourable Speaker, I would like to express my gratitude for the unwavering commitment by executive, senior and line managers as well as our workers who are on the ground for the continued dedication and diligence in ensuring quality services reach all residents. In 2019, the Sol Plaatje Municipality embarked on an impressive electrification project that will supply electricity to 1515 households as well as the current storm water implementation project. We are extremely excited that projects such as these highlight the work of our municipality and the commitment to steer resources to improve the lives of our residents.

Madam Speaker, as I stand in these chambers here today, I am extremely confident that we as a collective will put shoulder to the wheel and get our municipality through these trying times. It is also a privilege and an honour for me to announce that we are currently in discussions with sector departments and the Office of the Premier, in soliciting targeted assistance in us solving our main challenges, namely strengthening our Cash Flow, implementing infrastructure projects and embarking on a drive to attract investment into the city and the municipality as a whole.

We are also implementing a massive clean -up campaign, in the Sol Plaatje Municipality that has been running since my inception in the Office. We have to ensure through a clean city campaign we draw much needed investment, expertise, innovation and development into Kimberley and its surrounding areas.

In order for the municipality to regain its financial standing, I as the Executive Mayor will ensure that fruitless expenditure and mismanagement are a thing of the past. I work endlessly to ensure that funds are accounted for to improve services to our people.

Madam Speaker, at this point allow me to share some of the key points of this year's budget.

Tariff increases

As per National Treasury's MFMA Budget circulars for the 2020/21 MTREF, cost-reflective tariff setting is pivotal to ensuring financial sustainability and delivering of quality services to the community in a sustainable manner, whilst simultaneously investing in infrastructure to promote local economic development. National Treasury reiterates that municipality's must ensure that they table credible and funded budgets. A credible expenditure budget reflects the cost necessary to provide a service efficiently and effectively. Notwithstanding this, municipalities must ensure that tariffs are inflationary related AND of utmost importance, affordable to the community they serve.

With this background in mind, it is imperative that the municipality addresses any inefficiencies and creating a "culture of payment" by rendering timeous and quality services. In achieving this, the municipality's public image will be enhanced and will positively influence our consumer's willingness to pay. The average tariff increase is 5.5 percent for Water, Sanitation and Refuse removal. Electricity tariffs are increasing by 6.24 percent in line with the NERSA guidelines. Madam Speaker, I must remind fellow members that this electricity increase comes following a deficit in our current year adjustment budget, this percentage increase will narrow the deficit in electricity service revenue. A projected loss in income from Property rates amounting to R10 964 457 (Ten million, nine hundred and sixty four thousand and four hundred and fifty seven rand) is due to a change in the Municipal Property Rates Act No. 6 of 2004. The category 'Property used by Organ of State' is not stipulated in the Act and will be phased out over the next two years. This amendment necessitated the municipality to increase Property Rates by 6.4 percent, however the average overall increase is 5.5 percent as well.

Operational Revenue:

The budget for operational revenue is R 2 212 561 (Two billion, two hundred and twelve million, five hundred and sixty-one thousand rand).

Operational Expenditure:

Operational expenditure is R 2 193 028 (two billion, one hundred and ninety-three million and twenty-eight thousand rand).

Capital Expenditure:

Capital budget is R140 056 (One hundred and forty million and fifty six thousand rand) and R434,403 (Four hundred and thirty four million, four hundred three thousand rand) over the MTREF. The Capital budget is funded by Capital grants of R116,556 (One hundred and sixteen million, five hundred and fifty six thousand rand) and own internal funding of R23,500 (Twenty three million and five hundred thousand rand).

The makeup of the capital program for 2020/21 is rightfully dominated by infrastructure projects consisting of roads, storm water, water, sanitation and electricity projects. Projects listed under infrastructure constitutes 88% of the allocated budget.

The flagship project is the Lerato Park sewer upgrade project with a budget of R26.4m funded through the IUDG (Integrated Urban Development Grant) followed by roads program in Galeshewe continues with a budget of R13.5m. The Carters Glen Sewer Pump station received R20m from WSIG (Water Services Infrastructure Grant), the sink toilets R14.4m also funded from WSIG and part internal funding. The Lerato Park electrification of 675 homes received funding to the tune of R12.1m from the INEP (Integrated National Electricity Program) grant. The Galeshewe storm water project will continue with funds secured from the Neighbourhood Development Partnership grant. Total budget is R20m and R64m over the MTREF (Medium Term Revenue and Expenditure Framework)

Drastic action is required to preserve liquidity, sustainability of the municipality to continue operating as a going concern.

This implies that the Debt Collection Policy has to be implemented diligently and timeously but also with utmost fairness to our most vulnerable of society.

The municipality has also indicated that under-funded and unfunded mandates especially libraries, provincial resorts and health has a negative impact on its finances and requested that the issue be discussed with the relevant stakeholders.

Honourable Speaker allow me to remind us to what the Honourable Premier of the Northern Cape said in both his **2019 & 2020 SOPA**, about his **Vision of a MODERN, GROWING AND SUCCESSFUL province (city of Kimberley)**. *I quote: “A Modern, Growing and Successful Province. Such a Province will care for the vulnerable and make life worth living for them, such a province will be at the cutting-edge of the Fourth Industrial Revolution and prioritizes quality education and training. Such a province will strive to improve the health profile of its residents. It will be a province whose youth have reasonable opportunities and are allowed to dream. Furthermore, Madam Speaker, ladies and gentlemen, a Modern Growing and Successful Province is one where our people, especially woman and children, can freely enjoy their streets without fear of being molested or abused. In such a province, people who are differently abled or disabled are embraced and equitably given opportunities. This will be a province with a strong and caring government that actively fights corruption and laziness. Such a province will build partnership between the different sectors of society for shared growth and development. The elected leaders of this Modern, Growing and Successful Province are hard-working, they pay attention to detail, are incorruptible and shun self-indulgence such as red carpets, blue-lights, security upgrades, State houses, etc. Such a province gives hope to the hopeless in a very practical way”*

Madam Speaker, as I close my speech, I beseech all of us to internalise this vision of the Premier for the province and make it our Vision for the City and the Municipality, where the people are truly our number one priority.

I would like quote from the Bible, The King James **Version** of the Book of Proverbs 29:18 **says**, “Where there is no **vision**, the **people perish**: but they that keepeth the law, joyful is he.”

Without a long-term plan—**without a vision**—**people (we)** are doomed to wander aimlessly.

I thank you

2. Council Resolutions

Tabling of the Annual Budget for 2020/21 MTREF

Executive Mayor Cllr P.S. Mabilo

12 March 2020

Purpose

Tabling of the Annual Budget of the Sol Plaatje Local Municipality for the financial year 2020/21 and indicative allocations for the two projected outer years 2021/22 and 2022/23, 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. M. Mabija
Acting Chief Financial Officer – Mr. Z. Cader
Budget Steering Committee
Executive Management Team
Mayoral Committee

Contact Person

Mr. Z. Cader
Acting Chief Financial Officer
Contact number: 053-830 6502

Mr. JJ Wagner
General Manager: Budget and Treasury Office
Contact number: 053-830 6504

Mrs. J Van Niekerk
Acting Manager: Integrated Development Plan
Contact number: 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 2020/21; and indicative allocations for the two projected outer years 2021/22 and 2022/23, 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: Section 5/Annexure 1–Table A10.
3. That in terms of sections 74 and 75A of the Local Government: Municipal Systems Act, Act 32 of 2000 as amended, the tariffs for the supply of water, electricity, waste removal services, sanitation services, property rates and all other tariffs as set out in Annexure 2, are noted by Council.

4. That Council notes the draft reviewed Integrated Development Plan reflected in Annexure
5. That Council notes the draft Service Delivery and Budget Implementation Plan for 2020/21 as per Annexure 5.
6. That Council take note that the public participation in respect of the annual budget, the draft IDP and the draft SDBIP will commence in April to gain inputs and comments from the community and other stakeholders and the timetable for these meetings will be deliberated upon by the IDP and Budget Office through directive from the office of the Executive Mayor, Speaker and the Municipal Manager. The Mayor's office is responsible to arrange and co-ordinate the public participation meetings.
7. That due to mSCOA Reporting requirements, the schedules may change from what is presented here, with the totals remaining the same, that Council gives the Municipal Manager and the CFO permission to effect, all necessary corrections as a result of reporting requirements.
8. That Council resolves to authorise the Chief Financial Officer to make administrative and technical error corrections identified in the Annual Budget and such corrections be in the Final Adopted Annual Budget.

3. Executive Summary

Introduction

The Sol Plaatje Municipality is facing severe financial sustainability and service delivery challenges with the cost coverage being less than one month. This was highlighted during the Mid-year budget assessment and the Adjustment budget for the 2019/20 financial year. The municipality is working on turning the situation around in terms of stabilising the cash flow position. The positions of the MM and CFO has unfortunately not been resolved by Council. To address the instability, the MEC appointed an acting MM and CFO. Various cost containment measures have been implemented of which Overtime has been the biggest challenge. Overtime, which forms part of Employees cost has been capped at 30 hours across most units within the municipality. The salary wage bill was also investigated, although this might not be an overnight fix. The soft lock on all vacancies was also immediately implemented by the acting MM and CFO. The soft lock on positions will realise a saving of approximately R50 million and that will assist, the municipality in ensuring that the budget is funded and building up a reserve even quicker. The filling of critical vacancies, like the IDP Manager will be appointed as soon as the cash flow position has stabilised. Employees are acting in critical vacancies.

Various provincial departments have also been engaged to collect outstanding debt from Organs of state. Councillors and employees were also approached to make arrangements on their outstanding debt. This was facilitated by the Acting CFO together with the Credit control office within the Finance department. Revenue inflows and expenditure outflows are monitored on a daily basis. The lower collection rate has unfortunately exacerbated the cash flow situation and the Credit control office is diligently pursuing outstanding debt due to the municipality. The Adjustment budget was assessed and determined credible by National Treasury (NT). This was the recommendation by NT

For the 2019/20 financial year for the municipality to have positive cash and cash equivalents

- The municipality may not collect revenue of less than 82.2% at the current rate of expenditure.
- And lastly, the municipality must note that on B8 as per the Adjustment budget B-schedules, the municipality's other working capital requirements are huge (working to the municipality's favour) because the municipality have huge outstanding debtors, which NT knows that the municipality is not really going to collect. NT therefore advised that the municipality must consider writing off debtors going forward that we know we are not going to collect, realistically.

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

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

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

As per MFMA Circular 98 and 99 as indicated below is a summary of the key focus areas for the 2020/21 municipal budget process

Local government grants and municipal revenue strength

Unconditional grants

Over the next three years, above-inflation growth in allocations to the local government equitable share continues, while growth in conditional grants is slower as a result of the reductions announced in the 2020 Budget. The local government Equitable Share continues to receive above inflation increases because it allows municipalities to offer free basic services to indigent residents who cannot afford to pay for services

Conditional grants

The 2020 Division of Revenue Bill has technical adjustments which were effected through the shifting of funds between different municipal allocations, technical adjustments do not change the total amount allocated to local government. The conditional grants to municipalities have been reduced and most conditional grants have been reduced as part of efforts to limit growth in government expenditure and ensure that public debt is sustainable. To manage the effect on services, these reductions take into account:

- Past spending and performance;
- Whether the conditional grant funds salaries, and other related costs; and
- Whether there has been significant real growth in allocations in recent years.

Where possible, the National Treasury has reduced transfers that are more likely to go unspent or to be spent less effectively. Accordingly, grants that have persistently underperformed have been reduced by larger amounts.

Response to the Finance and Fiscal Commission (FFC)'s recommendations

The 2020/21 recommendations cover the following areas: local government financing framework, municipal government capacity building, local government sustainability, infrastructure management and efficiency, investment and developmental challenges in the local government sector.

Supplementary revenue sources for local government

The FFC recommended that the Minister of Finance should take steps (including piloting) to add supplementary revenue sources to the list of allowable taxes for different types of municipalities in a differentiated manner.

Local government infrastructure management and efficiency

The FFC recommended that the Ministers of Cooperative Governance and Traditional Affairs (CoGTA) and Finance should jointly strengthen the linkage between technical project planning processes and budgeting and foster smooth intergovernmental infrastructure coordination as part of the ongoing local government infrastructure grant reforms.

Building capability for infrastructure delivery

The National Treasury continues to expand the tools available for provinces and municipalities to improve spending. Weaknesses in preparing and authorising projects and programmes are one of the main causes of poor performance on infrastructure transfers.

Development Charges reforms

National Treasury continues to explore how municipalities can use a broader package of infrastructure financing sources to meet their developmental mandate. One of these sources is development charges.

A development charge is a once-off charge imposed by a municipality on a land owner as a condition of approving a land development application that will substantially result in increased demand for municipal infrastructure services. These charges are imposed to cover the costs incurred by the municipality when installing new infrastructure or upgrading an existing infrastructure that is required to service the proposed development. It is based on the concept that urban growth and expanded land use creates the need for additional infrastructure services, therefore the developer should pay the incidence costs.

As per MFMA Circular 98 the following was the two key factors in conjunction with the key factors as indicated in MFMA Circular 99.

Addressing unfunded budgets in local government

Municipalities must ensure that tariffs are cost reflective. It is imperative that municipalities table funded, credible and sustainable budgets. A revised strategy to address municipal financial performance failures. This strategy is based on an analysis of performance failures in governance, financial management, institutional capabilities and service delivery. As part of this strategy, municipalities must ensure that their budgets are adequately funded. The number of councils adopting unfunded budgets are increasing, where realistically anticipated revenue is insufficient to cover planned spending sustainably.

Municipal Standard Chart of Accounts (mSCOA)

Release of Version 6.4 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 6.4 is released with this circular. Version 6.4 of the chart will be effective from 2020/21 and must be used to compile the 2020/21 MTREF.

Budget Overview

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

Consolidated Overview of the 2020/21 MTREF	Adjustment Budget 2019/20 R'000	2020/21 Medium Term Revenue & Expenditure Framework			
		Budget Year 2020/21 R'000	Budget Year +1 2021/22 R'000	Budget Year +2 2022/23 R'000	Total over the MTREF R'000
		R'000	R'000	R'000	R'000
Total Operating Revenue (excl Capital transfers and contributions)	2,101,557	2,212,561	2,348,000	2,498,378	7,058,939
Total Operating Expenditure	2,091,355	2,193,028	2,327,266	2,471,291	6,991,585
Operating Surplus	10,202	19,534	20,734	27,087	67,354
Total Operating Revenue (incl Capital transfers and contributions)	2,273,693	2,329,117	2,469,639	2,632,086	7,430,842
Surplus/(Deficit) for the year	182,338	136,090	142,373	160,795	439,257
Capital transfers and contributions	172,136	116,556	121,639	133,708	371,903
Internally generated funds	17,500	23,500	15,000	24,000	62,500
Total Capital expenditure	189,636	140,056	136,639	157,708	434,403

Consolidated Overview of the 2020/21 MTREF Year on Year % increase and R-Value increase <i>Base year Adj Budget 2019/20</i>	2020/21 Medium Term Revenue & Expenditure Framework					
	Budget Year 2020/21		Budget Year +1 2021/22		Budget Year +2 2022/23	
	% Increase (Decrease)	R'000 Increase (Decrease)	% Increase (Decrease)	R'000 Increase (Decrease)	% Increase (Decrease)	R'000 Increase (Decrease)
Total Operating Revenue (excl Capital transfers and contributions)	5.3%	111,004	6.1%	135,439	6.4%	150,378
Total Operating Expenditure	4.9%	101,672	6.1%	134,238	6.2%	144,026
Operating Surplus	91.5%	9,332	6.1%	1,200	30.6%	6,353
Total Operating Revenue (incl Capital transfers and contributions)	2.4%	55,424	6.0%	140,522	6.6%	162,447
Surplus/(Deficit) for the year	-25.4%	(46,248)	4.6%	6,283	12.9%	18,422
Capital transfers and contributions	-32.3%	(55,580)	4.4%	5,083	9.9%	12,069
Internally generated funds	34.3%	6,000	-36.2%	(8,500)	60.0%	9,000
Total Capital expenditure	-26.1%	(49,580)	-2.4%	(3,417)	15.4%	21,069

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

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

There is no significant increase in overall revenue as the totals are increasing from R2,101,557 billion (adjusted budget 2019/20) to R2,212,561 billion (2020/21), constituting a 5.3% increase year on year when compared to Adjustment budget. The overall average increase over the MTREF is approximately 6%.

The operating expenditure is estimated at R2,193,028 billion in 2020/21. After having considered all the factors, the budget for 2020/21 MTREF shall generate operating surpluses, though very limited in amounts. However, the budget remains funded for the duration of the MTREF. This can be maintained by significantly improving the collection rate and cutting down on non-essential spending.

The total capital expenditure amounts to R140,056 million. Over the MTREF the municipality projects to spend R434,403 million in this regard. Capital grants and subsidies recognised are all conditional grants gazetted as per the Division of Revenue Act 2020.

4. Annual budget tables

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

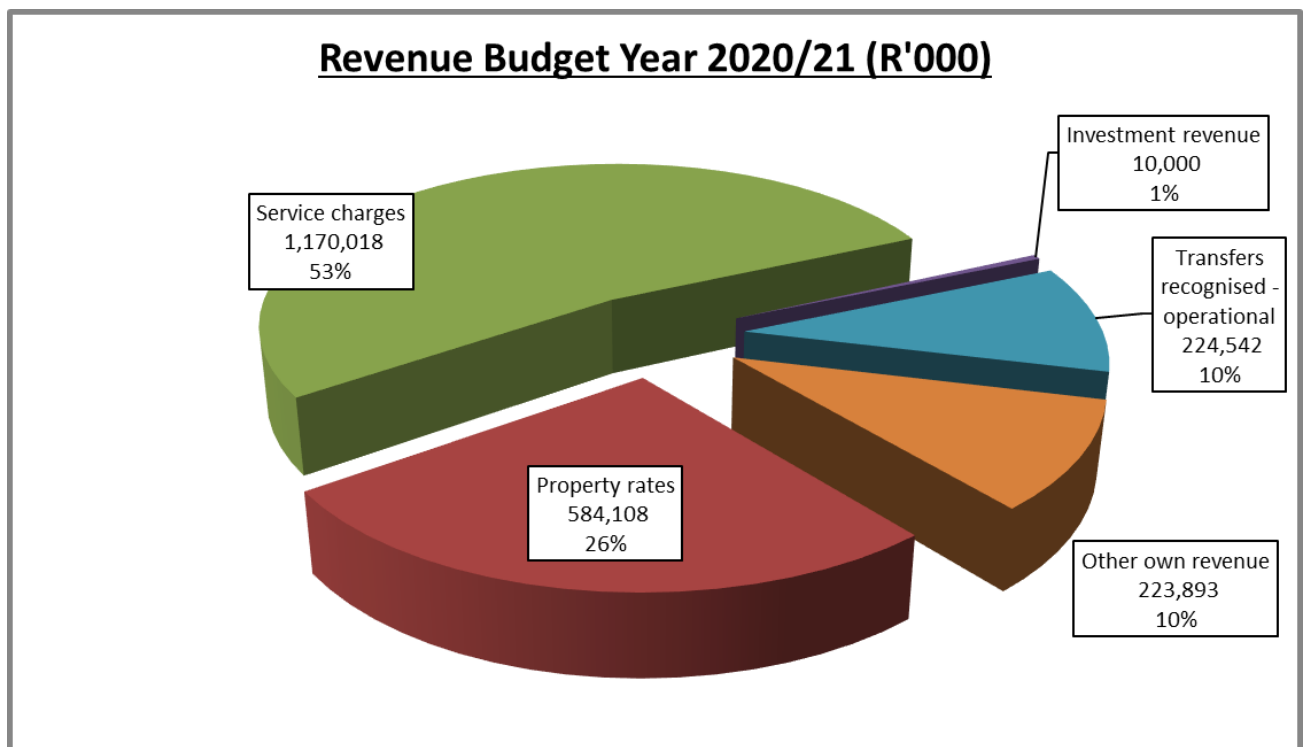
5. Operating Revenue Framework

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

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

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

The pie-chart below represent the percentage weighting of each revenue source against the total revenue estimated for the financial year 2020/21.



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

Revenue by Source

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

The operating revenue framework is informed by the following:

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

The following table is a summary of 2020/21 MTREF classified by revenue source.

NC091 Sol Plaatje - Table A4 Budgeted Financial Performance (revenue and expenditure)				
Description	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<u>Revenue By Source</u>				
Property rates	558,654	584,108	628,700	672,297
Service charges - electricity revenue	701,052	766,232	808,855	869,669
Service charges - water revenue	269,832	278,626	297,205	316,742
Service charges - sanitation revenue	65,866	71,175	74,941	78,301
Service charges - refuse revenue	51,048	53,984	57,827	62,078
Service charges - other				
Rental of facilities and equipment	11,810	12,440	13,186	13,912
Interest earned - external investments	7,500	10,000	13,000	15,000
Interest earned - outstanding debtors	147,940	154,000	154,042	148,815
Dividends received	–	–	–	–
Fines, penalties and forfeits	35,305	33,345	35,346	37,290
Licences and permits	4,764	6,100	6,405	6,757
Agency services	–	–	–	–
Transfers and subsidies	229,959	224,542	239,418	257,397
Other revenue	17,827	18,008	19,074	20,119
Gains on disposal of PPE	–	–	–	–
Total Revenue (excluding capital transfers and contributions)	2,101,557	2,212,561	2,348,000	2,498,378

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

NC091 Sol Plaatje - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description (R thousand)	Current Year 2019/20		2020/21 Medium Term Revenue & Expenditure Framework								
	Adjusted Budget	% Contribution	Budget Year 2020/21	% Contribution	Growth 2019/20 to 2020/21	Budget Year +1 2021/22	% Contribution	Growth 2020/21 to 2021/22	Budget Year +2 2022/23	% Contribution	Growth 2021/22 to 2022/23
Revenue By Source											
Property rates	558,654	27%	584,108	26%	5%	628,700	27%	8%	672,297	27%	7%
Service charges - electricity revenue	701,052	33%	766,232	35%	9%	808,855	34%	6%	869,669	35%	8%
Service charges - water revenue	269,832	13%	278,626	13%	3%	297,205	13%	7%	316,742	13%	7%
Service charges - sanitation revenue	65,866	3%	71,175	3%	8%	74,941	3%	5%	78,301	3%	4%
Service charges - refuse revenue	51,048	2%	53,984	2%	6%	57,827	2%	7%	62,078	2%	7%
Service charges - other											
Rental of facilities and equipment	11,810	1%	12,440	1%	5%	13,186	1%	6%	13,912	1%	5%
Interest earned - external investments	7,500	0%	10,000	0%	33%	13,000	1%	30%	15,000	1%	15%
Interest earned - outstanding debtors	147,940	7%	154,000	7%	4%	154,042	7%	0%	148,815	6%	-3%
Dividends received											
Fines	35,305	2%	33,345	2%	-6%	35,346	2%	6%	37,290	1%	6%
Licences and permits	4,764	0%	6,100	0%	28%	6,405	0%	5%	6,757	0%	5%
Agency services											
Transfers recognised - operational	229,959	11%	224,542	10%	-2%	239,418	10%	7%	257,397	10%	8%
Other revenue	17,827	1%	18,008	1%	1%	19,074	1%	6%	20,119	1%	5%
Gains on disposal of PPE											
Total Revenue (excluding capital transfers and contributions)	2,101,557	100%	2,212,561	100%	5%	2,348,000	100%	6%	2,498,378	100%	6%

The proposed tariff increases in the table below are averages for services. The municipality attempted to reduce tariff increases as close to the projected CPI targets as can be seen that proposed tariffs increase are actually less than the prior financial year.

As per MFMA Circular 99, NT advised on the following

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 thereof pay their bills. Therefore, the sustainability of municipalities depends on how they collect and spend their own revenues. NT reiterated that in terms of Section 74(2) of the Municipal Systems Act, states that tariffs must "reflect the costs reasonably associated with rendering the service. Municipalities to set sound tariffs that will result in credible budgets. Credible budgets, if tariffs are not sound can have a severe impact on financial sustainability and ineffective and inefficient budgets.

Revenue category	2019/20	2020/21	2021/22	2022/23
	Tariffs			
Rates	6.00%	5.50%	7.63%	6.93%
Electricity	11.40%	6.24%	5.56%	7.52%
Water	6.00%	5.50%	6.67%	6.57%
Waste water (Sanitation)	6.50%	5.50%	5.29%	4.48%
Waste management (Refuse removal)	7.50%	5.50%	7.12%	7.35%
Average tariff increases/Municipal CPI	8.36%	5.82%	6.45%	6.57%

Indicated in the table below is the macro-economic forecasts as per MFMA Circular 99 issued by National Treasury.

Macro-economic forecasts	2019/20	2020/21	2021/22	2022/23
CPI Inflation	4.1%	4.5%	4.6%	4.6%
Real GDP Growth	0.3%	0.9%	1.3%	1.6%

Property Rates Revenue

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

NC091 Sol Plaatje - Table A1 Budget Summary									
Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands									
Financial Performance									
Property rates	455,092	492,309	512,886	578,654	558,654	558,654	584,108	628,700	672,297

Property rates amounts to R584,108 million and is mainly influenced by the General Valuation (GV) 2019 outcome, as well as the supplementary valuation roll for 2019/20. The focus is 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 growth of 5% for 2020/21. Indicated in the table below is the rates increases per category. The proposed average increase is 5.5%. The category 'Property used by Organ of State' is not stipulated in the Act and will phased out over the next two years. We needed to correct the Property Rates Policy with the new ratio of 1:4.5 and therefore the proposed amendment. The financial impact for this year will be R10 964 457. This is a serious concern for the municipality and this loss in income unfortunately have to be absorbed by other categories. The proposed cent in the rand tariff for various property categories are as per table SA13a. As can be noted in the table that for all other categories, the real increase is 6.4%.

Property rates tariffs	2019/20	2020/21	% Increase
Residential Property	0.00975	0.01038	6.40%
Vacant Residential Property	0.01463	0.01556	6.40%
Industrial Property	0.03121	0.03320	6.40%
Vacant Industrial	0.03413	0.03632	6.40%
Business and Commercial Property	0.02926	0.03113	6.40%
Vacant Business and Commercial Property	0.03413	0.03632	6.40%
Agricultural Property	0.00244	0.00259	6.40%
Mining Property	0.21454	0.22828	6.40%
Public Service Property	0.04388	0.04669	6.40%
Property Used by Organ of State	0.05851	0.04669	-20.20%
Public Service Infrastructure	0.00000	0.00000	
Public Benefit Activity Property	0.00000	0.00000	
Place of Worship	0.00000	0.00000	
Land Reform Beneficiary	0.00000	0.00000	
Private Open Space	0.00975	0.01038	6.40%
Municipal property used for Municipal Purposes	0.00000	0.00000	
Independent Schools	0.00244	0.00259	6.40%
Solar Farms	0.02926	0.03113	6.40%
Sports Grounds and facilities operated for gain	0.00000	0.00000	
University	0.02926	0.03113	6.40%

Service Charges

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

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

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

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

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

Sale of electricity

On 18 March 2020, the municipality received the draft guidelines from NERSA which informed the tariff increases for 2020/21. The municipality has noted the minimum percentage increase of 6,24%

increase on average for local authorities. CPI for 2020/21 is projected at 4.5% as per MFMA Circular 99 issued by National Treasury.

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

Electricity Tariffs	2019/20	2020/21		
	R-Value (c/Kwh)	R-Value (c/Kwh)	% Increase	R-Value Increase (c/Kwh)
Block 1 (0 - 50 Kwh)	1.6666	1.7706	6.24%	0.1040
Block 2 (51 - 350 Kwh)	2.3255	2.4706	6.24%	0.1451

The municipality estimates that small household monthly consumption of electricity is 300 kWh, medium households are 600 kWh and for large households is +600 kWh. The municipality did not factor in a basic charge, as the community does not agree to it, especially after what transpired during the 2018/19 financial year with the introduction of the R260 basic charge inclusive of VAT.

Sale of water, sanitation and refuse removal

Water is metered and read monthly to determine the consumer bill. A stepped tariff has been in place and it encourages conservation of water. 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. Indicated in the table below are the proposed Water tariffs

Water tariffs	2019/20	2020/21		
	R-Value per kl	R-Value per kl	% Increase	R-Value Increase (p/kl)
Residential (0-6kl)	6.30	6.65	5.50%	0.35
Residential (7-20kl)	26.77	28.24	5.50%	1.47
Residential (21-40kl)	30.13	31.79	5.50%	1.66
Residential (41-60kl)	31.87	33.62	5.50%	1.75
Residential (more than 60kl)	34.05	35.92	5.50%	1.87

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

Waste water (Sanitation) tariffs	2019/20	2020/21		
	Monthly Fixed Rate	Monthly Fixed Rate	% Increase	R-Value Increase (p/m)
	165.24	174.33	5.50%	9.09

Waste management (Refuse removal) tariffs	2019/20	2020/21		
	Monthly Fixed Rate	Monthly Fixed Rate	% Increase	R-Value Increase (p/m)
	117.96	124.45	5.50%	6.49

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. The matter between the municipality and the Department of Safety & Liaison is not fully resolved as the municipality still carries out some of this function.

Income from rental of property

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

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

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

Grants and Subsidies – Operational

The municipality receives Equitable Share (EQS) from the National fiscus gazetted in the DoRA. The EQS is utilised to recover the cost of Free Basic Services (FBS) as well as provision of funding for roads upgrade in informal settlements. On an adhoc basis, EQS also funds the costs of clearing sites for low cost housing development projects as well as relocation costs of informal settlements to formalised areas. The municipality is also participating in skills development programmes of National Treasury in the Finance, Audit and Engineering fields. The Finance Management Grant is utilised to fund the costs to company of all finance 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 2020/21 MTREF. Grants and subsidies made comprises of equitable share in the amount of R205,072 million

for 2020/21, R222,738 million for 2021/2022 and R240,251 million for 2022/2023. Other minor grants and subsidies received are as follows:

	Adjusted Budget 2019/20	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	Year-on- Year Increase (Decrease) Adjusted budget	Year-on- Year Increase (Decrease) from 2021/22	Year-on- Year Increase (Decrease) from 2022/23
Operational Grants (R thousand)							
Local Government Equitable Share	189,151	205,072	222,738	240,251	8.4%	9%	8%
Expanded Public Works Programme	3,608	4,170	–	–	15.6%	-100%	
Local Government Financial Management Grant	1,700	1,700	5,500	6,000	0.0%	224%	9%
Infrastructure Skills Development	4,500	5,000	1,700	1,700	11.1%	-66%	0%
Municipal Systems Improvement Grant		600	1,000	500		67%	-50%
Library Grant	7,800	8,000	8,480	8,946	2.6%	6%	
Khotso Pula Nala	20,000	–	–		-100.0%		
Frances Baard District Municipality	3,200	–			-100.0%		
Total operational grants	229,959	224,542	239,418	257,397	-2.4%	7%	8%

Cost of Free Basic Services and the Social Package

The principle of free basic service for indigent households has since been reviewed and now includes informal settlement areas where communal services are provided rather than standpipes for water as an example. The expansion of the principle has been necessitated by various circumstances including court judgements on invaded land parcels where such dwellers are allowed to occupy until land earmarked for housing development is made available. The situation was exacerbated by the Human Rights Commission which requires that people must be provided with water and sanitation notwithstanding the circumstances that led to the occupation of land. Service provided in these areas are regarded as part of FBS and the cost of providing is included in the budget and is funded from equitable share. As per the Indigent Households Policy, the municipality provides free basic services (FBS) to the qualifying households. The cost of FBS is regarded as revenue forgone and is deducted from the income of the relevant service. Various grants and rebates are allocated to service customers based on their socio-economic circumstances and these are conditional. The funding is provided from the EQS allocation per annum. 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. Further detail relating to FBS are contained in Table A10 of the Budget Statement. 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 12 000

in 2020/21. This is based on the estimated number of applicants as a result of low cost housing development as per the IDP.

Overall impact of tariff increases on households

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

NC091 Sol Plaatje - Supporting Table SA14 Household bills

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21 % incr.	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Rand/cent											
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates		497.72	525.10	556.60	501.01	501.01	501.01	6.4%	533.07	573.74	613.50
Electricity : Basic levy		—	—	—	—	—	—	—	—	—	—
Electricity : Consumption		1,843.70	1,862.57	1,591.45	2,094.95	2,094.95	2,094.95	(7.6%)	1,935.31	2,042.91	2,196.54
Water: Basic levy		—	—	—	—	—	—	—	—	—	—
Water: Consumption		471.84	497.81	527.04	558.69	558.69	558.69	5.5%	589.42	628.73	670.04
Sanitation		108.63	114.61	121.42	129.32	129.32	129.32	5.5%	136.43	143.65	150.08
Refuse removal		77.51	81.77	86.68	92.32	92.32	92.32	6.5%	97.39	104.33	112.00
Other		—	—	—	—	—	—	—	—	—	—
sub-total		2,999.40	3,081.86	2,883.19	3,376.29	3,376.29	3,376.29	(2.5%)	3,291.62	3,493.36	3,742.16
VAT on Services		350.23	360.16	382.90	428.52	428.52	428.52	—	413.78	437.94	469.30
Total large household bill:		3,349.63	3,442.02	3,266.09	3,804.81	3,804.81	3,804.81	(2.6%)	3,705.40	3,931.30	4,211.46
% increase/-decrease			2.8%	(5.1%)	10.5%	9.0%	—		(2.6%)	6.1%	7.1%
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates		352.40	371.79	394.09	354.73	354.73	354.73	6.4%	377.43	406.22	434.38
Electricity : Basic levy		—	—	—	—	—	—	—	—	—	—
Electricity : Consumption		862.67	878.89	646.58	932.15	932.15	932.15	(7.6%)	861.13	909.01	977.37
Water: Basic levy		—	—	—	—	—	—	—	—	—	—
Water: Consumption		372.24	392.77	415.79	440.79	440.79	440.79	5.5%	465.03	496.05	528.64
Sanitation		108.63	114.61	121.42	129.32	129.32	129.32	5.5%	136.43	143.65	150.08
Refuse removal		77.51	81.77	86.68	92.32	92.32	92.32	5.5%	97.39	104.33	112.00
Other		—	—	—	—	—	—	—	—	—	—
sub-total		1,773.45	1,839.83	1,664.56	1,949.31	1,949.31	1,949.31	(0.6%)	1,937.41	2,059.26	2,202.46
VAT on Services		198.95	205.53	224.48	236.09	236.09	236.09	—	234.00	247.96	265.21
Total small household bill:		1,972.40	2,045.36	1,889.04	2,185.40	2,185.40	2,185.40	(0.6%)	2,171.41	2,307.22	2,467.68
% increase/-decrease			3.7%	(7.6%)	6.8%	3.3%	—		(0.6%)	6.3%	7.0%
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates		207.08	218.47	231.58	208.45	208.45	208.45	6.4%	221.79	238.71	255.25
Electricity : Basic levy		—	—	—	—	—	—	—	—	—	—
Electricity : Consumption		432.41	440.54	293.89	499.98	499.98	499.98	(23.0%)	384.91	406.31	436.87
Water: Basic levy		—	—	—	—	—	—	—	—	—	—
Water: Consumption		247.69	261.39	276.65	293.31	293.31	293.31	5.5%	309.44	330.08	351.76
Sanitation		—	—	—	—	—	—	—	—	—	—
Refuse removal		—	—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—	—
sub-total		887.18	920.40	802.12	1,001.74	1,001.74	1,001.74	(8.5%)	916.14	975.10	1,043.88
VAT on Services		95.22	98.27	85.58	102.12	102.12	102.12	—	104.15	110.46	118.29
Total small household bill:		982.40	1,018.67	887.70	1,103.86	1,103.86	1,103.86	(7.6%)	1,020.29	1,085.56	1,162.18
% increase/-decrease			3.7%	(12.9%)	8.4%	24.4%	—		(7.6%)	6.4%	7.1%

Revenue by Functional classification and Municipal vote

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

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

Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Revenue - Functional										
Governance and administration		867,059	997,863	1,004,074	1,074,878	1,068,360	1,068,360	1,030,357	1,094,344	1,161,251
Executive and council		402,153	495,127	463,788	468,192	482,923	482,923	419,951	437,326	459,548
Finance and administration		464,906	502,737	540,286	606,686	585,437	585,437	610,406	657,018	701,704
Internal audit		—	—	—	—	—	—	—	—	—
Community and public safety		44,026	23,615	24,430	25,995	25,995	25,995	27,166	28,798	30,384
Community and social services		30,855	9,900	9,816	11,008	11,008	11,008	11,020	11,681	12,324
Sport and recreation		3,276	3,615	2,987	3,730	3,730	3,730	3,790	4,020	4,242
Public safety		128	253	927	285	285	285	660	700	738
Housing		9,692	9,790	10,613	10,901	10,901	10,901	11,601	12,297	12,973
Health		75	58	87	70	70	70	95	101	106
Economic and environmental services		12,934	25,773	22,638	18,223	21,723	21,723	21,486	22,781	24,047
Planning and development		2,575	4,627	2,690	3,923	3,923	3,923	4,231	4,491	4,751
Road transport		10,359	21,145	19,948	14,300	17,800	17,800	17,255	18,290	19,296
Environmental protection		—	—	—	—	—	—	—	—	—
Trading services		953,435	1,012,086	970,971	1,232,289	1,149,103	1,149,103	1,240,638	1,313,740	1,405,881
Energy sources		594,267	617,638	566,794	777,527	717,052	717,052	781,232	824,755	886,444
Water management		237,761	267,120	270,001	306,392	290,182	290,182	311,226	331,761	353,199
Waste water management		69,578	73,265	77,321	81,517	77,866	77,866	82,175	86,656	90,719
Waste management		51,830	54,064	56,855	66,853	64,003	64,003	66,004	70,569	75,520
Other	4	3,744	14,909	8,776	9,512	8,512	8,512	9,470	9,974	10,523
Total Revenue - Functional	2	1,881,199	2,074,247	2,030,889	2,360,897	2,273,693	2,273,693	2,329,117	2,469,639	2,632,086

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

The table below represents revenue by municipal vote:

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

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
Revenue by Vote	1									
Vote 01 - Executive & Council		—	—	—	—	—	—	—	—	—
Vote 02 - Municipal And General		441,012	495,127	463,788	468,192	482,923	482,923	419,951	437,326	459,548
Vote 03 - Municipal Manager		—	2,037	—	—	—	—	—	—	—
Vote 04 - Corporate Services		5,358	4,553	6,007	10,176	5,677	5,677	6,177	6,748	7,316
Vote 05 - Community Services		89,884	101,492	96,992	101,072	101,722	101,722	105,200	112,054	119,288
Vote 06 - Financial Services		459,318	497,735	533,870	596,060	579,310	579,310	603,759	649,773	693,862
Vote 07 - Strategy Econ Development And Planning		6,640	6,861	5,309	8,860	7,860	7,860	7,796	8,270	8,737
Vote 08 - Infrastructure And Services		878,988	966,442	924,923	1,176,537	1,096,201	1,096,201	1,186,235	1,255,469	1,343,335
Total Revenue by Vote	2	1,881,199	2,074,247	2,030,889	2,360,897	2,273,693	2,273,693	2,329,117	2,469,639	2,632,086

6. Operating Expenditure Framework

The municipality's expenditure for the 2020/21 budget and MTREF is informed by the following:

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

- GRAP standard iGRAP 1 relating to internal consumption and discount on early payment. The decrease in expenditure from the Original budget to the 2020/21 budget can also be contributed to the GRAP changes , already corrected in the Adjusted budget.
- The principles of cost containment and elimination of wasteful expenditure, reprioritisation of spending and attainment of savings.

The following table presents the operational expenditure by type for 2020/21 MTREF.

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

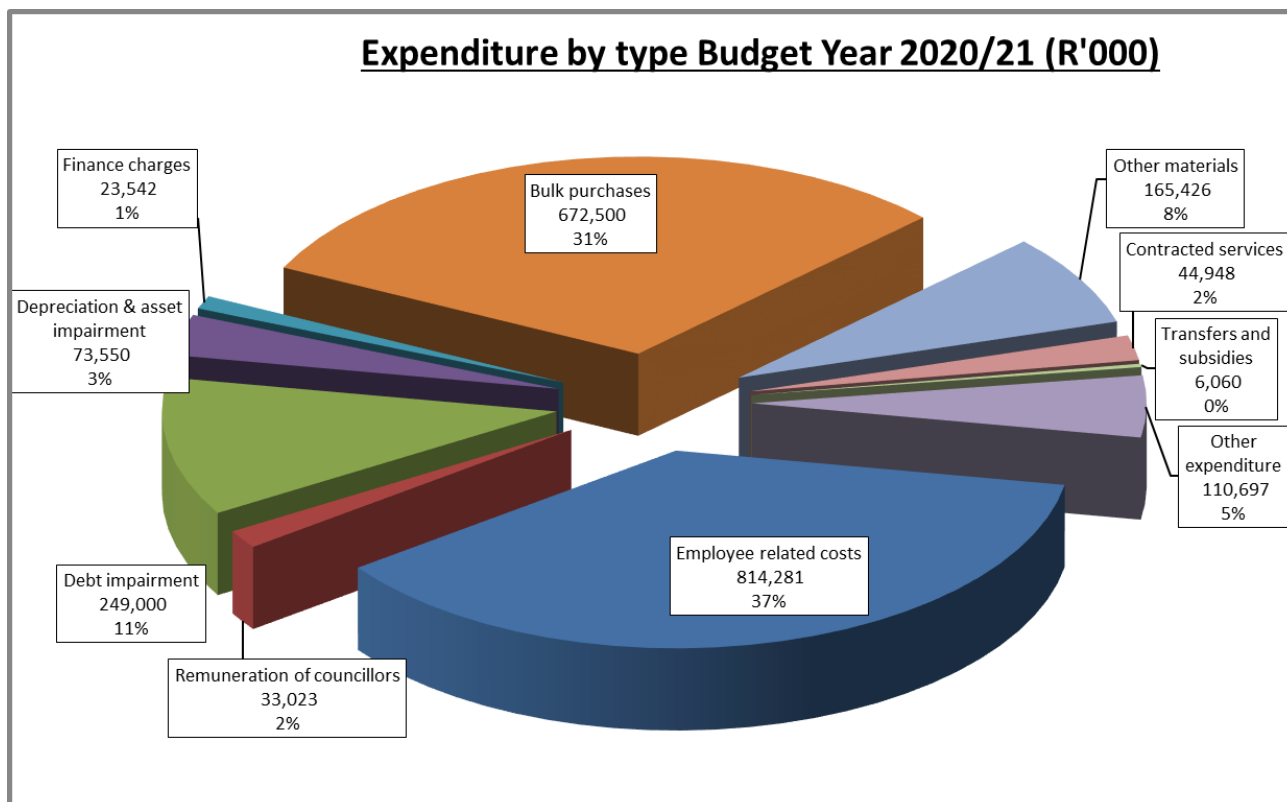
Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1										
Expenditure By Type											
Employee related costs	2	567,317	647,309	688,565	770,966	759,166	759,166	452,439	814,281	868,721	917,868
Remuneration of councillors		25,011	28,409	28,388	31,753	31,753	31,753	19,520	33,023	35,169	37,280
Debt impairment	3	190,195	235,825	205,848	226,000	222,000	222,000	169,513	249,000	264,200	276,816
Depreciation & asset impairment	2	60,291	63,603	61,697	71,600	71,600	71,600	–	73,550	78,738	83,673
Finance charges		27,789	27,213	26,250	24,661	25,161	25,161	12,811	23,542	22,342	20,989
Bulk purchases	2	491,966	501,334	554,438	617,500	631,500	631,500	324,424	672,500	712,750	772,190
Other materials	8	121,748	188,850	159,130	191,225	182,675	182,675	97,077	165,426	173,890	185,590
Contracted services		42,170	53,354	42,342	51,605	43,005	43,005	22,293	44,948	47,553	50,082
Transfers and subsidies		7,984	9,325	3,940	7,670	4,170	4,170	2,133	6,060	6,188	6,414
Other expenditure	4, 5	87,862	94,275	90,235	201,231	120,327	120,327	73,458	110,697	117,715	120,389
Losses		–	2,154	154	–	–	–	–	–	–	–
Total Expenditure		1,622,333	1,851,652	1,860,987	2,194,210	2,091,355	2,091,355	1,173,667	2,193,028	2,327,266	2,471,291

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

Description	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework									
	Original Budget	% Contribution	Adjusted Budget	% Contribution	Budget Year 2020/21	% Contribution	Growth 2019/20 to 2020/21	Growth 2019/20 to 2020/21	Budget Year +1 2021/22	% Contribution	Growth 2020/21 to 2021/22	Budget Year +2 2022/23	% Contribution	Growth 2021/22 to 2022/23
Expenditure By Type														
Employee related costs	770,966	35.1%	759,166	36.3%	814,281	37.1%	5.6%	7.3%	868,721	37.3%	6.7%	917,868	37.1%	5.7%
Remuneration of councillors	31,753	1.4%	31,753	1.5%	33,023	1.5%	4.0%	4.0%	35,169	1.5%	6.5%	37,280	1.5%	6.0%
Debt impairment	226,000	10.3%	222,000	10.6%	249,000	11.4%	10.2%	12.2%	264,200	11.4%	6.1%	276,816	11.2%	4.8%
Depreciation & asset impairment	71,600	3.3%	71,600	3.4%	73,550	3.4%	2.7%	2.7%	78,738	3.4%	7.1%	83,673	3.4%	6.3%
Finance charges	24,661	1.1%	25,161	1.2%	23,542	1.1%	-4.5%	-6.4%	22,342	1.0%	-5.1%	20,989	0.8%	-6.1%
Bulk purchases	617,500	28.1%	631,500	30.2%	672,500	30.7%	8.9%	6.5%	712,750	30.6%	6.0%	772,190	31.2%	8.3%
Other materials	191,225	8.7%	182,675	8.7%	165,426	7.5%	-13.5%	-9.4%	173,890	7.5%	5.1%	185,590	7.5%	6.7%
Contracted services	51,605	2.4%	43,005	2.1%	44,948	2.0%	-12.9%	4.5%	47,553	2.0%	5.8%	50,082	2.0%	5.3%
Transfers and grants	7,670	0.3%	4,170	0.2%	6,060	0.3%	-21.0%	45.3%	6,188	0.3%	2.1%	6,414	0.3%	3.7%
Other expenditure	201,231	9.2%	120,327	5.8%	110,697	5.0%	-45.0%	-8.0%	117,715	5.1%	6.3%	120,389	4.9%	2.3%
Loss on disposal of PPE	-	0.0%	-	0.0%	-	0.0%			-	0.0%		-	0.0%	
Total Expenditure	2,194,210	100.0%	2,091,355	100.0%	2,193,028	100.0%	-0.1%	4.9%	2,327,266	100.0%	6.1%	2,471,291	100.0%	6.2%

The total operating expenditure budget amounts to R2,193,028 billion for 2020/21 financial year. The budget increases by 4.9% when compared to 2019/20 Adjustment budget and decreases by 0.1% when compared to Original budget estimates. The operating expenditure budget is presented by type, by vote and by functional classification as per Schedule A, attached as an annexure to this report, See Table A1, A2, A3 and A4. These are some of major cost drivers than informs the expenditure framework for 2020/21 MTREF.

Indicated in the pie chart below is the weighting per expenditure type for 2020/21 financial year:



The major operational expenditure budget allocations include:

Employee related costs

Employee related costs equates to 37% of the total operating budget. This amounts to R814,281 million. The 2020/21 cost of living increase as per SALGBC wage agreement is 6.25%. This provision includes additional allowances and benefits as per council procedures in this regard. These include the salary packages for the municipal manager and managers reporting directly to the Municipal Manager.

The municipality has a staff establishment with 2 701 positions established, of which 2,018 are filled as at 28 February 2019, thus a vacancy rate of 26%. There are 65 councillors, which includes 33 ward councillors as per the latest demarcations for 2016 Local Government Elections.

Councillor's remuneration

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

Bulk purchases

Bulk purchases of water and electricity with the total budget of R672,500 million. 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 of 6.9% for bulk purchases, whilst the minimum

allowed percentage increase on municipal tariffs is 6.24% and Department of Water and Sanitation was inflationary targeted, as the municipality is still awaiting the guideline from the Department. Costs of bulk constitutes 31% of operating expenditure budget. Increases in the costs of bulk water are normally inflation linked, as such it is expected that bulk water costs shall increase by 4.3% for 2020/21 based on the Adjustment budget. During December 2019 after a consultation with ESKOM, the municipality reduced its Notified Maximum Demand (NMD) from 140,000 to 111,000 kVA, resulting in an annual saving of approximately R11 million for 2020/21 financial year.

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

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
Bulk purchases									
Electricity Bulk Purchases	422,426	420,968	459,678	520,000	526,000	526,000	562,500	591,750	639,090
Water Bulk Purchases	69,541	80,366	94,760	97,500	105,500	105,500	110,000	121,000	133,100
Total bulk purchases	491,966	501,334	554,438	617,500	631,500	631,500	672,500	712,750	772,190

Finance charges

Finance charges consist of repayment of interest on long term borrowing. The amount budgeted for 2020/21 is R23,452 million, equivalent to 1% of the total operating expenditure budget.

Contracted services

Contracted services allocation is R44,948 million. Approximately half of the budget is for budgeted commission on prepaid vending under Outsourced services.

NC091 Sol Plaatje - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'											
Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand											
Contracted services											
Outsourced Services		42,170	33,443	26,657	35,328	26,828	26,828	9,218	29,195	31,043	32,845
Consultants and Professional Services		–	11,133	3,281	6,237	6,237	6,237	4,613	5,788	5,898	6,008
Contractors		–	8,778	12,403	10,040	9,940	9,940	8,463	9,965	10,612	11,230
Total contracted services		42,170	53,354	42,342	51,605	43,005	43,005	22,293	44,948	47,553	50,082

Other materials: Repairs and maintenance

There 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. As such boiler making, fitters and turners as well as mechanic workshops are part of resources of the municipality.

The municipality extracts water from Riverton, South of the City, located at about 35km. There is a purification plant as well as pump station in Riverton. The bulk water distribution line stretches over 45 km from Riverton to Kimberley Water Works where major reservoirs are located. This forms part of critical infrastructure of the municipality.

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

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

The table below indicates appropriation of budget for maintenance purposes.

NC091 Sol Plaatje - Table A9 Asset Management

Description		Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Repairs and Maintenance by Asset Class		3	121,748	188,850	159,130	260,050	249,764	249,764	264,155	283,442	302,795
Roads Infrastructure			18,157	23,897	24,360	42,380	44,078	44,078	44,251	49,896	55,518
Storm water Infrastructure			-	-	-	600	-	-	665	712	758
Electrical Infrastructure			26,099	39,704	23,975	61,400	58,253	58,253	61,259	65,172	69,042
Water Supply Infrastructure			17,471	28,953	11,035	44,662	39,682	39,682	45,002	47,702	50,325
Sanitation Infrastructure			15,137	12,982	13,994	28,074	28,854	28,854	30,824	32,673	34,470
Solid Waste Infrastructure			13,715	20,801	20,818	23,196	23,196	23,196	22,983	24,547	26,096
Rail Infrastructure			-	-	-	-	-	-	-	-	-
Coastal Infrastructure			-	-	-	1,571	70	70	1,703	1,807	1,908
Information and Communication Infrastructure			-	-	-	-	-	-	-	-	-
Infrastructure			90,578	126,337	94,182	201,884	194,134	194,134	206,686	222,507	238,118
Community Facilities			749	6,788	7,973	3,810	2,308	2,308	3,222	3,687	3,891
Sport and Recreation Facilities			390	402	401	440	740	740	770	452	479
Community Assets			1,139	7,190	8,374	4,250	3,048	3,048	3,992	4,139	4,370
Heritage Assets			-	-	-	-	-	-	-	-	-
Revenue Generating			929	124	478	6,880	6,722	6,722	7,289	7,726	8,184
Non-revenue Generating			-	-	-	-	-	-	-	-	-
Investment properties			929	124	478	6,880	6,722	6,722	7,289	7,726	8,184
Operational Buildings			19,395	48,689	50,053	10,953	14,453	14,453	10,489	11,124	11,754
Housing			-	-	-	-	-	-	-	-	-
Other Assets			19,395	48,689	50,053	10,953	14,453	14,453	10,489	11,124	11,754
Biological or Cultivated Assets			-	-	-	-	-	-	-	-	-
Servitudes			-	-	-	-	-	-	-	-	-
Licences and Rights			-	-	-	-	-	-	-	-	-
Intangible Assets			-	-	-	-	-	-	-	-	-
Computer Equipment			-	-	-	-	-	-	-	-	-
Furniture and Office Equipment			3,699	1,377	1,261	1,758	1,726	1,726	1,732	1,837	1,939
Machinery and Equipment			-	-	-	23,378	22,369	22,369	23,251	24,749	26,440
Transport Assets			6,007	5,133	4,782	10,947	7,311	7,311	10,716	11,359	11,990
Land			-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals			-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS			182,038	252,452	220,827	331,650	321,364	321,364	337,705	362,179	386,468
Renewal and upgrading of Existing Assets as % of total capex			65.6%	53.6%	53.0%	54.0%	62.7%	62.7%	63.1%	75.1%	74.0%
Renewal and upgrading of Existing Assets as % of deprecn			130.2%	206.5%	178.6%	138.9%	166.1%	166.1%	120.2%	130.4%	139.5%
R&M as a % of PPE			8.3%	11.8%	9.1%	14.0%	13.4%	13.4%	14.0%	14.7%	15.2%
Renewal and upgrading and R&M as a % of PPE			12.0%	18.0%	14.0%	17.0%	18.0%	18.0%	17.0%	18.0%	19.0%

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

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand											
Repairs and Maintenance	8										
Employee related costs		-			120,789	117,989	117,989	72,482	126,110	133,973	141,891
Other materials		121,748	188,850	159,130	123,092	122,914	122,914	70,554	127,172	137,828	148,503
Contracted Services		-			9,720	3,220	3,220	10	5,630	6,064	6,492
Other Expenditure		-			6,449	5,641	5,641	2,995	5,242	5,576	5,909
Total Repairs and Maintenance Expenditure	9	121,748	188,850	159,130	260,050	249,764	249,764	146,041	264,155	283,442	302,795

Other Expenditure: Operational cost

Operational cost comprises of costs of administration and other costs. These are budgeted for per line item as per the mSCOA Expenditure Segment. Indicated in the table below are the Top 10 operational cost drivers with a budget exceeding R5,000 million per line item. The decrease of 40% can be prescribed to the implication of iGRAP 1 pertaining to Cash discount and internal consumption (municipal services) which is set-off against revenue.

TOP 10 OPERATIONAL COST DRIVERS	Original 2019/20	Adjustment 2019/20	2020/21	2021/22	2022/23
OC: AUDIT COST: EXTERNAL	5,500,000	5,500,000	5,800,000	6,235,000	6,640,275
OC: COMM - PHONE FAX TELEGRAPH & TELEX	5,865,200	6,614,318	5,490,000	5,847,258	6,191,407
OC: INSUR UNDER - PREMIUMS	5,775,000	3,425,000	2,550,000	2,708,995	2,862,131
OC: LEARNERSHIPS & INTERNSHIPS	5,147,151	3,171,951	2,659,507	2,946,403	3,239,269
OC: PROFESSIONAL BODIES M/SHIP & SUBS	7,871,500	7,891,900	8,349,500	8,973,330	9,554,962
OC: SKILLS DEVELOPMENT FUND LEVY	6,600,000	6,600,000	6,900,000	7,417,500	7,899,638
OC: UNIFORM & PROTECTIVE CLOTHING	5,299,600	5,542,600	5,184,800	5,625,886	5,946,707
OC:MUNICIPAL SERVICES/WATER	7,829,365	365,000	130,000	137,800	145,379
OC:MUNICIPAL SERVICES/ELECTRICITY	58,511,000	27,991,000	21,418,000	22,716,655	23,986,498
OC: CASH DISCOUNT	33,000,000	-			
Grand Total	141,398,816	67,101,769	58,481,807	62,608,827	66,466,266
Other expenditure	201,231,233	120,326,568	110,196,930	117,215,288	119,889,109
Total weighting	70%	56%	53%	53%	55%
Year-on-year increase (decrease)		-40%	-8%	6%	2%

Analysis of Expenditure Budget – year on year

Description	Current Year 2019/20		2020/21 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget	% Weighting	Budget Year 2020/21	% Weighting	Budget Year +1 2021/22	% Weighting	Budget Year +2 2022/23	% Weighting
Expenditure By Type								
Employee related costs	759,166	36.3%	814,281	37.1%	868,721	37.3%	917,868	37.1%
Remuneration of councillors	31,753	1.5%	33,023	1.5%	35,169	1.5%	37,280	1.5%
Debt impairment	222,000	10.6%	249,000	11.4%	264,200	11.4%	276,816	11.2%
Depreciation & asset impairment	71,600	3.4%	73,550	3.4%	78,738	3.4%	83,673	3.4%
Finance charges	25,161	1.2%	23,542	1.1%	22,342	1.0%	20,989	0.8%
Bulk purchases	631,500	30.2%	672,500	30.7%	712,750	30.6%	772,190	31.2%
Other materials	182,675	8.7%	165,426	7.5%	173,890	7.5%	185,590	7.5%
Contracted services	43,005	2.1%	44,948	2.0%	47,553	2.0%	50,082	2.0%
Transfers and grants	4,170	0.2%	6,060	0.3%	6,188	0.3%	6,414	0.3%
Other expenditure	120,327	5.8%	110,697	5.0%	117,715	5.1%	120,389	4.9%
Loss on disposal of PPE	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Total Expenditure	2,091,355	100.0%	2,193,028	100.0%	2,327,266	100.0%	2,471,291	100.0%

The above table further indicates the ratio of each expenditure by type against overall expenditure budget. The Employee costs is 37.1% of the total operational budget, whilst Other materials and Contracted services amounts to 7.5% and 2% respectively, and Bulk purchases with a weighting of 30.7%. Operational costs resorting under Other expenditure comprises 5% of the budget.

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 fairly achieved. However, it should be noted that in the Expenditure budget R&M only comprises of Other Materials and excludes employee costs in relation to the maintenance budget, this split is indicated in A9 and SA1

Cost containment strategies

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

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

Sourcing of quotations has been centralised to SCM.

Travel and accommodation: that travelling must be absolutely necessary. Attendance of conferences and seminars that are paid for will be approved by the relevant Executive Director or Municipal Manager, and this must be linked to skills development and capacitation of the individual.

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

The procurement of bottled water, beverages and refreshments have also been stopped and limited to the mayor and speaker's office within reasonable limits. The procurement of diaries was also stopped, but this was a bit too late for the 2019/20 financial but no new additional diaries would have been procured for the current year. Non-procurement of diaries will be continued into the 2020/21 MTREF, with limitations decided upon by the executive management.

The majority of all users have a limit on outgoing calls of fifty rand and each section carries that cost including the rental cost per extension allocated.

The municipality has installed vehicle tracking devices to monitor use and abuse of municipal vehicle. 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 of the asset. For the current year the procurement of furniture has been stopped to address the cash flow issues of the municipality.

Expenditure per function classification and municipal vote

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

Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Expenditure - Functional										
<i>Governance and administration</i>		427,536	606,730	549,423	702,387	637,497	637,497	665,289	704,778	739,542
Executive and council		267,503	401,892	334,156	433,631	381,311	381,311	396,128	419,012	438,276
Finance and administration		155,774	199,643	209,917	262,274	249,704	249,704	262,445	278,647	293,755
Internal audit		4,258	5,194	5,350	6,482	6,482	6,482	6,716	7,119	7,511
<i>Community and public safety</i>		180,983	144,359	154,197	186,430	175,201	175,201	180,462	195,393	205,733
Community and social services		71,698	34,210	36,073	41,179	40,792	40,792	41,708	48,808	51,036
Sport and recreation		41,225	43,402	47,061	59,874	53,994	53,994	56,172	58,971	62,253
Public safety		36,148	33,575	35,366	39,698	39,141	39,141	41,910	44,548	47,007
Housing		17,672	19,515	19,964	27,082	22,782	22,782	22,866	24,237	25,602
Health		14,240	13,658	15,732	18,596	18,492	18,492	17,806	18,829	19,835
<i>Economic and environmental services</i>		98,442	114,119	113,485	132,039	132,964	132,964	135,508	144,058	152,515
Planning and development		39,105	41,528	40,914	47,161	47,161	47,161	46,540	49,395	52,263
Road transport		59,337	72,015	71,954	84,208	85,133	85,133	88,266	93,918	99,467
Environmental protection		-	576	618	670	670	670	702	745	785
<i>Trading services</i>		907,337	965,732	1,023,507	1,147,658	1,121,903	1,121,903	1,187,249	1,257,208	1,346,253
Energy sources		616,512	628,799	644,809	731,755	714,255	714,255	762,833	803,821	863,069
Water management		176,301	224,221	240,218	266,483	268,183	268,183	278,498	298,311	319,000
Waste water management		60,888	58,607	79,071	82,667	72,712	72,712	79,014	83,707	88,464
Waste management		53,636	54,105	59,408	66,753	66,753	66,753	66,904	71,369	75,720
<i>Other</i>	4	8,035	20,711	20,374	25,697	23,791	23,791	24,518	25,828	27,248
Total Expenditure - Functional	3	1,622,333	1,851,652	1,860,987	2,194,210	2,091,355	2,091,355	2,193,028	2,327,266	2,471,291
Surplus/(Deficit) for the year		258,866	222,595	169,902	166,687	182,338	182,338	136,090	142,373	160,795

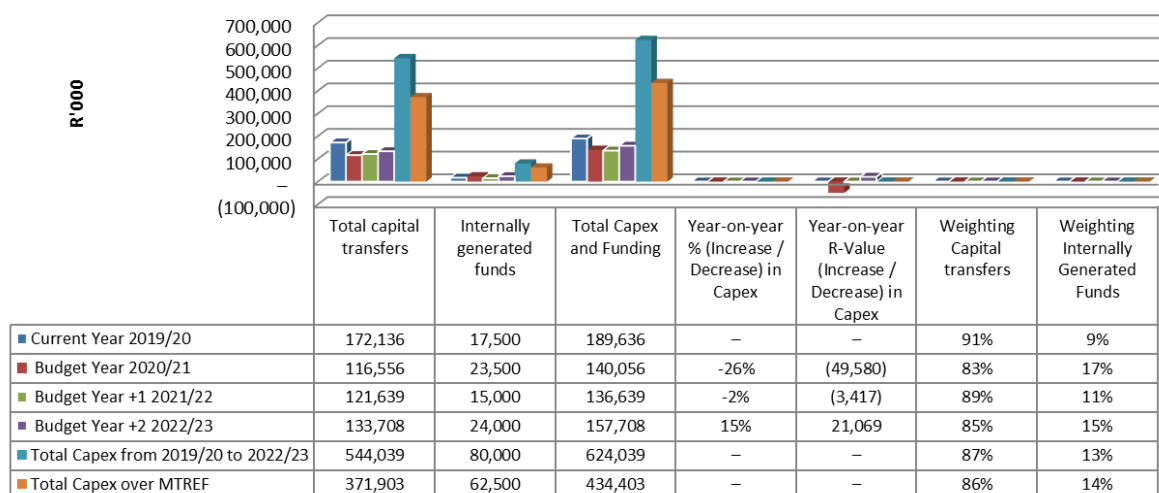
NC091 Sol Plaatje - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
Expenditure by Vote to be appropriated	1									
Vote 01 - Executive & Council		43,422	43,801	46,045	51,241	55,741	55,741	56,511	60,066	63,546
Vote 02 - Municipal And General		207,317	346,308	277,592	370,910	314,090	314,090	327,737	346,351	361,444
Vote 03 - Municipal Manager		16,855	18,576	16,144	23,300	23,300	23,300	24,268	25,724	27,139
Vote 04 - Corporate Services		51,493	56,567	62,302	74,381	69,367	69,367	69,524	73,777	77,908
Vote 05 - Community Services		220,257	227,420	244,132	288,046	280,945	280,945	289,928	311,735	328,867
Vote 06 - Financial Services		106,379	112,282	115,007	144,541	137,791	137,791	149,015	158,218	166,271
Vote 07 - Strategy Econ Development And Planning		49,209	53,124	54,587	60,529	58,622	58,622	57,163	60,637	64,123
Vote 08 - Infrastructure And Services		927,400	993,574	1,045,177	1,181,262	1,151,499	1,151,499	1,218,882	1,290,757	1,381,993
Total Expenditure by Vote	2	1,622,333	1,851,652	1,860,987	2,194,210	2,091,355	2,091,355	2,193,028	2,327,266	2,471,291

7. Capital Expenditure Framework

The capital budget for 2020/21 is R140,056 million funded as per the table below. Capital grants and donations make up 83% of the total funding sources, and internally generated funds contribute 17% to the total capital funding mix. The total projected grant receipts for the 2020/21 MTREF amount to R371,903 million whilst internally generated funds amount to R62,500 million. As a result the total capital expenditure to be spent on property, plant and equipment amount to R434,403 million over the MTREF.

Funding sources and capital expenditure 2020/21 MTREF



Long-term borrowing

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

PART 2: SUPPORTING DOCUMENTATION

8. Overview of IDP and Annual Budget Process

The Sol Plaatje Municipal (SPLM) Council adopted its 5-year Integrated Development Plan for its term of office on 31 May 2017. This is the third 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 2019/20 as well as new information, both internal and external that will have an effect on the further implementation of the IDP. The IDP will also be reviewed in terms of the relevance of its strategic objectives in line with shifts in national and provincial policies and plans.

This is a draft document which is tabled to Council for public consultation and to finalise the IDP Review for submission and adoption by not later than 31 May 2020.

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

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

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

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

Intergovernmental Relations Framework Act, Act 13 of 2006

According to Section 28(1) of the Municipal System Act, 32 of 2000 and Section 21(1)(b), a municipal council must adopt a process set out in writing to guide the planning, drafting and review of its IDP. Council adopted the Process Plan at a meeting held on 20 August 2019 and is attached as Annexure 1 in the IDP review document under Section 5 of the Budget document. The process plan enhances integration and alignment between the IDP and the Budget, thereby ensuring the development of an IDP-based budget.

The Overview of the process and project prioritisation principle

The 2020/21 Financial Year is the fourth 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 2019/20, and the key priorities as set out for 2020/21 and ensure that there is consensus in this regard and that the plan is funded accordingly.

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

Section 21 of the MFMA requires that a time schedule setting out the process to draft the IDP and prepare the budget be tabled ten months before the start of the next financial year. The main aim of the timetable is to ensure integration between the Integrated Development Plan, the budget and allied process towards tabling a balanced and funded budget. The adoption of the 2019/20 Medium Term Budget for the municipality was approved on 31 May 2019 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 2020/21 Medium Term Budget is to comply with the Municipal Finance Management Act (No. 56 of 2003) and is a financial plan to enable the municipality to achieve its vision and mission through the IDP which is informed by the five year programme and community/stakeholder inputs. The tabled budget is the start of a journey towards the final budget for approval. It will include many processes both politically and administratively, amongst others, consultations with communities in the municipal area.

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

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

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

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

Capital budgets as approved per the 2019/20 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 2019/20 year was also considered. The line departments had to specify how the capital projects in their individual

budgets were split among the five key focus areas i.e. social, economic, rehabilitation, environmental and administration. While the overall capital required was significantly more than the capital funding available, it was useful to analyse the difference in allocation between these categories.

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

The Political oversight

Section 53(1) (a) of the MFMA, states that, the Mayor of a municipality must provide political guidance over the budget process and the priorities that must guide the preparation of the budget. The Executive Management Team and the Budget steering and Mayoral Committee advise Council accordingly. Political oversight of the budget process allows Government, and in particular, the municipality to manage the tension between competing policy priorities and fiscal realities. The key to strengthening the link between priorities and spending plans lies in enhancing political oversight of the budget process. Strengthening the link between Government's priorities and spending plans is not an end in itself, but the goal should be enhanced service delivery aimed at improving the quality of life for all people within the municipality. The Executive Management Team has a significant role to play in the financial planning process. The scheduled Budget Steering Committee Meeting unfortunately did not take place due to the COVID-19 Lock Down directive.

Public participation and consultations with stakeholders

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

In order to strengthen public participation, the municipality has been rolling out its outreach programme to all wards led by the office of the Executive Mayor, during the year. Accordingly, electronic tabling of the draft Budget on 31 March 2020 as per National Treasury's directive, 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. The consultative process will be resumed as soon as the Coronavirus lockdown has been lifted by the president. The tabled budget in electronic formats will be submitted to National Treasury and the Northern Cape Provincial Treasury. Hard copies will be placed at all the libraries and the municipal offices, to provide access to the budget to the community who do not have access to the internet. However, this year the public participation will be difficult due to the outbreak of the coronavirus, but the municipality will seek guidance from National Treasury in this regard.

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 2020 in various wards in the municipal area, and with the IDP Representative Forum as established.

Schedule of key deadlines

The IDP Review and the Budget time schedule for the compilation of the 2020/21 budget cycle was approved on 20 August 2019, 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 2020/21 MTREF	20 August 2019	Executive Mayor
In-year reporting	Within 10 working days after the end of the 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 the end each quarter	Executive Mayor/ Chief Financial Officer
Quarterly Performance Reports	30 days after the end each quarter	IDP Manager/ Chief Financial Officer/ Executive Mayor
MFMA Sec 72	24 January 2019 Mid Term Report	Municipal Manager
MFMA Section 121	24 January 2019 Annual Report	Executive Mayor/CFO
Approval of the adjustment budget	25 February 2020	Executive Mayor/CFO
Tabling of the IDP Review, the Annual Budget, Budget related policies and proposed tariff increases	Proposed electronic adoption 31 March 2020	Executive Mayor/MM/ CFO
Approval of Annual Report 2018/2019, and the MPAC Oversight Report	27 March 2020	Chairperson MPAC/ CFO
Public participation	April and May 2020	Executive Mayor/ MM/ CFO
Budget Benchmark Exercise	Proposed date 16 April 2020	MM/CFO and other Senior Managers
Approval of IDP Review, Annual Budget, Policies and Tariffs	Proposed 26 May 2020	Executive Mayor, MM and CFO

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

The municipality's Integrated Development Plan (IDP) is its principal strategic planning instrument, which guides and informs its on-going planning, management and development actions. The IDP represents the city administration's commitment to exercise its executive authority (except in cases where it is in conflict with national or provincial legislation, in which case such legislation prevails),

and is effectively the local government's blueprint by which it strives to realise its vision for Sol Plaatje Municipality over the short, medium and long term.

However, while the IDP represents the strategic intent of the municipality, it is also compiled with the understanding that a number of challenges will need to be overcome in order to achieve the strategic objectives it sets out. Some of these challenges are known, while others are as yet unknown and may arise at any time due to any number of national and international economic, political or social events.

Development challenges

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

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

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

- Inclusive growth
- Spatial transformation
- Governance
- Service provision

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

[IDP Review and Key Amendments](#)

The Municipal Systems Act requires that each municipality prepare an Integrated Development Plan to serve as a tool for transforming local governments towards facilitation and management of development within their areas of jurisdiction. The IDP is a five year plan whose principal purpose is to ensure the development of the local community in an integrated manner which involves all directorates of the municipality, relevant strategic stakeholders and the community. In the five-year review, the key strategic objectives will continue to guide the municipality, but has once again been refined and refocused to our strategic programmes, so as to respond more effectively to the key challenges.

[IDP Review process and stakeholder participation](#)

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

[Link between IDP and Budget](#)

In compliance with the Municipal Structures Act (1998) and Municipal Financial Management Act (2003), our municipal budget is informed and aligned to the IDP objectives. The IDP determines and prioritises the needs of the community. The budgetary allocations for both the capital and operating expenditure are undertaken in a manner that will not only ensure that our IDP outcomes are achieved but also to ensure that our municipality's vision is realised. The 2020/21 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 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	303,395	315,687	325,840	384,247	406,418	424,990	40,500	64,639	77,760
MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	603,759	649,773	693,862	149,015	158,218	166,271			
MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION	6,177	6,748	7,316	93,791	99,501	105,047			
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	1,291,435	1,367,523	1,462,623	1,508,810	1,602,492	1,710,861	99,556	72,000	79,948
LOCAL ECONOMIC DEVELOPMENT	7,796	8,270	8,737	57,163	60,637	64,123			
Total	2,212,561	2,348,000	2,498,378	2,193,028	2,327,266	2,471,291	140,056	136,639	157,708

10. Measurable Performance Objectives and Indicators

Table SA7 provides for the main measurable performance objectives the municipality plans to carry out and achieve in the 2020/21 financial year.

Description	Unit of measurement	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework	
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
1. Local Economic Development							
IDP Strategic Objective Inclusive Growth: To establish a competitive economic position that attracts diverse investments, increases economic growth and creates targeted number of jobs. IDP Strategic Objective Spatial Transformation: To transform the spatial structure of the City towards an equitable, inclusive, efficient and compact form consisting of a series of integrated and well connected economic corridors, nodes and attractive mixed-use/mixed-income sustainable human settlements of varying densities							
1.1 To ensure effective spatial planning and development in order to establish a competitive economic position							
To improve the SCM turnaround time to 12 weeks for annual contracts from the closing date to the date of award by June 2021	Average time in weeks to award the tender	12	12	12	12	12	12
To improve the SCM turnaround time to 6 weeks for once off contracts from the closing date to the date of award by June 2021	Average time in weeks to award the tender	6	6	6	6	6	6
Ensuring a response time of 10 weeks for building plan submissions received in the current financial year for buildings or architectural buildings greater than 500 square metre annually	Average response time in weeks to process building plans	10	10	10	10	10	10
Ensuring a response time of 10 weeks for building plan submissions received in the current financial year for buildings or architectural buildings less than 500 sq m annually	Average response time in weeks to process building plans	6	10	10	10	10	10
To process all category 1 land use applications received until 30 April of the current financial year through MPT (Municipal Planning Tribunal) by 30 June 2021 in terms of the SPLUMA by-law (2015)	Percentage of land use applications processed	100%	100%	100%	100%	100%	100%
To process at least 200 buildings plans that were received before 1 July 2020 by the end of the current financial year (30 June 2021)	Number of building plans processed	100	200	200	200	200	200
1.4 To capacitate SMME's and local entrepreneurs							

Description	Unit of measurement	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework	
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<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>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)							
Create 400 FTE jobs through EPWP initiatives of the SPM by 30 June 2021	Number of jobs created	300	300	300	400	450	500
2. Basic And Sustainable Service delivery and Infrastructure Development							
IDP Strategic Objective Service Provision: To plan for, install, maintain and operate infrastructure, and provide services more efficiently and on a sustainable basis that adequately supports: transformed spatial structure, economic growth objectives universal access to basic services, differentiated service requirements of households and human settlements and economic activity							
2.1 To ensure sustainable delivery of community services (personal including environmental health, library, emergency and traffic services) to all residents of SPM.							
<i>To complete the construction of the Homevale Fire Station by 30 June 2021 (Depending on the approval of the Roll over funding – No CRR Funding available</i>	Percentage completion as per project progress reports	100%	100%	100%	100%		
<i>To achieve at least 70% compliance with the National Disaster Management Tool by 30 June 2021</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 2.5 km of Galeshewe access roads to a paved surface by 30 June 2021 (Wards to be determined)</i>	Distance of km paved	4.5 km	6.7 km	6.7 km	2.5 km	4 km	5.5 km

Description	Unit of measurement	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework	
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
To complete 100% work in the construction of Priority 2, Ph 2A for the upgrading of storm water infrastructure in Galeshewe by 30 June 2021	Percentage completion as per project progress report	100%	60%	60%	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 2021</i>	Percentage of identified fleet items delivered at year end	100%	100%	100%	100%	100%	100%
2.4 To ensure the adequate provision, upgrading and maintenance of electricity services infrastructure							
To complete 100% procurement phase only for the replacement of the 11kV circuit breakers at Herlear Substation by 30 June 2021	Percentage completion of the process as per tender document, appoint letter and minutes	100%	100%	100%	100%	0	0
Complete 50% of the Lerato Park bulk electrification project by 30 June 2021	Percentage completion as per project progress report	100%	100%	100%	50%		
2.5 To ensure the adequate provision, upgrading and maintenance of water and sanitation services infrastructure							
Repair 80% of faulty Electrical and mechanical equipment Emergency repairs at Homevale WWTW by 30 June 2021	Percentage completion as per project progress report	0	0	0	80%	100%	
To complete 100% upgrade of 1.8 km sewer reticulation pipe length in Galeshewe by 30 June 2021	Percentage completion as per project progress report	0	0	0	100%	100%	100%
To complete 100% upgrade of 2 km water reticulation pipe length in Galeshewe by 30 June 2021	Percentage completion as per project progress report	0	0	0	100%	100%	100%
Construction of at least 70% of the new sewer outfall mains for Carters Glen sewer pump station by 30 June 2021	% Completion of the process as per tender document, appointment letter and minutes	10%	10%	10%	70%	100%	100%
Complete the installation of electrical and mechanical components in Lerato Park pump station (Eagle Street and Lerato Park) by 30 June 2021	Percentage completion as per project progress report	0	0	0	100%		

Description	Unit of measurement	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework	
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
To complete 100% work for the bulk sewer infrastructure for the Lerato Park development by 30 June 2021	Percentage completion as per project progress report	100%	50%	50%	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 1500 water meters by 30 June 2021</i>	Number of water meters replaced	2500	2500	2500	1500	1500	1500
To complete the electrification of 675 households by 30 June 2021 (Wards to be determined)	Number of houses connected to electricity network	New	New	New	675	0	0
<i>To replace at least 1500 prepaid electricity meters by 30 June 2021</i>	Number of electricity meters replaced	2500	1550	1550	1550	1550	1550
Decrease electricity losses to 16% by 30 June 2021	Percentage electricity loss	18%	18%	18%	16%	16%	16%
<i>Decrease water losses to 50% by 30 June 2021</i>	Percentage water loss	45%	50%	50%	50%	50%	50%
<i>12 000 Indigent households to receive free basic services (water, electricity, sanitation and waste removal according to national guidelines) by 30 June 2021</i>	Number of indigents per the indigent register	16 800	14 800	14 800	12 000	13 000	15 000
<i>To complete 100% of the reconstruction work of 320 aged sink toilets in Kagisho, Kutlwanong and Phomolong by 30 June 2021</i>	Percentage completion as per project progress reports	100%	10%	10%	100%	100%	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 98% Blue Drop Status on quality compliance is achieved by 30 June 2021	% Compliance of Water Quality	97%	97%	97%	98%	98%	98%
To ensure through effective monitoring that a 60% Green Drop Status on effluent quality compliance is achieved by 30 June 2021	% Compliance of Effluent Quality	90%	60%	60%	60%	60%	60%

Description	Unit of measurement	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework	
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
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 2021 : 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 2021</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 2021</i>	% compliance to the EAP	72%	72%	72%	72%	72%	72%
3.3 To ensure continuous maintenance and replacement of furniture, office and computer equipment and create a secure environment within the municipality							
<i>To ensure that the ICT Strategic Plan vision to connect, collaborate and communicate with employees, council and the community of Kimberley is released by 30 June 2021</i>	Number of ICT Projects successfully completed	100%	100%	100%	100%	100%	100%
3.4 To provide a basis for sustainable municipal performance improvement							
<i>Monitor the implementation of the Integrated Performance Management Policy by conducting at least one review meeting annually</i>	Minutes of meeting conducted. Item on policy review tabled to Council	1	1	1	1	1	1

Description	Unit of measurement	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework	
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<i>Submit quarterly organisational performance reports to the Executive Mayor by the 20th of the month following the end of each Quarter for 2020/21</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 2021</i>	Number of assessments conducted	2	2	2	2	2	2
<i>Submit the final IDP document for adoption to Council by 31 May annually</i>	Tabled IDP for Council adoption	1	1	1	1	1	1
<i>Submit the final SDBIP to the Executive Mayor by 30 June annually</i>	SDBIP approved by Executive Mayor	1	1	1	1	1	1
4. Municipal Financial Viability and Management							
IDP Strategic Objective Governance: To enhance the capacity of the state and its citizens to work together to achieve spatial and social integration. To lead, direct and manage spatial growth of the City robustly, enhance revenue generation and improve operational efficiency.							
4.1 Enhance revenue through leveraging alternate sources of funding and identifying new revenue streams							
<i>Improve revenue enhancement by ensuring a collection rate of 85% after debt write off by 30 June 2021</i>	Collection rate	89.4%	89.4%	89.4%	85%	87%	90%
4.2 Promote sound financial management and financial sustainability of Sol Plaatje Municipality through prudent fiscal management							
<i>To spend at least 85% of the Capital Budget (including VAT) on capital projects identified in the IDP by 30 June 2021</i>	Percentage capital spending	95%	95%	95%	85%	87%	90%
<i>To spend at least 92% of the Operational Budget annually (30 June)</i>	Percentage operational spending	95%	95%	95%	92%	92%	92%
<i>Maintain the debt coverage ratio of at least 2:1 against net assets of the municipality by 30 June 2021</i>	Debt coverage ratio	2.1	2.1	2.1	2.1	2.1	2.1
<i>Reduce net debtor days to 300 days by 30 June 2021</i>	Net debtor days	200	200	200	300	250	200
<i>Maintain the cost coverage ratio of at least 1 month (annually)</i>	Cost coverage ratio	3	3	3	1	2	3

Description	Unit of measurement	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework	
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Ensure that the actual spending on employee related costs does not exceed 37% of the total expenditure by 30 June 2021	Employee cost as a percentage of total operating cost	32%	32%	32%	37%	35%	33%
5. Good Governance and Public Participation							
IDP Strategic Objective Governance: To enhance the capacity of the state and its citizens to work together to achieve spatial and social integration. To lead, direct and manage spatial growth of the City robustly, enhance revenue generation and improve operational efficiency.							
5.1 To ensure an improved audit opinion through compliance with all relevant regulations, continuous assessment of risk and internal controls							
<i>Internal audit to perform an assessment of the internal control environment and other risk areas within the municipality and issue at least 10 internal audit reports to the audit committee during the financial year</i>	Number of internal audit reports completed	10	10	10	10	10	10
<i>To implement an effective and efficient Supply Chain Management System by ensuring that successful appeals is not more than 5% of tenders awarded by 30 June 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 enquiries and issue media statements within 24 hours after an occurrence</i>	Response times after and event has occurred	24h	24h	24h	24h	24h	24h

Performance Management

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

It is further expected that Senior Managers enter into performance contracts with the Divisional Managers (Managers reporting to Senior managers). The performance system 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.

Key financial ratios

Uniform standards and ratios as per MFMA Circular No 71 based on 2020/21 MTREF budget forecast is attached as an annexure to this budget document

Free and subsidised basic services

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

The basic social package is an affirmation of the municipality's commitment to push back the frontiers of poverty by providing a social welfare to those residents who cannot afford to pay, because of adverse social and economic realities. Details relating to free basic services are contained in Table A10.

In reviewing the levels of free basic services for the 2020/21 year, the following factors were taken into consideration: -

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

The estimated cost of the social package (i.e. income foregone) amounts to approximately R 55 million for the 2020/21 budget year. Details of the initiatives proposed to be carried out by the council in this regard are detailed below. The assistance to the qualifying households is regulated by council's budget related policies which are reviewed annually based on modelling the impacts of the

tariffs on all residential properties. The cost of this social package is funded from the equitable share of R205 million provided by National Government.

Description	2020/21 Medium Term Revenue & Expenditure Framework			
	Level of Service	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Budgeted No of Indigents		12,000	13,000	15,000
		R'000	R'000	R'000
Cost of Free Basic Services provided (R'000)				
Refuse (removed once a week) (Flat Rate)	The service shall be fully subsidised	13,200	13,992	14,762
Sanitation (free sanitation service) (Flat Rate)	The service shall be fully subsidised	21,867	23,289	24,686
Water (6 kilolitres per household per month)	The first 6kl of water is free to all registered and approved indigent households	8,125	8,613	9,086
Electricity/other energy (50kwh per household per month)	50 units of electricity is free to all registered and approved indigent households	12,000	12,720	13,420
Total cost of FBS provided (minimum social package)		55,192	58,613	61,953

11. Overview of budget related policies

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

List of Budget related policies	Comment
Policy Asset Management	1
Policy Cash Management & Investment	1 and 2
Policy Customer Services Credit Control Debt Collection	1
Policy Indigent	1
Policy Internal Audit	1
Policy Property Rates	1
Policy Risk Management	1
Policy Supply Chain Management	1 and 2
Tariff Policy on Property Rates	1 and 2
Tariff Policy on Electricity	1
Tariff Policy on Water	1
Tariff Policy on Sanitation	1
Tariff Policy on Refuse Removal/Solid Waste	1
Policy Debt Write-off	1
Policy Regarding Audit Committees	1
Disposal of Moveable Assets Policy	1
Policy Borrowing	1
Policy irregular, fruitless and wasteful expenditure	1 and 2
Budget Implementation and Management Policy (Budget policy)	1
Funding and Reserves policy	1
Policy Short and Long term borrowing	1
Financial Management and Revenue Enhancement Strategy policy	1
Policy related to long-term financial planning	1
Consumer Deposit Policy	1
Free Basic Services Policy	1
Sol Plaatje Materiality and Significance Framework	1
Contracts Policy	1 and 2
SSEG PV Policy	1
Bulk Infrastructure Contribution Policy	1
Water Restrictions Policy	1
Infrastructure investment and capital projects policy (included in Budget policy)	1
Comment	
1 - Website: http://www.solplaatje.org.za/CityManagement/Policies/Pages/default.aspx	
1 and 2 - Policy to be approved with budget process 2020/21	

Municipal property rates policy

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

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

The category 'Property used by Organ of State' is not stipulated in the Act and will phased out over the next two years. We needed to correct the Property Rates Policy with the new ratio of 1:4.5 and therefore the proposed amendment. The financial impact for this year will be R10 964 456.51.

Category - Government (excluding PSP)

Rates/year 2019/2020 - R54 279 487.67

Rates/year 2020/2021 - R43 315 031.16

Difference – R10 964 456.51

Unauthorised, irregular, fruitless and wasteful expenditure policy

The objective of this Policy is to provide:

- (a) A regulatory framework on the procedures to be followed when dealing with unauthorised, irregular and fruitless and wasteful expenditure;
- (b) The disclosure of unauthorised, irregular and fruitless and wasteful expenditure in the Annual Financial Statements (AFS)
- (c) Prevent and curb unauthorised, irregular, fruitless and wasteful expenditure;
- (d) Identify and investigate unauthorised, irregular, fruitless and wasteful expenditure;
- (e) Respond appropriately in accordance with the law; and
- (f) To address instances of unauthorised, irregular, fruitless and wasteful expenditure conclusively.
- (g) To improve accountability and consequence management
- (h) To inform officials of the consequences of not complying with the relevant regulatory and legislative requirements

The incurrence of especially Irregular expenditure has increased exponentially over all spheres of government over the last couple of years. Lack of accountability and consequence management can be regarded as the biggest contributors. This is also reiterated in the Media release of Auditor-General on 26 June 2019 which flags lack of accountability as the major cause of poor local government audit results. As per the Mid-year budget assessment, the municipality was required to submit an action plan or strategy on how it plans to address, prevent and curb unauthorised, irregular and fruitless and wasteful (UIF&W) expenditure. The municipality submitted this action plan timeously on the 28 February 2020. To this end UIF&W expenditure is also addressed in the audit action plan of the municipality. During April or May 2020, the municipality will arrange a workshop with all executive directors, line managers and users to sensitise employees on the serious implications of UIF&W expenditure.

Contracts policy

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. The policy was reviewed in consultation with Provincial Treasury to strengthen the policy.

Supply chain management policy

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

Cash management and investment policy

This policy was reviewed to fully incorporate and adequately address the Municipal Investment Regulations. The primary aim is to ensure the preservation and safety of investments. The need for investment diversification and the liquidity needs of the municipality.

12. Overview of budget assumptions

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

Interest rates, information, grants gazetted and the collection rate form the basis of the budget 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 (inflation and 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 NERSA regulates electricity tariff increases. Various government departments also affect municipal service delivery through the level of grants and subsidies.

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

Macro-economic performance and projections 2021 to 2023:

Macro-economic forecasts	2019/20	2020/21	2021/22	2022/23
CPI Projections	4.3%	4.9%	4.8%	4.8%
GDP Growth Targets	0.3%	0.9%	1.3%	1.6%

Borrowing and investment of funds borrowings

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

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

Capital expenditure

The capital expenditure of the municipality has been funded from a mix of government transfers and internally generated funds only. The 2020/21 Capital Budget of R140,056 million is being financed by R116,556 million from government grants and R23,500 million from internally generated funds.

Investments

Investments made with the various financial institutions are strictly in compliance with Municipal Finance Management Act and the Municipal Investment Regulations. The investment returns achieved and projections are as follows: that for 2019/20 financial year, the average interest rate for all investments was 6,2% and the projected interest rate for 2020/21 is 5%

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 R210 million at the end of the current financial year. Tables SA15 and SA16 provide details of investments and investments particular by maturity.

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. The municipality's current collection rate is not at desired level, however the projected collection rate is estimated at 82% in line with the recommendation from National Treasury during the Adjustment budget for 2019/20.

Average salary increases

The budgeted salary increase is 6.25% for the fiscal year. This takes into account the Circular No 02/2020 from the South African Local Government Bargaining Council which stipulates that salary increases for the period 1 July 2020 to 30 June 2021 must be 6.25% as per the Salary and Wage collective agreement dated 15 August 2018. Provision has been made for actual positions and vacancies together with annual notch increases.

Ability of the municipality to spend and deliver on the programmes

It is estimated that a spending rate of at least 92 per cent is achieved on operating expenditure and 85 per cent on the capital programme for the 2020/21 MTREF of which performance has been factored into the cash flow budget. However, the municipality is conservative when preparing cash outflows in that expenditure is normally factored in at 100% which is the prudent case scenario.

13. Overview of budget funding

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

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

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

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

The municipality raises revenue from a basket of differential tariff increases determined in the most acceptable and equitable funding regime taking into consideration the actual cost of delivering services, budget priorities and national legislation, regulations and policy guidelines. The municipal revenue comprises of operating revenue which includes property taxes, services charges and operating grants- and capital revenue which consists of capital grants, borrowings, cash reserves and operating surplus.

This high level of independent and relative stable income sources of revenue is one of the key factors that support the sound financial position of the municipality. In addition to the obvious need to grow the city's revenue by increasing its tax base, other means for securing funding for council projects must be explored in a variety of ways. The municipality faces unpleasant choices in attempting to finance the projected levels of investment in infrastructure. Sources of capital finance are already

stretched with limited scope for further borrowing, consumer pressure to restrict tariff and tax increases, and little likelihood of a structural upward adjustment in grant allocations. Further, efficiencies in the borrowing programme will continue to be sought to lock in lower cost and longer term borrowing, plus the introduction of new revenue sources such as infrastructure contribution and charges.

Revenue and financing activities

Summary of Revenues and Financing Activities	Current Year 2019/20		Budget Year 2020/21		Budget Year +1 2021/22		Budget Year +2 2022/23	
	R'000	% Weighting	R'000	% Weighting	R'000	% Weighting	R'000	% Weighting
Own Generated Funds	1,871,598	81.69%	1,988,019	84.50%	2,108,582	84.86%	2,240,981	84.37%
Transfer recognised - Operational	229,959	10.04%	224,542	9.54%	239,418	9.64%	257,397	9.69%
Total Operational Revenue	2,101,557	91.72%	2,212,561	94.05%	2,348,000	94.50%	2,498,378	94.06%
Transfer recognised - Capital	172,136	7.51%	116,556	4.95%	121,639	4.90%	133,708	5.03%
Borrowing	–	0.00%	–	0.00%	–	0.00%	–	0.00%
Internally generated funds	17,500	0.76%	23,500	1.00%	15,000	0.60%	24,000	0.90%
Total Capital Budget	189,636	8.28%	140,056	5.95%	136,639	5.50%	157,708	5.94%
Total Revenue and Financing	2,291,193	100.00%	2,352,617	100.00%	2,484,639	100.00%	2,656,086	100.00%
Total Grants & Subsidies	402,095	17.55%	341,098	14.50%	361,057	14.53%	391,105	14.72%

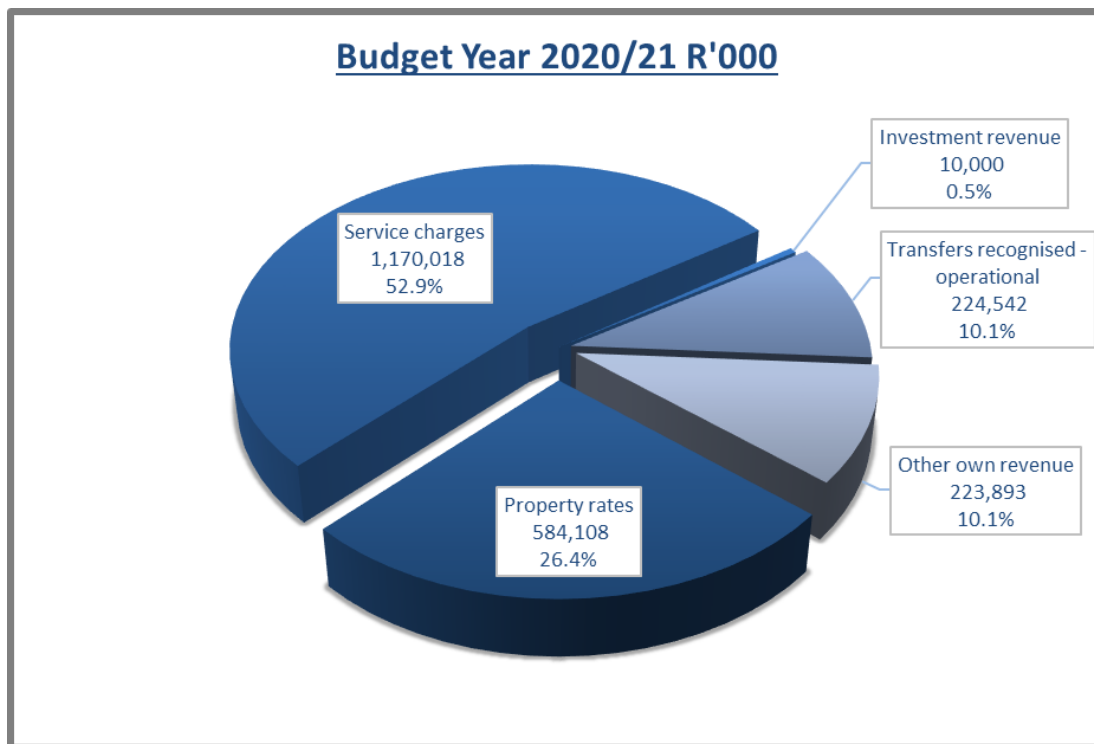
Indicated in the table above is a summary of the revenue and financing activities. For 2020/21 financial year Own generated funds constitutes 84.5% of the total funding requirement. Transfer recognised – Operational and Transfer recognised – capital contributes 9.54% and 4.95% to the total funding mix, respectively. Internally generated funds only contributes 1%, to the total financing activities. Totals grants and subsidies amounts to R341,098 million for the 2020/21 financial year which combines relates to 14.50%.

Medium-term outlook: operating revenue

Description (R'000)	2020/21 Medium Term Revenue & Expenditure Framework					
	Budget Year 2020/21	% Contribution	Budget Year +1 2021/22	% Contribution	Budget Year +2 2022/23	% Contribution
Financial Performance						
Property rates	584,108	26.4%	628,700	26.8%	672,297	26.9%
Service charges	1,170,018	52.9%	1,238,828	52.8%	1,326,790	53.1%
Investment revenue	10,000	0.5%	13,000	0.6%	15,000	0.6%
Transfers recognised - operational	224,542	10.1%	239,418	10.2%	257,397	10.3%
Other own revenue	223,893	10.1%	228,053	9.7%	226,893	9.1%
Total Revenue (excluding capital transfers and contributions)	2,212,561	100%	2,348,000	100%	2,498,378	100%

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

The following graph is a breakdown of the operational revenue per main category for the 2020/21 financial year.



Revenue to be generated from property rates is R584,108 million in the 2020/21 financial year and increases to R672,297 million by 2022/23 which represents 26% of the operating revenue base of the municipality. It remains relatively constant over the medium-term. With the implementation of the Municipal Property Rates Act the basis of rating significantly changed. The major concern however is the phasing out of the category 'Property used by Organ of State' is not stipulated in the Act.

The municipality is still in a process of further data verification and validation relating to the valuation roll. In addition there are still outstanding objections, although significant progress was made in dealing with these objections in the 2010/11 financial year. Annually, the municipality finalises the supplementary valuation process and is normally undertaken in the 2nd quarter of the financial year.

Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the revenue basket of the municipality totalling R1,170,018 billion for the 2020/21 financial year and increasing to R1,326,790 billion by 2022/23. Services charges remains relatively constant at 53% of the total revenue base.

Operational grants and subsidies amount to R224,542 million, R239,418 million and R257,397 million for each of the respective financial years of the MTREF, or on average 10% of operating revenue. It can be seen from an operational perspective the municipality is less grant dependent when compared to capital grant dependency.

Investment revenue contributes marginally to the revenue base of the municipality with a budget allocation of R10,000 million, R13,000 million and R15,000 million for the respective three financial years of the 2020/21 MTREF. It needs to be noted that these allocations have been conservatively estimated and as part of the cash backing of reserves and provisions. Over the last financial years the municipality's cash reserves were depleted and the municipality is working on restoring a healthy cost coverage ratio of 3 months.

Tariff setting plays a major role in ensuring desired levels of revenue and affordability of consumers. Getting tariffs right assists in the compilation of a credible and funded budget. The municipality

derives most of its operational revenue from the provision of basic services such as water, electricity, sanitation and solid waste removal. Property rates, operating and capital grants from organs of state and other minor charges (such as building plan fees, licenses and permits etc).

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

- Growth in the city and economic development;
- Affordability by the municipality's consumers
- Revenue management and enhancement;
- Achievement of an ideal 95 per cent annual collection rate for consumer revenue;
- National Treasury budget circulars;
- Electricity tariff increases within the National Electricity Regulator of South Africa (NERSA) approval;
- Achievement of full cost recovery of specific user charges;
- Determining tariff escalation rate by establishing/calculating revenue requirements;
- The Property Rates Policy in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA), and
- And the ability to extend new services and obtain cost recovery levels.

The above principles guide the annual increase in the tariffs charged to the consumers and the ratepayers which is closely aligned to the economic forecasts. The average tariff increases is 1% above the guideline of 4.5%, however the municipality could lower tariffs any further which is based on the principle that tariffs must be cost reflective and sustainable.

The proposed tariff increases for the 2020/21 MTREF on the main revenue categories are:

Revenue category	2019/20	2020/21	2021/22	2022/23	2019/20	2020/21	2021/22	2022/23
	Tariffs				Total Budgeted revenue (R'000)			
Rates	6.00%	5.50%	7.63%	6.93%	558,654	584,108	628,700	672,297
Electricity	11.40%	6.24%	5.56%	7.52%	701,052	766,232	808,855	869,669
Water	6.00%	5.50%	6.67%	6.57%	269,832	278,626	297,205	316,742
Waste water (Sanitation)	6.50%	5.50%	5.29%	4.48%	65,866	71,175	74,941	78,301
Waste management (Refuse removal)	7.50%	5.50%	7.12%	7.35%	51,048	53,984	57,827	62,078
Average tariff increases/Municipal CPI	8.36%	5.82%	6.45%	6.57%	1,646,453	1,754,126	1,867,528	1,999,088

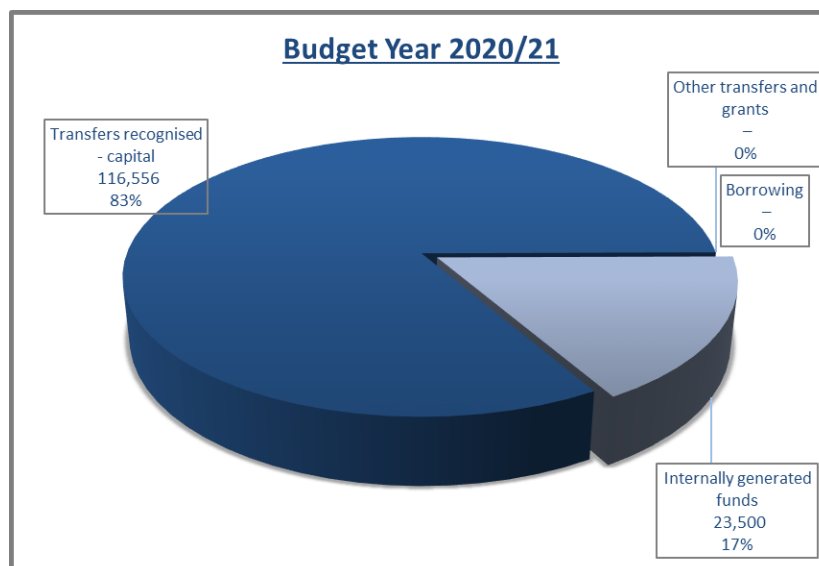
Medium-term outlook: capital revenue

The following table is a breakdown of the funding composition of the 2020/21 medium-term capital programme and year-on-year increase or decrease in grant funding.

Sources of capital revenue over the MTREF

Capex MTREF 2020/21	Current Year 2019/20	% Weighting	Budget Year 2020/21	% Weighting	Budget Year +1 2021/22	% Weighting	Budget Year +2 2022/23	% Weighting
Transfers recognised - capital	172,136	91%	116,556	83%	121,639	89%	133,708	85%
Other transfers and grants	—	0%	—	0%	—	0%	—	0%
Borrowing	—	0%	—	0%	—	0%	—	0%
Internally generated funds	17,500	9%	23,500	17%	15,000	11%	24,000	15%
Total Capital Funding	189,636	100%	140,056	100%	136,639	100%	157,708	100%
Capital Grants (R thousand)	Adjusted Budget 2019/20	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	Year-on-Year Increase (Decrease) from 2019/20 to 2020/21	Year-on-Year Increase (Decrease) from 2020/21 to 2021/22	Year-on-Year Increase (Decrease) from 2021/22 to 2022/23	Total capital grants over the MTREF
Integrated National Electrification Programme (INEP)	24,498	19,658	23,000	21,000	-19.8%	17%	-9%	63,658
Integrated Urban Development Grant (IUDG)	53,039	50,955	53,639	56,689	-3.9%	5%	6%	161,283
Neighbourhood Development Partnership Grant (NDPG)	78,299	20,000	30,000	30,071	-74.5%	50%	0%	80,071
Water Services Infrastructure Grant (WSIG)	14,300	25,943	15,000	25,948	81.4%	-42%	73%	66,891
Frances Baard District Municipality (FBDM)	2,000	—	—	—	-100.0%			—
Total capital grants	172,136	116,556	121,639	133,708	-32.3%	4%	10%	371,903

The above table is graphically represented as follows for the 2020/21 financial year.



Sources of capital revenue for the 2020/21 financial year

Capital grants and receipts equates to 83% of the total funding source which represents R116,556 million for the 2020/21 financial year and increases to R133,708 million by 2022/23. Grants decreases by 32% for 2020/21 when compared to the Adjustment budget of 2019/20. This is as a result of a substantial decrease in INEP and NDPG of 20% and 75%, respectively. Grant performance and planning must improve as reiterated by National Treasury. Thereafter, grants increase by 4% for 2021/22 and 10% for 2022/23.

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

MBRR Table A7 - Budget cash flow statement

NC091 Sol Plaatje - Table A7 Budgeted Cash Flows

Description		Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates			347,392	368,027	405,607	543,035	463,683	463,683	485,978	539,229	583,502
Service charges			656,696	664,706	611,325	1,102,051	949,608	949,608	974,127	1,073,137	1,150,327
Other revenue			65,893	68,143	71,278	68,525	48,501	48,501	69,893	74,011	78,078
Transfers and Subsidies - Operational		1	165,337	172,480	192,110	230,509	229,959	229,959	224,542	239,418	257,397
Transfers and Subsidies - Capital		1	89,523	204,933	197,254	157,285	172,136	172,136	116,556	121,639	133,708
Interest			151,654	193,494	151,431	52,244	155,440	155,440	164,000	167,042	163,815
Dividends									-	-	-
Payments											
Suppliers and employees			(1,326,369)	(1,501,491)	(1,440,343)	(1,844,156)	(1,707,483)	(1,707,483)	(1,797,976)	(1,909,682)	(2,034,284)
Finance charges			(27,789)	(27,213)	(26,250)	(24,661)	(25,161)	(25,161)	(23,542)	(22,342)	(20,989)
Transfers and Grants		1	(7,984)	(9,325)	(3,940)	(7,670)	(4,170)	(4,170)	(6,060)	(6,188)	(6,414)
NET CASH FROM/(USED) OPERATING ACTIVITIES			114,354	133,754	158,470	277,161	282,512	282,512	207,518	276,266	305,140
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE			-	2,357					-	-	-
Decrease (increase) in non-current receivables									-	-	-
Decrease (increase) in non-current investments			-	-	-	-	-	-	-	-	-
Payments											
Capital assets			(119,691)	(244,839)	(207,827)	(184,285)	(189,636)	(189,636)	(140,056)	(136,639)	(157,708)
NET CASH FROM/(USED) INVESTING ACTIVITIES			(119,691)	(242,482)	(207,827)	(184,285)	(189,636)	(189,636)	(140,056)	(136,639)	(157,708)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans					-				-	-	-
Borrowing long term/refinancing			-	6,480	(2,604)				-	-	-
Increase (decrease) in consumer deposits			-	-	-	3,202	3,202	3,202	-	-	-
Payments											
Repayment of borrowing			(8,204)	(8,247)	(9,260)	(9,251)	(9,251)	(9,251)	(9,534)	(10,734)	(12,087)
NET CASH FROM/(USED) FINANCING ACTIVITIES			(8,204)	(1,767)	(11,864)	(6,049)	(6,049)	(6,049)	(9,534)	(10,734)	(12,087)
NET INCREASE/ (DECREASE) IN CASH HELD			(13,540)	(110,495)	(61,221)	86,827	86,827	86,827	57,928	128,893	135,345
Cash/cash equivalents at the year begin:		2	259,276	245,735	135,240	115,263	115,263	115,263	65,814	123,742	252,635
Cash/cash equivalents at the year end:		2	245,735	135,240	74,019	202,090	202,090	202,090	123,742	252,635	387,980

The above table shows that cash and cash equivalents of the municipality declined significantly between the 2016/17 and 2018/19 financial year moving from a positive cash balance of R123,742 million to R387,980 million over the 2020/21 MTREF. From 2018/19 the municipality has implemented various cost saving measures and this has been ongoing for 2019/20 financial year. The Debt collection and credit control policy is adhered to and cash is monitored on a daily basis. Various engagements have been held with provincial departments to resolve the outstanding debt owed by Organs of state. Indicated in the table below is the funding measurements as per supporting table SA10.

NC091 Sol Plaatje Supporting Table SA10 Funding measurement

NC051: S01: Page 6 Supporting Table S010 Funding measurement												
Description	MFMA section	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	245,735	135,240	74,019	202,090	202,090	202,090	–	123,742	252,635	387,980
Cash + investments at the yr end less applications - R'000	18(1)b	2	698,097	669,727	744,827	1,128,082	1,009,863	1,009,863	(308,973)	996,328	1,161,404	1,290,304
Cash year end/monthly employee/supplier payments	18(1)b	3	2.1	1.0	0.5	1.3	1.3	1.3	–	0.8	1.5	2.1
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	258,866	222,595	169,902	166,687	182,338	182,338	257,353	136,090	142,373	160,795
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	(4.3%)	(6.9%)	17.5%	(12.0%)	(6.0%)	(36.7%)	0.5%	0.5%	1.0%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	66.8%	65.8%	66.7%	87.5%	78.4%	78.4%	0.0%	77.3%	80.5%	81.4%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	13.5%	16.5%	14.5%	12.9%	13.5%	13.5%	14.9%	14.2%	14.1%	13.8%
Capital payments % of capital expenditure	18(1)c,(19)	8	100.0%	100.0%	100.0%	100.0%	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%	16.2%	(8.5%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								100.0%	100.0%	100.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	21.4%	10.5%	(4.5%)	0.7%	0.0%	20.0%	23.9%	0.6%	(0.1%)
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	31.5%	267.9%	(78.6%)	0.0%	0.0%	(100.0%)	379.8%	(0.7%)	(3.1%)
R&M % of Property Plant & Equipment	20(1)(vi)	13	8.3%	11.8%	9.1%	14.0%	13.4%	13.4%	14.5%	14.0%	14.7%	15.2%
Asset renewal % of capital budget	20(1)(vi)	14	65.6%	53.6%	53.0%	12.5%	9.1%	9.1%	0.0%	37.8%	42.4%	43.1%
High Level Outcome of Funding Compliance												
Total Operating Revenue			1,791,676	1,864,753	1,833,635	2,203,612	2,101,557	2,101,557	1,431,020	2,212,561	2,348,000	2,498,378
Total Operating Expenditure			1,622,333	1,851,652	1,860,987	2,194,210	2,091,355	2,091,355	1,173,667	2,193,028	2,327,266	2,471,291
Surplus/(Deficit) Budgeted Operating Statement			169,344	13,101	(27,352)	9,402	10,202	10,202	257,353	19,534	20,734	27,087
Surplus/(Deficit) Considering Reserves and Cash Backing			698,097	669,727	744,827	1,128,082	1,009,863	1,009,863	(308,973)	996,328	1,161,404	1,290,304
MTREF Funded (1) / Unfunded (0)		15	1	1	1	1	1	1	0	1	1	1
MTREF Funded ✓ / Unfunded ✗		15	✓	✓	✓	✓	✓	✓	✗	✓	✓	✓

The budgeted cash/cash equivalents are positive and increasing over the MTREF. The Cost coverage ratio is low for 2020/21 but increasing gradually year-on-year. This can be improved significantly if the budgeted collection can be higher than anticipated. This will also positively influence the Provision for bad debt, especially if long outstanding debt can be collected. There is a dire need for the municipality to conduct a comprehensive investigation into its debtor's book, to ensure that irrecoverable or untraceable debt is written off as recommended by NT. NT also reiterated that the municipality must improve its capital funding mix. However with current cash constraints this is not achievable. The municipality from a capital perspective has always been grant dependent, prior to the cash flow challenges, the municipality has year-on-year increased its own contribution to the capital expenditure, this also partly why the municipality is in this predicament. However, at the forefront has always been to promote growth, service delivery and therefore the increased contribution from internally generated funds.

14. Expenditure on allocations and grant programmes

Indicated in the table below is the summary of the grant expenditure as per supporting table SA19.

NC091 Sol Plaatje - Supporting Table SA19 Expenditure on transfers and grant programme			
Description	2020/21 Medium Term Revenue & Expenditure Framework		
	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand			
EXPENDITURE:			
<u>Operating expenditure of Transfers and Grants</u>			
National Government:	216,542	230,938	248,451
Local Government Equitable Share	205,072	222,738	240,251
Expanded Public Works Programme Integrated Grant	4,170	–	–
Infrastructure Skills Development Grant	5,000	5,500	6,000
Local Government Financial Management Grant	1,700	1,700	1,700
Municipal Systems Improvement Grant	600	1,000	500
Provincial Government:	8,000	8,480	8,946
Libraries; Archives and Museums	8,000	8,480	8,946
District Municipality:	–	–	–
<i>Frances Baard District Municipality</i>	–	–	–
Other grant providers:	–	–	–
<i>MIG ops</i>			
<i>Other grant providers</i>			
Total operating expenditure of Transfers and Grants:	224,542	239,418	257,397
<u>Capital expenditure of Transfers and Grants</u>			
National Government:	116,556	121,639	133,708
EEDSM Energy Efficiency Demand Side Mngment	19,658	23,000	21,000
Integrated National Electrification Programme Grant	50,955	53,639	56,689
Municipal Infrastructure Grant	–	–	–
DWS ACIP Funding	20,000	30,000	30,071
Neighbourhood Development Partnership Grant	–	–	–
Regional Bulk Infrastructure Grant	25,943	15,000	25,948
Water Services Infrastructure Grant	–	–	–
Provincial Government:	–	–	–
District Municipality:	–	–	–
<i>Frances Baard District Municipality</i>	–	–	–
Other grant providers:	–	–	–
Total capital expenditure of Transfers and Grants	116,556	121,639	133,708
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	341,098	361,057	391,105

	Adjusted Budget 2019/20	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	Year-on-Year Increase (Decrease) from 2019/20 to 2020/21	Year-on-Year Increase (Decrease) from 2020/21 to 2021/22	Year-on-Year Increase (Decrease) from 2021/22 to 2022/23	Total operational grants over the MTREF
Operational Grants (R thousand)								
Local Government Equitable Share	189,151	205,072	222,738	240,251	8.4%	9%	8%	668,061
Expanded Public Works Programme	3,608	4,170	–	–	15.6%	-100%		4,170
Local Government Financial Management Grant	1,700	1,700	5,500	6,000	0.0%	224%	9%	13,200
Infrastructure Skills Development	4,500	5,000	1,700	1,700	11.1%	-66%	0%	8,400
Municipal Systems Improvement Grant		600	1,000	500		67%	-50%	2,100
Library Grant	7,800	8,000	8,480	8,946	2.6%	6%		25,426
Khotso Pula Nala	20,000	–	–		-100.0%			–
Frances Baard District Municipality	3,200	–	–		-100.0%			–
Total operational grants	229,959	224,542	239,418	257,397	-2.4%	7%	8%	721,357

Indicated in the table above is the total operational grants for the 2020/21 MTREF. From 2019/20 to 2020/21, operational grants decreases by 2.4%, whilst the increase from 2020/21 to 2021/22 is 7% and 8% from 2021/22 to 2022/23. Equitable share increases by an average of 8.3%. The total operational grants over the MTREF amounts to R721,357 million.

	Adjusted Budget 2019/20	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	Year-on-Year Increase (Decrease) from 2019/20 to 2020/21	Year-on-Year Increase (Decrease) from 2020/21 to 2021/22	Year-on-Year Increase (Decrease) from 2021/22 to 2022/23	Total capital grants over the MTREF
Capital Grants (R thousand)								
Integrated National Electrification Programme (INEP)	24,498	19,658	23,000	21,000	-19.8%	17%	-9%	63,658
Integrated Urban Development Grant (IUDG)	53,039	50,955	53,639	56,689	-3.9%	5%	6%	161,283
Neighbourhood Development Partnership Grant (NDPG)	78,299	20,000	30,000	30,071	-74.5%	50%	0%	80,071
Water Services Infrastructure Grant (WSIG)	14,300	25,943	15,000	25,948	81.4%	-42%	73%	66,891
Frances Baard District Municipality (FBDM)	2,000	–	–	–	-100.0%			–
Total capital grants	172,136	116,556	121,639	133,708	-32.3%	4%	10%	371,903

Indicated in the table above is the total capital grants for the 2020/21 MTREF. From 2019/20 to 2020/21, capital grants decreases by 32.3%, whilst the increase from 2020/21 to 2021/22 is 4% and 10% from 2021/22 to 2022/23. The total capital grants over the MTREF amounts to R371,903 million. The municipality is facing severe risks in capital grant funds being withheld as a result of poor performance and non-spending. This poses a huge risk to service delivery which is exacerbated by the municipality's current cash flow position due to limitation placed on funding capital projects from internally funds.

15. Allocations and grants made by the municipality

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

2020/21 Budget - Supporting Table CMT Transfers and grants made by the municipality

Description	Ref	Current Year 2019/20		2020/21 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand						
Cash Transfers to Organisations						
Non-Prof:Oth Inst/Grants&Don Diam & Dor		2,500	–	–	–	–
Non-Prof:Oth Inst/Grants&Don Oth Pub Gra		2,500	1,500	3,500	3,500	3,500
Non-Prof:Other Institutions/Spca		2,000	2,000	2,100	2,200	2,400
Total Cash Transfers To Organisations		7,000	3,500	5,600	5,700	5,900
Cash Transfers to Groups of Individuals						
Hh Oth Trans: Housing - Individual Supp		500	500	300	318	335
Hh Ssp Soc Ass: Grant In Aid		170	170	160	170	179
Total Cash Transfers To Groups Of Individuals:		670	670	460	488	514
TOTAL TRANSFERS AND GRANTS	6	7,670	4,170	6,060	6,188	6,414

The municipality has an agreement in place with the Society for the Prevention of Cruelty to Animals with regards to pouncing of stray domestic animals. Though the contract was signed in the 1970's, the terms and conditions apply in this regard. 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. A three year contract is awarded every time to the successful service provider. The grant allocation was basically seed funding to the organising company and is meant to cover the artists budget and cost of the stage. Due to the current financial situation, this grant was fully adjusted downwards during the Adjustment budget. Management decided on a new financing model, where the successful service provider is responsible to source their own funding. There was also wide-scale dissatisfaction on the award of the tender to a non-local company.

Applications for grant funding takes place annually with the submission of proposal to LED and ED SEDP, who will then assess the concept and prepare a memorandum for the Municipal Manager and submit and item about the concept to the LED Committee which will then concur with the recommendation made in as far as the financial support or even the reasons for the decline or rejection of the application. The municipality also annually financially assisted the NC Meals on Wheels Community Services in achieving their mandate in providing meals to the poorest of the poor, however due to cash constraints the municipality could not continue with this meaningful contribution in alleviating the plight of the poor and destitute.

16. Councillor and Staff Benefits and Allowances

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

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

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

- Infrastructure and Services which includes Roads and storm water, Water and sanitation, Electricity, Mechanical engineering, Fleet management and Housing development.

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

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

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

Summary of Employee and Councillor remuneration	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		–	–	–	–	–	–	–	–	–
Pension and UIF Contributions		609	947	927	–	819	819	–	–	–
Medical Aid Contributions		240	248	306	–	299	299	–	–	–
Motor Vehicle Allowance		5,232	–	–	–	–	–	–	–	–
Cellphone Allowance		1,710	2,883	2,766	3,088	3,088	3,088	3,212	3,420	3,626
Housing Allowances		–	–	–	–	45	45	–	–	–
Other benefits and allowances		17,220	24,332	24,389	28,665	27,502	27,502	29,811	31,749	33,654
Sub Total - Councillors		25,011	28,409	28,388	31,753	31,753	31,753	33,023	35,169	37,280
% increase	4		13.6%	(0.1%)	11.9%	–	–	4.0%	6.5%	6.0%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		4,741	7,121	8,440	8,307	8,307	8,307	8,166	8,650	9,119
Pension and UIF Contributions		846	936	843	932	932	932	1,080	1,144	1,206
Medical Aid Contributions		73	162	193	203	200	200	217	230	242
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance	3	1,056	1,632	1,913	1,876	1,876	1,876	1,876	1,987	2,094
Cellphone Allowance	3	134	168	168	202	202	202	202	214	225
Housing Allowances	3	19	30	36	49	49	49	37	40	42
Other benefits and allowances	3	–	15	15	105	108	108	106	112	118
Payments in lieu of leave		248	–	–	–	–	–	–	–	–
Long service awards		27	37	48	40	40	40	49	52	55
Post-retirement benefit obligations	6	–	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality		7,145	10,100	11,655	11,714	11,714	11,714	11,733	12,427	13,101
% increase	4		41.4%	15.4%	0.5%	–	–	0.2%	5.9%	5.4%
Other Municipal Staff										
Basic Salaries and Wages		316,912	333,228	357,185	413,084	405,704	405,704	439,266	470,050	496,074
Pension and UIF Contributions		53,296	55,658	58,704	71,691	71,691	71,691	74,225	78,694	83,132
Medical Aid Contributions		39,383	42,657	44,990	53,378	53,378	53,378	56,933	60,509	64,018
Overtime		33,685	48,725	51,061	31,567	31,672	31,672	31,912	33,880	35,827
Performance Bonus		–	26,376	26,336	32,316	32,076	32,076	34,519	36,598	38,661
Motor Vehicle Allowance	3	40,512	38,967	38,361	48,333	48,130	48,130	48,985	51,926	54,822
Cellphone Allowance	3	1,371	1,363	1,333	1,494	1,605	1,605	1,545	1,637	1,729
Housing Allowances	3	2,811	2,400	2,638	2,971	3,082	3,082	3,140	3,330	3,517
Other benefits and allowances	3	53,692	28,173	30,263	34,740	37,855	37,855	34,121	36,207	38,278
Payments in lieu of leave		16,440	14,428	13,784	15,000	7,500	7,500	16,000	17,200	18,318
Long service awards		11,434	12,387	12,554	17,317	17,400	17,400	19,002	20,145	21,278
Post-retirement benefit obligations	6	(10,084)	32,849	39,701	37,359	37,359	37,359	42,900	46,118	49,115
Sub Total - Other Municipal Staff		559,453	637,209	676,910	759,252	747,452	747,452	802,548	856,293	904,767
% increase	4		13.9%	6.2%	12.2%	(1.6%)	–	7.4%	6.7%	5.7%
Total Parent Municipality		591,608	675,719	716,953	802,718	790,918	790,918	847,304	903,890	955,148
			14.2%	6.1%	12.0%	(1.5%)	–	7.1%	6.7%	5.7%
TOTAL SALARY, ALLOWANCES & BENEFITS		591,608	675,719	716,953	802,718	790,918	790,918	847,304	903,890	955,148
% increase	4		14.2%	6.1%	12.0%	(1.5%)	–	7.1%	6.7%	5.7%
TOTAL MANAGERS AND STAFF	5,7	566,597	647,309	688,565	770,966	759,166	759,166	814,281	868,721	917,868

Indicated in the table below is a summary of the councillor's and senior manager's packages. Please note that the summary of employee benefits for other municipal staff is depicted in the table above.

Under municipal staff, annual bonuses (13th cheques) is mapped to performance bonus which is incorrect. The schedules nor the mSCOA chart makes provision for annual bonuses.

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

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contribution	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4	1	–	–	945,637			945,637
Chief Whip		1	–	–	–			–
Executive Mayor			–	–	1,169,695			1,169,695
Deputy Executive Mayor			–	–	–			–
Executive Committee		10	–	–	8,896,224			8,896,224
Total for all other councillors		53	–	–	22,011,336			22,011,336
Total Councillors	8	65	–	–	33,022,892			33,022,892
Senior Managers of the Municipality	5							
Municipal Manager (MM)		1	2,031,637	1,785	191,100			2,224,522
Chief Finance Officer		1	1,300,876	234,229	442,979			1,978,084
SM D01 - Corporate services			1,333,196	227,604	369,099			1,929,899
SM D02 - Community services			1,226,367	222,402	422,220			1,870,989
SM D03 - Strategy, economic development & planning			1,226,080	260,508	410,990			1,897,578
SM D04 - Infrastructure services			1,048,064	350,652	433,215			1,831,931
Total Senior Managers of the Municipality	8,10	2	8,166,220	1,297,180	2,269,603	–		11,733,003
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	67	8,166,220	1,297,180	35,292,495	–		44,755,895

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

NC091 Sol Plaatje - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	Budget Year 2020/21		
Number	1,2	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities				
Councillors (Political Office Bearers plus Other Councillors)		65	65	–
Board Members of municipal entities	4			
Municipal employees	5			
Municipal Manager and Senior Managers	3	6	6	–
Other Managers	7	3	3	–
Professionals		198	173	–
Finance		13	13	–
Spatial/town planning		19	5	–
Information Technology		4	4	–
Roads		2	2	–
Electricity		13	8	–
Water		2	2	–
Sanitation		3	3	–
Refuse		–	–	–
Other		142	136	–
Technicians		275	184	8
Finance		10	10	–
Spatial/town planning		29	12	4
Information Technology		8	4	1
Roads		6	6	3
Electricity		150	81	–
Water		10	10	–
Sanitation		25	25	–
Refuse		1	1	–
Other		36	35	–
Clerks (Clerical and administrative)		429	402	34
Service and sales workers		348	236	–
Skilled agricultural and fishery workers		145	44	–
Craft and related trades				
Plant and Machine Operators		215	95	–
Elementary Occupations		1,017	656	112
TOTAL PERSONNEL NUMBERS	9	2,701	1,864	154
% increase		–	10.7%	(27.0%)
Total municipal employees headcount	6, 10	3,021	2,114	183
Finance personnel headcount	8, 10	306	236	29
Human Resources personnel headcount	8, 10	14	14	–

17. Monthly targets for revenue, expenditure and cash flow

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

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand																
Revenue By Source																
Property rates		48,676	48,676	48,676	48,676	48,676	48,676	48,676	48,676	48,676	48,676	48,676	48,676	584,108	628,700	672,297
Service charges - electricity revenue		63,853	63,853	63,853	63,853	63,853	63,853	63,853	63,853	63,853	63,853	63,853	63,853	766,232	808,855	869,669
Service charges - water revenue		23,219	23,219	23,219	23,219	23,219	23,219	23,219	23,219	23,219	23,219	23,219	23,219	278,626	297,205	316,742
Service charges - sanitation revenue		5,931	5,931	5,931	5,931	5,931	5,931	5,931	5,931	5,931	5,931	5,931	5,931	71,175	74,941	78,301
Service charges - refuse revenue		4,499	4,499	4,499	4,499	4,499	4,499	4,499	4,499	4,499	4,499	4,499	4,499	53,984	57,827	62,078
Rental of facilities and equipment		1,037	1,037	1,037	1,037	1,037	1,037	1,037	1,037	1,037	1,037	1,037	1,037	12,440	13,186	13,912
Interest earned - external investments		833	833	833	833	833	833	833	833	833	833	833	833	10,000	13,000	15,000
Interest earned - outstanding debtors		12,833	12,833	12,833	12,833	12,833	12,833	12,833	12,833	12,833	12,833	12,833	12,833	154,000	154,042	148,815
Dividends received		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits		2,779	2,779	2,779	2,779	2,779	2,779	2,779	2,779	2,779	2,779	2,779	2,779	33,345	35,346	37,290
Licences and permits		508	508	508	508	508	508	508	508	508	508	508	508	6,100	6,405	6,757
Agency services		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Transfers and subsidies		18,712	18,712	18,712	18,712	18,712	18,712	18,712	18,712	18,712	18,712	18,712	18,712	224,542	239,418	257,397
Other revenue		1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	18,008	19,074	20,119
Gains		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and contributions)		184,380	184,380	184,380	184,380	184,380	184,380	184,380	184,380	184,380	184,380	184,380	184,380	2,212,561	2,348,000	2,498,378
Expenditure By Type																
Employee related costs		67,857	67,857	67,857	67,857	67,857	67,857	67,857	67,857	67,857	67,857	67,857	67,853	814,281	868,721	917,868
Remuneration of councillors		2,752	2,752	2,752	2,752	2,752	2,752	2,752	2,752	2,752	2,752	2,752	2,752	33,023	35,169	37,280
Debt impairment		20,750	20,750	20,750	20,750	20,750	20,750	20,750	20,750	20,750	20,750	20,750	20,750	249,000	264,200	276,816
Depreciation & asset impairment		6,129	6,129	6,129	6,129	6,129	6,129	6,129	6,129	6,129	6,129	6,129	6,129	73,550	78,738	83,673
Finance charges		1,962	1,962	1,962	1,962	1,962	1,962	1,962	1,962	1,962	1,962	1,962	1,962	23,542	22,342	20,989
Bulk purchases		56,042	56,042	56,042	56,042	56,042	56,042	56,042	56,042	56,042	56,042	56,042	56,042	672,500	712,750	772,190
Other materials		13,786	13,786	13,786	13,786	13,786	13,786	13,786	13,786	13,786	13,786	13,786	13,784	165,426	173,890	185,590
Contracted services		3,746	3,746	3,746	3,746	3,746	3,746	3,746	3,746	3,746	3,746	3,746	3,746	44,948	47,553	50,082
Transfers and subsidies		505	505	505	505	505	505	505	505	505	505	505	505	6,060	6,188	6,414
Other expenditure		9,225	9,225	9,225	9,225	9,225	9,225	9,225	9,225	9,225	9,225	9,225	9,221	110,697	117,715	120,389
Losses		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Expenditure		182,753	182,753	182,753	182,753	182,753	182,753	182,753	182,753	182,753	182,753	182,753	182,743	2,193,028	2,327,266	2,471,291
Surplus/(Deficit)		1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,637	19,534	20,734	27,087
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		9,713	9,713	9,713	9,713	9,713	9,713	9,713	9,713	9,713	9,713	9,713	9,713	116,556	121,639	133,708
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		11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,350	136,090	142,373	160,795
Taxation														—	—	—
Attributable to minorities														—	—	—
Share of surplus/ (deficit) of associate														—	—	—
Surplus/(Deficit)	1	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,350	136,090	142,373	160,795

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

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue by Vote																
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		34,996	34,996	34,996	34,996	34,996	34,996	34,996	34,996	34,996	34,996	34,996	34,996	419,951	437,326	459,548
Vote 03 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 04 - Corporate Services		515	515	515	515	515	515	515	515	515	515	515	515	6,177	6,748	7,316
Vote 05 - Community Services		8,767	8,767	8,767	8,767	8,767	8,767	8,767	8,767	8,767	8,767	8,767	8,767	105,200	112,054	119,288
Vote 06 - Financial Services		50,313	50,313	50,313	50,313	50,313	50,313	50,313	50,313	50,313	50,313	50,313	50,313	603,759	649,773	693,862
Vote 07 - Strategy Econ Development And Planning		650	650	650	650	650	650	650	650	650	650	650	650	7,796	8,270	8,737
Vote 08 - Infrastructure And Services		98,853	98,853	98,853	98,853	98,853	98,853	98,853	98,853	98,853	98,853	98,853	98,853	1,186,235	1,255,469	1,343,335
Vote 09 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote		194,093	194,093	194,093	194,093	194,093	194,093	194,093	194,093	194,093	194,093	194,093	194,094	2,329,117	2,469,639	2,632,086
Expenditure by Vote to be appropriated																
Vote 01 - Executive & Council		4,709	4,709	4,709	4,709	4,709	4,709	4,709	4,709	4,709	4,709	4,709	4,709	56,511	60,066	63,546
Vote 02 - Municipal And General		27,311	27,311	27,311	27,311	27,311	27,311	27,311	27,311	27,311	27,311	27,311	27,311	327,737	346,351	361,444
Vote 03 - Municipal Manager		2,022	2,022	2,022	2,022	2,022	2,022	2,022	2,022	2,022	2,022	2,022	2,022	24,268	25,724	27,139
Vote 04 - Corporate Services		5,794	5,794	5,794	5,794	5,794	5,794	5,794	5,794	5,794	5,794	5,794	5,793	69,524	73,777	77,908
Vote 05 - Community Services		24,161	24,161	24,161	24,161	24,161	24,161	24,161	24,161	24,161	24,161	24,161	24,158	289,928	311,735	328,867
Vote 06 - Financial Services		12,418	12,418	12,418	12,418	12,418	12,418	12,418	12,418	12,418	12,418	12,418	12,417	149,015	158,218	166,271
Vote 07 - Strategy Econ Development And Planning		4,764	4,764	4,764	4,764	4,764	4,764	4,764	4,764	4,764	4,764	4,764	4,763	57,163	60,637	64,123
Vote 08 - Infrastructure And Services		101,574	101,574	101,574	101,574	101,574	101,574	101,574	101,574	101,574	101,574	101,574	101,571	1,218,882	1,290,757	1,381,993
Vote 09 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote		182,753	182,753	182,753	182,753	182,753	182,753	182,753	182,753	182,753	182,753	182,753	182,743	2,193,028	2,327,266	2,471,291
Surplus/(Deficit) before assoc.		11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,350	136,090	142,373	160,795
Taxation													-	-	-	-
Attributable to minorities													-	-	-	-
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,350	136,090	142,373	160,795

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

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue - Functional																
Governance and administration		85,863	85,863	85,863	85,863	85,863	85,863	85,863	85,863	85,863	85,863	85,863	85,863	1,030,357	1,094,344	1,161,251
Executive and council		34,996	34,996	34,996	34,996	34,996	34,996	34,996	34,996	34,996	34,996	34,996	34,996	419,951	437,326	459,548
Finance and administration		50,867	50,867	50,867	50,867	50,867	50,867	50,867	50,867	50,867	50,867	50,867	50,867	610,406	657,018	701,704
Internal audit														-	-	-
Community and public safety		2,264	2,264	2,264	2,264	2,264	2,264	2,264	2,264	2,264	2,264	2,264	2,264	27,166	28,798	30,384
Community and social services		918	918	918	918	918	918	918	918	918	918	918	918	11,020	11,681	12,324
Sport and recreation		316	316	316	316	316	316	316	316	316	316	316	316	3,790	4,020	4,242
Public safety		55	55	55	55	55	55	55	55	55	55	55	55	660	700	738
Housing		967	967	967	967	967	967	967	967	967	967	967	967	11,601	12,297	12,973
Health		8	8	8	8	8	8	8	8	8	8	8	8	95	101	106
Economic and environmental services		1,790	1,790	1,790	1,790	1,790	1,790	1,790	1,790	1,790	1,790	1,790	1,791	21,486	22,781	24,047
Planning and development		353	353	353	353	353	353	353	353	353	353	353	353	4,231	4,491	4,751
Road transport		1,438	1,438	1,438	1,438	1,438	1,438	1,438	1,438	1,438	1,438	1,438	1,438	17,255	18,290	19,296
Environmental protection														-	-	-
Trading services		103,387	103,387	103,387	103,387	103,387	103,387	103,387	103,387	103,387	103,387	103,387	103,387	1,240,638	1,313,740	1,405,881
Energy sources		65,103	65,103	65,103	65,103	65,103	65,103	65,103	65,103	65,103	65,103	65,103	65,103	781,232	824,755	886,444
Water management		25,936	25,936	25,936	25,936	25,936	25,936	25,936	25,936	25,936	25,936	25,936	25,936	311,226	331,761	353,199
Waste water management		6,848	6,848	6,848	6,848	6,848	6,848	6,848	6,848	6,848	6,848	6,848	6,848	82,175	86,656	90,719
Waste management		5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	66,004	70,569	75,520
Other		789	789	789	789	789	789	789	789	789	789	789	789	9,470	9,974	10,523
Total Revenue - Functional		194,093	194,093	194,093	194,093	194,093	194,093	194,093	194,093	194,093	194,093	194,093	194,094	2,329,117	2,469,639	2,632,086
Expenditure - Functional																
Governance and administration		55,441	55,441	55,441	55,441	55,441	55,441	55,441	55,441	55,441	55,441	55,441	55,437	665,289	704,778	739,542
Executive and council		33,011	33,011	33,011	33,011	33,011	33,011	33,011	33,011	33,011	33,011	33,011	33,010	396,128	419,012	438,276
Finance and administration		21,871	21,871	21,871	21,871	21,871	21,871	21,871	21,871	21,871	21,871	21,871	21,867	262,445	278,647	293,755
Internal audit		560	560	560	560	560	560	560	560	560	560	560	560	6,716	7,119	7,511
Community and public safety		15,039	15,039	15,039	15,039	15,039	15,039	15,039	15,039	15,039	15,039	15,039	15,037	180,462	195,393	205,733
Community and social services		3,476	3,476	3,476	3,476	3,476	3,476	3,476	3,476	3,476	3,476	3,476	3,475	41,708	48,808	51,036
Sport and recreation		4,681	4,681	4,681	4,681	4,681	4,681	4,681	4,681	4,681	4,681	4,681	4,680	56,172	58,971	62,253
Public safety		3,493	3,493	3,493	3,493	3,493	3,493	3,493	3,493	3,493	3,493	3,493	3,492	41,910	44,548	47,007
Housing		1,906	1,906	1,906	1,906	1,906	1,906	1,906	1,906	1,906	1,906	1,906	1,905	22,866	24,237	25,602
Health		1,484	1,484	1,484	1,484	1,484	1,484	1,484	1,484	1,484	1,484	1,484	1,484	17,806	18,829	19,835
Economic and environmental services		11,292	11,292	11,292	11,292	11,292	11,292	11,292	11,292	11,292	11,292	11,292	11,291	135,508	144,058	152,515
Planning and development		3,878	3,878	3,878	3,878	3,878	3,878	3,878	3,878	3,878	3,878	3,878	3,877	46,540	49,395	52,263
Road transport		7,356	7,356	7,356	7,356	7,356	7,356	7,356	7,356	7,356	7,356	7,356	7,355	88,266	93,918	99,467
Environmental protection		59	59	59	59	59	59	59	59	59	59	59	58	702	745	785
Trading services		98,938	98,938	98,938	98,938	98,938	98,938	98,938	98,938	98,938	98,938	98,938	98,936	1,187,249	1,257,208	1,346,253
Energy sources		63,569	63,569	63,569	63,569	63,569	63,569	63,569	63,569	63,569	63,569	63,569	63,569	762,833	803,821	863,069
Water management		23,208	23,208	23,208	23,208	23,208	23,208	23,208	23,208	23,208	23,208	23,208	23,208	278,498	298,311	319,000
Waste water management		6,585	6,585	6,585	6,585	6,585	6,585	6,585	6,585	6,585	6,585	6,585	6,584	79,014	83,707	88,464
Waste management		5,575	5,575	5,575	5,575	5,575	5,575	5,575	5,575	5,575	5,575	5,575	5,575	66,904	71,369	75,720
Other		2,043	2,043	2,043	2,043	2,043	2,043	2,043	2,043	2,043	2,043	2,043	2,043	24,518	25,828	27,248
Total Expenditure - Functional		182,753	182,753	182,753	182,753	182,753	182,753	182,753	182,753	182,753	182,753	182,753	182,743	2,193,028	2,327,266	2,471,291
Surplus/(Deficit) before assoc.		11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,350	136,090	142,373	160,795
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,350	136,090	142,373	160,795

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

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Multi-year expenditure to be appropriated	1															
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	40,500	64,639	77,760
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		1,704	1,704	1,704	1,704	1,704	1,704	1,704	1,704	1,704	1,704	1,704	1,704	20,443	36,750	43,198
Vote 09 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	2	5,079	5,079	5,079	5,079	5,079	5,079	5,079	5,079	5,079	5,079	5,079	5,079	60,943	101,389	120,958
Single-year expenditure to be appropriated																
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		6,593	6,593	6,593	6,593	6,593	6,593	6,593	6,593	6,593	6,593	6,593	6,593	79,113	35,250	36,750
Vote 09 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	2	6,593	6,593	6,593	6,593	6,593	6,593	6,593	6,593	6,593	6,593	6,593	6,593	79,113	35,250	36,750
Total Capital Expenditure	2	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	140,056	136,639	157,708

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

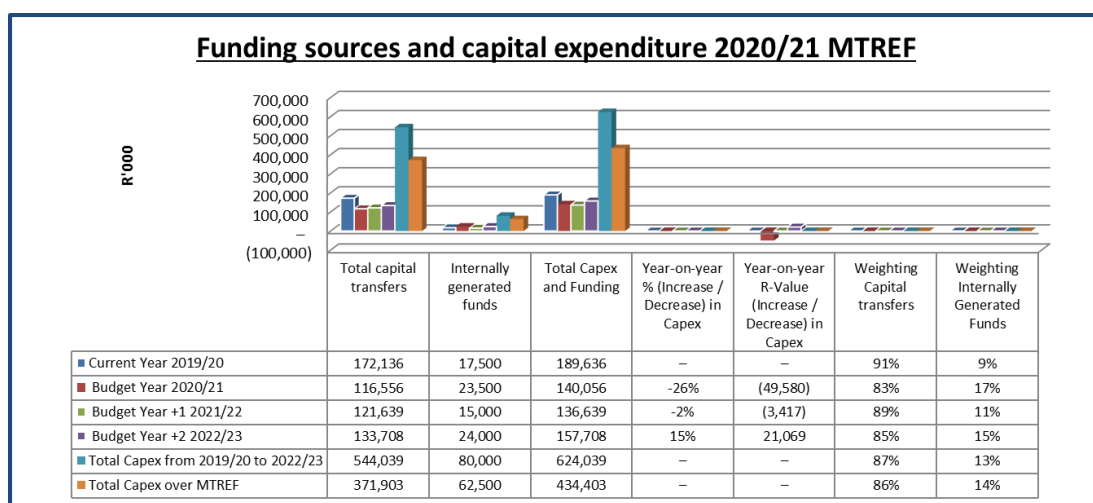
Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital Expenditure - Functional	1															
Governance and administration		3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	40,500	64,639	77,760
Executive and council		3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	40,500	64,639	77,760
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		8,296	8,296	8,296	8,296	8,296	8,296	8,296	8,296	8,296	8,296	8,296	8,296	99,556	72,000	79,948
Energy sources		2,138	2,138	2,138	2,138	2,138	2,138	2,138	2,138	2,138	2,138	2,138	2,138	25,658	30,000	28,000
Water management		667	667	667	667	667	667	667	667	667	667	667	667	8,000	15,000	14,500
Waste water management		5,492	5,492	5,492	5,492	5,492	5,492	5,492	5,492	5,492	5,492	5,492	5,491	65,898	27,000	37,448
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other													-	-	-	-
Total Capital Expenditure - Functional	2	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	140,056	136,639	157,708
Funded by:																
National Government		9,713	9,713	9,713	9,713	9,713	9,713	9,713	9,713	9,713	9,713	9,713	9,713	116,556	121,639	133,708
Provincial Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial																
Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public													-	-	-	-
Transfers recognised - capital		9,713	9,713	9,713	9,713	9,713	9,713	9,713	9,713	9,713	9,713	9,713	9,713	116,556	121,639	133,708
Borrowing													-	-	-	-
Internally generated funds		1,958	1,958	1,958	1,958	1,958	1,958	1,958	1,958	1,958	1,958	1,958	1,958	23,500	15,000	24,000
Total Capital Funding		11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	140,056	136,639	157,708

NC091 Sol Plaatje - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand															
Cash Receipts By Source															
Property rates	32,745	35,663	35,817	30,053	46,510	46,270	24,689	47,896	51,245	42,058	52,871	40,162	485,978	539,229	583,502
Service charges - electricity revenue	35,448	41,204	47,200	53,026	46,493	67,620	48,307	51,082	55,799	57,530	59,261	74,537	637,505	707,659	754,003
Service charges - water revenue	14,800	13,897	13,693	15,757	18,804	18,337	15,980	14,586	12,549	12,674	14,798	65,942	231,817	252,624	274,616
Service charges - sanitation revenue	3,752	3,863	3,877	4,874	3,785	4,656	3,414	3,685	4,615	3,630	2,645	16,422	59,218	63,700	67,887
Service charges - refuse revenue	3,000	3,337	4,173	4,337	4,018	3,850	2,772	3,959	3,969	4,024	4,079	4,067	45,586	49,153	53,821
Rental of facilities and equipment	1,056	932	925	1,042	998	1,421	971	914	929	926	923	1,404	12,440	13,186	13,912
Interest earned - external investments	1,259	1,333	1,170	1,212	1,064	1,201	241	341	601	470	540	567	10,000	13,000	15,000
Interest earned - outstanding debtors	6,867	7,483	8,374	8,688	8,321	9,420	8,601	8,466	8,209	8,732	8,255	62,584	154,000	154,042	148,815
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	1,510	2,539	1,432	1,435	2,017	1,584	1,317	2,000	2,716	3,924	4,132	8,737	33,345	35,346	37,290
Licences and permits	486	547	487	561	448	313	171	342	641	119	597	1,387	6,100	6,405	6,757
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies - Operational	12,414	15,902	16,700	19,900	19,624	16,119	12,600	12,357	14,403	14,284	12,165	58,073	224,542	239,418	257,397
Other revenue	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	18,008	19,074	20,119
Cash Receipts by Source	114,838	128,201	135,349	142,385	153,583	172,292	120,565	147,130	157,177	149,871	161,765	335,384	1,918,540	2,092,838	2,233,119
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	45,694	10,600	10,600	21,200	-	9,540	12,876					6,046	116,556	121,639	133,708
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)												-		-	-
Proceeds on Disposal of Fixed and Intangible Assets												-		-	-
Short term loans												-		-	-
Borrowing long term/refinancing												-		-	-
Increase (decrease) in consumer deposits												-		-	-
Decrease (increase) in non-current receivables												-		-	-
Decrease (increase) in non-current investments												-		-	-
Total Cash Receipts by Source	160,532	138,801	145,949	163,585	153,583	181,832	133,440	147,130	157,177	149,871	161,765	341,430	2,035,096	2,214,477	2,366,827
Cash Payments by Type															
Employee related costs	57,500	61,552	61,847	57,105	60,344	70,922	55,128	57,105	57,042	57,042	57,042	118,753	771,381	822,603	868,753
Remuneration of councillors	2,752	2,752	2,752	2,752	2,752	2,752	2,752	2,752	2,752	2,752	2,752	2,752	33,023	35,169	37,280
Finance charges						11,771						11,771	23,542	22,342	20,989
Bulk purchases - Electricity	46,875	46,875	46,875	46,875	46,875	46,875	46,875	46,875	46,875	46,875	46,875	46,875	562,500	591,750	639,090
Bulk purchases - Water & Sewer	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	110,000	121,000	133,100
Other materials	13,786	13,786	13,786	13,786	13,786	13,786	13,786	13,786	13,786	13,786	13,786	13,784	165,426	173,890	185,590
Contracted services	3,746	3,746	3,746	3,746	3,746	3,746	3,746	3,746	3,746	3,746	3,746	3,746	44,948	47,553	50,082
Transfers and grants - other municipalities												-			
Transfers and grants - other	505	505	505	505	505	505	505	505	505	505	505	505	6,060	6,188	6,414
Other expenditure	8,487	8,487	8,487	8,487	8,487	8,487	8,487	8,487	8,487	8,487	8,487	17,343	110,697	117,715	120,389
Cash Payments by Type	142,816	146,869	147,164	142,421	145,660	168,010	140,444	142,422	142,359	142,359	142,359	224,694	1,827,578	1,938,211	2,061,687
Other Cash Flows/Payments by Type															
Capital assets	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	140,056	136,639	157,708
Repayment of borrowing						4,767						4,767	9,534	10,734	12,087
Other Cash Flows/Payments												-			
Total Cash Payments by Type	154,488	158,540	158,835	154,093	157,332	184,448	152,116	154,093	154,030	154,030	154,030	241,132	1,977,168	2,085,584	2,231,482
NET INCREASE/(DECREASE) IN CASH HELD	6,045	(19,740)	(12,886)	9,493	(3,748)	(2,616)	(18,675)	(6,964)	3,147	(4,159)	7,735	100,297	57,928	128,893	135,345
Cash/cash equivalents at the month/year begin:	65,814	71,859	52,119	39,233	48,726	44,978	42,362	23,686	16,723	19,869	15,710	23,445	65,814	123,742	252,635
Cash/cash equivalents at the month/year end:	71,859	52,119	39,233	48,726	44,978	42,362	23,686	16,723	19,869	15,710	23,445	123,742	123,742	252,635	387,980

18. Capital expenditure details

Indicated in the chart below is the funding sources and capital expenditure for the 2020/21 MTREF. The total capital plan for the MTREF is R434,403 million, including the R189,636 million of the current year, the four year capital plan is R624,039, just over a half a billion rand.



As per the municipal budget and benchmark engagement, National Treasury recommended that the municipality must improve the capital funding mix, however due to financial constraints the municipality could not significantly increase its contribution from own funding. The approach was conservative, in order to improve on cash reserves and also as per S18 of the MFMA the internally generated funds must be cash-backed. It will be very irresponsible of the municipality to include projects which does not have secure funding, also bearing in mind that the budget must be funded.

Below is a list of capital expenditure by project for 2020/21 to 2022/23

NC091 Sol Plaatje - Supporting Table SA36 Detailed capital budget					
R thousand			2020/21 Medium Term Revenue & Expenditure Framework		
			Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22
Function	Project Description				
Parent municipality:					
List all capital projects grouped by Function					
Finance And Administration	Capital:Infrastructure:Existing:Renewal:Roads Infrastructure:Roads	–	5,500	12,000	12,000
Finance And Administration	Capital:Infrastructure:Existing:Upgrading:Roads Infrastructure:Roads	96,735	28,000	41,639	45,760
Finance And Administration	Capital:Non-Infrastructure:New:Computer Equipment	1,500	2,000	2,000	3,000
Finance And Administration	Capital:Non-Infrastructure:New:Furniture And Office Equipment	1,700	2,000	2,000	3,000
Finance And Administration	Capital:Non-Infrastructure:New:Investment Properties:Revenue Generating:Improved Property	1,000	1,000	2,000	4,000
Finance And Administration	Capital:Non-Infrastructure:New:Transport Assets	5,400	2,000	5,000	10,000
Finance And Administration	Capital:Non-Infrastructure:New:Community Assets:Community Facilities:Fire/Ambulance Stations	14,421	–	–	–
Energy Sources	Capital:Infrastructure:Existing:Upgrading:Electrical Infrastructure:Hv Substations	1,500	3,000	–	–
Energy Sources	Capital:Infrastructure:Existing:Upgrading:Electrical Infrastructure:Hv Substations	–	1,500	–	–
Energy Sources	Capital:Infrastructure:New:Electrical Infrastructure:Lv Networks	2,000	–	–	–
Energy Sources	Capital:Infrastructure:New:Electrical Infrastructure:Lv Networks	3,753	6,008	–	–
Energy Sources	Capital:Infrastructure:New:Electrical Infrastructure:Lv Networks	3,800	–	–	–
Energy Sources	Capital:Infrastructure:New:Electrical Infrastructure:Lv Networks	14,945	12,150	23,000	21,000
Energy Sources	Capital:Infrastructure:Existing:Renewal:Electrical Infrastructure:Lv Networks	–	–	4,000	4,000
Energy Sources	Capital:Infrastructure:Existing:Renewal:Electrical Infrastructure:Capital Spares	3,000	3,000	3,000	3,000
Water Management	Capital:Infrastructure:Existing:Renewal:Water Supply Infrastructure:Distribution	–	5,000	12,000	11,500
Water Management	Capital:Infrastructure:Existing:Upgrading:Water Supply Infrastructure:Distribution	3,400	3,000	3,000	3,000
Water Management	Capital:Infrastructure:New:Water Supply Infrastructure:Bulk Mains	377	–	–	–
Water Management	Capital:Infrastructure:New:Water Supply Infrastructure:Distribution Points	2,000	–	–	–
Waste Water Management	Capital:Infrastructure:Existing:Renewal:Sanitation Infrastructure:Pump Station	5,300	20,000	11,250	13,750
Waste Water Management	Capital:Infrastructure:Existing:Renewal:Sanitation Infrastructure:Reticulation	–	5,000	12,000	11,500
Waste Water Management	Capital:Infrastructure:Existing:Renewal:Sanitation Infrastructure:Waste Water Treatment Works	9,000	–	–	–
Waste Water Management	Capital:Infrastructure:Existing:Renewal:Sanitation Infrastructure:Toilet Facilities	–	14,443	3,750	12,198
Waste Water Management	Capital:Infrastructure:New:Sanitation Infrastructure:Reticulation	19,806	26,455	–	–
Parent Capital expenditure		189,636	140,056	136,639	157,708

The makeup of the capital program for 2020/21 is rightfully dominated by infrastructure projects consisting of roads, storm water, water, sanitation and electricity projects.

The flagship project is the Lerato Park sewer upgrade project with a budget of R26.4m funded through the IUDG (Integrated Urban Development Grant) followed by roads program in Galeshewe continues with a budget of R13.5m. The Carters Glen Sewer Pump station received R20m from WSIG (Water Services Infrastructure Grant), the zinc toilets R14.4m also funded from WSIG and part internal funding. The Lerato Park electrification of 675 homes received funding to the tune of R12.1m from the INEP (Integrated National Electricity Program) grant.

The Galeshewe storm water project will continue with funds secured from the Neighbourhood Development Partnership grant. Total budget is R20m and R64m over the MTREF.

Capital plan by Municipal Functional Classification and Municipal vote

Vote Description	Ref	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1							
Capital Expenditure - Functional								
Governance and administration		82,105	120,756	120,756	57,998	40,500	64,639	77,760
Executive and council		82,105	120,756	120,756	57,998	40,500	64,639	77,760
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		102,180	68,880	68,880	27,037	99,556	72,000	79,948
Energy sources		43,998	28,998	28,998	5,325	25,658	30,000	28,000
Water management		3,377	5,777	5,777	4,587	8,000	15,000	14,500
Waste water management		54,806	34,106	34,106	17,125	65,898	27,000	37,448
Waste management		-	-	-	-	-	-	-
Other								
Total Capital Expenditure - Functional	3	184,285	189,636	189,636	85,035	140,056	136,639	157,708

Vote Description	Ref	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1							
Capital expenditure - Vote								
Multi-year expenditure to be appropriated	2							
Vote 01 - Executive & Council		-	-	-	-	-	-	-
Vote 02 - Municipal And General		68,668	102,319	102,319	44,841	40,500	64,639	77,760
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		16,000	6,400	6,400	3,888	20,443	36,750	43,198
Capital multi-year expenditure sub-total	7	84,668	108,719	108,719	48,729	60,943	101,389	120,958
Single-year expenditure to be appropriated	2							
Vote 01 - Executive & Council		-	-	-	-	-	-	-
Vote 02 - Municipal And General		13,436	18,436	18,436	13,157	-	-	-
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		86,180	62,480	62,480	23,149	79,113	35,250	36,750
Capital single-year expenditure sub-total		99,617	80,917	80,917	36,306	79,113	35,250	36,750
Total Capital Expenditure - Vote		184,285	189,636	189,636	85,035	140,056	136,639	157,708

19. Contracts having future budgetary implications

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

The table below indicates contracts with future budgetary implications:

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

Description	Ref	Preceding Years	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework			Total Contract Value
		Total	Original Budget	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	Estimate
R thousand	1,3						
Parent Municipality:							
Capital Expenditure Obligation By Contract	2						
Upgrade Stormwater Galeshewe		–	40,000	20,000	30,000	30,071	120,071
Lerato Park Link Water And Sewer		–	24,806	26,455	–	–	51,261
				–	–	–	–
Total Capital Expenditure Implication		–	64,806	46,455	30,000	30,071	171,332
Total Parent Expenditure Implication		–	64,806	46,455	30,000	30,071	171,332

20. Legislation and compliance status

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

1. In year reporting and mSCOA compliance
Reporting to National Treasury in respect of the submission of data strings was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) has progressively improved and includes the publication of the monthly budget statement on the municipality's website. Submission of audited returns has been complied with and the status for 2017/18 and 2018/19 audited AFS returns is closed. The 2019/20 budget verification to the returns and to the data strings was successfully concluded. The conversion to version 6.4 for 2020/21 has been successfully concluded, including the use of A-schedules aligned to version 6.4.
2. Internship programme
The municipality is participating in the Municipal Financial Management Internship programme and has employed five interns undergoing training in various divisions of the Financial Services and Internal audit. Five additional interns have been appointed during January 2020, however one intern resigned within a week, due to permanent employment elsewhere.
3. Budget and Treasury Office
The Budget and Treasury Office has been established in accordance with the MFMA.
4. Audit Committee
An Audit Committee has been established and is fully functional.
5. Service Delivery and Implementation Plan
The detail SDBIP document is at a draft stage and will be tabled with the budget for the 2020/21 MTREF in March 2020 directly aligned and informed by the 2020/21 MTREF.

6. Annual Report

Annual report is compiled in terms of the MFMA requirements.

21. Service Delivery Agreements

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

22. Municipal manager's quality certification

Quality Certificate

I, M.T Mabija, 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: M.T Mabija

Acting Municipal Manager of Sol Plaatje Local Municipality (NC091)

Signature:

Date: 30/03/2020

CIRCULAR 42

Funding of Budget

SOL PLAATJE MUNICIPALITY (NC091)

Part 1 - Budgeting for Financial Performance				
Description	Ref	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
		R'000	R'000	R'000
<u>Revenue by Source (Table 1)</u>				
Property rates	A	594,293	628,700	672,297
Service charges	A	1,159,833	1,238,828	1,326,790
Operational Revenue		2,250	2,363	2,474
Rental of facilities and equipment	B	12,440	13,186	13,912
Interest earned - external investments	D	10,000	13,000	15,000
Interest earned - outstanding debtors	D	154,000	154,042	148,815
Fines	B	33,345	35,346	37,290
Licenses and permits	B	6,100	6,405	6,757
Government grants & subsidies - ops		224,542	239,418	257,397
Government grants & subsidies - capital	E	116,556	121,639	133,708
Other income	B	15,758	16,712	17,645
Total Revenue By Source		2,329,117	2,469,639	2,632,086
Internal recoveries		41,754	43,454	44,954
Cross Subsidization		4,500	4,900	5,300
Total		2,375,371	2,517,993	2,682,340
<u>Operating Expenditure by Type (Table 6)</u>				
Employee related costs	C	814,281	868,721	917,868
Remuneration of Councilors		33,023	35,169	37,280
Contracted Services		44,948	47,553	50,082
Operational Cost		110,197	117,215	119,889
Other material and consumables		165,426	173,890	185,590
Bulk purchases - Electricity		562,500	591,750	639,090
Bulk purchases - Water		110,000	121,000	133,100
Interest external		23,542	22,342	20,989
Operating leases		500	500	500
Bad debts	F	249,000	264,200	276,816
Grants and subsidies paid		6,060	6,188	6,414
Depreciation		73,550	78,738	83,673
Total Operating Expenditure By Type		2,193,028	2,327,266	2,471,291
Internal Transfer		41,754	43,454	44,954
Cross Subsidization		4,500	4,900	5,300
Total		2,239,282	2,375,620	2,521,546
Operating Surplus/(Deficit)		136,090	142,373	160,795

SOL PLAATJE MUNICIPALITY (NC091)

Part 2 - Budgeting for Cash Flow				
Description	Ref	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
		R'000	R'000	R'000
CASH FLOW FROM OPERATING ACTIVITIES				
<u>Receipts</u>				
Cash receipts from ratepayers, government and other	A,B	1,529,998	1,686,377	1,811,906
Cash receipts from government - operating		224,542	239,418	257,397
Cash receipts from government and other - capital		116,556	121,639	133,708
Interest received	D	164,000	167,042	163,815
<u>Payments</u>				
Cash paid to suppliers and employees	I	(1,804,036)	(1,915,869)	(2,040,698)
Finance charges		(23,542)	(22,342)	(20,989)
NET CASH FROM OPERATING ACTIVITIES		207,518	276,266	305,140
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	(140,056)	(136,639)	(157,708)
(Increase)/decrease in current assets		0	0	0
Increase in non-current investments		0	0	0
NET CASH FROM INVESTING ACTIVITIES		(140,056)	(136,639)	(157,708)
CASH FLOWS FROM FINANCING ACTIVITIES				
<u>Receipts</u>				
New loans raised	G	0	0	0
Increase in consumer deposits				
<u>Payments</u>				
Repayment of borrowing	G	(9,534)	(10,734)	(12,087)
NET CASH FROM FINANCING ACTIVITIES		(9,534)	(10,734)	(12,087)
NET INCREASE/(DECREASE) IN CASH		57,928	128,893	135,345
Cash and cash equivalents at the beginning of the year		65,815	123,742	252,635
Cash and cash equivalents at the end of the year		123,742	252,635	387,980

SOL PLAATJE MUNICIPALITY (NC091)

Part 3 - Reconciliation of reserves and commitments backed by cash/investments				
Description	Ref	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
		R'000	R'000	R'000
Reserves to be backed by cash	H	100,495	30,295	33,896
Creditors unpaid at year end		272,097	287,944	315,279
Total commitments		372,592	318,239	349,175
Cash and cash equivalents at the end of the year		123,742	252,635	387,980
Long term investments		0	0	0
Cash and investments available		123,742	252,635	387,980
<u>Explanation notes/references</u>				
A It is the billed/accrued amount and it is assumed that 79% will be collected (average at 82% 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 6.5%				
D Interest received in the cash flow comprises of 25% of interest on debtors and 100% of investment interest				
E All grants will be received and spent except for roll over capital projects				
F Bad/Doubtful debts have been provided at 14.2% of billable revenue				
G Capital budgeted expenditure of R140,056m is funded by R116,556m grants, R0m donation, R0m from a loan and R23.5m from operating (counter funding/CRR)				
H The municipality has these projected reserves in the budgeted financial position that need to be backed by cash				
I Counter funding included in capital projects deducted from operating expenditure				
Is the municipality's budget appropriately funded - Yes				
-cash receipts projections are realistic as the cash flow were reduced in line with expected levels of collection				
- bad debts have been provided at approximately 14.2% 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 reported in the Blue column 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 2020/21	DATA INPUTS AND RESULTS R'000 2021/22	DATA INPUTS AND RESULTS R'000 2022/23	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	6% 2,193,028 140,056	6% 2,327,266 136,639	6% 2,471,291 157,708	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% 1,898,410 205,369 7,267	0% 1,934,607 204,486 7,307	0% 2,000,174 204,610 7,673	Please refer to page 3 of MFMA Circular No. 71	
3	Repairs and Maintenance as a % of Property, Plant and Equipment and Investment Property (Carrying Value)	Total Repairs and Maintenance Expenditure/ Property, Plant and Equipment and Investment Property (Carrying value) x 100	Statement of Financial Position, Statement of Financial Performance, IDP, Budgets and In-Year Reports	8%	Total Repairs and Maintenance Expenditure PPE at carrying value Investment Property at Carrying value	8% 165,426 1,898,410 205,369	8% 173,890 1,934,607 204,486	8% 185,590 2,000,174 204,610	Please refer to page 4 of MFMA Circular No. 71	The total amount used in this calculation is not including labour costs.
3	Repairs and Maintenance as a % of Property, Plant and Equipment and Investment Property (Carrying Value)	Total Repairs and Maintenance Expenditure/ Property, Plant and Equipment and Investment Property (Carrying value) x 100	Statement of Financial Position, Statement of Financial Performance, IDP, Budgets and In-Year Reports	8%	Total Repairs and Maintenance Expenditure including Labour Costs PPE at carrying value Investment Property at Carrying value	16% 330,853 1,898,410 205,369	20% 347,781 1,535,620 202,754	21% 371,180 1,577,221 204,782	Please refer to page 4 of MFMA Circular No. 71	The total amount used in this calculation is not including labour costs.
B. Debtors Management										
1	Collection Rate	(Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance - Bad Debts Written Off)/Billed Revenue x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year Reports, IDP and AR	95%	Gross Debtors closing balance Gross Debtors opening balance Bad debts written Off Billed Revenue	79% 3,154,105 2,781,706 - 1,754,126	85% 3,428,136 3,154,105 - 1,867,528	86% 3,702,659 3,428,136 - 1,999,088	Please refer to page 5 of MFMA Circular No. 71	The provision for doubtful debt amounts to around 15% annually. This is an increase from previous estimates. The municipality is implementing a debtor recovery project to improve the collection rate.
2	Bad Debts Written-off as % of Provision for Bad Debt	Bad Debts Written-off/Provision for Bad debts x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	100%	Consumer Debtors Bad debts written off Consumer Debtors Current bad debt Provision	0% 1,430,712	0% 1,694,912	0% 1,971,728	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	359 days 3,154,105 1,430,712 1,754,126	339 days 3,428,136 1,694,912 1,867,528	316 days 3,702,659 1,971,728 1,999,088	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 123,742 - - - 1,827,578	2 Month 252,635 - - - 1,938,211	2 Month 387,980 - - - 2,061,687	Please refer to page 7 of MFMA Circular No. 71	
2	Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1	Current Assets Current Liabilities	3.85 1,891,892 491,084	3.90 2,032,883 521,224	3.91 2,168,287 553,848	Please refer to page 7 of MFMA Circular No. 71	

D. Liability Management									
1	Capital Cost(Interest Paid and Redemption) as a % of Total Operating Expenditure	Capital Cost(Interest Paid and Redemption) / Total Operating Expenditure x 100	Statement of Financial Position, Statement of Cash Flows, Statement of Financial Performance, Budget, IDP, In-Year Reports and AR	6% - 8%	Interest Paid Redemption Total Operating Expenditure Taxation Expense	2% 23,542 9,534 2,193,028	1% 22,342 10,734 2,327,266	1% 20,989 12,087 2,471,291	Please refer to page 8 of MFMA Circular No. 71
2	Debt (Total Borrowings) / Revenue	(Overdraft + Current Finance Lease Obligation + Non current Finance Lease Obligation + Short Term Borrowings + Long term borrowing) / (Total Operating Revenue - Operational Conditional	Statement of Financial Position, Statement of Financial Performance, Budget, IDP and AR	45%	Total Debt Total Operating Revenue Operational Conditional Grants	9% 191,896 2,329,117 224,542	8% 183,563 2,469,639 239,418	7% 174,182 2,632,086 257,397	Please refer to page 9 of MFMA Circular No. 71
E. Sustainability									
1	Level of Cash Backed Reserves (Net Assets - Accumulated Surplus)	(Cash and Cash Equivalents - Bank overdraft + Short Term Investment + Long Term Investment - Unspent grants) / (Net Assets - Accumulated Surplus - Non Controlling Interest Share Premium - Share Capital - Fair Value Adjustment - Revaluation Reserve) x 100	Statement Financial Position, Budget and AR	100%	Cash and cash Equivalents Bank Overdraft Short Term Investment Long Term Investment Unspent Grants Net Assets Accumulated Surplus	37% 123,742 - - - - 3,134,627 2,802,725	79% 252,635 - - - - 3,277,098 2,956,875	120% 387,980 - - - - 3,443,517 3,119,503	Please refer to page 9 of MFMA Circular No. 71
2. FINANCIAL PERFORMANCE									
A. Efficiency									
1	Net Operating Surplus Margin	(Total Operating Revenue - Total Operating Expenditure)/Total Operating Revenue	Statement of Financial Performance, Budget, In-Year reports, AR, Statement of Comparison of Budget and Actual Amounts and Statement of Changes in Net Asset	= or > 0%	Total Operating Revenue Depreciation - Revalued Portion (Only populate if depreciation line item in the Statement of Financial Total Operating Expenditure Taxation Expense	9% 2,329,117 73,550 2,193,028	9% 2,469,639 78,738 2,327,266	9% 2,632,086 83,673 2,471,291	Please refer to page 10 of MFMA Circular No. 71
2	Net Surplus /Deficit Electricity	Total Electricity Revenue less Total Electricity Expenditure/Total Electricity Revenue x 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	0% - 15%	Total Electricity Revenue Total Electricity Expenditure	7% 700,551 649,215	7% 752,170 698,835	7% 806,806 751,470	Please refer to page 10 of MFMA Circular No. 71
3	Net Surplus /Deficit Water	Total Water Revenue less Total Water Expenditure/Total Water Revenue x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%	Total Water Revenue Total Water Expenditure	17% 255,384 210,830	17% 270,553 225,898	16% 287,767 242,813	Please refer to page 11 of MFMA Circular No. 71
4	Net Surplus /Deficit Refuse	Total Refuse Revenue less Total Refuse Expenditure/Total Refuse Revenue x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%	Total Refuse Revenue Total Refuse Expenditure	6% 56,803 53,403	6% 60,158 56,658	6% 63,603 59,803	Please refer to page 12 of MFMA Circular No. 71
5	Net Surplus /Deficit Sanitation and Waste Water	Total Sanitation and Waste Water Revenue less Total Sanitation and Waste Water Expenditure/Total Sanitation and Waste Water	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	= or > 0%	Total Sanitation and Water Waste Revenue Total Sanitation and Water Waste Expenditure	18% 76,450 62,600	17% 80,972 67,372	16% 85,622 71,872	Please refer to page 12 of MFMA Circular No. 71
B. Distribution Losses									
1	Electricity Distribution Losses (Percentage)	(Number of Electricity Units Purchased and/or Generated - Number of units sold) / Number of Electricity Units Purchased and/or generated) x 100	Annual Report, Audit Report and Notes to Annual Financial Statements	7% - 10%	Number of units purchased and/or generated ('000) Number of units sold ('000)	18% 580,579 476,075	15% 580,579 493,492	12% 575,781 506,687	Please refer to page 13 of MFMA Circular No. 71 Total Electricity Losses includes technical losses. According to NERSA's Municipal Tariff Benchmark for 2014/15, the tolerable range is 5% - 12%
2	Water Distribution Losses (Percentage)	(Number of Kilo litres Water Purchased or Purified - Number of Kilo litres Water Sold) / Number of Kilo litres Water Purchased or Purified x 100	Annual Report, Audit Report and Notes to Annual Financial Statements	15% - 30%	Number of kilolitres purchased and/or purified ('000) Number of kilolitres sold ('000)	50% 34,910 17,455	40% 35,388 21,233	30% 35,874 25,112	Please refer to page 13 of MFMA Circular No. 71 The Municipality is busy with projects to adress the water losses. These include metering the bulk use of stand pipes in areas, the installation of bulk meters per area, smart metering of Municipal own use and savings options at Riverton plant.

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)	4%	1%	1%	Please refer to page 14 of MFMA Circular No. 71	
					63	66	66	67		
					Number of Active Debtors Accounts (Current)	66	67	67		
2	Revenue Growth (%)	(Period under review's Total Revenue - previous period's Total Revenue)/ previous period's Total Revenue) x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= CPI	CPI	2%	6%	7%	Please refer to page 15 of MFMA Circular No. 71	
					4.50%	4.60%	4.60%	4.60%		
					Total Revenue (Previous)	2,273,693	2,329,117	2,469,639		
					Total Revenue (Current)	2,329,117	2,469,639	2,632,086		
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	5%	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
					4.50%	4.60%	4.60%	4.60%		
					Total Revenue Excl.Capital (Previous)	2,116,184	2,212,561	2,348,000		
					Total Revenue Excl.Capital (Current)	2,212,561	2,348,000	2,498,378		
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	88 days	88 days	90 days	Please refer to page 16 of MFMA Circular No.71	This ratio is calculated as at a specific point in time, which results in a distorted representation of the actual payment days. Especially at year-end, the outstanding creditors will be high.
					Contracted Services	272,097	287,944	315,279		
					Repairs and Maintenance	44,948	47,553	50,082		
					General expenses	165,426	173,890	185,590		
					Bulk Purchases	110,197	117,215	119,889		
					Capital Credit Purchases (Capital Credit Purchases refers to additions of Investment Property and Property,Plant and Equipment)	672,500	712,750	772,190		
					140,056	136,639	157,708			
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	2,193,028	2,327,266	2,471,291		
					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	39%	39%	39%	Please refer to page 17 of MFMA Circular No. 71	
					814,281	868,721	917,868	917,868		
					Councillors Remuneration	33,023	35,169	37,280		
					Total Operating Expenditure	2,193,028	2,327,266	2,471,291		
					Taxation Expense					
4	Contracted Services % of Total Operating Expenditure	Contracted Services / Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	2% - 5%	Contracted Services	2%	2%	2%	Please refer to page 17 of MFMA Circular No. 71	
					44,948	47,553	50,082	50,082		
					Total Operating Expenditure	2,193,028	2,327,266	2,471,291		
					Taxation Expense					
E. Grant Dependency										
1	Own funded Capital Expenditure (Internally generated funds + Borrowings) to Total Capital Expenditure	Own funded Capital Expenditure (Internally generated funds + Borrowings) / Total Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, Notes to the Annual Financial Statements (Statement of Comparative and	None	Internally generated funds	17%	11%	15%	Please refer to page 18 of MFMA Circular No. 71	
					Borrowings	23,500	15,000	24,000		
					Total Capital Expenditure	140,056	136,639	157,708		
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	17%	11%	15%	Please refer to page 18 of MFMA Circular No. 71	
					23,500	15,000	24,000	24,000		
					Total Capital Expenditure	140,056	136,639	157,708		
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	95%	95%	95%	Please refer to page 18 of MFMA Circular No. 71	
					2,329,117	2,469,639	2,632,086	2,632,086		
					Government grant and subsidies	224,542	239,418	257,397		
					Public contributions and Donations	116,556	121,639	133,708		
					Capital Grants					
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	
					140,056	136,639	157,708	157,708		
					Budget Capital Expenditure	140,056	136,639	157,708		
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	
					2,193,028	2,327,266	2,471,291	2,471,291		
					Budget Operating Expenditure	2,193,028	2,327,266	2,471,291		
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	
					2,329,117	2,469,639	2,632,086	2,632,086		
					Budget Operating Revenue	2,329,117	2,469,639	2,632,086		
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	
					1,754,126	1,867,528	1,999,088	1,999,088		
					Budget Service Charges and Property Rates Revenue	1,754,126	1,867,528	1,999,088		

SECTION 1:

**BUDGET
SCHEDULES
AND
SUPPORTING
TABLES**

Preparation Instructions

NC091 Sol Plaatje ▼

2020 ▼

No ▼

Parent Municipality ▼

2020/21

LGDB Export

Name Votes & Sub-Votes

Printing Instructions

Important documents which
provide essential assistance

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

NC091 Sol Plaatje - Contact Information

A. GENERAL INFORMATION

Municipality	NC091 Sol Plaatje
Grade	5
Province	NC NORTHERN CAPE
Web Address	www.solplaatje.org.za
e-mail Address	info@solplaatje.org.za

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

B. CONTACT INFORMATION

Postal address:	
P.O. Box	x5030
City / Town	Kimberley
Postal Code	8300
Street address	
Building	Civic Centre
Street No. & Name	Sol Plaatje Drive
City / Town	Kimberley
Postal Code	8301

General Contacts

Telephone number	0538306911
Fax number	0538331005

C. POLITICAL LEADERSHIP

Speaker:		Secretary/PA to the Speaker:	
ID Number	7908300148084	ID Number	7909080455087
Title	Ms	Title	Ms
Name	I KOOPMAN	Name	E MDALI
Telephone number	0538306489	Telephone number	0538306489
Cell number	0780689185	Cell number	0781906174
Fax number		Fax number	0538391431
E-mail address	ikoopman@solplaatje.org.za	E-mail address	emdali@solplaatje.org.za
Mayor/Executive Mayor:		Secretary/PA to the Mayor/Executive Mayor:	
ID Number	6410255786084	ID Number	8906140591082
Title	Mr	Title	Ms
Name	PS MABILO	Name	T KGANTSI
Telephone number	0538306269	Telephone number	0538306269
Cell number	0817999540	Cell number	0762213498
Fax number		Fax number	
E-mail address	pmabilo@solplaatje.org.za	E-mail address	tkgantsi@solplaatje.org.za

D. MANAGEMENT LEADERSHIP

Municipal Manager:		Secretary/PA to the Municipal Manager:	
ID Number	5607255146083	ID Number	7703280509086
Title	Mr.	Title	Ms
Name	GH AKHARWARAY	Name	J BONOKWANE
Telephone number	0538306100	Telephone number	0538306471
Cell number	0832558808	Cell number	0727213953
Fax number	0538331005	Fax number	0538331005
E-mail address	0832558808	E-mail address	jbonokwane@solplaatje.org.za
Chief Financial Officer		Secretary/PA to the Chief Financial Officer	
ID Number	7409010648083	ID Number	8404230231082
Title	Ms	Title	Ms
Name	ZL MAHLOKO	Name	L BARTLETT
Telephone number	0538306500	Telephone number	0538306502
Cell number	0827565659	Cell number	0727213953
Fax number	0538326571	Fax number	0538314658
E-mail address	zmahloko@solplaatje.org.za	E-mail address	lbartlett@solplaatje.org.za
Official responsible for submitting financial information		Official responsible for submitting financial information	
ID Number	7904040134088	ID Number	8112110012080
Title	Ms	Title	Ms
Name	CELESTE CROUCH	Name	CANDY JENNEKE
Telephone number	0538306533	Telephone number	0538306564
Cell number	0832609374	Cell number	0658624272
Fax number	0866812135	Fax number	0538314658
E-mail address	ccrouch@solplaatje.org.za	E-mail address	cjenneke@solplaatje.org.za

Official responsible for submitting financial information		Official responsible for submitting financial information	
ID Number	5409175029089	ID Number	6012025021089
Title	Mr	Title	Mr
Name	BRIAN ANTHONY	Name	JJ WAGNER
Telephone number	0538306437	Telephone number	0538306504
Cell number	0716736302	Cell number	0828346330
Fax number		Fax number	
E-mail address	banthony@solplaatje.org.za	E-mail address	jwagner@solplaatje.org.za
Official responsible for submitting financial information		Official responsible for submitting financial information	
ID Number	5708100073082	ID Number	8204210057089
Title	Ms	Title	Ms
Name	BERYL ENGELBRECHT	Name	KARIN DE KLERK
Telephone number	0538306532	Telephone number	0538306578
Cell number	0828346330	Cell number	0726005904
Fax number	0865344770	Fax number	
E-mail address	bengelbrecht@solplaatje.org.za	E-mail address	kdklerk@solplaatje.org.za
Official responsible for submitting financial information		Official responsible for submitting financial information	
ID Number	7105245358080	ID Number	760918 5170 082
Title	Mr	Title	Mr
Name	M MABUJA (Acting Municipal Manager)	Name	Z CADER (Acting Chief Financial Officer)
Telephone number		Telephone number	0538306502
Cell number	0813744300	Cell number	0762997815
Fax number	0538331005	Fax number	
E-mail address	mmabuja@solplaatje.org.za	E-mail address	zcader@solplaatje.org.za

NC091 Sol Plaatje - Table A1 Budget Summary

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands									
Financial Performance									
Property rates	455,092	492,309	512,886	578,654	558,654	558,654	584,108	628,700	672,297
Service charges	951,040	938,327	905,350	1,172,984	1,087,798	1,087,798	1,170,018	1,238,828	1,326,790
Investment revenue	21,576	18,700	10,002	15,000	7,500	7,500	10,000	13,000	15,000
Transfers recognised - operational	165,337	172,480	192,110	230,509	229,959	229,959	224,542	239,418	257,397
Other own revenue	198,630	242,937	213,287	206,465	217,646	217,646	223,893	228,053	226,893
Total Revenue (excluding capital transfers and contributions)	1,791,676	1,864,753	1,833,635	2,203,612	2,101,557	2,101,557	2,212,561	2,348,000	2,498,378
Employee costs	567,317	647,309	688,565	770,966	759,166	759,166	814,281	868,721	917,868
Remuneration of councillors	25,011	28,409	28,388	31,753	31,753	31,753	33,023	35,169	37,280
Depreciation & asset impairment	60,291	63,603	61,697	71,600	71,600	71,600	73,550	78,738	83,673
Finance charges	27,789	27,213	26,250	24,661	25,161	25,161	23,542	22,342	20,989
Materials and bulk purchases	613,714	690,184	713,567	808,725	814,175	814,175	837,926	886,640	957,780
Transfers and grants	7,984	9,325	3,940	7,670	4,170	4,170	6,060	6,188	6,414
Other expenditure	320,227	385,609	338,579	478,836	385,331	385,331	404,645	429,469	447,288
Total Expenditure	1,622,333	1,851,652	1,860,987	2,194,210	2,091,355	2,091,355	2,193,028	2,327,266	2,471,291
Surplus/(Deficit)	169,344	13,101	(27,352)	9,402	10,202	10,202	19,534	20,734	27,087
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	89,523	204,933	197,254	157,285	172,136	172,136	116,556	121,639	133,708
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	-	4,561	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	258,866	222,595	169,902	166,687	182,338	182,338	136,090	142,373	160,795
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	258,866	222,595	169,902	166,687	182,338	182,338	136,090	142,373	160,795
Capital expenditure & funds sources									
Capital expenditure	119,691	244,839	207,827	184,285	189,636	189,636	140,056	136,639	157,708
Transfers recognised - capital	89,523	204,933	177,023	157,285	172,136	172,136	116,556	121,639	133,708
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	30,168	39,905	30,804	27,000	17,500	17,500	23,500	15,000	24,000
Total sources of capital funds	119,691	244,839	207,827	184,285	189,636	189,636	140,056	136,639	157,708
Financial position									
Total current assets	1,355,405	1,479,819	1,558,312	1,619,236	1,629,536	1,629,536	1,891,892	2,032,883	2,168,287
Total non current assets	1,686,169	1,831,391	2,003,899	2,075,799	2,081,150	2,081,150	2,148,181	2,183,267	2,248,174
Total current liabilities	266,704	360,745	427,030	276,208	276,208	276,208	491,084	521,224	553,848
Total non current liabilities	426,578	441,306	456,122	448,139	448,139	448,139	414,362	417,829	419,095
Community wealth/Equity	2,348,290	2,509,158	2,679,060	2,970,688	2,986,339	2,986,339	3,134,627	3,277,098	3,443,517
Cash flows									
Net cash from (used) operating	114,354	133,754	158,470	277,161	282,512	282,512	207,518	276,266	305,140
Net cash from (used) investing	(119,691)	(242,482)	(207,827)	(184,285)	(189,636)	(189,636)	(140,056)	(136,639)	(157,708)
Net cash from (used) financing	(8,204)	(1,767)	(11,864)	(6,049)	(6,049)	(6,049)	(9,534)	(10,734)	(12,087)
Cash/cash equivalents at the year end	245,735	135,240	74,019	202,090	202,090	202,090	123,742	252,635	387,980
Cash backing/surplus reconciliation									
Cash and investments available	245,735	135,240	74,019	202,093	202,093	202,093	123,742	252,635	387,980
Application of cash and investments	(452,362)	(534,487)	(670,808)	(925,990)	(807,771)	(807,771)	(872,586)	(908,770)	(902,324)
Balance - surplus (shortfall)	698,097	669,727	744,827	1,128,082	1,009,863	1,009,863	996,328	1,161,404	1,290,304
Asset management									
Asset register summary (WDV)	1,678,684	1,821,546	1,967,676	2,068,060	2,073,411	2,073,411	2,111,046	2,146,400	2,212,457
Depreciation	60,291	63,603	61,697	71,600	71,600	71,600	73,550	78,738	83,673
Renewal and Upgrading of Existing Assets	78,479	131,330	110,183	99,436	118,935	118,935	88,443	102,639	116,708
Repairs and Maintenance	121,748	188,850	159,130	260,050	249,764	249,764	264,155	283,442	302,795
Free services									
Cost of Free Basic Services provided	38,949	42,482	42,008	57,015	57,015	57,015	55,192	58,613	61,953
Revenue cost of free services provided	112	26,434	92,451	10,323	83,508	83,508	102,834	109,019	115,034
Households below minimum service level									
Water:	5,781	5,781	5,781	5,781	5,781	5,781	5,781	5,781	5,781
Sanitation/sewerage:	5,164	5,164	5,164	5,164	5,164	5,164	5,164	5,164	5,164
Energy:	5,677	5,677	5,677	5,677	5,677	5,677	5,677	5,677	5,677
Refuse:	12,413	12,413	12,413	12,413	12,413	12,413	12,413	12,413	12,413

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

Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Revenue - Functional										
<i>Governance and administration</i>		867,059	997,863	1,004,074	1,074,878	1,068,360	1,068,360	1,030,357	1,094,344	1,161,251
Executive and council		402,153	495,127	463,788	468,192	482,923	482,923	419,951	437,326	459,548
Finance and administration		464,906	502,737	540,286	606,686	585,437	585,437	610,406	657,018	701,704
Internal audit		–	–	–	–	–	–	–	–	–
<i>Community and public safety</i>		44,026	23,615	24,430	25,995	25,995	25,995	27,166	28,798	30,384
Community and social services		30,855	9,900	9,816	11,008	11,008	11,008	11,020	11,681	12,324
Sport and recreation		3,276	3,615	2,987	3,730	3,730	3,730	3,790	4,020	4,242
Public safety		128	253	927	285	285	285	660	700	738
Housing		9,692	9,790	10,613	10,901	10,901	10,901	11,601	12,297	12,973
Health		75	58	87	70	70	70	95	101	106
<i>Economic and environmental services</i>		12,934	25,773	22,638	18,223	21,723	21,723	21,486	22,781	24,047
Planning and development		2,575	4,627	2,690	3,923	3,923	3,923	4,231	4,491	4,751
Road transport		10,359	21,145	19,948	14,300	17,800	17,800	17,255	18,290	19,296
Environmental protection		–	–	–	–	–	–	–	–	–
<i>Trading services</i>		953,435	1,012,086	970,971	1,232,289	1,149,103	1,149,103	1,240,638	1,313,740	1,405,881
Energy sources		594,267	617,638	566,794	777,527	717,052	717,052	781,232	824,755	886,444
Water management		237,761	267,120	270,001	306,392	290,182	290,182	311,226	331,761	353,199
Waste water management		69,578	73,265	77,321	81,517	77,866	77,866	82,175	86,656	90,719
Waste management		51,830	54,064	56,855	66,853	64,003	64,003	66,004	70,569	75,520
<i>Other</i>	4	3,744	14,909	8,776	9,512	8,512	8,512	9,470	9,974	10,523
Total Revenue - Functional	2	1,881,199	2,074,247	2,030,889	2,360,897	2,273,693	2,273,693	2,329,117	2,469,639	2,632,086
Expenditure - Functional										
<i>Governance and administration</i>		427,536	606,730	549,423	702,387	637,497	637,497	665,289	704,778	739,542
Executive and council		267,503	401,892	334,156	433,631	381,311	381,311	396,128	419,012	438,276
Finance and administration		155,774	199,643	209,917	262,274	249,704	249,704	262,445	278,647	293,755
Internal audit		4,258	5,194	5,350	6,482	6,482	6,482	6,716	7,119	7,511
<i>Community and public safety</i>		180,983	144,359	154,197	186,430	175,201	175,201	180,462	195,393	205,733
Community and social services		71,698	34,210	36,073	41,179	40,792	40,792	41,708	48,808	51,036
Sport and recreation		41,225	43,402	47,061	59,874	53,994	53,994	56,172	58,971	62,253
Public safety		36,148	33,575	35,366	39,698	39,141	39,141	41,910	44,548	47,007
Housing		17,672	19,515	19,964	27,082	22,782	22,782	22,866	24,237	25,602
Health		14,240	13,658	15,732	18,596	18,492	18,492	17,806	18,829	19,835
<i>Economic and environmental services</i>		98,442	114,119	113,485	132,039	132,964	132,964	135,508	144,058	152,515
Planning and development		39,105	41,528	40,914	47,161	47,161	47,161	46,540	49,395	52,263
Road transport		59,337	72,015	71,954	84,208	85,133	85,133	88,266	93,918	99,467
Environmental protection		–	576	618	670	670	670	702	745	785
<i>Trading services</i>		907,337	965,732	1,023,507	1,147,658	1,121,903	1,121,903	1,187,249	1,257,208	1,346,253
Energy sources		616,512	628,799	644,809	731,755	714,255	714,255	762,833	803,821	863,069
Water management		176,301	224,221	240,218	266,483	268,183	268,183	278,498	298,311	319,000
Waste water management		60,888	58,607	79,071	82,667	72,712	72,712	79,014	83,707	88,464
Waste management		53,636	54,105	59,408	66,753	66,753	66,753	66,904	71,369	75,720
<i>Other</i>	4	8,035	20,711	20,374	25,697	23,791	23,791	24,518	25,828	27,248
Total Expenditure - Functional	3	1,622,333	1,851,652	1,860,987	2,194,210	2,091,355	2,091,355	2,193,028	2,327,266	2,471,291
Surplus/(Deficit) for the year		258,866	222,595	169,902	166,687	182,338	182,338	136,090	142,373	160,795

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

NC051 - 2019/20 Budgeted Financial Performance (Revenue and expenditure by functional classification)										
Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue - Functional										
Municipal governance and administration		867,059	997,863	1,004,074	1,074,878	1,068,360	1,068,360	1,030,357	1,094,344	1,161,251
Executive and council		402,153	495,127	463,788	468,192	482,923	482,923	419,951	437,326	459,548
Mayor and Council		402,153	495,127	463,788	468,192	482,923	482,923	419,951	437,326	459,548
Municipal Manager, Town Secretary and Chief Executive		464,906	502,737	540,286	606,686	585,437	585,437	610,406	657,018	701,704
Finance and administration		4,280	3,739	106	4,226	1,727	1,727	1,727	1,729	1,730
Administrative and Corporate Support		-	-	-	1,750	-	-	600	1,000	500
Asset Management		457,602	496,035	533,870	592,610	577,610	577,610	601,459	647,073	691,662
Finance		2,702	2,515	5,901	7,650	5,650	5,650	6,150	6,719	7,286
Fleet Management										
Human Resources										
Information Technology										
Legal Services										
Marketing, Customer Relations, Publicity and Media Co-										
Property Services		321	448	410	450	450	450	470	498	526
Risk Management										
Security Services										
Supply Chain Management		-	-	-	-	-	-	-	-	-
Valuation Service										
Internal audit		-	-	-	-	-	-	-	-	-
Governance Function										
Community and public safety		44,026	23,615	24,430	25,995	25,995	25,995	27,166	28,798	30,384
Community and social services		30,855	9,900	9,816	11,008	11,008	11,008	11,020	11,681	12,324
Aged Care										
Agricultural										
Animal Care and Diseases										
Cemeteries, Funeral Parlours and Crematoriums		2,001	1,515	869	1,700	1,700	1,700	1,700	1,802	1,901
Child Care Facilities										
Community Halls and Facilities		975	1,002	841	1,120	1,120	1,120	970	1,028	1,085
Consumer Protection										
Cultural Matters										
Disaster Management										
Education										
Indigenous and Customary Law										
Industrial Promotion										
Language Policy										
Libraries and Archives		27,879	7,384	8,106	8,188	8,188	8,188	8,350	8,851	9,338
Literacy Programmes										
Media Services										
Museums and Art Galleries										
Population Development										
Provincial Cultural Matters										
Theatres										
Zoo's										
Sport and recreation		3,276	3,615	2,987	3,730	3,730	3,730	3,790	4,020	4,242
Beaches and Jetties										
Casinos, Racing, Gambling, Wagering										
Community Parks (including Nurseries)										
Recreational Facilities		3,106	3,508	2,795	3,600	3,600	3,600	3,590	3,806	4,015
Sports Grounds and Stadiums		170	107	193	130	130	130	200	214	227
Public safety		128	253	927	285	285	285	660	700	738
Civil Defence										
Cleansing										
Control of Public Nuisances										
Fencing and Fences										
Fire Fighting and Protection		128	225	873	225	225	225	600	636	671
Licensing and Control of Animals		-	28	53	60	60	60	60	64	67
Police Forces, Traffic and Street Parking Control										
Pounds										
Housing		9,692	9,790	10,613	10,901	10,901	10,901	11,601	12,297	12,973
Housing		9,692	9,790	10,613	10,901	10,901	10,901	11,601	12,297	12,973
Informal Settlements										
Health		75	58	87	70	70	70	95	101	106
Ambulance										
Health Services		75	58	87	70	70	70	95	101	106
Laboratory Services										
Food Control										
Health Surveillance and Prevention of Communicable Diseases										
Vector Control										
Chemical Safety										

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

Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Economic and environmental services		12,934	25,773	22,638	18,223	21,723	21,723	21,486	22,781	24,047
Planning and development		2,575	4,627	2,690	3,923	3,923	3,923	4,231	4,491	4,751
Billboards										
Corporate Wide Strategic Planning (IDPs, LEDs)		860	1,006	854	1,050	1,050	1,050	1,000	1,060	1,118
Central City Improvement District										
Development Facilitation										
Economic Development/Planning										
Regional Planning and Development										
Town Planning, Building Regulations and Enforcement, and City		1,715	1,584	1,836	2,873	2,873	2,873	3,231	3,431	3,632
Project Management Unit		-	2,037	-	-	-	-	-	-	-
Provincial Planning										
Support to Local Municipalities										
Road transport		10,359	21,145	19,948	14,300	17,800	17,800	17,255	18,290	19,296
Public Transport										
Road and Traffic Regulation		9,923	20,950	19,754	14,100	17,600	17,600	17,255	18,290	19,296
Roads		436	196	194	200	200	200	-	-	-
Taxi Ranks										
Environmental protection		-	-	-	-	-	-	-	-	-
Biodiversity and Landscape										
Coastal Protection										
Indigenous Forests										
Nature Conservation										
Pollution Control										
Soil Conservation										
Trading services		953,435	1,012,086	970,971	1,232,289	1,149,103	1,149,103	1,240,638	1,313,740	1,405,881
Energy sources		594,267	617,638	566,794	777,527	717,052	717,052	781,232	824,755	886,444
Electricity		594,267	617,638	566,794	777,527	717,052	717,052	781,232	824,755	886,444
Street Lighting and Signal Systems										
Nonelectric Energy										
Water management		237,761	267,120	270,001	306,392	290,182	290,182	311,226	331,761	353,199
Water Treatment										
Water Distribution		237,761	267,120	270,001	306,392	290,182	290,182	311,226	331,761	353,199
Water Storage										
Waste water management		69,578	73,265	77,321	81,517	77,866	77,866	82,175	86,656	90,719
Public Toilets										
Sewerage		69,578	73,265	77,321	81,517	77,866	77,866	82,175	86,656	90,719
Storm Water Management										
Waste Water Treatment										
Waste management		51,830	54,064	56,855	66,853	64,003	64,003	66,004	70,569	75,520
Recycling										
Solid Waste Disposal (Landfill Sites)										
Solid Waste Removal		51,830	54,064	56,855	66,853	64,003	64,003	66,004	70,569	75,520
Street Cleaning										
Other		3,744	14,909	8,776	9,512	8,512	8,512	9,470	9,974	10,523
Abattoirs										
Air Transport										
Forestry										
Licensing and Regulation		-	11,086	6,566	5,025	5,025	5,025	6,375	6,694	7,062
Markets		3,599	3,678	2,063	4,350	3,350	3,350	2,950	3,127	3,299
Tourism		146	145	147	137	137	137	145	154	162
Total Revenue - Functional	2	1,881,199	2,074,247	2,030,889	2,360,897	2,273,693	2,273,693	2,329,117	2,469,639	2,632,086

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

Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Expenditure - Functional										
Municipal governance and administration		427,536	606,730	549,423	702,387	637,497	637,497	665,289	704,778	739,542
Executive and council		267,503	401,892	334,156	433,631	381,311	381,311	396,128	419,012	438,276
Mayor and Council		43,422	43,801	46,045	51,241	55,741	55,741	56,511	60,066	63,546
Municipal Manager, Town Secretary and Chief Executive		224,081	358,091	288,111	382,390	325,570	325,570	339,618	358,945	374,730
Finance and administration		155,774	199,643	209,917	262,274	249,704	249,704	262,445	278,647	293,755
Administrative and Corporate Support		27,087	28,739	24,558	32,138	29,024	29,024	27,052	28,573	30,051
Asset Management		5,086	5,272	5,578	9,798	8,068	8,068	8,589	9,469	9,435
Finance		41,852	63,959	69,677	89,380	85,360	85,360	93,370	98,972	104,415
Fleet Management		8,079	16,201	16,331	21,758	20,952	20,952	22,370	23,824	25,491
Human Resources		10,851	14,549	21,487	25,018	23,018	23,018	24,218	25,859	27,467
Information Technology		9,869	12,027	10,544	13,754	13,754	13,754	14,397	15,261	16,101
Legal Services										
Marketing, Customer Relations, Publicity and Media Co-		3,036	3,214	3,306	3,994	3,994	3,994	4,109	4,356	4,595
Property Services		11,559	12,860	15,098	16,124	16,124	16,124	15,966	16,924	17,855
Risk Management		1,864	2,099	2,100	2,387	2,387	2,387	2,496	2,646	2,792
Security Services		14,938	18,326	17,901	21,463	21,463	21,463	22,499	23,742	24,936
Supply Chain Management		13,676	13,514	14,176	16,256	15,256	15,256	16,824	17,834	18,815
Valuation Service		7,879	8,883	9,163	10,205	10,305	10,305	10,554	11,187	11,803
Internal audit		4,258	5,194	5,350	6,482	6,482	6,482	6,716	7,119	7,511
Governance Function		4,258	5,194	5,350	6,482	6,482	6,482	6,716	7,119	7,511
Community and public safety		180,983	144,359	154,197	186,430	175,281	175,281	180,462	195,393	205,733
Community and social services		71,698	34,210	36,073	41,179	40,792	40,792	41,708	48,808	51,036
Aged Care										
Agricultural										
Animal Care and Diseases										
Cemeteries, Funeral Parlours and Crematoriums		15,542	15,702	17,826	19,463	19,440	19,440	20,473	21,995	23,205
Child Care Facilities										
Community Halls and Facilities		3,137	3,875	3,522	4,496	4,252	4,252	4,343	4,604	4,857
Consumer Protection										
Cultural Matters										
Disaster Management										
Education										
Indigenous and Customary Law										
Industrial Promotion										
Language Policy										
Libraries and Archives		53,020	14,632	14,726	17,220	17,099	17,099	16,892	22,209	22,975
Literacy Programmes										
Media Services										
Museums and Art Galleries										
Population Development										
Provincial Cultural Matters										
Theatres										
Zoo's										
Sport and recreation		41,225	43,402	47,061	59,874	53,994	53,994	56,172	58,971	62,253
Beaches and Jetties										
Casinos, Racing, Gambling, Wagering										
Community Parks (including Nurseries)		22,726	25,107	23,586	28,163	26,351	26,351	27,498	28,873	30,461
Recreational Facilities		9,718	11,371	17,563	23,302	20,731	20,731	21,523	22,447	23,681
Sports Grounds and Stadiums		8,781	6,924	5,912	8,409	6,912	6,912	7,151	7,651	8,111
Public safety		36,148	33,575	35,366	39,698	39,141	39,141	41,910	44,548	47,007
Civil Defence										
Cleansing										
Control of Public Nuisances										
Fencing and Fences										
Fire Fighting and Protection		34,916	32,315	34,072	38,256	37,700	37,700	40,393	42,941	45,303
Licensing and Control of Animals		1,231	1,259	1,294	1,441	1,441	1,441	1,516	1,607	1,704
Police Forces, Traffic and Street Parking Control										
Pounds										
Housing		17,672	19,515	19,964	27,082	22,782	22,782	22,866	24,237	25,602
Housing		17,672	19,515	19,964	27,082	22,782	22,782	22,866	24,237	25,602
Informal Settlements										
Health		14,240	13,658	15,732	18,596	18,492	18,492	17,806	18,829	19,835
Ambulance										
Health Services		14,240	13,658	15,732	18,596	18,492	18,492	17,806	18,829	19,835
Laboratory Services										
Food Control										
Health Surveillance and Prevention of Communicable Diseases										
Vector Control										
Chemical Safety										

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

Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Economic and environmental services		98,442	114,119	113,485	132,039	132,964	132,964	135,508	144,058	152,515
Planning and development		39,105	41,528	40,914	47,161	47,161	47,161	46,540	49,395	52,263
Billboards										
Corporate Wide Strategic Planning (IDPs, LEDs)		8,182	9,485	9,331	10,510	10,510	10,510	10,038	10,640	11,225
Central City Improvement District										
Development Facilitation										
Economic Development/Planning		5,057	5,691	5,611	6,843	6,843	6,843	6,790	7,202	7,624
Regional Planning and Development										
Town Planning, Building Regulations and Enforcement, and City		23,935	24,314	23,885	27,524	27,524	27,524	27,333	29,031	30,753
Project Management Unit		1,931	2,037	2,087	2,285	2,285	2,285	2,379	2,521	2,660
Provincial Planning										
Support to Local Municipalities										
Road transport		59,337	72,015	71,954	84,208	85,133	85,133	88,266	93,918	99,467
Public Transport										
Road and Traffic Regulation		24,986	32,915	35,175	43,554	43,381	43,381	46,022	48,782	51,465
Roads		34,351	39,101	36,779	40,654	41,752	41,752	42,244	45,136	48,002
Taxi Ranks										
Environmental protection		-	576	618	670	670	670	702	745	785
Biodiversity and Landscape										
Coastal Protection		-	576	618	670	670	670	702	745	785
Indigenous Forests										
Nature Conservation										
Pollution Control										
Soil Conservation										
Trading services		907,337	965,732	1,023,507	1,147,658	1,121,903	1,121,903	1,187,249	1,257,208	1,346,253
Energy sources		616,512	628,799	644,809	731,755	714,255	714,255	762,833	803,821	863,069
Electricity		597,629	600,560	638,151	709,755	705,755	705,755	755,333	795,721	854,321
Street Lighting and Signal Systems		18,882	28,239	6,658	22,000	8,500	8,500	7,500	8,100	8,748
Nonelectric Energy										
Water management		176,301	224,221	240,218	266,483	268,183	268,183	278,498	298,311	319,000
Water Treatment		37,449	42,165	45,458	47,455	48,755	48,755	49,780	52,291	54,698
Water Distribution		138,852	182,056	194,760	219,028	219,428	219,428	228,718	246,021	264,302
Water Storage										
Waste water management		60,888	58,607	79,071	82,667	72,712	72,712	79,014	83,707	88,464
Public Toilets		2,063	2,089	1,545	2,396	2,021	2,021	2,214	2,347	2,476
Sewerage		31,089	39,213	37,264	45,535	35,955	35,955	38,770	40,840	42,834
Storm Water Management										
Waste Water Treatment		27,737	17,305	40,263	34,735	34,735	34,735	38,030	40,521	43,155
Waste management		53,636	54,105	59,408	66,753	66,753	66,753	66,904	71,369	75,720
Recycling										
Solid Waste Disposal (Landfill Sites)		6,087	2,428	3,588	4,958	4,458	4,458	5,113	5,468	5,767
Solid Waste Removal		47,549	51,677	55,820	61,795	62,295	62,295	61,792	65,900	69,953
Street Cleaning										
Other		8,035	20,711	20,374	25,697	23,791	23,791	24,518	25,828	27,248
Abattoirs										
Air Transport										
Forestry										
Licensing and Regulation			11,394	10,936	13,508	13,508	13,508	14,400	15,121	15,953
Markets		5,278	5,431	5,737	8,109	6,465	6,465	6,170	6,540	6,900
Tourism		2,757	3,886	3,701	4,080	3,818	3,818	3,949	4,166	4,395
Total Expenditure - Functional	3	1,622,333	1,851,652	1,860,987	2,194,210	2,091,355	2,091,355	2,193,028	2,327,266	2,471,291
Surplus/(Deficit) for the year		258,866	222,595	169,902	166,687	182,338	182,338	136,090	142,373	160,795

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

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
Revenue by Vote	1									
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		441,012	495,127	463,788	468,192	482,923	482,923	419,951	437,326	459,548
Vote 03 - Municipal Manager		-	2,037	-	-	-	-	-	-	-
Vote 04 - Corporate Services		5,358	4,553	6,007	10,176	5,677	5,677	6,177	6,748	7,316
Vote 05 - Community Services		89,884	101,492	96,992	101,072	101,722	101,722	105,200	112,054	119,288
Vote 06 - Financial Services		459,318	497,735	533,870	596,060	579,310	579,310	603,759	649,773	693,862
Vote 07 - Strategy Econ Development And Planning		6,640	6,861	5,309	8,860	7,860	7,860	7,796	8,270	8,737
Vote 08 - Infrastructure And Services		878,988	966,442	924,923	1,176,537	1,096,201	1,096,201	1,186,235	1,255,469	1,343,335
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	1,881,199	2,074,247	2,030,889	2,360,897	2,273,693	2,273,693	2,329,117	2,469,639	2,632,086
Expenditure by Vote to be appropriated	1									
Vote 01 - Executive & Council		43,422	43,801	46,045	51,241	55,741	55,741	56,511	60,066	63,546
Vote 02 - Municipal And General		207,317	346,308	277,592	370,910	314,090	314,090	327,737	346,351	361,444
Vote 03 - Municipal Manager		16,855	18,576	16,144	23,300	23,300	23,300	24,268	25,724	27,139
Vote 04 - Corporate Services		51,493	56,567	62,302	74,381	69,367	69,367	69,524	73,777	77,908
Vote 05 - Community Services		220,257	227,420	244,132	288,046	280,945	280,945	289,928	311,735	328,867
Vote 06 - Financial Services		106,379	112,282	115,007	144,541	137,791	137,791	149,015	158,218	166,271
Vote 07 - Strategy Econ Development And Planning		49,209	53,124	54,587	60,529	58,622	58,622	57,163	60,637	64,123
Vote 08 - Infrastructure And Services		927,400	993,574	1,045,177	1,181,262	1,151,499	1,151,499	1,218,882	1,290,757	1,381,993
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	1,622,333	1,851,652	1,860,987	2,194,210	2,091,355	2,091,355	2,193,028	2,327,266	2,471,291
Surplus/(Deficit) for the year	2	258,866	222,595	169,902	166,687	182,338	182,338	136,090	142,373	160,795

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

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
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		441,012	495,127	463,788	468,192	482,923	482,923	419,951	437,326	459,548
02.1 - Municipal And General		441,012	491,360	463,654	464,047	482,598	482,598	419,801	437,167	459,380
02.2 - Mun : Insurance Fund - Short Term		-	2,582	134	2,675	325	325	150	159	168
02.3 - Mun : Workmen's Compensation Fund		-	1,185	-	1,470	-	-	-	-	-
Vote 03 - Municipal Manager		-	2,037	-	-	-	-	-	-	-
03.1 - Municipal Manager - Admin		-	-	-	-	-	-	-	-	-
03.2 - Internal Investigations		-	-	-	-	-	-	-	-	-
03.3 - Internal Audit		-	-	-	-	-	-	-	-	-
03.4 - Idp Unit		-	-	-	-	-	-	-	-	-
03.5 - Project Management Unit - Pmu		-	2,037	-	-	-	-	-	-	-
Vote 04 - Corporate Services		5,358	4,553	6,007	10,176	5,677	5,677	6,177	6,748	7,316
04.1 - Corporate Services - Admin		5,358	-	-	-	-	-	-	-	-
04.2 - Office Services And Archives		-	2,039	106	2,526	27	27	27	29	30
04.3 - H R - Management		-	-	-	-	-	-	-	-	-
04.4 - H R - Recruitment And Benefits		-	-	-	-	-	-	-	-	-
04.5 - H R - Training And Development		-	1,022	852	1,150	1,150	1,150	1,150	1,219	1,286
04.6 - H R - Local Authority Training		-	1,492	5,049	6,500	4,500	4,500	5,000	5,500	6,000
04.7 - Publicity And Media Coordination		-	-	-	-	-	-	-	-	-
04.8 - Risk Management		-	-	-	-	-	-	-	-	-
04.9 - Security And Protection		-	-	-	-	-	-	-	-	-
Vote 05 - Community Services		89,884	101,492	96,992	101,072	101,722	101,722	105,200	112,054	119,288
05.1 - Community Services - Admin		89,884	-	-	-	-	-	-	-	-
05.2 - Emergency Services		-	225	297	225	225	225	600	636	671
05.3 - Biodiversity And Landscape		-	-	-	-	-	-	-	-	-
05.4 - Libraries		-	5,565	8,106	8,188	8,188	8,188	8,350	8,851	9,338
05.5 - Road Traffic Regulations		-	20,950	19,754	14,100	17,600	17,600	17,255	18,290	19,296
05.6 - Vehicle Licensing And Testing		-	11,086	7,142	5,025	5,025	5,025	6,375	6,694	7,062
05.7 - Vehicle Licensing And Testing		-	-	-	-	-	-	-	-	-
05.8 - Community Parks		-	-	-	-	-	-	-	-	-
05.9 - Sport Grounds And Stadiums		-	107	193	130	130	130	200	214	227
05.10 - Community Halls And Facilities		-	1,002	841	1,120	1,120	1,120	970	1,028	1,085
05.11 - Swimming Pools		-	235	298	265	265	265	310	329	347
05.12 - Cemeteries		-	1,515	869	1,700	1,700	1,700	1,700	1,802	1,901
05.13 - Resorts And Camping Sites Inside Spm		-	1,509	1,018	1,420	1,420	1,420	1,200	1,272	1,342
05.14 - Resorts And Camping Sites Outside Spm		-	1,122	690	1,200	1,200	1,200	1,200	1,272	1,342
05.15 - Resort Transka		-	641	789	715	715	715	880	933	984
05.16 - Health - Admin		-	-	-	-	-	-	-	-	-
05.17 - Health - Clinics		-	-	-	-	-	-	-	-	-
05.18 - Health - Inspections		-	58	87	70	70	70	95	101	106
05.19 - Health - Commonage And Pound		-	28	53	60	60	60	60	64	67
05.20 - Refuse - Pollution Control/Collection		-	57,449	56,855	66,853	64,003	64,003	66,004	70,569	75,520
05.21 - Refuse - Landfill Sites		-	-	-	-	-	-	-	-	-
05.22 - Refuse - Maintenance		-	-	-	-	-	-	-	-	-
Vote 06 - Financial Services		459,318	497,735	533,870	596,060	579,310	579,310	603,759	649,773	693,862
06.1 - Financial Services Admin		459,318	-	-	-	-	-	-	-	-
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	-	-	600	1,000	500
06.4 - Budget And Financial Reporting		-	945	-	300	300	300	300	300	300
06.5 - Budget And Financial Reporting		-	-	1,026	-	-	-	-	-	-
06.6 - Expenditure Creditors/Payroll		-	1,003	826	1,020	1,020	1,020	1,020	1,081	1,141
06.7 - Information Technology		-	-	-	-	-	-	-	-	-
06.8 - Billing Finance		-	492,961	514,108	578,669	558,669	558,669	584,138	628,730	672,327
06.9 - Property Rates And Valuations		-	-	-	-	-	-	-	-	-
06.10 - Debt Collection		-	1,126	17,909	12,621	17,621	17,621	16,001	16,961	17,894
06.11 - Supply Chain Management		-	-	-	-	-	-	-	-	-
Vote 07 - Strategy Econ Development And Planning		6,640	6,861	5,309	8,860	7,860	7,860	7,796	8,270	8,737
07.1 - Sedp Admin		6,640	-	-	-	-	-	-	-	-
07.2 - Tourism		-	145	147	137	137	137	145	154	162
07.3 - Properties Services		-	448	410	450	450	450	470	498	526
07.4 - Economic Development And Planning		-	1,006	854	1,050	1,050	1,050	1,000	1,060	1,118
07.5 - Town Planning		-	466	902	943	943	943	1,201	1,279	1,362
07.6 - Building Inspectorate		-	1,118	934	1,930	1,930	1,930	2,030	2,152	2,270
07.7 - Properties Maintenance		-	-	-	-	-	-	-	-	-
07.8 - Markets And Street Trading		-	3,678	2,063	4,350	3,350	3,350	2,950	3,127	3,299
07.9 - Urban Renewal Program		-	-	-	-	-	-	-	-	-
Vote 08 - Infrastructure And Services		878,988	966,442	924,923	1,176,537	1,096,201	1,096,201	1,186,235	1,255,469	1,343,335
08.1 - Infrastructure Admin		878,988	-	-	-	-	-	-	-	-
08.2 - Ce - Water And Sanitation		-	-	-	-	-	-	-	-	-
08.3 - Public Toilets		-	-	-	-	-	-	-	-	-
08.4 - Mechanical Workshops		-	-	-	-	-	-	-	-	-
08.5 - Fleet		-	-	-	-	-	-	-	-	-
08.6 - Roads Planning And Design		-	-	-	-	-	-	-	-	-
08.7 - Road Construction And Maintenance		-	196	194	200	200	200	-	-	-
08.8 - Housing - Admin		-	9,790	10,613	10,901	10,901	10,901	11,601	12,297	12,973
08.9 - Housing - Maintenance		-	-	-	-	-	-	-	-	-
08.10 - Sewerage - Reticulation		-	73,265	77,321	81,517	77,866	77,866	82,175	86,656	90,719
08.11 - Sewerage - Treatment		-	-	-	-	-	-	-	-	-
08.12 - Sewerage - Maintenance		-	-	-	-	-	-	-	-	-
08.13 - Water - Treatment		-	-	-	-	-	-	-	-	-
08.14 - Water - Distribution		-	267,120	270,001	306,392	290,182	290,182	311,226	331,761	353,199
08.15 - Water - Maintenance		-	-	-	-	-	-	-	-	-
08.16 - Electricity - Admin		-	616,071	566,794	777,527	717,052	717,052	781,232	824,755	886,444
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	1,881,199	2,074,247	2,030,889	2,360,897	2,273,693	2,273,693	2,329,117	2,469,639	2,632,086

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

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
Expenditure by Vote	1									
Vote 01 - Executive & Council		43,422	43,801	46,045	51,241	55,741	55,741	56,511	60,066	63,546
01.1 - Councilor's Expenses		43,422	28,409	28,388	31,753	31,753	31,753	33,023	35,169	37,280
01.2 - Executive Mayor Admin		-	2,671	9,150	7,909	12,409	12,409	11,983	12,701	13,400
01.3 - Speakers Office Admin		-	12,720	8,507	11,580	11,580	11,580	11,505	12,196	12,866
Vote 02 - Municipal And General		207,317	346,308	277,592	370,910	314,090	314,090	327,737	346,351	361,444
02.1 - Municipal And General		207,317	342,979	275,669	366,765	313,765	313,765	327,587	346,192	361,276
02.2 - Mun : Insurance Fund - Short Term		-	2,396	1,796	2,675	325	325	150	159	168
02.3 - Mun : Workmen's Compensation Fund		-	933	127	1,470	-	-	-	-	-
Vote 03 - Municipal Manager		16,855	18,576	16,144	23,300	23,300	23,300	24,268	25,724	27,139
03.1 - Municipal Manager - Admin		16,855	11,784	10,519	11,479	11,479	11,479	11,881	12,594	13,287
03.2 - Internal Investigations		-	(1,190)	(2,583)	1,256	1,256	1,256	1,266	1,342	1,416
03.3 - Internal Audit		-	5,194	5,350	6,482	6,482	6,482	6,716	7,119	7,511
03.4 - Idp Unit		-	750	771	1,797	1,797	1,797	2,025	2,147	2,265
03.5 - Project Management Unit - Pmu		-	2,037	2,087	2,285	2,285	2,285	2,379	2,521	2,660
Vote 04 - Corporate Services		51,493	56,567	62,302	74,381	69,367	69,367	69,524	73,777	77,908
04.1 - Corporate Services - Admin		51,493	9,137	8,574	9,894	9,894	9,894	9,785	10,372	10,942
04.2 - Office Services And Archives		-	8,051	6,351	12,882	9,868	9,868	7,683	8,144	8,592
04.3 - H R - Management		-	8,849	12,003	12,774	12,774	12,774	13,310	14,109	14,885
04.4 - H R - Recruitment And Benefits		-	1,717	1,759	2,174	2,174	2,174	2,253	2,377	2,495
04.5 - H R - Training And Development		-	2,580	2,676	3,570	3,570	3,570	3,655	3,874	4,087
04.6 - H R - Local Authority Training		-	1,404	5,049	6,500	4,500	4,500	5,000	5,500	6,000
04.7 - Publicity And Media Coordination		-	3,214	3,306	3,994	3,994	3,994	4,109	4,356	4,595
04.8 - Risk Management		-	2,099	2,100	2,387	2,387	2,387	2,496	2,646	2,792
04.9 - Security And Protection		-	19,515	20,484	20,206	20,206	20,206	21,232	22,400	23,520
Vote 05 - Community Services		220,257	227,420	244,132	288,046	280,945	280,945	289,928	311,735	328,867
05.1 - Community Services - Admin		220,257	3,582	3,762	4,213	4,213	4,213	4,304	4,562	4,813
05.2 - Emergency Services		-	20,583	34,072	38,256	37,700	37,700	40,393	42,941	45,303
05.3 - Biodiversity And Landscape		-	576	618	670	670	670	702	745	785
05.4 - Libraries		-	14,632	14,726	17,220	17,099	17,099	16,892	22,209	22,975
05.5 - Road Traffic Regulations		-	32,920	35,175	43,554	43,381	43,381	46,022	48,782	51,465
05.6 - Vehicle Licensing And Testing		-	11,395	10,936	13,508	13,508	13,508	14,400	15,121	15,953
05.7 - Vehicle Licensing And Testing		-	-	-	-	-	-	-	-	-
05.8 - Community Parks		-	25,106	23,586	28,163	26,351	26,351	27,498	28,873	30,461
05.9 - Sport Grounds And Stadiums		-	6,924	5,912	8,409	6,912	6,912	7,151	7,651	8,111
05.10 - Community Halls And Facilities		-	3,875	3,522	4,496	4,252	4,252	4,343	4,604	4,857
05.11 - Swimming Pools		-	5,017	4,290	6,274	4,818	4,818	5,221	5,534	5,839
05.12 - Cemeteries		-	16,770	17,826	19,463	19,440	19,440	20,473	21,995	23,205
05.13 - Resorts And Camping Sites Inside Spm		-	7,468	6,676	8,954	7,619	7,619	7,844	7,947	8,384
05.14 - Resorts And Camping Sites Outside Spm		-	3,741	4,266	5,345	5,565	5,565	5,553	5,886	6,210
05.15 - Resort Transka		-	2,029	2,330	2,729	2,729	2,729	2,905	3,080	3,249
05.16 - Health - Admin		-	2,875	2,953	3,609	3,609	3,609	3,457	3,647	3,847
05.17 - Health - Clinics		-	9,185	5,786	6,700	5,596	5,596	5,615	5,924	6,220
05.18 - Health - Inspections		-	5,377	6,994	8,287	9,287	9,287	8,734	9,258	9,767
05.19 - Health - Commonage And Pound		-	1,259	1,294	1,441	1,441	1,441	1,516	1,607	1,704
05.20 - Refuse - Pollution Control/Collection		-	37,135	40,078	42,907	45,907	45,907	43,352	46,169	48,940
05.21 - Refuse - Landfill Sites		-	2,428	3,588	4,958	4,458	4,458	5,113	5,468	5,767
05.22 - Refuse - Maintenance		-	14,543	15,743	18,888	16,388	16,388	18,440	19,731	21,013
Vote 06 - Financial Services		106,379	112,282	115,007	144,541	137,791	137,791	149,015	158,218	166,271
06.1 - Financial Services Admin		106,379	3,810	3,811	3,449	3,349	3,349	3,580	3,795	4,004
06.2 - Financial Management Grant		-	1,714	2,058	1,700	1,700	1,700	1,700	1,700	1,700
06.3 - Asset And Risk		-	5,272	5,578	9,798	8,068	8,068	8,589	9,469	9,435
06.4 - Budget And Financial Reporting		-	11,102	10,779	18,396	16,376	16,376	19,256	20,412	21,534
06.5 - Budget And Financial Reporting		-	-	-	-	-	-	-	-	-
06.6 - Expenditure Creditors/Payroll		-	8,404	7,782	10,778	9,778	9,778	11,123	11,791	12,439
06.7 - Information Technology		-	12,027	10,544	13,754	13,754	13,754	14,397	15,261	16,101
06.8 - Billing Finance		-	33,805	37,008	40,446	40,446	40,446	42,261	44,797	47,260
06.9 - Property Rates And Valuations		-	8,883	9,163	10,205	10,305	10,305	10,554	11,187	11,803
06.10 - Debt Collection		-	13,751	14,109	19,760	18,760	18,760	20,729	21,973	23,181
06.11 - Supply Chain Management		-	13,514	14,176	16,256	15,256	15,256	16,824	17,834	18,815
Vote 07 - Strategy Econ Development And Planning		49,209	53,124	54,587	60,529	58,622	58,622	57,163	60,637	64,123
07.1 - Sedp Admin		49,209	2,737	2,672	2,882	2,882	2,882	2,905	3,065	3,218
07.2 - Tourism		-	3,886	3,701	4,080	3,818	3,818	3,949	4,166	4,395
07.3 - Properties Services		-	2,249	2,398	2,540	2,540	2,540	2,609	2,765	2,917
07.4 - Economic Development And Planning		-	8,735	8,560	8,713	8,713	8,713	8,013	8,494	8,961
07.5 - Town Planning		-	11,149	12,261	11,659	11,659	11,659	11,840	12,608	13,426
07.6 - Building Inspectorate		-	5,372	3,619	5,001	5,001	5,001	4,436	4,702	4,961
07.7 - Properties Maintenance		-	9,027	12,700	13,584	13,584	13,584	13,357	14,159	14,937
07.8 - Markets And Street Trading		-	7,015	5,737	8,109	6,465	6,465	6,170	6,540	6,900
07.9 - Urban Renewal Program		-	2,954	2,939	3,961	3,961	3,961	3,885	4,138	4,407
Vote 08 - Infrastructure And Services		927,400	993,574	1,045,177	1,181,262	1,151,499	1,151,499	1,218,882	1,290,757	1,381,993
08.1 - Infrastructure Admin		927,400	2,074	2,732	4,035	4,035	4,035	4,098	4,344	4,583
08.2 - Ce - Water And Sanitation		-	5,720	5,272	6,829	6,829	6,829	6,959	7,377	7,783
08.3 - Public Toilets		-	2,089	1,545	2,396	2,021	2,021	2,214	2,347	2,476
08.4 - Mechanical Workshops		-	18,838	20,135	21,758	20,952	20,952	22,370	23,824	25,491
08.5 - Fleet		-	(2,638)	(3,804)	-	-	-	(0)	-	0
08.6 - Roads Planning And Design		-	5,126	4,174	6,294	6,294	6,294	6,443	6,829	7,204
08.7 - Road Construction And Maintenance		-	33,974	32,604	34,360	35,458	35,458	35,801	38,308	40,798
08.8 - Housing - Admin		-	20,485	14,252	21,096	16,796	16,796	16,614	17,610	18,578
08.9 - Housing - Maintenance		-	5,341	5,712	5,986	5,986	5,986	6,252	6,627	7,024
08.10 - Sewerage - Retreatment		-	9,494	3,801	14,471	3,791	3,791	3,696	3,662	3,612
08.11 - Sewerage - Treatment		-	35,893	40,263	34,735	34,735	34,735	38,030	40,521	43,155
08.12 - Sewerage - Maintenance		-	29,497	33,463	31,064	32,164	32,164	35,074	37,178	39,222
08.13 - Water - Treatment		-	42,165	45,458	47,455	48,755	48,755	49,780	52,291	54,698
08.14 - Water - Distribution		-	133,098	153,351	167,515	173,215	173,215	177,166	191,376	206,651
08.15 - Water - Maintenance		-	57,840	41,409	51,512	46,212	46,212	51,552	54,645	57,650
08.16 - Electricity - Admin		-	514,070	589,575	655,499	655,499	655,499	701,925	739,011	794,400
08.17 - Electricity - Maintenance		-	52,268	48,576	54,255	50,255	50,255	53,409	56,709	59,921
08.18 - Electricity - Streetlights Maintenance		-	28,239	6,658	22,000	8,500	8,500	7,500	8,100	8,748
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	1,622,333	1,851,652	1,860,987	2,194,210	2,091,355	2,091,355	2,193,028	2,327,266	2,471,291
Surplus(Deficit) for the year	2	258,866	222,595	169,902	166,687	182,338	182,338	136,090	142,373	160,795

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

Description		Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue By Source											
Property rates	2		455,092	492,309	512,886	578,654	558,654	558,654	584,108	628,700	672,297
Service charges - electricity revenue	2		594,267	603,857	552,454	763,527	701,052	701,052	766,232	808,855	869,669
Service charges - water revenue	2		236,344	227,137	236,691	286,042	269,832	269,832	278,626	297,205	316,742
Service charges - sanitation revenue	2		68,610	62,103	67,424	69,517	65,866	65,866	71,175	74,941	78,301
Service charges - refuse revenue	2		51,820	45,229	48,780	53,898	51,048	51,048	53,984	57,827	62,078
Rental of facilities and equipment			10,025	10,566	11,092	11,810	11,810	11,810	12,440	13,186	13,912
Interest earned - external investments			21,576	18,700	10,002	15,000	7,500	7,500	10,000	13,000	15,000
Interest earned - outstanding debtors			130,078	174,794	141,429	137,940	147,940	147,940	154,000	154,042	148,815
Dividends received			–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits			19,915	21,830	36,982	26,805	35,305	35,305	33,345	35,346	37,290
Licences and permits			2,801	5,312	6,319	4,764	4,764	4,764	6,100	6,405	6,757
Agency services			6,975	5,539	576	–	–	–	–	–	–
Transfers and subsidies			165,337	172,480	192,110	230,509	229,959	229,959	224,542	239,418	257,397
Other revenue	2		26,177	24,895	16,309	25,146	17,827	17,827	18,008	19,074	20,119
Gains			2,659	–	579	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)			1,791,676	1,864,753	1,833,635	2,203,612	2,101,557	2,101,557	2,212,561	2,348,000	2,498,378
Expenditure By Type											
Employee related costs	2		567,317	647,309	688,565	770,966	759,166	759,166	814,281	868,721	917,868
Remuneration of councillors			25,011	28,409	28,388	31,753	31,753	31,753	33,023	35,169	37,280
Debt impairment	3		190,195	235,825	205,848	226,000	222,000	222,000	249,000	264,200	276,816
Depreciation & asset impairment	2		60,291	63,603	61,697	71,600	71,600	71,600	73,550	78,738	83,673
Finance charges			27,789	27,213	26,250	24,661	25,161	25,161	23,542	22,342	20,989
Bulk purchases	2		491,966	501,334	554,438	617,500	631,500	631,500	672,500	712,750	772,190
Other materials	8		121,748	188,850	159,130	191,225	182,675	182,675	165,426	173,890	185,590
Contracted services			42,170	53,354	42,342	51,605	43,005	43,005	44,948	47,553	50,082
Transfers and subsidies			7,984	9,325	3,940	7,670	4,170	4,170	6,060	6,188	6,414
Other expenditure	4, 5		87,862	94,275	90,235	201,231	120,327	120,327	110,697	117,715	120,389
Losses			–	2,154	154	–	–	–	–	–	–
Total Expenditure			1,622,333	1,851,652	1,860,987	2,194,210	2,091,355	2,091,355	2,193,028	2,327,266	2,471,291
Surplus/(Deficit)			169,344	13,101	(27,352)	9,402	10,202	10,202	19,534	20,734	27,087
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)			89,523	204,933	197,254	157,285	172,136	172,136	116,556	121,639	133,708
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)			–	4,561	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions			258,866	222,595	169,902	166,687	182,338	182,338	136,090	142,373	160,795
Taxation			–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation			258,866	222,595	169,902	166,687	182,338	182,338	136,090	142,373	160,795
Attributable to minorities			–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality			258,866	222,595	169,902	166,687	182,338	182,338	136,090	142,373	160,795
Share of surplus/ (deficit) of associate	7		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year			258,866	222,595	169,902	166,687	182,338	182,338	136,090	142,373	160,795

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

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 01 - Executive & Council		-	1,072	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		-	-	80,061	68,668	102,319	102,319	44,841	40,500	64,639	77,760
Vote 03 - Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 04 - Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote 05 - Community Services		3,002	-	-	-	-	-	-	-	-	-
Vote 06 - Financial Services		-	9,495	-	-	-	-	-	-	-	-
Vote 07 - Strategy Econ Development And Planning		-	813	-	-	-	-	-	-	-	-
Vote 08 - Infrastructure And Services		37,767	142,134	91,908	16,000	6,400	6,400	3,888	20,443	36,750	43,198
Capital multi-year expenditure sub-total	7	40,769	153,514	171,969	84,668	108,719	108,719	48,729	60,943	101,389	120,958
Single-year expenditure to be appropriated	2										
Vote 01 - Executive & Council		2,036	-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		-	-	10,511	13,436	18,436	18,436	13,157	-	-	-
Vote 03 - Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 04 - Corporate Services		4,083	-	-	-	-	-	-	-	-	-
Vote 05 - Community Services		24,416	8,583	-	-	-	-	-	-	-	-
Vote 06 - Financial Services		2,665	-	-	-	-	-	-	-	-	-
Vote 07 - Strategy Econ Development And Planning		7,120	-	-	-	-	-	-	-	-	-
Vote 08 - Infrastructure And Services		38,602	82,742	25,348	86,180	62,480	62,480	23,149	79,113	35,250	36,750
Capital single-year expenditure sub-total		78,922	91,325	35,858	99,617	80,917	80,917	36,306	79,113	35,250	36,750
Total Capital Expenditure - Vote		119,691	244,839	207,827	184,285	189,636	189,636	85,035	140,056	136,639	157,708
Capital Expenditure - Functional											
Governance and administration		6,418	10,567	87,109	82,105	120,756	120,756	57,998	40,500	64,639	77,760
Executive and council		2,036	1,072	87,109	82,105	120,756	120,756	57,998	40,500	64,639	77,760
Finance and administration		4,382	9,495								
Internal audit											
Community and public safety		24,416	8,583	-	-	-	-	-	-	-	-
Community and social services		24,416	8,583								
Sport and recreation											
Public safety											
Housing											
Health											
Economic and environmental services		24,980	121,137	-	-	-	-	-	-	-	-
Planning and development			813								
Road transport		24,980	120,324								
Environmental protection											
Trading services		58,017	101,619	120,718	102,180	68,880	68,880	27,037	99,556	72,000	79,948
Energy sources		11,144	25,105	43,430	43,998	28,998	28,998	5,325	25,658	30,000	28,000
Water management		18,830	65,280	38,491	3,377	5,777	5,777	4,587	8,000	15,000	14,500
Waste water management		16,560	11,234	38,797	54,806	34,106	34,106	17,125	65,898	27,000	37,448
Waste management		11,483		-	-	-	-	-	-	-	-
Other		5,860	2,933								
Total Capital Expenditure - Functional	3	119,691	244,839	207,827	184,285	189,636	189,636	85,035	140,056	136,639	157,708
Funded by:											
National Government		79,416	202,577	172,816	157,285	170,136	170,136	76,588	116,556	121,639	133,708
Provincial Government		5,106	2,357	4,207	-	-	-	-	-	-	-
District Municipality		5,000		-	-	2,000	2,000	813	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)											
Transfers recognised - capital	4	89,523	204,933	177,023	157,285	172,136	172,136	77,401	116,556	121,639	133,708
Borrowing	6										
Internally generated funds		30,168	39,905	30,804	27,000	17,500	17,500	7,634	23,500	15,000	24,000
Total Capital Funding	7	119,691	244,839	207,827	184,285	189,636	189,636	85,035	140,056	136,639	157,708

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

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1										
Capital expenditure - Municipal Vote											
Multi-year expenditure appropriation	2										
Vote 01 - Executive & Council		-	1,072	-	-	-	-	-	-	-	-
01.1 - Councillor's Expenses		-	1,072	-	-	-	-	-	-	-	-
01.2 - Executive Mayor Admin		-	-	-	-	-	-	-	-	-	-
01.3 - Speakers Office Admin		-	-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		-	-	80,061	68,668	102,319	102,319	44,841	40,500	64,639	77,760
02.1 - Municipal And General		-	-	80,061	68,668	102,319	102,319	44,841	40,500	64,639	77,760
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 - 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		-	9,495	-	-	-	-	-	-	-	-
06.1 - Financial Services Admin		-	9,495	-	-	-	-	-	-	-	-
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		-	813	-	-	-	-	-	-	-	-
07.1 - Sedp Admin		-	-	-	-	-	-	-	-	-	-
07.2 - Tourism		-	-	-	-	-	-	-	-	-	-
07.3 - Properties Services		-	-	-	-	-	-	-	-	-	-
07.4 - Economic Development And Planning		-	-	-	-	-	-	-	-	-	-
07.5 - Town Planning		-	813	-	-	-	-	-	-	-	-
07.6 - Building Inspectorate		-	-	-	-	-	-	-	-	-	-
07.7 - Properties Maintenance		-	-	-	-	-	-	-	-	-	-
07.8 - Markets And Street Trading		-	-	-	-	-	-	-	-	-	-
07.9 - Urban Renewal Program		-	-	-	-	-	-	-	-	-	-
Vote 08 - Infrastructure And Services		37,767	142,134	91,908	16,000	6,400	6,400	3,888	20,443	36,750	43,198
08.1 - Infrastructure Admin		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		-	107,693	-	-	-	-	-	-	-	-
08.7 - Road Construction And Maintenance		-	-	-	-	-	-	-	-	-	-
08.8 - Housing - Admin		-	-	-	-	-	-	-	-	-	-
08.9 - Housing - Maintenance		-	-	-	-	-	-	-	-	-	-
08.10 - Sewerage - Reticulation		-	6,944	32,766	10,000	-	-	-	14,443	3,750	12,198
08.11 - Sewerage - Treatment		-	-	-	-	-	-	-	-	-	-
08.12 - Sewerage - Maintenance		-	-	-	-	-	-	-	-	-	-
08.13 - Water - Treatment		-	-	-	-	-	-	-	-	-	-
08.14 - Water - Distribution		-	27,449	36,981	3,000	3,400	3,400	3,397	3,000	3,000	3,000
08.15 - Water - Maintenance		-	-	-	-	-	-	-	-	-	-
08.16 - Electricity - Admin		-	49	22,161	3,000	3,000	3,000	492	3,000	30,000	28,000
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 multi-year expenditure sub-total		40,769	153,514	171,969	84,668	108,719	108,719	48,729	60,943	101,389	120,958

Capital expenditure - Municipal Vote**Single-year expenditure appropriation**

2										
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	-	-	10,511	13,436	18,436	18,436	13,157	-	-	-
02.1 - Municipal And General	-	-	10,511	13,436	18,436	18,436	13,157	-	-	-
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	24,416	8,583	-	-	-	-	-	-	-	-
05.1 - Community Services - Admin	24,416	8,583	-	-	-	-	-	-	-	-
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 - Polution Control/Collection	-	-	-	-	-	-	-	-	-	-
05.21 - Refuse - Landfill Sites	-	-	-	-	-	-	-	-	-	-
05.22 - Refuse - Maintenance	-	-	-	-	-	-	-	-	-	-
Vote 06 - Financial Services	2,665	-	-	-	-	-	-	-	-	-
06.1 - Financial Services Admin	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	7,120	-	-	-	-	-	-	-	-	-
07.1 - Sedp Admin	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	38,602	82,742	25,348	86,180	62,480	62,480	23,149	79,113	35,250	36,750
08.1 - Infrastructure Admin	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	-	12,076	-	-	-	-	-	-	-	-
08.7 - Road Construction And Maintenance	-	-	-	-	-	-	-	-	-	-
08.8 - Housing - Admin	-	-	-	-	-	-	-	-	-	-
08.9 - Housing - Maintenance	-	-	-	-	-	-	-	-	-	-
08.10 - Sewerage - Reticulation	-	8,975	4,120	44,806	34,106	34,106	17,125	51,455	23,250	25,250
08.11 - Sewerage - Treatment	-	-	-	-	-	-	-	-	-	-
08.12 - Sewerage - Maintenance	-	-	-	-	-	-	-	-	-	-
08.13 - Water - Treatment	-	-	-	-	-	-	-	-	-	-
08.14 - Water - Distribution	-	36,635	-	377	2,377	2,377	1,190	5,000	12,000	11,500
08.15 - Water - Maintenance	-	-	-	-	-	-	-	-	-	-
08.16 - Electricity - Admin	-	25,056	21,228	40,998	25,998	25,998	4,834	22,658	-	-
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	78,922	91,325	35,858	99,617	80,917	80,917	36,306	79,113	35,250	36,750
Total Capital Expenditure	119,691	244,839	207,827	184,285	189,636	189,636	85,035	140,056	136,639	157,708

[illegible]

NC091 Sol Plaatje - Table A6 Budgeted Financial Position

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
ASSETS										
Current assets										
Cash	1	245,735	135,240	74,019	202,093	202,093	202,093	123,742	252,635	387,980
Call investment deposits		—	—	—	—	—	—	—	—	—
Consumer debtors	1	708,946	822,170	967,389	619,983	630,283	630,283	1,197,675	1,185,749	1,160,184
Other debtors		368,787	486,238	477,889	760,813	760,813	760,813	525,717	547,474	570,747
Current portion of long-term receivables		—	—	—	—	—	—	—	—	—
Inventory	2	31,936	36,171	39,015	36,347	36,347	36,347	44,758	47,025	49,376
Total current assets		1,355,405	1,479,819	1,558,312	1,619,236	1,629,536	1,629,536	1,891,892	2,032,883	2,168,287
Non current assets										
Long-term receivables		7,485	9,845	36,223	7,739	7,739	7,739	37,135	36,867	35,716
Investments										
Investment property		195,886	206,415	208,859	193,202	192,202	192,202	205,369	204,486	204,610
Investment in Associate										
Property, plant and equipment	3	1,471,109	1,598,060	1,741,181	1,855,767	1,862,118	1,862,118	1,886,546	1,922,743	1,987,718
Biological										
Intangible		3,826	9,207	5,566	11,228	11,228	11,228	7,267	7,307	7,673
Other non-current assets		7,864	7,864	12,071	7,864	7,864	7,864	11,864	11,864	12,457
Total non current assets		1,686,169	1,831,391	2,003,899	2,075,799	2,081,150	2,081,150	2,148,181	2,183,267	2,248,174
TOTAL ASSETS		3,041,573	3,311,210	3,562,211	3,695,035	3,710,686	3,710,686	4,040,073	4,216,151	4,416,460
LIABILITIES										
Current liabilities										
Bank overdraft	1	—	—	—	—	—	—	—	—	—
Borrowing	4	8,238	12,680	13,147	9,399	9,399	9,399	9,534	10,734	12,087
Consumer deposits		26,182	32,341	34,917	33,274	33,274	33,274	41,823	45,623	49,224
Trade and other payables	4	178,192	255,829	311,062	221,118	221,118	221,118	356,338	375,554	398,508
Provisions		54,092	59,896	67,905	12,416	12,416	12,416	83,390	89,313	94,029
Total current liabilities		266,704	360,745	427,030	276,208	276,208	276,208	491,084	521,224	553,848
Non current liabilities										
Borrowing		210,435	204,226	191,895	163,018	163,018	163,018	182,362	172,829	162,095
Provisions		216,144	237,081	264,226	285,122	285,122	285,122	232,000	245,000	257,000
Total non current liabilities		426,578	441,306	456,122	448,139	448,139	448,139	414,362	417,829	419,095
TOTAL LIABILITIES		693,283	802,052	883,151	724,347	724,347	724,347	905,447	939,053	972,943
NET ASSETS	5	2,348,290	2,509,158	2,679,060	2,970,688	2,986,339	2,986,339	3,134,627	3,277,098	3,443,517
COMMUNITY WEALTH/EQUITY										
Accumulated Surplus/(Deficit)		2,221,345	2,408,792	2,606,287	2,884,845	2,900,496	2,900,496	3,055,984	3,197,705	3,361,337
Reserves	4	126,945	100,366	72,772	85,843	85,843	85,843	78,643	79,393	82,181
TOTAL COMMUNITY WEALTH/EQUITY	5	2,348,290	2,509,158	2,679,060	2,970,688	2,986,339	2,986,339	3,134,627	3,277,098	3,443,517

NC091 Sol Plaatje - Table A7 Budgeted Cash Flows

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		347,392	368,027	405,607	543,035	463,683	463,683	485,978	539,229	583,502
Service charges		656,696	664,706	611,325	1,102,051	949,608	949,608	974,127	1,073,137	1,150,327
Other revenue		65,893	68,143	71,278	68,525	48,501	48,501	69,893	74,011	78,078
Transfers and Subsidies - Operational	1	165,337	172,480	192,110	230,509	229,959	229,959	224,542	239,418	257,397
Transfers and Subsidies - Capital	1	89,523	204,933	197,254	157,285	172,136	172,136	116,556	121,639	133,708
Interest		151,654	193,494	151,431	52,244	155,440	155,440	164,000	167,042	163,815
Dividends								-	-	-
Payments										
Suppliers and employees		(1,326,369)	(1,501,491)	(1,440,343)	(1,844,156)	(1,707,483)	(1,707,483)	(1,797,976)	(1,909,682)	(2,034,284)
Finance charges		(27,789)	(27,213)	(26,250)	(24,661)	(25,161)	(25,161)	(23,542)	(22,342)	(20,989)
Transfers and Grants	1	(7,984)	(9,325)	(3,940)	(7,670)	(4,170)	(4,170)	(6,060)	(6,188)	(6,414)
NET CASH FROM/(USED) OPERATING ACTIVITIES		114,354	133,754	158,470	277,161	282,512	282,512	207,518	276,266	305,140
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	2,357					-	-	-
Decrease (increase) in non-current receivables								-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
Payments										
Capital assets		(119,691)	(244,839)	(207,827)	(184,285)	(189,636)	(189,636)	(140,056)	(136,639)	(157,708)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(119,691)	(242,482)	(207,827)	(184,285)	(189,636)	(189,636)	(140,056)	(136,639)	(157,708)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans				-				-	-	-
Borrowing long term/refinancing		-	6,480	(2,604)				-	-	-
Increase (decrease) in consumer deposits		-	-	-	3,202	3,202	3,202	-	-	-
Payments										
Repayment of borrowing		(8,204)	(8,247)	(9,260)	(9,251)	(9,251)	(9,251)	(9,534)	(10,734)	(12,087)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(8,204)	(1,767)	(11,864)	(6,049)	(6,049)	(6,049)	(9,534)	(10,734)	(12,087)
NET INCREASE/ (DECREASE) IN CASH HELD		(13,540)	(110,495)	(61,221)	86,827	86,827	86,827	57,928	128,893	135,345
Cash/cash equivalents at the year begin:	2	259,276	245,735	135,240	115,263	115,263	115,263	65,814	123,742	252,635
Cash/cash equivalents at the year end:	2	245,735	135,240	74,019	202,090	202,090	202,090	123,742	252,635	387,980

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

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	245,735	135,240	74,019	202,090	202,090	202,090	–	123,742	252,635	387,980
Other current investments > 90 days		–	(0)	–	2	2	2	77,958	0	0	0
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		245,735	135,240	74,019	202,093	202,093	202,093	77,958	123,742	252,635	387,980
Application of cash and investments											
Unspent conditional transfers		12,350	31,649	6,901	–	–	–	175,295	–	–	–
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2										
Other working capital requirements	3	(591,657)	(666,501)	(750,481)	(1,011,833)	(893,614)	(893,614)	138,864	(951,229)	(988,163)	(984,505)
Other provisions											
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5	126,945	100,365	72,772	85,843	85,843	85,843	72,772	78,643	79,393	82,181
Total Application of cash and investments:		(452,362)	(534,487)	(670,808)	(925,990)	(807,771)	(807,771)	386,931	(872,586)	(908,770)	(902,324)
Surplus(shortfall)		698,097	669,727	744,827	1,128,082	1,009,863	1,009,863	(308,973)	996,328	1,161,404	1,290,304

NC091 Sol Plaatje - Table A10 Basic service delivery measurement

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Household service targets	1									
Water:										
Piped water inside dwelling		43,577	43,577	43,577	43,577	43,577	43,577	43,577	43,577	43,577
Piped water inside yard (but not in dwelling)		22,582	22,582	22,582	22,582	22,582	22,582	22,582	22,582	22,582
Using public tap (at least min.service level)	2	-	-	-	-	-	-	-	-	-
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		66,159	66,159	66,159	66,159	66,159	66,159	66,159	66,159	66,159
Using public tap (< min.service level)	3	5,272	5,272	5,272	5,272	5,272	5,272	5,272	5,272	5,272
Other water supply (< min.service level)	4	160	160	160	160	160	160	160	160	160
No water supply		349	349	349	349	349	349	349	349	349
<i>Below Minimum Service Level sub-total</i>		5,781	5,781	5,781	5,781	5,781	5,781	5,781	5,781	5,781
Total number of households	5	71,940	71,940	71,940	71,940	71,940	71,940	71,940	71,940	71,940
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		63,359	63,359	63,359	63,359	63,359	63,359	63,359	63,359	63,359
Flush toilet (with septic tank)		1,816	1,816	1,816	1,816	1,816	1,816	1,816	1,816	1,816
Chemical toilet		22	22	22	22	22	22	22	22	22
Pit toilet (ventilated)		1,235	1,235	1,235	1,235	1,235	1,235	1,235	1,235	1,235
Other toilet provisions (> min.service level)		342	342	342	342	342	342	342	342	342
<i>Minimum Service Level and Above sub-total</i>		66,774	66,774	66,774	66,774	66,774	66,774	66,774	66,774	66,774
Bucket toilet		4,352	4,352	4,352	4,352	4,352	4,352	4,352	4,352	4,352
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		812	812	812	812	812	812	812	812	812
<i>Below Minimum Service Level sub-total</i>		5,164	5,164	5,164	5,164	5,164	5,164	5,164	5,164	5,164
Total number of households	5	71,938	71,938	71,938	71,938	71,938	71,938	71,938	71,938	71,938
Energy:										
Electricity (at least min.service level)		9,116	9,116	9,116	9,116	9,116	9,116	9,116	9,116	9,116
Electricity - prepaid (min.service level)		57,145	57,145	57,145	57,145	57,145	57,145	57,145	57,145	57,145
<i>Minimum Service Level and Above sub-total</i>		66,261	66,261	66,261	66,261	66,261	66,261	66,261	66,261	66,261
Electricity (< min.service level)		4,320	4,320	4,320	4,320	4,320	4,320	4,320	4,320	4,320
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		1,357	1,357	1,357	1,357	1,357	1,357	1,357	1,357	1,357
<i>Below Minimum Service Level sub-total</i>		5,677	5,677	5,677	5,677	5,677	5,677	5,677	5,677	5,677
Total number of households	5	71,938	71,938	71,938	71,938	71,938	71,938	71,938	71,938	71,938
Refuse:										
Removed at least once a week		59,526	59,526	59,526	59,526	59,526	59,526	59,526	59,526	59,526
<i>Minimum Service Level and Above sub-total</i>		59,526	59,526	59,526	59,526	59,526	59,526	59,526	59,526	59,526
Removed less frequently than once a week		1,538	1,538	1,538	1,538	1,538	1,538	1,538	1,538	1,538
Using communal refuse dump		1,605	1,605	1,605	1,605	1,605	1,605	1,605	1,605	1,605
Using own refuse dump		3,373	3,373	3,373	3,373	3,373	3,373	3,373	3,373	3,373
Other rubbish disposal		1,371	1,371	1,371	1,371	1,371	1,371	1,371	1,371	1,371
No rubbish disposal		4,526	4,526	4,526	4,526	4,526	4,526	4,526	4,526	4,526
<i>Below Minimum Service Level sub-total</i>		12,413	12,413	12,413	12,413	12,413	12,413	12,413	12,413	12,413
Total number of households	5	71,939	71,939	71,939	71,939	71,939	71,939	71,939	71,939	71,939
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		13,425	13,712	14,647	15,000	15,000	15,000	12,000	13,000	15,000
Sanitation (free minimum level service)		13,425	13,712	14,647	15,000	15,000	15,000	12,000	13,000	15,000
Electricity/other energy (50kwh per household per month)		13,425	13,712	14,647	15,000	15,000	15,000	12,000	13,000	15,000
Refuse (removed at least once a week)		13,425	13,712	14,647	15,000	15,000	15,000	12,000	13,000	15,000
Cost of Free Basic Services provided - Formal Settlements (R'000)	8									
Water (6 kilolitres per indigent household per month)		5,386	6,052	6,317	8,125	8,125	8,125	8,125	8,613	9,086
Sanitation (free sanitation service to indigent households)		14,403	11,504	17,019	21,867	21,867	21,867	21,867	23,289	24,686
Electricity/other energy (50kwh per indigent household per month)		8,355	8,156	6,956	12,023	12,023	12,023	12,000	12,720	13,420
Refuse (removed once a week for indigent households)		10,805	16,770	11,716	15,000	15,000	15,000	13,200	13,992	14,762
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		-	-	-	-	-	-	-	-	-
Total cost of FBS provided		38,949	42,482	42,008	57,015	57,015	57,015	55,192	58,613	61,953
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)		138	145	155	165	165	165	174	184	192
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)		112	118	125	113	113	113	124	128	135
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA		-	9,546	32,686	10,210	30,210	30,210	36,480	38,669	40,796
Water (in excess of 6 kilolitres per indigent household per month)		-	-	19,948	-	16,209	16,209	22,000	23,320	24,603
Sanitation (in excess of free sanitation service to indigent households)		-	16,770	2,911	-	3,651	3,651	3,630	3,866	4,098
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	32,600	-	30,475	30,475	36,000	38,160	40,259
Refuse (in excess of one removal a week for indigent households)		-	-	4,181	-	2,850	2,850	4,600	4,876	5,144
Municipal Housing - rental rebates										
Housing - top structure subsidies										
Other										
Total revenue cost of subsidised services provided	6	112	26,434	92,451	10,323	83,508	83,508	102,834	109,019	115,034

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	41,211	113,509	97,644	84,849	70,701	70,701	51,613	34,000	41,000
Roads Infrastructure		3,320	11,538	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		11,144	15,599	30,751	30,998	24,498	24,498	18,158	23,000	21,000
Water Supply Infrastructure		12,469	59,703	36,981	377	2,377	2,377	–	–	–
Sanitation Infrastructure		2,000	–	17,510	24,806	19,806	19,806	26,455	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		28,933	86,840	85,242	56,180	46,680	46,680	44,613	23,000	21,000
Community Facilities		–	8,583	1,856	12,668	14,421	14,421	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Community Assets		–	8,583	1,856	12,668	14,421	14,421	–	–	–
Heritage Assets		–	–	4,207	–	–	–	–	–	–
Revenue Generating		115	813	2,660	2,000	1,000	1,000	1,000	2,000	4,000
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		115	813	2,660	2,000	1,000	1,000	1,000	2,000	4,000
Operational Buildings		10,507	–	2,606	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		10,507	–	2,606	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		1,656	9,495	–	–	–	–	–	–	–
Intangible Assets		1,656	9,495	–	–	–	–	–	–	–
Computer Equipment		–	–	–	5,000	1,500	1,500	2,000	2,000	3,000
Furniture and Office Equipment		–	1,197	595	3,000	1,700	1,700	2,000	2,000	3,000
Machinery and Equipment		–	578	478	–	–	–	–	–	–
Transport Assets		–	6,003	–	6,000	5,400	5,400	2,000	5,000	10,000
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Renewal of Existing Assets	2	78,479	131,330	110,183	23,000	17,300	17,300	52,943	58,000	67,948
Roads Infrastructure		21,659	108,785	70,259	–	–	–	5,500	12,000	12,000
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	5,733	12,679	8,000	3,000	3,000	3,000	7,000	7,000
Water Supply Infrastructure		6,361	5,577	1,511	–	–	–	5,000	12,000	11,500
Sanitation Infrastructure		14,560	11,018	21,287	15,000	14,300	14,300	39,443	27,000	37,448
Solid Waste Infrastructure		11,483	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		54,063	131,113	105,736	23,000	17,300	17,300	52,943	58,000	67,948
Community Facilities		24,416	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	4,448	–	–	–	–	–	–
Community Assets		24,41								

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
CAPITAL EXPENDITURE										
<u>Total New Assets</u>	1	41,211	113,509	97,644	84,849	70,701	70,701	51,613	34,000	41,000
<i>Roads Infrastructure</i>		3,320	11,538	–	–	–	–	–	–	–
<i>Storm water Infrastructure</i>		–	–	–	–	–	–	–	–	–
<i>Electrical Infrastructure</i>		11,144	15,599	30,751	30,998	24,498	24,498	18,158	23,000	21,000
<i>Water Supply Infrastructure</i>		12,469	59,703	36,981	377	2,377	2,377	–	–	–
<i>Sanitation Infrastructure</i>		2,000	–	17,510	24,806	19,806	19,806	26,455	–	–
<i>Solid Waste Infrastructure</i>		–	–	–	–	–	–	–	–	–
<i>Rail Infrastructure</i>		–	–	–	–	–	–	–	–	–
<i>Coastal Infrastructure</i>		–	–	–	–	–	–	–	–	–
<i>Information and Communication Infrastructure</i>		–	–	–	–	–	–	–	–	–
Infrastructure		28,933	86,840	85,242	56,180	46,680	46,680	44,613	23,000	21,000
Community Facilities		–	8,583	1,856	12,668	14,421	14,421	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Community Assets		–	8,583	1,856	12,668	14,421	14,421	–	–	–
Heritage Assets		–	–	4,207	–	–	–	–	–	–
Revenue Generating		115	813	2,660	2,000	1,000	1,000	1,000	2,000	4,000
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		115	813	2,660	2,000	1,000	1,000	1,000	2,000	4,000
Operational Buildings		10,507	–	2,606	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		10,507	–	2,606	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		1,656	9,495	–	–	–	–	–	–	–
Intangible Assets		1,656	9,495	–	–	–	–	–	–	–
Computer Equipment		–	–	–	5,000	1,500	1,500	2,000	2,000	3,000
Furniture and Office Equipment		–	1,197	595	3,000	1,700	1,700	2,000	2,000	3,000
Machinery and Equipment		–	578	478	–	–	–	–	–	–
Transport Assets		–	6,003	–	6,000	5,400	5,400	2,000	5,000	10,000
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
<u>Total Renewal of Existing Assets</u>	2	78,479	131,330	110,183	23,000	17,300	17,300	52,943	58,000	67,948
<i>Roads Infrastructure</i>		21,659	108,785	70,259	–	–	–	5,500	12,000	12,000
<i>Storm water Infrastructure</i>		–	–	–	–	–	–	–	–	–
<i>Electrical Infrastructure</i>		–	5,733	12,679	8,000	3,000	3,000	3,000	7,000	7,000
<i>Water Supply Infrastructure</i>		6,361	5,577	1,511	–	–	–	5,000	12,000	11,500
<i>Sanitation Infrastructure</i>		14,560	11,018	21,287	15,000	14,300	14,300	39,443	27,000	37,448
<i>Solid Waste Infrastructure</i>		11,483	–	–	–	–	–	–	–	–
<i>Rail Infrastructure</i>		–	–	–	–	–	–	–	–	–
<i>Coastal Infrastructure</i>		–	–	–	–	–	–	–	–	–
<i>Information and Communication Infrastructure</i>		–	–	–	–	–	–	–	–	–
Infrastructure		54,063	131,113	105,736	23,000	17,300	17,300	52,943	58,000	67,948
Community Facilities		24,416	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	4,448	–	–	–	–	–	–
Community Assets		24,416	–	4,448	–	–	–	–	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	216	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–

NC091 Sol Plaatje - Table A9 Asset Management

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
<u>Total Upgrading of Existing Assets</u>	6	-	-	-	76,436	101,635	101,635	35,500	44,639	48,760
Roads Infrastructure		-	-	-	53,436	96,735	96,735	28,000	41,639	45,760
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	5,000	1,500	1,500	4,500	-	-
Water Supply Infrastructure		-	-	-	3,000	3,400	3,400	3,000	3,000	3,000
Sanitation Infrastructure		-	-	-	15,000	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	76,436	101,635	101,635	35,500	44,639	48,760
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<u>Total Capital Expenditure</u>	4	119,691	244,839	207,827	184,285	189,636	189,636	140,056	136,639	157,708
Roads Infrastructure		24,980	120,324	70,259	53,436	96,735	96,735	33,500	53,639	57,760
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		11,144	21,332	43,430	43,998	28,998	28,998	25,658	30,000	28,000
Water Supply Infrastructure		18,830	65,280	38,491	3,377	5,777	5,777	8,000	15,000	14,500
Sanitation Infrastructure		16,560	11,018	38,797	54,806	34,106	34,106	65,898	27,000	37,448
Solid Waste Infrastructure		11,483	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		82,996	217,954	190,977	155,617	165,616	165,616	133,056	125,639	137,708
Community Facilities		24,416	8,583	1,856	12,668	14,421	14,421	-	-	-
Sport and Recreation Facilities		-	-	4,448	-	-	-	-	-	-
Community Assets		24,416	8,583	6,303	12,668	14,421	14,421	-	-	-
Heritage Assets		-	-	4,207	-	-	-	-	-	-
Revenue Generating		115	813	2,660	2,000	1,000	1,000	1,000	2,000	4,000
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		115	813	2,660	2,000	1,000	1,000	1,000	2,000	4,000
Operational Buildings		10,507	-	2,606	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		10,507	-	2,606	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		1,656	9,495	-	-	-	-	-	-	-
Intangible Assets		1,656	9,495	-	-	-	-	-	-	-
Computer Equipment		-	-	-	5,000	1,500	1,500	2,000	2,000	3,000
Furniture and Office Equipment		-	1,413	595	3,000	1,700	1,700	2,000	2,000	3,000
Machinery and Equipment		-	578	478	-	-	-	-	-	-
Transport Assets		-	6,003	-	6,000	5,400	5,400	2,000	5,000	10,000
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		119,691	244,839	207,827	184,285	189,636	189,636	140,056	136,639	157,708

NC091 Sol Plaatje - Table A9 Asset Management

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
ASSET REGISTER SUMMARY - PPE (WDV)	5									
Roads Infrastructure		320,673	405,242	463,197	337,100	380,398	380,398	317,055	337,768	356,096
Storm water Infrastructure					109,413	109,413	109,413	95,805	118,802	124,742
Electrical Infrastructure		219,345	233,247	269,120	313,843	298,843	298,843	318,881	337,395	331,765
Water Supply Infrastructure		174,653	253,237	285,144	276,767	279,167	279,167	323,728	357,378	374,497
Sanitation Infrastructure		370,878	369,688	396,531	439,742	419,042	419,042	471,975	426,776	457,212
Solid Waste Infrastructure		23,628	22,828	21,806	6,599	6,599	6,599	6,599	6,599	6,929
Rail Infrastructure										
Coastal Infrastructure										
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		1,109,176	1,284,241	1,435,798	1,483,464	1,493,463	1,493,463	1,534,043	1,584,717	1,651,240
Community Assets		304,413	264,030	261,811	271,497	273,249	273,249	262,467	252,850	240,492
Heritage Assets		7,864	7,864	12,071	7,864	7,864	7,864	11,864	11,864	12,457
Investment properties		195,886	206,415	208,859	193,202	192,202	192,202	205,369	204,486	204,610
Other Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets										
Intangible Assets		3,826	9,207	5,566	11,228	11,228	11,228	7,267	7,307	7,673
Computer Equipment		7,994	4,745	5,756	11,658	8,158	8,158	9,863	11,887	13,381
Furniture and Office Equipment		5,191	4,131	3,597	3,391	2,091	2,091	2,628	2,621	3,652
Machinery and Equipment		4,216	3,337	3,128	4,638	4,638	4,638	4,638	4,638	4,869
Transport Assets		40,119	37,576	31,090	26,189	25,589	25,589	17,977	11,100	16,405
Land		–	–	–	54,930	54,930	54,930	54,930	54,930	57,677
Zoo's, Marine and Non-biological Animals										
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	1,678,684	1,821,546	1,967,676	2,068,060	2,073,411	2,073,411	2,111,046	2,146,400	2,212,457
EXPENDITURE OTHER ITEMS		182,038	252,452	220,827	331,650	321,364	321,364	337,705	362,179	386,468
<u>Depreciation</u>	7	60,291	63,603	61,697	71,600	71,600	71,600	73,550	78,738	83,673
<u>Repairs and Maintenance by Asset Class</u>	3	121,748	188,850	159,130	260,050	249,764	249,764	264,155	283,442	302,795
Roads Infrastructure		18,157	23,897	24,360	42,380	44,078	44,078	44,251	49,896	55,518
Storm water Infrastructure		–	–	–	600	–	–	665	712	758
Electrical Infrastructure		26,099	39,704	23,975	61,400	58,253	58,253	61,259	65,172	69,042
Water Supply Infrastructure		17,471	28,953	11,035	44,662	39,682	39,682	45,002	47,702	50,325
Sanitation Infrastructure		15,137	12,982	13,994	28,074	28,854	28,854	30,824	32,673	34,470
Solid Waste Infrastructure		13,715	20,801	20,818	23,196	23,196	23,196	22,983	24,547	26,096
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	1,571	70	70	1,703	1,807	1,908
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		90,578	126,337	94,182	201,884	194,134	194,134	206,686	222,507	238,118
Community Facilities		749	6,788	7,973	3,810	2,308	2,308	3,222	3,687	3,891
Sport and Recreation Facilities		390	402	401	440	740	740	770	452	479
Community Assets		1,139	7,190	8,374	4,250	3,048	3,048	3,992	4,139	4,370
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		929	124	478	6,880	6,722	6,722	7,289	7,726	8,184
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		929	124	478	6,880	6,722	6,722	7,289	7,726	8,184
Operational Buildings		19,395	48,689	50,053	10,953	14,453	14,453	10,489	11,124	11,754
Housing		–	–	–	–	–	–	–	–	–
Other Assets		19,395	48,689	50,053	10,953	14,453	14,453	10,489	11,124	11,754
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		3,699	1,377	1,261	1,758	1,726	1,726	1,732	1,837	1,939
Machinery and Equipment		–	–	–	23,378	22,369	22,369	23,251	24,749	26,440
Transport Assets		6,007	5,133	4,782	10,947	7,311	7,311	10,716	11,359	11,990
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
TOTAL EXPENDITURE OTHER ITEMS		182,038	252,452	220,827	331,650	321,364	321,364	337,705	362,179	386,468
<i>Renewal and upgrading of Existing Assets as % of total capex</i>		65.6%	53.6%	53.0%	54.0%	62.7%	62.7%	63.1%	75.1%	74.0%
<i>Renewal and upgrading of Existing Assets as % of deprecn R&M as a % of PPE</i>		130.2%	206.5%	178.6%	138.9%	166.1%	166.1%	120.2%	130.4%	139.5%
<i>Renewal and upgrading of Existing Assets as % of deprecn R&M as a % of PPE</i>		8.3%	11.8%	9.1%	14.0%	13.4%	13.4%	14.0%	14.7%	15.2%
<i>Renewal and upgrading of Existing Assets as % of deprecn R&M as a % of PPE</i>		12.0%	18.0%	14.0%	17.0%	18.0%	18.0%	17.0%	18.0%	19.0%

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

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand											
REVENUE ITEMS:											
Property rates	6										
Total Property Rates		455,092	501,855	545,573	588,864	588,864	588,864	417,254	620,588	667,369	713,093
<i>less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)</i>		–	9,546	32,686	10,210	30,210	30,210	17,722	36,480	38,669	40,796
Net Property Rates		455,092	492,309	512,886	578,654	558,654	558,654	399,532	584,108	628,700	672,297
Service charges - electricity revenue	6										
Total Service charges - electricity revenue		602,622	612,014	592,010	775,550	743,550	743,550	476,494	814,232	859,735	923,348
<i>less Revenue Foregone (in excess of 50 kwh per indigent household per month)</i>				32,600		30,475	30,475	9,394	36,000	38,160	40,259
<i>less Cost of Free Basis Services (50 kwh per indigent household per month)</i>		8,355	8,156	6,956	12,023	12,023	12,023		12,000	12,720	13,420
Net Service charges - electricity revenue		594,267	603,857	552,454	763,527	701,052	701,052	467,100	766,232	808,855	869,669
Service charges - water revenue	6										
Total Service charges - water revenue		241,730	233,189	262,956	294,167	294,167	294,167	191,644	308,751	329,138	350,431
<i>less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)</i>				19,948		16,209	16,209	9,341	22,000	23,320	24,603
<i>less Cost of Free Basis Services (6 kilolitres per indigent household per month)</i>		5,386	6,052	6,317	8,125	8,125	8,125		8,125	8,613	9,086
Net Service charges - water revenue		236,344	227,137	236,691	286,042	269,832	269,832	182,304	278,626	297,205	316,742
Service charges - sanitation revenue											
Total Service charges - sanitation revenue		83,013	90,377	87,354	91,384	91,384	91,384	62,163	96,673	102,095	107,084
<i>less Revenue Foregone (in excess of free sanitation service to indigent households)</i>			16,770	2,911		3,651	3,651	13,442	3,630	3,866	4,098
<i>less Cost of Free Basis Services (free sanitation service to indigent households)</i>		14,403	11,504	17,019	21,867	21,867	21,867		21,867	23,289	24,686
Net Service charges - sanitation revenue		68,610	62,103	67,424	69,517	65,866	65,866	48,721	71,175	74,941	78,301
Service charges - refuse revenue	6										
Total refuse removal revenue		62,625	61,999	64,677	68,898	68,898	68,898	45,938	71,784	76,695	81,983
Total landfill revenue											
<i>less Revenue Foregone (in excess of one removal a week to indigent households)</i>		–	–	4,181	–	2,850	2,850	2,283	4,600	4,876	5,144
<i>less Cost of Free Basis Services (removed once a week to indigent households)</i>		10,805	16,770	11,716	15,000	15,000	15,000		13,200	13,992	14,762
Net Service charges - refuse revenue		51,820	45,229	48,780	53,898	51,048	51,048	43,655	53,984	57,827	62,078
Other Revenue by source											
Fuel Levy											
Other Revenue		26,177	24,895	16,309	25,146	17,827	17,827	16,064	18,008	19,074	20,119
Sale Of Goods & Services											
Other Revenue											
Total 'Other' Revenue	1	26,177	24,895	16,309	25,146	17,827	17,827	16,064	18,008	19,074	20,119
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	321,653	340,348	365,625	421,391	414,011	414,011	257,922	447,432	478,700	505,193
Pension and UIF Contributions		54,143	56,594	59,547	72,623	72,623	72,623	42,129	75,305	79,838	84,337
Medical Aid Contributions		39,456	42,819	45,183	53,581	53,578	53,578	37,717	57,150	60,739	64,260
Overtime		33,685	48,725	51,061	31,567	31,672	31,672	30,455	31,912	33,880	35,827
Performance Bonus		–	26,376	26,336	32,316	32,076	32,076	22,031	34,519	36,598	38,661
Motor Vehicle Allowance		41,568	40,598	40,274	50,209	50,006	50,006	27,333	50,861	53,912	56,916
Cellphone Allowance		1,505	1,531	1,501	1,696	1,806	1,806	1,015	1,746	1,851	1,954
Housing Allowances		2,830	2,429	2,674	3,020	3,131	3,131	1,867	3,178	3,369	3,559
Other benefits and allowances		53,692	28,188	30,279	34,846	37,963	37,963	16,567	34,227	36,319	38,396
Payments in lieu of leave		16,688	14,428	13,784	15,000	7,500	7,500	2,868	16,000	17,200	18,318
Long service awards		11,461	12,424	12,602	17,357	17,440	17,440	12,533	19,051	20,196	21,333
Post-retirement benefit obligations		(9,364)	32,849	39,701	37,359	37,359	37,359	–	42,900	46,118	49,115
sub-total	4										
	5	567,317	647,309	688,565	770,966	759,166	759,166	452,439	814,281	868,721	917,868
<i>Less: Employees costs capitalised to PPE</i>											
Total Employee related costs	1	567,317	647,309	688,565	770,966	759,166	759,166	452,439	814,281	868,721	917,868

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

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand											
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		60,291	59,532	58,056	66,600	66,600	66,600	–	68,550	73,363	77,949
Lease amortisation		–	4,071	3,641	5,000	5,000	5,000	–	5,000	5,375	5,724
Capital asset impairment											
Total Depreciation & asset impairment	1	60,291	63,603	61,697	71,600	71,600	71,600	–	73,550	78,738	83,673
Bulk purchases											
Electricity Bulk Purchases		422,426	420,968	459,678	520,000	526,000	526,000	271,786	562,500	591,750	639,090
Water Bulk Purchases		69,541	80,366	94,760	97,500	105,500	105,500	52,638	110,000	121,000	133,100
Total bulk purchases	1	491,966	501,334	554,438	617,500	631,500	631,500	324,424	672,500	712,750	772,190
Transfers and grants											
Cash transfers and grants		7,984	9,325	3,940	7,670	4,170	4,170	2,133	6,060	6,188	6,414
Non-cash transfers and grants		–	–	–	–	–	–	–	–	–	–
Total transfers and grants	1	7,984	9,325	3,940	7,670	4,170	4,170	2,133	6,060	6,188	6,414
Contracted services											
Outsourced Services		42,170	33,443	26,657	35,328	26,828	26,828	9,218	29,195	31,043	32,845
Consultants and Professional Services		–	11,133	3,281	6,237	6,237	6,237	4,613	5,788	5,898	6,008
Contractors		–	8,778	12,403	10,040	9,940	9,940	8,463	9,965	10,612	11,230
Total contracted services		42,170	53,354	42,342	51,605	43,005	43,005	22,293	44,948	47,553	50,082
Other Expenditure By Type											
Collection costs											
Contributions to 'other' provisions											
Audit fees		3,023	4,930	4,917	5,500	5,500	5,500	5,085	5,800	6,235	6,640
Other Expenditure		84,838	89,345	85,319	195,731	114,827	114,827	68,373	104,897	111,480	113,749
Total 'Other' Expenditure	1	87,862	94,275	90,235	201,231	120,327	120,327	73,458	110,697	117,715	120,389
by Expenditure Item	8										
Employee related costs		–			120,789	117,989	117,989	72,482	126,110	133,973	141,891
Other materials		121,748	188,850	159,130	123,092	122,914	122,914	70,554	127,172	137,828	148,503
Contracted Services		–			9,720	3,220	3,220	10	5,630	6,064	6,492
Other Expenditure		–			6,449	5,641	5,641	2,995	5,242	5,576	5,909
Total Repairs and Maintenance Expenditure	9	121,748	188,850	159,130	260,050	249,764	249,764	146,041	264,155	283,442	302,795

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	Vote 09 -	Vote 10 -	Vote 11 -	Vote 12 -	Vote 13 -	Vote 14 -	Vote 15 - Other	Total
R thousand	1																
Revenue By Source																	
Property rates		–	–	–	–	–	584,108	–	–	–	–	–	–	–	–	–	584,108
Service charges - electricity revenue		–	–	–	–	–	–	–	766,232	–	–	–	–	–	–	–	766,232
Service charges - water revenue		–	–	–	–	–	–	–	278,626	–	–	–	–	–	–	–	278,626
Service charges - sanitation revenue		–	–	–	–	–	–	–	71,175	–	–	–	–	–	–	–	71,175
Service charges - refuse revenue		–	–	–	–	53,984	–	–	–	–	–	–	–	–	–	–	53,984
Rental of facilities and equipment		–	–	–	–	90	–	750	11,600	–	–	–	–	–	–	–	12,440
Interest earned - external investments		–	10,000	–	–	–	–	–	–	–	–	–	–	–	–	–	10,000
Interest earned - outstanding debtors		–	84,000	–	–	12,000	–	–	58,000	–	–	–	–	–	–	–	154,000
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		–	–	–	–	17,345	16,000	–	–	–	–	–	–	–	–	–	33,345
Licences and permits		–	–	–	–	6,100	–	–	–	–	–	–	–	–	–	–	6,100
Agency services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other revenue		–	153	–	1,177	7,680	1,351	7,046	601	–	–	–	–	–	–	–	18,008
Transfers and subsidies		–	209,242	–	5,000	8,000	2,300	–	–	–	–	–	–	–	–	–	224,542
Gains		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contribution)		–	303,395	–	6,177	105,200	603,759	7,796	1,186,235	–	–	–	–	–	–	–	2,212,561
Expenditure By Type																	
Employee related costs		17,955	69,700	18,650	63,278	244,734	127,699	47,864	224,400	–	–	–	–	–	–	–	814,281
Remuneration of councillors		33,023	–	–	–	–	–	–	–	–	–	–	–	–	–	–	33,023
Debt impairment		–	137,000	–	–	–	–	–	112,000	–	–	–	–	–	–	–	249,000
Depreciation & asset impairment		–	43,600	–	–	850	–	–	29,100	–	–	–	–	–	–	–	73,550
Finance charges		–	322	–	–	–	–	–	23,220	–	–	–	–	–	–	–	23,542
Bulk purchases		–	–	–	–	–	–	–	672,500	–	–	–	–	–	–	–	672,500
Other materials		288	21,410	161	2,885	35,006	2,862	6,867	95,948	–	–	–	–	–	–	–	165,426
Contracted services		150	7,755	4,474	3	353	1,423	400	30,390	–	–	–	–	–	–	–	44,948
Transfers and subsidies		300	5,600	–	–	160	–	–	–	–	–	–	–	–	–	–	6,060
Other expenditure		4,795	42,350	982	3,358	8,824	17,032	2,032	31,324	–	–	–	–	–	–	–	110,697
Losses		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure		56,511	327,737	24,268	69,524	289,928	149,015	57,163	1,218,882	–	–	–	–	–	–	–	2,193,028
Surplus/(Deficit)		(56,511)	(24,342)	(24,268)	(63,347)	(184,729)	454,743	(49,367)	(32,647)	–	–	–	–	–	–	–	19,534
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)			116,556	–	–	–	–	–	–	–	–	–	–	–	–	–	116,556
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		(56,511)	92,214	(24,268)	(63,347)	(184,729)	454,743	(49,367)	(32,647)	–	–	–	–	–	–	–	136,090

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

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
ASSETS										
Consumer debtors										
Consumer debtors	2	1,641,283	1,904,912	1,913,292	2,369,124	2,379,424	2,379,424	2,592,037	2,912,487	3,141,902
Less: Provision for debt impairment		(932,336)	(1,082,742)	(945,903)	(1,749,141)	(1,749,141)	(1,749,141)	(1,394,362)	(1,726,737)	(1,981,718)
Total Consumer debtors		708,946	822,170	967,389	619,983	630,283	630,283	1,197,675	1,185,749	1,160,184
Debt impairment provision										
Balance at the beginning of the year		789,001	(932,336)	(788,171)	(1,650,525)	(1,650,525)	(1,650,525)	(1,290,023)	(1,538,673)	(1,784,250)
Contributions to the provision		192,872	144,166	(137,024)	(91,005)	(91,005)	(91,005)	(98,650)	(182,525)	(191,652)
Bad debts written off		(34,409)	(294,572)	(20,708)	(7,610)	(7,610)	(7,610)	(5,689)	(5,539)	(5,816)
Balance at end of year		947,464	(1,082,742)	(945,903)	(1,749,141)	(1,749,141)	(1,749,141)	(1,394,362)	(1,726,737)	(1,981,718)
Property, plant and equipment (PPE)										
PPE at cost/valuation (excl. finance leases)	3	2,103,671	2,264,349	2,452,172	2,653,777	2,660,128	2,660,128	2,754,239	2,866,118	2,978,261
Leases recognised as PPE										
Less: Accumulated depreciation		632,563	666,289	710,991	798,010	798,010	798,010	867,693	943,375	990,544
Total Property, plant and equipment (PPE)	2	1,471,109	1,598,060	1,741,181	1,855,767	1,862,118	1,862,118	1,886,546	1,922,743	1,987,718
LIABILITIES										
Current liabilities - Borrowing										
Short term loans (other than bank overdraft)										
Current portion of long-term liabilities		8,238	12,680	13,147	9,399	9,399	9,399	9,534	10,734	12,087
Total Current liabilities - Borrowing		8,238	12,680	13,147	9,399	9,399	9,399	9,534	10,734	12,087
Trade and other payables										
Trade Payables	5	133,117	200,645	238,015	203,327	203,327	203,327	410,538	436,282	453,512
Other creditors										
Unspent conditional transfers		12,350	31,649	6,901	–	–	–	–	–	–
VAT		32,725	23,535	66,146	17,790	17,790	17,790	(54,201)	(60,728)	(55,004)
Total Trade and other payables	2	178,192	255,829	311,062	221,118	221,118	221,118	356,338	375,554	398,508
Non current liabilities - Borrowing										
Borrowing	4	210,435	204,226	191,895	163,018	163,018	163,018	182,362	172,829	162,095
Finance leases (including PPP asset element)										
Total Non current liabilities - Borrowing		210,435	204,226	191,895	163,018	163,018	163,018	182,362	172,829	162,095
Provisions - non-current										
Retirement benefits		214,640	237,081	262,440	285,122	285,122	285,122	232,000	245,000	257,000
Refuse landfill site rehabilitation		–	–	477	–	–	–	–	–	–
Other		1,503		1,310	–	–	–	–	–	–
Total Provisions - non-current		216,144	237,081	264,226	285,122	285,122	285,122	232,000	245,000	257,000
CHANGES IN NET ASSETS										
Accumulated Surplus/(Deficit)										
Accumulated Surplus/(Deficit) - opening balance	1	1,975,540	2,186,197	2,436,386	2,394,667	2,394,667	2,394,667	2,918,594	3,056,082	3,201,330
GRAP adjustments		–	–	–	–	–	–	–	–	–
Restated balance		1,975,540	2,186,197	2,436,386	2,394,667	2,394,667	2,394,667	2,918,594	3,056,082	3,201,330
Surplus/(Deficit)		258,866	222,595	169,902	166,687	182,338	182,338	136,090	142,373	160,795
Transfers to/from Reserves		(13,061)			323,491	323,491	323,491	1,300	(750)	(788)
Depreciation offsets		–			–	–	–	–	–	–
Other adjustments		–	–		–	–	–	–	–	–
Accumulated Surplus/(Deficit)		2,221,345	2,408,792	2,606,287	2,884,845	2,900,496	2,900,496	3,055,984	3,197,705	3,361,337
Reserves										
Housing Development Fund	2									
Capital replacement		92,131	65,117	39,313	39,729	39,729	39,729	29,762	26,745	23,577
Self-insurance		24,093	24,278	22,616	31,603	31,603	31,603	33,106	35,609	39,238
COVID		10,721	10,970	10,843	14,512	14,512	14,512	15,775	17,039	19,366
Revaluation										
Total Reserves		126,945	100,366	72,772	85,843	85,843	85,843	78,643	79,393	82,181
TOTAL COMMUNITY WEALTH/EQUITY	2	2,348,290	2,509,158	2,679,060	2,970,688	2,986,339	2,986,339	3,134,627	3,277,098	3,443,517

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

Strategic Objective	Goal	Goal Code	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand												
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Marketing the municipality as premier destination for tourism and investment	A		–	285,255	266,533	310,907	310,787	310,787	303,395	315,687	325,840
MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT				473,280	430,552	533,871	596,060	579,310	579,310	603,759	649,773	693,862
MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION				399,295	6,591	6,007	10,176	5,677	5,677	6,177	6,748	7,316
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT				912,461	1,135,494	1,021,915	1,277,609	1,197,923	1,197,923	1,291,435	1,367,523	1,462,623
LOCAL ECONOMIC DEVELOPMENT				6,640	6,861	5,309	8,860	7,860	7,860	7,796	8,270	8,737
Allocations to other priorities				2								
Total Revenue (excluding capital transfers and contributions)			1	1,791,676	1,864,753	1,833,635	2,203,612	2,101,557	2,101,557	2,212,561	2,348,000	2,498,378

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

Strategic Objective	Goal	Goal Code	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	
R thousand													
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Marketing the municipality as premier destination for tourism and investment	A	1	31,403	280,365	323,636	422,152	369,832	369,832	384,247	406,418	424,990	
MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT				106,376	112,282	115,009	144,541	137,791	137,791	149,015	158,218	166,271	
MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION				316,382	77,587	78,446	97,681	92,667	92,667	93,791	99,501	105,047	
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT				1,126,841	1,326,710	1,289,309	1,469,308	1,432,444	1,432,444	1,508,810	1,602,492	1,710,861	
LOCAL ECONOMIC DEVELOPMENT				41,330	54,708	54,587	60,529	58,622	58,622	57,163	60,637	64,123	
Allocations to other priorities													
Total Expenditure				1	1,622,333	1,851,652	1,860,987	2,194,210	2,091,355	2,091,355	2,193,028	2,327,266	2,471,291

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

Strategic Objective	Goal	Goal Code	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand												
GOOD GOVERNANCE AND PUBLIC PARTICIPATION				14,706	149,054	83,430	82,105	120,756	120,756	40,500	64,639	77,760
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT				104,984	95,785	124,398	102,180	68,880	68,880	99,556	72,000	79,948
Allocations to other priorities			3									
Total Capital Expenditure			1	119,691	244,839	207,827	184,285	189,636	189,636	140,056	136,639	157,708

NC091 Sol Plaatje - Supporting Table SA7 Measureable performance objectives

[illegible]

NC091 Sol Plaatje - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<u>Borrowing Management</u>										
Credit Rating		Baa1.za	Baa1.za	Baa1.za	Baa1.za	Baa1.za	Baa1.za			
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	2.2%	1.9%	1.9%	1.5%	1.6%	1.6%	1.5%	1.4%	1.3%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	2.2%	2.1%	2.2%	1.7%	1.8%	1.8%	1.7%	1.6%	1.5%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	16.2%	-8.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>										
Gearing	Long Term Borrowing/ Funds & Reserves	165.8%	203.5%	263.7%	189.9%	189.9%	189.9%	231.9%	217.7%	197.2%
<u>Liquidity</u>										
Current Ratio	Current assets/current liabilities	5.1	4.1	3.6	5.9	5.9	5.9	3.9	3.9	3.9
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	5.1	4.1	3.6	5.9	5.9	5.9	3.9	3.9	3.9
Liquidity Ratio	Monetary Assets/Current Liabilities	0.9	0.4	0.2	0.7	0.7	0.7	0.3	0.5	0.7
<u>Revenue Management</u>										
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		71.4%	72.2%	71.7%	93.9%	85.8%	0.0%	83.2%	86.3%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		71.4%	72.2%	71.7%	93.9%	85.8%	85.8%	83.2%	86.3%	86.7%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	60.6%	70.7%	80.8%	63.0%	66.6%	66.6%	79.6%	75.4%	70.7%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Creditors Management</u>										
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))	100.0%	100.0%	0.0%	100.0%	100.0%	100.0%	100.0%	100.0%	0.0%
Creditors to Cash and Investments		54.2%	148.4%	321.6%	100.6%	100.6%	100.6%	331.8%	172.7%	116.9%
<u>Other Indicators</u>										
Electricity Distribution Losses (2)	Total Volume Losses (kW)	123614	64086	83160	8150	8150	8150	104504	87087	69094
	Total Cost of Losses (Rand '000)	104	55	66	83	83	83	101	89	77
	% Volume (units purchased and generated less units sold)/units purchased and generated	25%	13%	18.0%	16.0%	16.0%	16.0%	18.0%	15.0%	12.0%
Water Distribution Losses (2)	Total Volume Losses (kℓ)	16	17	11	12	12	12	17	14	11
	Total Cost of Losses (Rand '000)	35163	42409	40725	43875	43875	43875	74464	65217	53551
	% Volume (units purchased and generated less units sold)/units purchased and generated	51%	53%	45.0%	45.0%	45.0%	45.0%	50.0%	40.0%	30.0%
Employee costs	Employee costs/(Total Revenue - capital revenue)	31.7%	34.7%	37.6%	35.0%	36.1%	36.1%	36.8%	37.0%	36.7%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	33.0%	36.2%	39.1%	36.4%	37.6%	37.6%	38.3%	38.5%	38.2%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	6.8%	10.1%	8.7%	11.8%	11.9%	11.9%	11.9%	12.1%	12.1%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	4.9%	4.9%	4.8%	4.4%	4.6%	4.6%	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)	8.1	10.5	26.7	12.0	12.0	12.0	11.2	12.0	12.7
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	76.1%	90.8%	101.1%	78.3%	83.9%	83.9%	97.6%	92.2%	86.0%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	2.1	1.0	0.5	1.3	1.3	1.3	0.8	1.5	2.1

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	2016/17	2017/18	2018/19	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
Demographics												
Population			201	243	248	248	255	255	255	255	255	255
Females aged 5 - 14			40	-	46	46	36	36	36	36	36	36
Males aged 5 - 14			40	-	47	47	36	36	36	36	36	36
Females aged 15 - 34			55	-	70	70	41	41	41	41	41	41
Males aged 15 - 34			55	-	65	65	44	44	44	44	44	44
Unemployment			28	28	79	79	90	90	90	90	90	90
Monthly household income (no. of households)	1, 12											
0-9400		No income	4,393	79,310	7,032	7,032	44	44	44	44	44	44
R1- R1 600		2400-4000	127,071	114,291	2,001	2,001	330	330	330	330	330	330
R1 601- R3 200		6000-12000	32,171	9,662	3,215	3,215	1,650	1,650	1,650	1,650	1,650	1,650
R3 201- R6 400		12000-18000	26,483	11,928	9,683	9,683	2,390	2,390	2,390	2,390	2,390	2,390
R6 401- R12 600		18000-30000	12,879	10,923	11,291	11,291	5,090	5,090	5,090	5,090	5,090	5,090
R12 601- R25 600		30000-42000	3,615	5,243	9,977	9,977	6,730	6,730	6,730	6,730	6,730	6,730
R25 601- R51 200		42000-54000	1,078	2,056	7,235	7,235	6,220	6,220	6,220	6,220	6,220	6,220
R52 201- R102 400		54000-72000	611	333	5,776	5,776	6,260	6,260	6,260	6,260	6,260	6,260
R102 401- R204 800		72000-96000	300	242	3,506	3,506	5,860	5,860	5,860	5,860	5,860	5,860
R204 801- R409 600		96000-132000	134	78	1,087	1,087	5,930	5,930	5,930	5,930	5,930	5,930
R409 601- R819 200		132000-192000	-	-	268	268	6,420	6,420	6,420	6,420	6,420	6,420
> R819 200		192000-360000	-	-	224	224	8,350	8,350	8,350	8,350	8,350	8,350
Poverty profiles (no. of households)												
< R2 060 per household per month	13											
Insert description	2											
Household demographics (000)												
Number of people in municipal area			201	243	248	248	255	255	255	255	255	255
Number of poor people in municipal area			81	74	33	33	40	40	40	40	40	40
Number of households in municipal area			50	52	60	60	63	63	63	63	63	63
Number of poor households in municipal area			-	-	9	9	9	9	9	9	9	9
Definition of poor household (R per month)												
Housing statistics												
Formal	3		41,282	46,230	49,202	49,202	54,500	54,500	54,500	54,500	54,500	54,500
Informal			9,247	9,733	11,095	11,095	9,594	9,594	9,594	9,594	9,594	9,594
Total number of households			50,529	51,963	60,297	60,297	64,094	64,094	64,094	64,094	64,094	64,094
Dwellings provided by municipality	4		-	-	440	440	2,550	2,550	2,550	2,550	2,550	2,550
Dwellings provided by province/s			-	-	-	-	-	-	-	-	-	-
Dwellings provided by private sector	5		-	-	440	440	2,550	2,550	2,550	2,550	2,550	2,550
Total new housing dwellings			-	-	440	440	2,550	2,550	2,550	2,550	2,550	2,550
Economic												
Inflation/inflation outlook (CPIX)	6					6.6%	5.3%	5.3%	5.2%	4.5%	4.6%	4.6%
Interest rate - borrowing						12.5%	12.5%	12.5%	12.5%	12.5%	12.5%	12.5%
Interest rate - investment						6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Remuneration increases						6.0%	7.4%	7.0%	7.0%	6.3%	6.3%	6.3%
Consumption growth (electricity)						1.0%	1.0%	1.0%	1.0%	0.5%	0.5%	1.0%
Consumption growth (water)						1.0%	1.0%	1.0%	1.0%	0.5%	0.5%	1.0%
Collection rates												
Property tax/service charges	7					86.7%	88.0%	88.0%	88.0%	88.0%	88.0%	88.0%
Rental of facilities & equipment						100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Interest - external investments						100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Interest - debtors						25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
Revenue from agency services						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			2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework				
	Ref.		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23		
8		Household service targets (000)											
		Water:											
		Piped water inside dwelling	43,577	43,577	43,577	43,577	43,577	43,577	43,577	43,577	43,577	43,577	
		Piped water inside yard (but not in dwelling)	22,582	22,582	22,582	22,582	22,582	22,582	22,582	22,582	22,582	22,582	
		Using public tap (at least min service level)	-	-	-	-	-	-	-	-	-	-	
		Other water supply (at least min service level)	-	-	-	-	-	-	-	-	-	-	
		Minimum Service Level and Above sub-total	66,159	66,159	66,159	66,159	66,159	66,159	66,159	66,159	66,159	66,159	
		Using public tap (< min.service level)	5,272	5,272	5,272	5,272	5,272	5,272	5,272	5,272	5,272	5,272	
		Other water supply (< min.service level)	160	160	160	160	160	160	160	160	160	160	
		No water supply	349	349	349	349	349	349	349	349	349	349	
		Below Minimum Service Level sub-total	5,781	5,781	5,781	5,781	5,781	5,781	5,781	5,781	5,781	5,781	
		Total number of households	71,940	71,940	71,940	71,940	71,940	71,940	71,940	71,940	71,940	71,940	
		Sanitation/coverages:											
		Flush toilet (connected to sewerage)	63,359	63,359	63,359	63,359	63,359	63,359	63,359	63,359	63,359	63,359	
		Flush toilet (with septic tank)	1,816	1,816	1,816	1,816	1,816	1,816	1,816	1,816	1,816	1,816	
		Chemical toilet	22	22	22	22	22	22	22	22	22	22	
		Pit toilet (ventilated)	1,235	1,235	1,235	1,235	1,235	1,235	1,235	1,235	1,235	1,235	
		Other toilet provisions (> min.service level)	342	342	342	342	342	342	342	342	342	342	
		Minimum Service Level and Above sub-total	66,774	66,774	66,774	66,774	66,774	66,774	66,774	66,774	66,774	66,774	
		Bucket toilet	4,352	4,352	4,352	4,352	4,352	4,352	4,352	4,352	4,352	4,352	
		Other toilet provisions (< min.service level)	-	-	-	-	-	-	-	-	-	-	
		No toilet provisions	812	812	812	812	812	812	812	812	812	812	
		Below Minimum Service Level sub-total	5,164	5,164	5,164	5,164	5,164	5,164	5,164	5,164	5,164	5,164	
		Total number of households	71,938	71,938	71,938	71,938	71,938	71,938	71,938	71,938	71,938	71,938	
		Energy:											
		Electricity (at least min.service level)	9,116	9,116	9,116	9,116	9,116	9,116	9,116	9,116	9,116	9,116	9,116
		Electricity - prepaid (min.service level)	57,145	57,145	57,145	57,145	57,145	57,145	57,145	57,145	57,145	57,145	57,145
		Minimum Service Level and Above sub-total	66,261	66,261	66,261	66,261	66,261	66,261	66,261	66,261	66,261	66,261	66,261
		Electricity (< min.service level)	4,320	4,320	4,320	4,320	4,320	4,320	4,320	4,320	4,320	4,320	4,320
		Electricity - prepaid (< min.service level)	-	-	-	-	-	-	-	-	-	-	-
Other energy sources	1,357	1,357	1,357	1,357	1,357	1,357	1,357	1,357	1,357	1,357	1,357		
Below Minimum Service Level sub-total	5,677	5,677	5,677	5,677	5,677	5,677	5,677	5,677	5,677	5,677	5,677		
Total number of households	71,938	71,938	71,938	71,938	71,938	71,938	71,938	71,938	71,938	71,938	71,938		
Refuse:													
Removed at least once a week	59,526	59,526	59,526	59,526	59,526	59,526	59,526	59,526	59,526	59,526	59,526		
Minimum Service Level and Above sub-total	59,526	59,526	59,526	59,526	59,526	59,526	59,526	59,526	59,526	59,526	59,526		
Removed less frequently than once a week	1,538	1,538	1,538	1,538	1,538	1,538	1,538	1,538	1,538	1,538	1,538		
Using communal refuse dump	1,605	1,605	1,605	1,605	1,605	1,605	1,605	1,605	1,605	1,605	1,605		
Using own refuse dump	3,373	3,373	3,373	3,373	3,373	3,373	3,373	3,373	3,373	3,373	3,373		
Other rubbish disposal	1,371	1,371	1,371	1,371	1,371	1,371	1,371	1,371	1,371	1,371	1,371		
No rubbish disposal	4,526	4,526	4,526	4,526	4,526	4,526	4,526	4,526	4,526	4,526	4,526		
Below Minimum Service Level sub-total	12,413	12,413	12,413	12,413	12,413	12,413	12,413	12,413	12,413	12,413	12,413		
Total number of households	71,939	71,939	71,939	71,939	71,939	71,939	71,939	71,939	71,939	71,939	71,939		

Municipal in-house services			2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework				
	Ref.		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23		
8		Household service targets (000)											
		Water:											
		Piped water inside dwelling	43,577	43,577	43,577	43,577	43,577	43,577	43,577	43,577	43,577	43,577	
		Piped water inside yard (but not in dwelling)	22,582	22,582	22,582	22,582	22,582	22,582	22,582	22,582	22,582	22,582	
		Using public tap (at least min service level)	-	-	-	-	-	-	-	-	-	-	
		Other water supply (at least min service level)	-	-	-	-	-	-	-	-	-	-	
		Minimum Service Level and Above sub-total	66,159	66,159	66,159	66,159	66,159	66,159	66,159	66,159	66,159	66,159	
		Using public tap (< min.service level)	5,272	5,272	5,272	5,272	5,272	5,272	5,272	5,272	5,272	5,272	
		Other water supply (< min.service level)	160	160	160	160	160	160	160	160	160	160	
		No water supply	349	349	349	349	349	349	349	349	349	349	
		Below Minimum Service Level sub-total	5,781	5,781	5,781	5,781	5,781	5,781	5,781	5,781	5,781	5,781	
		Total number of households	71,940	71,940	71,940	71,940	71,940	71,940	71,940	71,940	71,940	71,940	
		Sanitation/coverages:											
		Flush toilet (connected to sewerage)	63,359	63,359	63,359	63,359	63,359	63,359	63,359	63,359	63,359	63,359	
		Flush toilet (with septic tank)	1,816	1,816	1,816	1,816	1,816	1,816	1,816	1,816	1,816	1,816	
		Chemical toilet	22	22	22	22	22	22	22	22	22	22	
		Pit toilet (ventilated)	1,235	1,235	1,235	1,235	1,235	1,235	1,235	1,235	1,235	1,235	
		Other toilet provisions (> min.service level)	342	342	342	342	342	342	342	342	342	342	
		Minimum Service Level and Above sub-total	66,774	66,774	66,774	66,774	66,774	66,774	66,774	66,774	66,774	66,774	
		Bucket toilet	4,352	4,352	4,352	4,352	4,352	4,352	4,352	4,352	4,352	4,352	
		Other toilet provisions (< min.service level)	-	-	-	-	-	-	-	-	-	-	
		No toilet provisions	812	812	812	812	812	812	812	812	812	812	
		Below Minimum Service Level sub-total	5,164	5,164	5,164	5,164	5,164	5,164	5,164	5,164	5,164	5,164	
		Total number of households	71,938	71,938	71,938	71,938	71,938	71,938	71,938	71,938	71,938	71,938	
		Energy:											
		Electricity (at least min.service level)	9,116	9,116	9,116	9,116	9,116	9,116	9,116	9,116	9,116	9,116	9,116
		Electricity - prepaid (min.service level)	57,145	57,145	57,145	57,145	57,145	57,145	57,145	57,145	57,145	57,145	57,145
		Minimum Service Level and Above sub-total	66,261	66,261	66,261	66,261	66,261	66,261	66,261	66,261	66,261	66,261	66,261
		Electricity (< min.service level)	4,320	4,320	4,320	4,320	4,320	4,320	4,320	4,320	4,320	4,320	4,320
		Electricity - prepaid (< min.service level)	-	-	-	-	-	-	-	-	-	-	-
Other energy sources	1,357	1,357	1,357	1,357	1,357	1,357	1,357	1,357	1,357	1,357	1,357		
Below Minimum Service Level sub-total	5,677	5,677	5,677	5,677	5,677	5,677	5,677	5,677	5,677	5,677	5,677		
Total number of households	71,938	71,938	71,938	71,938	71,938	71,938	71,938	71,938	71,938	71,938	71,938		
Refuse:													
Removed at least once a week	59,526	59,526	59,526	59,526	59,526	59,526	59,526	59,526	59,526	59,526	59,526		
Minimum Service Level and Above sub-total	59,526	59,526	59,526	59,526	59,526	59,526	59,526	59,526	59,526	59,526	59,526		
Removed less frequently than once a week	1,538	1,538	1,538	1,538	1,538	1,538	1,538	1,538	1,538	1,538	1,538		
Using communal refuse dump	1,605	1,605	1,605	1,605	1,605	1,605	1,605	1,605	1,605	1,605	1,605		
Using own refuse dump	3,373	3,373	3,373	3,373	3,373	3,373	3,373	3,373	3,373	3,373	3,373		
Other rubbish disposal	1,371	1,371	1,371	1,371	1,371	1,371	1,371	1,371	1,371	1,371	1,371		
No rubbish disposal	4,526	4,526	4,526	4,526	4,526	4,526	4,526	4,526	4,526	4,526	4,526		
Below Minimum Service Level sub-total	12,413	12,413	12,413	12,413	12,413	12,413	12,413	12,413	12,413	12,413	12,413		
Total number of households	71,939	71,939	71,939	71,939	71,939	71,939	71,939	71,939	71,939	71,939	71,939		

Municipal entity services	Ref.		2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
		Household service targets (000)									
		Water:									
		Piped water inside dwelling									
		Piped water inside yard (but not in dwelling)									
		Using public tap (at least min.service level)									
		Other water supply (at least min.service level)									
		Minimum Service Level and Above sub-total									
		Using public tap (< min.service level)									
		Other water supply (< min.service level)									
		No water supply									
		Below Minimum Service Level sub-total									
		Total number of households									
		Sanitation/sewerage:									
		Flush toilet (connected to sewerage)									
		Flush toilet (with septic tank)									
		Chemical toilet									
		Pit toilet (ventilated)									
		Other toilet provisions (> min.service level)									
		Minimum Service Level and Above sub-total									
		Bucket toilet									
		Other toilet provisions (< min.service level)									
		No toilet provisions									
		Below Minimum Service Level sub-total									
		Total number of households									
		Energy:									
		Electricity (at least min.service level)									
		Electricity - prepaid (min.service level)									
		Minimum Service Level and Above sub-total									
		Electricity (< min.service level)									
		Electricity - prepaid (< min. service level)									
		Other energy sources									
		Below Minimum Service Level sub-total									
		Total number of households									
		Refuse:									
		Removed at least once a week									
		Minimum Service Level and Above sub-total									
		Removed less frequently than once a week									
		Using communal refuse dump									
		Using own refuse dump									
		Other rubbish disposal									
		No rubbish disposal									
		Below Minimum Service Level sub-total									
		Total number of households									
Services provided by 'external mechanisms'	Ref.		2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
		Household service targets (000)									
		Water:									
		Piped water inside dwelling									
		Piped water inside yard (but not in dwelling)									
		Using public tap (at least min.service level)									
		Other water supply (at least min.service level)									
		Minimum Service Level and Above sub-total									
		Using public tap (< min.service level)									
		Other water supply (< min.service level)									
		No water supply									
		Below Minimum Service Level sub-total									
		Total number of households									
		Sanitation/sewerage:									
		Flush toilet (connected to sewerage)									
		Flush toilet (with septic tank)									
		Chemical toilet									
		Pit toilet (ventilated)									
		Other toilet provisions (> min.service level)									
		Minimum Service Level and Above sub-total									
		Bucket toilet									
		Other toilet provisions (< min.service level)									
		No toilet provisions									
		Below Minimum Service Level sub-total									
		Total number of households									
		Energy:									
		Electricity (at least min.service level)									
		Electricity - prepaid (min.service level)									
		Minimum Service Level and Above sub-total									
		Electricity (< min.service level)									
		Electricity - prepaid (< min. service level)									
		Other energy sources									
		Below Minimum Service Level sub-total									
		Total number of households									
		Refuse:									
		Removed at least once a week									
		Minimum Service Level and Above sub-total									
		Removed less frequently than once a week									
		Using communal refuse dump									
		Using own refuse dump									
		Other rubbish disposal									
		No rubbish disposal									
		Below Minimum Service Level sub-total									
		Total number of households									
Detail of Free Basic Services (FBS) provided	Ref.		2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
		Location of households for each type of FBS									
		Formal settlements - (50 kwh per indigent household per month Rands)									
		-	8,364,626	8,156,332	6,955,704	12,023,149	12,023,149	12,023,149	12,000,000	12,720,000	13,419,600

NC091 Sol Plaatje Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	245,735	135,240	74,019	202,090	202,090	202,090	–	123,742	252,635	387,980
Cash + investments at the yr end less applications - R'000	18(1)b	2	698,097	669,727	744,827	1,128,082	1,009,863	1,009,863	(308,973)	996,328	1,161,404	1,290,304
Cash year end/monthly employee/supplier payments	18(1)b	3	2.1	1.0	0.5	1.3	1.3	1.3	–	0.8	1.5	2.1
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	258,866	222,595	169,902	166,687	182,338	182,338	257,353	136,090	142,373	160,795
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	(4.3%)	(6.9%)	17.5%	(12.0%)	(6.0%)	(36.7%)	0.5%	0.5%	1.0%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	66.8%	65.8%	66.7%	87.5%	78.4%	78.4%	0.0%	77.3%	80.5%	81.4%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	13.5%	16.5%	14.5%	12.9%	13.5%	13.5%	14.9%	14.2%	14.1%	13.8%
Capital payments % of capital expenditure	18(1)c;19	8	100.0%	100.0%	100.0%	100.0%	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%	16.2%	(8.5%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								100.0%	100.0%	100.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	21.4%	10.5%	(4.5%)	0.7%	0.0%	20.0%	23.9%	0.6%	(0.1%)
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	31.5%	267.9%	(78.6%)	0.0%	0.0%	(100.0%)	379.8%	(0.7%)	(3.1%)
R&M % of Property Plant & Equipment	20(1)(vi)	13	8.3%	11.8%	9.1%	14.0%	13.4%	13.4%	14.5%	14.0%	14.7%	15.2%
Asset renewal % of capital budget	20(1)(vi)	14	65.6%	53.6%	53.0%	12.5%	9.1%	9.1%	0.0%	37.8%	42.4%	43.1%
High Level Outcome of Funding Compliance												
Total Operating Revenue			1,791,676	1,864,753	1,833,635	2,203,612	2,101,557	2,101,557	1,431,020	2,212,561	2,348,000	2,498,378
Total Operating Expenditure			1,622,333	1,851,652	1,860,987	2,194,210	2,091,355	2,091,355	1,173,667	2,193,028	2,327,266	2,471,291
Surplus/(Deficit) Budgeted Operating Statement			169,344	13,101	(27,352)	9,402	10,202	10,202	257,353	19,534	20,734	27,087
Surplus/(Deficit) Considering Reserves and Cash Backing			698,097	669,727	744,827	1,128,082	1,009,863	1,009,863	(308,973)	996,328	1,161,404	1,290,304
MTREF Funded (1) / Unfunded (0)		15	1		1	1	1	1	0	1		1
MTREF Funded ✓ / Unfunded ✖		15	✓	✓	✓	✓	✓	✓	✖	✓	✓	✓

NC091 Sol Plaatje - Supporting Table SA11 Property rates summary

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Valuation:	1	2015-01-01	2015-01-01	2015-01-01	2019-01-01					
Date of valuation:		2016	2017	0	2019/2020			2020/2021		
Financial year valuation used	2	Yes	Yes		Yes			Yes		
Municipal by-laws s6 in place? (Y/N)		Yes	Yes		Yes			Yes		
Municipal/assistant valuer appointed? (Y/N)		No	No		No	No	No	No	No	No
Municipal partnership s38 used? (Y/N)										
No. of assistant valuers (FTE)	3	1	1	-	1	1	1	1	1	2
No. of data collectors (FTE)	3	6	6	-	6	6	6	6	6	6
No. of internal valuers (FTE)	3	2	2	-	2	2	2	2	2	3
No. of external valuers (FTE)	3	1	1	-	1	1	1	1	1	1
No. of additional valuers (FTE)	4				-	-	-	-	-	-
Valuation appeal board established? (Y/N)		Yes	Yes		Yes			Yes		
Implementation time of new valuation roll (mths)		36	24	-	-			36		
No. of properties	5	-	54,376	-	55,031	55,031	55,031	56,132	57,254	58,399
No. of sectional title values	5	-	1,012	-	1,165	1,165	1,165	1,188	1,212	1,236
No. of unreasonably difficult properties s7(2)					-	-	-	-	-	-
No. of supplementary valuations		-	1,703	-	738	738	738	755	770	786
No. of valuation roll amendments		-	1,703	-	738	738	738	755	770	786
No. of objections by rate payers		-	46	-	591	591	591	20	20	21
No. of appeals by rate payers		-	16	-	39	39	39	2	2	2
No. of successful objections	8	-	13	-	171	171	171	11	11	11
No. of successful objections > 10%	8	-	9	-	127	127	127	9	9	9
Supplementary valuation		1	1	-	1	Yes	Yes	Yes	Yes	Yes
Public service infrastructure value (Rm)	5	-	75	-	129	129	129	129	129	129
Municipality owned property value (Rm)		-	1,356	-	1,113	1,113	1,113	1,113	1,110	1,110
Valuation reductions:										
Valuation reductions-public infrastructure (Rm)					-	-	-	-	-	-
Valuation reductions-nature reserves/park (Rm)					-	-	-	-	-	-
Valuation reductions-mineral rights (Rm)					-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)		-	715	-	699	699	699	713	727	742
Valuation reductions-public worship (Rm)					-	-	-	-	-	-
Valuation reductions-other (Rm)					-	-	-	-	-	-
Total valuation reductions:		-	715	-	699	699	699	713	727	742
Total value used for rating (Rm)	5	26,269	28,962	-	34,757	34,757	34,757	35,452	36,161	36,884
Total land value (Rm)	5				-	-	-	-	-	-
Total value of improvements (Rm)	5				-	-	-	-	-	-
Total market value (Rm)	5	29,486	29,676	-	35,456	35,456	35,456	36,165	36,888	37,626
Rating:										
Residential rate used to determine rate for other categories? (Y/N)	5	Yes	Yes		Yes			Yes		
Differential rates used? (Y/N)		Yes	Yes		Yes			Yes		
Limit on annual rate increase (s20)? (Y/N)		Yes	Yes		Yes	Yes	Yes	Yes	Yes	Yes
Special rating area used? (Y/N)		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		
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	486,708	511,595	-	578,654	578,654	578,654	619,293	665,200	700,405
Rate revenue expected to collect (R'000)	6	438,037	460,436	-	462,923	462,923	462,923	495,434	532,160	560,324
Expected cash collection rate (%)		90.0%	90.0%	0.0%	80.0%	80.0%	80.0%	80.0%	85.0%	85.0%
Special rating areas (R'000)	7				-	-	-	-	-	-
Rebates, exemptions - indigent (R'000)					-	-	-	-	-	-
Rebates, exemptions - pensioners (R'000)		2,095	2,559	-	2,678	2,678	2,678	2,732	2,787	2,842
Rebates, exemptions - bona fide farm. (R'000)		2,354	2,473	-	2,503	2,503	2,503	2,553	2,604	2,656
Rebates, exemptions - other (R'000)		4,099	13,629	-	14,462	14,462	14,462	14,752	15,047	15,348
Phase-in reductions/discounts (R'000)					-	-	-	-	-	-
Total rebates, exemptns, reductns, discs (R'000)		8,548	18,661	-	19,643	19,643	19,643	20,036	20,437	20,846

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 2019/20																	
Valuation:																	
No. of properties		48,085	215	2,064	438	358	3,030	182	–	–	–	–	–	–	–	636	23
No. of sectional title property values		1,079	2	52	–	30	2	–	–	–	–	–	–	–	–	–	–
No. of unreasonably difficult properties s7(2)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of supplementary valuations		614	4	54	14	9	24	4	–	–	–	–	–	–	–	13	2
Supplementary valuation (Rm)		235,032,000	37,400,000	134,325,000	148,600,000	61,520,000	25,525,000	17,803,000	–	–	–	–	–	–	–	16,862,200	31,800,000
No. of valuation roll amendments		614	4	54	14	9	24	4	–	–	–	–	–	–	–	13	2
No. of objections by rate-payers		336	9	168	42	–	–	19	–	–	–	–	–	–	–	1	16
No. of appeals by rate-payers		2	–	33	1	–	–	–	–	–	–	–	–	–	–	–	3
No. of appeals by rate-payers finalised		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of successful objections	5	121	5	38	4	–	–	1	–	–	–	–	–	–	–	–	2
No. of successful objections > 10%	5	48	2	54	15	–	–	5	–	–	–	–	–	–	–	–	3
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)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Combination of rating types used? (Y/N)		No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Flat rate used? (Y/N)		No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Is balance rated by uniform rate/variable rate?		Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform
Valuation reductions:																	
Valuation reductions-public infrastructure (Rm)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-nature reserves/park (Rm)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-mineral rights (Rm)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-R15,000 threshold (Rm)		699	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-public worship (Rm)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-other (Rm)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total valuation reductions:																	
Total value used for rating (Rm)	6	19,900	734	6,371	2,184	3,301	1,113	129	–	–	–	–	–	–	–	906	119
Total land value (Rm)	6	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total value of improvements (Rm)	6	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total market value (Rm)	6	20,598	734	6,371	2,184	3,302	1,113	129	–	–	–	–	–	–	–	906	119
Rating:																	

[illegible]

NC091 Sol Plaatje - Supporting Table SA13a Service Tariffs by category									
Description	Ref	Provide description of tariff structure where appropriate	2016/17	2017/18	2018/19	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
							Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Property rates (rate in the Rand)									
Residential properties	1	Residential	0.0097	0.0102	0.0108	0.0098	0.0104	0.0113	0.0119
Residential properties - vacant land									
Formal/informal settlements									
Small holdings									
Farm properties - used		Agricultural farms	0.0024	0.0026	0.0027	0.0024	0.0026	0.0028	0.0030
Farm properties - not used		Agricultural business	0.0024	0.0026	0.0027	0.0024	0.0026	0.0028	0.0030
Industrial properties		Industrial	0.0310	0.0327	0.0347	0.0312	0.0332	0.0362	0.0380
Business and commercial properties		Business/Residential	0.0286	0.0303	0.0321	0.0293	0.0311	0.0339	0.0356
Communal land - residential									
Communal land - small holdings									
Communal land - farm property									
Communal land - business and commercial									
Communal land - other									
State-owned properties		State/Public schools	0.0678	0.0715	0.0758	0.0585	0.0467	0.0339	0.0356
Municipal properties									
Public service infrastructure									
Privately owned towns serviced by the owner									
State trust land									
Restitution and redistribution properties									
Protected areas									
National monuments properties									
Exemptions, reductions and rebates (Rands)									
Residential properties									
R15 000 threshold rebate	2		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
Indigent rebate or exemption									
Pensioners/social grants rebate or exemption									
Temporary relief rebate or exemption									
Bona fide farmers rebate or exemption									
Other rebates or exemptions									
Water tariffs									
Domestic									
Basic charge/fixd fee (Rands/month)	2								
Service point - vacant land (Rands/month)									
Water usage - flat rate tariff (c/kl)									
Water usage - life line tariff		Residential (0-6kl)	5	6	6	6	7	7	8
Water usage - Block 1 (c/kl)		Residential (7-20kl)	22	24	25	27	28	30	32
Water usage - Block 2 (c/kl)		Residential (21-40kl)	25	27	28	30	32	34	36
Water usage - Block 3 (c/kl)		Residential (41-60kl)	27	28	30	32	34	36	38
Water usage - Block 4 (c/kl)		Residential (more than 60kl)	29	30	32	34	36	38	41
Other									
Waste water tariffs									
Domestic									
Basic charge/fixd fee (Rands/month)	2	Basic charge	138	145	155	165	174	184	192
Service point - vacant land (Rands/month)									
Waste water - flat rate tariff (c/kl)									
Volumetric charge - Block 1 (c/kl)		(fill in structure)							
Volumetric charge - Block 2 (c/kl)		(fill in structure)							
Volumetric charge - Block 3 (c/kl)		(fill in structure)							
Volumetric charge - Block 4 (c/kl)		(fill in structure)							
Other									
Electricity tariffs									
Domestic									
Basic charge/fixd fee (Rands/month)	2		-	-	260	127	-	-	-
Service point - vacant land (Rands/month)									
FBE		(how is this targeted?)							
Life-line tariff - meter		(describe structure)							
Life-line tariff - prepaid		(describe structure)							
Flat rate tariff - meter (c/kwh)									
Flat rate tariff - prepaid(c/kwh)									

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

Description	Ref	Provide description of tariff structure where appropriate	2016/17	2017/18	2018/19	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
							Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<u>Exemptions, reductions and rebates (Rands)</u>									
Residential Properties		standard rebate	15,000	15,000	15,000	15,000	15,000	15,000	15,000
<u>Water tariffs</u>									
Water Usage - Life Line Tariff		Residential (0-6kl)	5.00	5.56	6	6	7	7	8
Water Usage - Block 1 (C/Kl)		Residential (7-20kl)	22.00	23.65	25	25	28	30	32
Water Usage - Block 2 (C/Kl)		Residential (21-40kl)	25.00	26.61	28	28	32	34	36
Water Usage - Block 3 (C/Kl)		Residential (41-60kl)	27.00	28.14	30	30	34	36	38
Water Usage - Block 4 (C/Kl)		Residential (more than 60kl)	29.00	30.07	32	32	36	38	41
<u>Waste water tariffs</u>									
Basic Charge		Basic charge	138.00	145.17	155	155	174	184	192
<u>Electricity tariffs</u>									
Domestic Basic Charge			-	-	260.00	-	-	-	-
Meter - 1bt Block 1 (C/Kwh)		Block 1 (0-50 Kwh)	1	1.45	1.05	-	2	2	2
Meter - 1bt Block 2 (C/Kwh)		Block 2 (51-350Kwh)	2	1.99	1.35	-	2	3	3
Meter - 1bt Block 3 (C/Kwh)		Block 3 (351-600Kwh) (Block 1:	1	1.45	1.05	2	2	2	2
Meter - 1bt Block 4 (C/Kwh)		Block 4 (> 600 Kwh) (Block 2:	2	1.99	1.35	2	2	2	3

NC091 Sol Plaatje - Supporting Table SA14 Household bills

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21 % incr.	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Rand/cent											
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates		497.72	525.10	556.60	501.01	501.01	501.01	6.4%	533.07	573.74	613.50
Electricity: Basic levy		–	–								
Electricity: Consumption		1,843.70	1,862.57	1,591.45	2,094.95	2,094.95	2,094.95	(7.6%)	1,935.31	2,042.91	2,196.54
Water: Basic levy											
Water: Consumption		471.84	497.81	527.04	558.69	558.69	558.69	5.5%	589.42	628.73	670.04
Sanitation		108.63	114.61	121.42	129.32	129.32	129.32	5.5%	136.43	143.65	150.08
Refuse removal		77.51	81.77	86.68	92.32	92.32	92.32	6.5%	97.39	104.33	112.00
Other											
sub-total		2,999.40	3,081.86	2,883.19	3,376.29	3,376.29	3,376.29	(2.5%)	3,291.62	3,493.36	3,742.16
VAT on Services		350.23	360.16	382.90	428.52	428.52	428.52		413.78	437.94	469.30
Total large household bill:		3,349.63	3,442.02	3,266.09	3,804.81	3,804.81	3,804.81	(2.6%)	3,705.40	3,931.30	4,211.46
% increase/-decrease			2.8%	(5.1%)	10.5%	9.0%	–		(2.6%)	6.1%	7.1%
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates		352.40	371.79	394.09	354.73	354.73	354.73	6.4%	377.43	406.22	434.38
Electricity: Basic levy		–	–								
Electricity: Consumption		862.67	878.89	646.58	932.15	932.15	932.15	(7.6%)	861.13	909.01	977.37
Water: Basic levy											
Water: Consumption		372.24	392.77	415.79	440.79	440.79	440.79	5.5%	465.03	496.05	528.64
Sanitation		108.63	114.61	121.42	129.32	129.32	129.32	5.5%	136.43	143.65	150.08
Refuse removal		77.51	81.77	86.68	92.32	92.32	92.32	5.5%	97.39	104.33	112.00
Other											
sub-total		1,773.45	1,839.83	1,664.56	1,949.31	1,949.31	1,949.31	(0.6%)	1,937.41	2,059.26	2,202.46
VAT on Services		198.95	205.53	224.48	236.09	236.09	236.09		234.00	247.96	265.21
Total small household bill:		1,972.40	2,045.36	1,889.04	2,185.40	2,185.40	2,185.40	(0.6%)	2,171.41	2,307.22	2,467.68
% increase/-decrease			3.7%	(7.6%)	6.8%	3.3%	–		(0.6%)	6.3%	7.0%
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates		207.08	218.47	231.58	208.45	208.45	208.45	6.4%	221.79	238.71	255.25
Electricity: Basic levy											
Electricity: Consumption		432.41	440.54	293.89	499.98	499.98	499.98	(23.0%)	384.91	406.31	436.87
Water: Basic levy											
Water: Consumption		247.69	261.39	276.65	293.31	293.31	293.31	5.5%	309.44	330.08	351.76
Sanitation											
Refuse removal											
Other											
sub-total		887.18	920.40	802.12	1,001.74	1,001.74	1,001.74	(8.5%)	916.14	975.10	1,043.88
VAT on Services		95.22	98.27	85.58	102.12	102.12	102.12		104.15	110.46	118.29
Total small household bill:		982.40	1,018.67	887.70	1,103.86	1,103.86	1,103.86	(7.6%)	1,020.29	1,085.56	1,162.18
% increase/-decrease			3.7%	(12.9%)	8.4%	24.4%	–		(7.6%)	6.4%	7.1%

NC091 Sol Plaatje - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank		245,735	135,240	74,019	202,093	202,093	202,093	123,742	252,635	387,980
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits		-	-	-	-	-	-	-	-	-
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total	1	245,735	135,240	74,019	202,093	202,093	202,093	123,742	252,635	387,980
Entities										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Entities sub-total		-	-	-	-	-	-	-	-	-
Consolidated total:		245,735	135,240	74,019	202,093	202,093	202,093	123,742	252,635	387,980

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														
Absa Bank 20-6295-4443		12mths	Notice	Yes	Fixed	8.00%	0		26.06.2020	5,377	-	-	-	5,377
Absa Bank 92- 7195-3033			Call a/c	Yes	Fixed	6.55%	0			5,500	-	-	-	5,500
Nedbank 9002324052			Call a/c	Yes	Fixed	4.80%	0			5,150	-	-	-	5,150
Investec Bank1400 093272			Call a/c	Yes	Fixed	6.30%	0			5,600	-	-	-	5,600
Standard Bank 048466271-078		12 mths	Fixed	Yes	Fixed	8.00%	0		09.11.2020	20,973	-	-	-	20,973
Standard Bank 048466271-014			Call a/c	Yes	Fixed	6.70%	0			600	-	-	-	600
First National Bank 62776321293			Call a/c	Yes	Fixed	6.45%	0			5,500	-	-	-	5,500
Municipality sub-total										48,701		-	-	48,701
Entities														
N/A														-
														-
														-
														-
														-
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	1									48,701		-	-	48,701

NC091 Sol Plaatje - Supporting Table SA17 Borrowing

Borrowing - Categorised by type	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
Parent municipality										
Annuity and Bullet Loans		210,435	204,226	191,895	163,018	163,018	163,018	182,362	172,829	162,095
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	210,435	204,226	191,895	163,018	163,018	163,018	182,362	172,829	162,095
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	210,435	204,226	191,895	163,018	163,018	163,018	182,362	172,829	162,095

NC091 Sol Plaatje - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		155,070	162,077	181,074	202,709	198,959	198,959	216,542	230,938	248,451
Local Government Equitable Share										
Equitable Share		144,171	150,982	172,437	189,151	189,151	189,151	205,072	222,738	240,251
Expanded Public Works Programme Integrated Grant		5,574	4,762	3,137	3,608	3,608	3,608	4,170	-	-
Infrastructure Skills Development Grant		3,700	4,633	3,800	6,500	4,500	4,500	5,000	5,500	6,000
Local Government Financial Management Grant		1,625	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
Municipal Disaster Recovery Grant		-	-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Human Settlement Capacity Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		-	-	-	-	-	-	-	-	-
Municipal Systems Improvement Grant		-	-	-	1,750	-	-	600	1,000	500
Water Services Operating Subsidy Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Provincial Government:		8,006	7,000	7,800	27,800	27,800	27,800	8,000	8,480	8,946
Capacity Building		-	-	-	-	-	-	-	-	-
Expanded Public Works Programme		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Libraries; Archives and Museums		8,006	7,000	7,800	7,800	7,800	7,800	8,000	8,480	8,946
Khotso Pula Nala		-	-	-	20,000	20,000	20,000	-	-	-
District Municipality:		2,816	2,826	1,520	-	3,200	3,200	-	-	-
14/15: AWARENESS PROGRAMMES		-	-	-	-	-	-	-	-	-
Frances Baard District Municipality		2,816	2,826	1,520	-	3,200	3,200	-	-	-
IT Related Projects		-	-	-	-	-	-	-	-	-
Public Safety		-	-	-	-	-	-	-	-	-
Other grant providers:		1,583	-	-	-	-	-	-	-	-
MIG ops		1,413								
Other grant providers:		170								
Total Operating Transfers and Grants	5	167,475	171,903	190,394	230,509	229,959	229,959	224,542	239,418	257,397
Capital Transfers and Grants										
National Government:		71,066	217,040	196,179	157,285	170,136	170,136	116,556	121,639	133,708
EEDSM Energy Efficiency Demand Side Mngment		-	6,000	7,000	-	-	-	-	-	-
Integrated National Electrification Programme Grant		7,400	26,000	29,997	35,998	24,498	24,498	19,658	23,000	21,000
Integrated Urban Development Grant		35,666	42,503	54,619	51,287	53,039	53,039	50,955	53,639	56,689
DWS ACIP Funding		3,000	-	-	-	-	-	-	-	-
Neighbourhood Development Partnership Grant		25,000	97,537	58,000	40,000	78,299	78,299	20,000	30,000	30,071
Regional Bulk Infrastructure Grant		-	20,000	14,713	-	-	-	-	-	-
Water Services Infrastructure Grant		-	25,000	31,850	30,000	14,300	14,300	25,943	15,000	25,948
Provincial Government:		-	-	6,083	-	-	-	-	-	-
Capacity Building										
Libraries; Archives and Museums										
Department of Water Affairs										
COGHSTA										
DSAC			-	6,083						
DHLG (GURP)										
District Municipality:		5,000	-	-	-	2,000	2,000	-	-	-
Frances Baard District Municipality		5,000	-	-	-	2,000	2,000	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Other grant										
Total Capital Transfers and Grants	5	76,066	217,040	202,263	157,285	172,136	172,136	116,556	121,639	133,708
TOTAL RECEIPTS OF TRANSFERS & GRANTS		243,541	388,943	392,657	387,794	402,095	402,095	341,098	361,057	391,105

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

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		152,932	158,936	182,323	202,709	198,959	198,959	216,542	230,938	248,451
Local Government Equitable Share		144,171	150,982	172,437	189,151	189,151	189,151	205,072	222,738	240,251
Expanded Public Works Programme Integrated Grant		5,574	4,762	3,137	3,608	3,608	3,608	4,170	–	–
Infrastructure Skills Development Grant		1,562	1,492	5,049	6,500	4,500	4,500	5,000	5,500	6,000
Local Government Financial Management Grant		1,625	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
Municipal Systems Improvement Grant		–	–	–	1,750	–	–	600	1,000	500
Provincial Government:		8,006	7,599	8,267	27,800	27,800	27,800	8,000	8,480	8,946
Libraries; Archives and Museums		8,006	7,000	7,800	7,800	7,800	7,800	8,000	8,480	8,946
PG NC: Other		–	599	467						
Khotso Pula Nala					20,000	20,000	20,000			
District Municipality:		2,816	3,908	1,520	–	3,200	3,200	–	–	–
<i>Frances Baard District Municipality</i>		2,816	3,908	1,520	–	3,200	3,200	–	–	–
Other grant providers:		1,583	2,037	–	–	–	–	–	–	–
<i>MIG ops</i>			2,037							
<i>Other grant providers</i>		1,583								
Total operating expenditure of Transfers and Grants:		165,337	172,480	192,110	230,509	229,959	229,959	224,542	239,418	257,397
Capital expenditure of Transfers and Grants										
National Government:		79,416	200,676	191,170	157,285	170,136	170,136	116,556	121,639	133,708
EEDSM Energy Efficiency Demand Side Mngment			6,000	7,000						
Integrated National Electrification Programme Grant		7,400	26,000	29,997	35,998	24,498	24,498	19,658	23,000	21,000
Municipal Infrastructure Grant		37,079	34,663	52,242	51,287	53,039	53,039	50,955	53,639	56,689
DWS ACIP Funding		3,000	–	–	–	–	–	–	–	–
Neighbourhood Development Partnership Grant		25,000	97,537	58,000	40,000	78,299	78,299	20,000	30,000	30,071
Regional Bulk Infrastructure Grant		6,937	26,326	14,713	–	–	–	–	–	–
Water Services Infrastructure Grant		–	10,150	29,218	30,000	14,300	14,300	25,943	15,000	25,948
Provincial Government:		5,106	2,357	6,083	–	–	–	–	–	–
DSAC			2,357	6,083						
DHLG (GURP)		5,106								
District Municipality:		5,000	–	–	–	2,000	2,000	–	–	–
<i>Frances Baard District Municipality</i>		5,000	–	–	–	2,000	2,000	–	–	–
Other grant providers:		–	1,900	–	–	–	–	–	–	–
<i>Other grant</i>			1,900							
Total capital expenditure of Transfers and Grants		89,523	204,933	197,254	157,285	172,136	172,136	116,556	121,639	133,708
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		254,860	377,413	389,363	387,794	402,095	402,095	341,098	361,057	391,105

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

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		152,932	158,936	182,323	202,709	198,959	198,959	216,542	230,938	248,451
Conditions met - transferred to revenue		152,932	158,936	182,323	202,709	198,959	198,959	216,542	230,938	248,451
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Provincial Government:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		8,006	7,599	8,267	27,800	27,800	27,800	8,000	8,480	8,946
Conditions met - transferred to revenue		8,006	7,599	8,267	27,800	27,800	27,800	8,000	8,480	8,946
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
District Municipality:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		2,816	3,908	1,520	–	3,200	3,200	–	–	–
Conditions met - transferred to revenue		2,816	3,908	1,520	–	3,200	3,200	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Other grant providers:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		1,583	2,037	–	–	–	–	–	–	–
Conditions met - transferred to revenue		1,583	2,037	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Total operating transfers and grants revenue		165,337	172,480	192,110	230,509	229,959	229,959	224,542	239,418	257,397
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		79,416	200,676	191,170	157,285	170,136	170,136	116,556	121,639	133,708
Conditions met - transferred to revenue		79,416	200,676	191,170	157,285	170,136	170,136	116,556	121,639	133,708
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Provincial Government:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		5,106	2,357	6,083	–	–	–	–	–	–
Conditions met - transferred to revenue		5,106	2,357	6,083	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
District Municipality:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		5,000	–	–	–	2,000	2,000	–	–	–
Conditions met - transferred to revenue		5,000	–	–	–	2,000	2,000	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Other grant providers:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	1,900	–	–	–	–	–	–	–
Conditions met - transferred to revenue		–	1,900	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Total capital transfers and grants revenue		89,523	204,933	197,254	157,285	172,136	172,136	116,556	121,639	133,708
Total capital transfers and grants - CTBM	2	–	–	–	–	–	–	–	–	–
TOTAL TRANSFERS AND GRANTS REVENUE		254,860	377,413	389,363	387,794	402,095	402,095	341,098	361,057	391,105
TOTAL TRANSFERS AND GRANTS - CTBM		–	–	–	–	–	–	–	–	–

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

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand											
Cash Transfers to Organisations											
Non-Prof.Oth Inst/Grants&Don Diam & Dor		2,500	2,730	–	2,500	–	–	–	–	–	–
Non-Prof.Oth Inst/Grants&Don Oth Pub Gra		2,484	2,720	1,498	2,500	1,500	1,500	374	3,500	3,500	3,500
Non-Prof.Oth Institut/Gariep		1,500	1,600	–	–	–	–	–	–	–	–
Non-Prof.Oth Institut/Sport Council		–	–	–	–	–	–	–	–	–	–
Non-Prof.Other Institutions/Spca		1,500	1,600	1,700	2,000	2,000	2,000	1,500	2,100	2,200	2,400
Total Cash Transfers To Organisations		7,984	8,650	3,198	7,000	3,500	3,500	1,874	5,600	5,700	5,900
Cash Transfers to Groups of Individuals											
Hh Oth Trans: Housing - Individual Supp		–	539	604	500	500	500	198	300	318	335
Hh Ssp Soc Ass: Grant In Aid		–	136	138	170	170	170	61	160	170	179
Total Cash Transfers To Groups Of Individuals:		–	675	743	670	670	670	259	460	488	514
TOTAL CASH TRANSFERS AND GRANTS	6	7,984	9,325	3,940	7,670	4,170	4,170	2,133	6,060	6,188	6,414
TOTAL TRANSFERS AND GRANTS	6	7,984	9,325	3,940	7,670	4,170	4,170	2,133	6,060	6,188	6,414

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

Summary of Employee and Councillor remuneration	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		—	—	—	—	—	—	—	—	—
Pension and UIF Contributions		609	947	927	—	819	819	—	—	—
Medical Aid Contributions		240	248	306	—	299	299	—	—	—
Motor Vehicle Allowance		5,232	—	—	—	—	—	—	—	—
Cellphone Allowance		1,710	2,883	2,766	3,088	3,088	3,088	3,212	3,420	3,626
Housing Allowances		—	—	—	—	45	45	—	—	—
Other benefits and allowances		17,220	24,332	24,389	28,665	27,502	27,502	29,811	31,749	33,654
Sub Total - Councillors		25,011	28,409	28,388	31,753	31,753	31,753	33,023	35,169	37,280
% increase	4		13.6%	(0.1%)	11.9%	—	—	4.0%	6.5%	6.0%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		4,741	7,121	8,440	8,307	8,307	8,307	8,166	8,650	9,119
Pension and UIF Contributions		846	936	843	932	932	932	1,080	1,144	1,206
Medical Aid Contributions		73	162	193	203	200	200	217	230	242
Overtime		—	—	—	—	—	—	—	—	—
Performance Bonus		—	—	—	—	—	—	—	—	—
Motor Vehicle Allowance	3	1,056	1,632	1,913	1,876	1,876	1,876	1,876	1,987	2,094
Cellphone Allowance	3	134	168	168	202	202	202	202	214	225
Housing Allowances	3	19	30	36	49	49	49	37	40	42
Other benefits and allowances	3	—	15	15	105	108	108	106	112	118
Payments in lieu of leave		248	—	—	—	—	—	—	—	—
Long service awards		27	37	48	40	40	40	49	52	55
Post-retirement benefit obligations	6	—	—	—	—	—	—	—	—	—
Sub Total - Senior Managers of Municipality		7,145	10,100	11,655	11,714	11,714	11,714	11,733	12,427	13,101
% increase	4		41.4%	15.4%	0.5%	—	—	0.2%	5.9%	5.4%
Other Municipal Staff										
Basic Salaries and Wages		316,912	333,228	357,185	413,084	405,704	405,704	439,266	470,050	496,074
Pension and UIF Contributions		53,296	55,658	58,704	71,691	71,691	71,691	74,225	78,694	83,132
Medical Aid Contributions		39,383	42,657	44,990	53,378	53,378	53,378	56,933	60,509	64,018
Overtime		33,685	48,725	51,061	31,567	31,672	31,672	31,912	33,880	35,827
Performance Bonus		—	26,376	26,336	32,316	32,076	32,076	34,519	36,598	38,661
Motor Vehicle Allowance	3	40,512	38,967	38,361	48,333	48,130	48,130	48,985	51,926	54,822
Cellphone Allowance	3	1,371	1,363	1,333	1,494	1,605	1,605	1,545	1,637	1,729
Housing Allowances	3	2,811	2,400	2,638	2,971	3,082	3,082	3,140	3,330	3,517
Other benefits and allowances	3	53,692	28,173	30,263	34,740	37,855	37,855	34,121	36,207	38,278
Payments in lieu of leave		16,440	14,428	13,784	15,000	7,500	7,500	16,000	17,200	18,318
Long service awards		11,434	12,387	12,554	17,317	17,400	17,400	19,002	20,145	21,278
Post-retirement benefit obligations	6	(10,084)	32,849	39,701	37,359	37,359	37,359	42,900	46,118	49,115
Sub Total - Other Municipal Staff		559,453	637,209	676,910	759,252	747,452	747,452	802,548	856,293	904,767
% increase	4		13.9%	6.2%	12.2%	(1.6%)	—	7.4%	6.7%	5.7%
Total Parent Municipality		591,608	675,719	716,953	802,718	790,918	790,918	847,304	903,890	955,148
			14.2%	6.1%	12.0%	(1.5%)	—	7.1%	6.7%	5.7%
TOTAL SALARY, ALLOWANCES & BENEFITS		591,608	675,719	716,953	802,718	790,918	790,918	847,304	903,890	955,148
% increase	4		14.2%	6.1%	12.0%	(1.5%)	—	7.1%	6.7%	5.7%
TOTAL MANAGERS AND STAFF	5,7	566,597	647,309	688,565	770,966	759,166	759,166	814,281	868,721	917,868

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	1	–		945,637			945,637
Chief Whip		1	–	–	–			–
Executive Mayor			–	–	1,169,695			1,169,695
Deputy Executive Mayor			–	–	–			–
Executive Committee		10	–	–	8,896,224			8,896,224
Total for all other councillors		53	–	–	22,011,336			22,011,336
Total Councillors	8	65	–	–	33,022,892			33,022,892
Senior Managers of the Municipality	5							
Municipal Manager (MM)		1	2,031,637	1,785	191,100			2,224,522
Chief Finance Officer		1	1,300,876	234,229	442,979			1,978,084
SM D01 - Corporate services			1,333,196	227,604	369,099			1,929,899
SM D02 - Community services			1,226,367	222,402	422,220			1,870,989
SM D03 - Strategy, economic development & planning			1,226,080	260,508	410,990			1,897,578
SM D04 - Infrastructure services			1,048,064	350,652	433,215			1,831,931
Total Senior Managers of the Municipality	8,10	2	8,166,220	1,297,180	2,269,603	–		11,733,003
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	67	8,166,220	1,297,180	35,292,495	–		44,755,895

NC091 Sol Plaatje - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2018/19			Current Year 2019/20			Budget Year 2020/21		
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	5									
Municipal Manager and Senior Managers	3	6	6	–	6	6	–	6	6	–
Other Managers	7	3	2	–	3	2	–	3	3	–
Professionals		201	80	1	198	79	1	198	173	–
Finance		17	17	–	13	13	1	13	13	–
Spatial/town planning		19	6	–	19	6	–	19	5	–
Information Technology		4	4	–	4	4	–	4	4	–
Roads		2	2	–	2	2	–	2	2	–
Electricity		13	7	–	13	7	–	13	8	–
Water		2	2	–	2	2	–	2	2	–
Sanitation		3	2	1	3	3	–	3	3	–
Refuse		–	–	–	–	–	–	–	–	–
Other		141	40	–	142	42	–	142	136	–
Technicians		274	177	11	275	185	10	275	184	8
Finance		10	10	–	10	10	–	10	10	–
Spatial/town planning		29	15	–	29	15	–	29	12	4
Information Technology		8	4	1	8	4	–	8	4	1
Roads		6	4	1	6	6	–	6	6	3
Electricity		150	98	3	150	98	2	150	81	–
Water		10	3	–	10	3	4	10	10	–
Sanitation		25	20	–	25	20	1	25	25	–
Refuse		1	–	–	1	–	–	1	1	–
Other		35	23	6	36	29	3	36	35	–
Clerks (Clerical and administrative)		472	359	110	429	345	57	429	402	34
Service and sales workers		220	133	–	348	206	–	348	236	–
Skilled agricultural and fishery workers		150	89	–	145	78	–	145	44	–
Craft and related trades										
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	–

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

Description		Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
R thousand			July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue By Source																	
Property rates			48,676	48,676	48,676	48,676	48,676	48,676	48,676	48,676	48,676	48,676	48,676	48,676	584,108	628,700	672,297
Service charges - electricity revenue			63,853	63,853	63,853	63,853	63,853	63,853	63,853	63,853	63,853	63,853	63,853	63,853	766,232	808,855	869,669
Service charges - water revenue			23,219	23,219	23,219	23,219	23,219	23,219	23,219	23,219	23,219	23,219	23,219	23,219	278,626	297,205	316,742
Service charges - sanitation revenue			5,931	5,931	5,931	5,931	5,931	5,931	5,931	5,931	5,931	5,931	5,931	5,931	71,175	74,941	78,301
Service charges - refuse revenue			4,499	4,499	4,499	4,499	4,499	4,499	4,499	4,499	4,499	4,499	4,499	4,499	53,984	57,827	62,078
Rental of facilities and equipment			1,037	1,037	1,037	1,037	1,037	1,037	1,037	1,037	1,037	1,037	1,037	1,037	12,440	13,186	13,912
Interest earned - external investments			833	833	833	833	833	833	833	833	833	833	833	833	10,000	13,000	15,000
Interest earned - outstanding debtors			12,833	12,833	12,833	12,833	12,833	12,833	12,833	12,833	12,833	12,833	12,833	12,833	154,000	154,042	148,815
Dividends received			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits			2,779	2,779	2,779	2,779	2,779	2,779	2,779	2,779	2,779	2,779	2,779	2,779	33,345	35,346	37,290
Licences and permits			508	508	508	508	508	508	508	508	508	508	508	508	6,100	6,405	6,757
Agency services			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies			18,712	18,712	18,712	18,712	18,712	18,712	18,712	18,712	18,712	18,712	18,712	18,712	224,542	239,418	257,397
Other revenue			1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	18,008	19,074	20,119
Gains			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contribution)			184,380	184,380	184,380	184,380	184,380	184,380	184,380	184,380	184,380	184,380	184,380	184,380	2,212,561	2,348,000	2,498,378
Expenditure By Type																	
Employee related costs			67,857	67,857	67,857	67,857	67,857	67,857	67,857	67,857	67,857	67,857	67,857	67,853	814,281	868,721	917,868
Remuneration of councillors			2,752	2,752	2,752	2,752	2,752	2,752	2,752	2,752	2,752	2,752	2,752	2,752	33,023	35,169	37,280
Debt impairment			20,750	20,750	20,750	20,750	20,750	20,750	20,750	20,750	20,750	20,750	20,750	20,750	249,000	264,200	276,816
Depreciation & asset impairment			6,129	6,129	6,129	6,129	6,129	6,129	6,129	6,129	6,129	6,129	6,129	6,129	73,550	78,738	83,673
Finance charges			1,962	1,962	1,962	1,962	1,962	1,962	1,962	1,962	1,962	1,962	1,962	1,962	23,542	22,342	20,989
Bulk purchases			56,042	56,042	56,042	56,042	56,042	56,042	56,042	56,042	56,042	56,042	56,042	56,042	672,500	712,750	772,190
Other materials			13,786	13,786	13,786	13,786	13,786	13,786	13,786	13,786	13,786	13,786	13,786	13,784	165,426	173,890	185,590
Contracted services			3,746	3,746	3,746	3,746	3,746	3,746	3,746	3,746	3,746	3,746	3,746	3,746	44,948	47,553	50,082
Transfers and subsidies			505	505	505	505	505	505	505	505	505	505	505	505	6,060	6,188	6,414
Other expenditure			9,225	9,225	9,225	9,225	9,225	9,225	9,225	9,225	9,225	9,225	9,225	9,221	110,697	117,715	120,389
Losses			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure			182,753	182,753	182,753	182,753	182,753	182,753	182,753	182,753	182,753	182,753	182,753	182,743	2,193,028	2,327,266	2,471,291
Surplus/(Deficit)			1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,637	19,534	20,734	27,087
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)			9,713	9,713	9,713	9,713	9,713	9,713	9,713	9,713	9,713	9,713	9,713	9,713	116,556	121,639	133,708
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			11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,350	136,090	142,373	160,795
Taxation			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)		1	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,350	136,090	142,373	160,795

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

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand																
Revenue by Vote																
Vote 01 - Executive & Council		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 02 - Municipal And General		34,996	34,996	34,996	34,996	34,996	34,996	34,996	34,996	34,996	34,996	34,996	34,996	419,951	437,326	459,548
Vote 03 - Municipal Manager		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 04 - Corporate Services		515	515	515	515	515	515	515	515	515	515	515	515	6,177	6,748	7,316
Vote 05 - Community Services		8,767	8,767	8,767	8,767	8,767	8,767	8,767	8,767	8,767	8,767	8,767	8,767	105,200	112,054	119,288
Vote 06 - Financial Services		50,313	50,313	50,313	50,313	50,313	50,313	50,313	50,313	50,313	50,313	50,313	50,313	603,759	649,773	693,862
Vote 07 - Strategy Econ Development And Planning		650	650	650	650	650	650	650	650	650	650	650	650	7,796	8,270	8,737
Vote 08 - Infrastructure And Services		98,853	98,853	98,853	98,853	98,853	98,853	98,853	98,853	98,853	98,853	98,853	98,853	1,186,235	1,255,469	1,343,335
Vote 09 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 11 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 - Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue by Vote		194,093	194,093	194,093	194,093	194,093	194,093	194,093	194,093	194,093	194,093	194,093	194,094	2,329,117	2,469,639	2,632,086
Expenditure by Vote to be appropriated																
Vote 01 - Executive & Council		4,709	4,709	4,709	4,709	4,709	4,709	4,709	4,709	4,709	4,709	4,709	4,709	56,511	60,066	63,546
Vote 02 - Municipal And General		27,311	27,311	27,311	27,311	27,311	27,311	27,311	27,311	27,311	27,311	27,311	27,311	327,737	346,351	361,444
Vote 03 - Municipal Manager		2,022	2,022	2,022	2,022	2,022	2,022	2,022	2,022	2,022	2,022	2,022	2,022	24,268	25,724	27,139
Vote 04 - Corporate Services		5,794	5,794	5,794	5,794	5,794	5,794	5,794	5,794	5,794	5,794	5,794	5,793	69,524	73,777	77,908
Vote 05 - Community Services		24,161	24,161	24,161	24,161	24,161	24,161	24,161	24,161	24,161	24,161	24,161	24,158	289,928	311,735	328,867
Vote 06 - Financial Services		12,418	12,418	12,418	12,418	12,418	12,418	12,418	12,418	12,418	12,418	12,418	12,417	149,015	158,218	166,271
Vote 07 - Strategy Econ Development And Planning		4,764	4,764	4,764	4,764	4,764	4,764	4,764	4,764	4,764	4,764	4,764	4,763	57,163	60,637	64,123
Vote 08 - Infrastructure And Services		101,574	101,574	101,574	101,574	101,574	101,574	101,574	101,574	101,574	101,574	101,574	101,571	1,218,882	1,290,757	1,381,993
Vote 09 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 11 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 - Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure by Vote		182,753	182,753	182,753	182,753	182,753	182,753	182,753	182,753	182,753	182,753	182,753	182,743	2,193,028	2,327,266	2,471,291
Surplus/(Deficit) before assoc.		11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,350	136,090	142,373	160,795
Taxation													–	–	–	–
Attributable to minorities													–	–	–	–
Share of surplus/ (deficit) of associate													–	–	–	–
Surplus/(Deficit)	1	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,350	136,090	142,373	160,795

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

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand																
Revenue - Functional																
Governance and administration		85,863	85,863	85,863	85,863	85,863	85,863	85,863	85,863	85,863	85,863	85,863	85,863	1,030,357	1,094,344	1,161,251
Executive and council		34,996	34,996	34,996	34,996	34,996	34,996	34,996	34,996	34,996	34,996	34,996	34,996	419,951	437,326	459,548
Finance and administration		50,867	50,867	50,867	50,867	50,867	50,867	50,867	50,867	50,867	50,867	50,867	50,867	610,406	657,018	701,704
Internal audit														-	-	-
Community and public safety		2,264	2,264	2,264	2,264	2,264	2,264	2,264	2,264	2,264	2,264	2,264	2,264	27,166	28,798	30,384
Community and social services		918	918	918	918	918	918	918	918	918	918	918	918	11,020	11,681	12,324
Sport and recreation		316	316	316	316	316	316	316	316	316	316	316	316	3,790	4,020	4,242
Public safety		55	55	55	55	55	55	55	55	55	55	55	55	660	700	738
Housing		967	967	967	967	967	967	967	967	967	967	967	967	11,601	12,297	12,973
Health		8	8	8	8	8	8	8	8	8	8	8	8	95	101	106
Economic and environmental services		1,790	1,790	1,790	1,790	1,790	1,790	1,790	1,790	1,790	1,790	1,790	1,790	21,486	22,781	24,047
Planning and development		353	353	353	353	353	353	353	353	353	353	353	353	4,231	4,491	4,751
Road transport		1,438	1,438	1,438	1,438	1,438	1,438	1,438	1,438	1,438	1,438	1,438	1,438	17,255	18,290	19,296
Environmental protection														-	-	-
Trading services		103,387	103,387	103,387	103,387	103,387	103,387	103,387	103,387	103,387	103,387	103,387	103,387	1,240,638	1,313,740	1,405,881
Energy sources		65,103	65,103	65,103	65,103	65,103	65,103	65,103	65,103	65,103	65,103	65,103	65,103	781,232	824,755	886,444
Water management		25,936	25,936	25,936	25,936	25,936	25,936	25,936	25,936	25,936	25,936	25,936	25,936	311,226	331,761	353,199
Waste water management		6,848	6,848	6,848	6,848	6,848	6,848	6,848	6,848	6,848	6,848	6,848	6,848	82,175	86,656	90,719
Waste management		5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	66,004	70,569	75,520
Other		789	789	789	789	789	789	789	789	789	789	789	789	9,470	9,974	10,523
Total Revenue - Functional		194,093	194,093	194,093	194,093	194,093	194,093	194,093	194,093	194,093	194,093	194,093	194,094	2,329,117	2,469,639	2,632,086
Expenditure - Functional																
Governance and administration		55,441	55,441	55,441	55,441	55,441	55,441	55,441	55,441	55,441	55,441	55,441	55,437	665,289	704,778	739,542
Executive and council		33,011	33,011	33,011	33,011	33,011	33,011	33,011	33,011	33,011	33,011	33,011	33,010	396,128	419,012	438,276
Finance and administration		21,871	21,871	21,871	21,871	21,871	21,871	21,871	21,871	21,871	21,871	21,871	21,867	262,445	278,647	293,755
Internal audit		560	560	560	560	560	560	560	560	560	560	560	560	6,716	7,119	7,511
Community and public safety		15,039	15,039	15,039	15,039	15,039	15,039	15,039	15,039	15,039	15,039	15,039	15,037	180,462	195,393	205,733
Community and social services		3,476	3,476	3,476	3,476	3,476	3,476	3,476	3,476	3,476	3,476	3,476	3,475	41,708	48,808	51,036
Sport and recreation		4,681	4,681	4,681	4,681	4,681	4,681	4,681	4,681	4,681	4,681	4,681	4,680	56,172	58,971	62,253
Public safety		3,493	3,493	3,493	3,493	3,493	3,493	3,493	3,493	3,493	3,493	3,493	3,492	41,910	44,548	47,007
Housing		1,906	1,906	1,906	1,906	1,906	1,906	1,906	1,906	1,906	1,906	1,906	1,905	22,866	24,237	25,602
Health		1,484	1,484	1,484	1,484	1,484	1,484	1,484	1,484	1,484	1,484	1,484	1,484	17,806	18,829	19,835
Economic and environmental services		11,292	11,292	11,292	11,292	11,292	11,292	11,292	11,292	11,292	11,292	11,292	11,291	135,508	144,058	152,515
Planning and development		3,878	3,878	3,878	3,878	3,878	3,878	3,878	3,878	3,878	3,878	3,878	3,877	46,540	49,395	52,263
Road transport		7,356	7,356	7,356	7,356	7,356	7,356	7,356	7,356	7,356	7,356	7,356	7,355	88,266	93,918	99,467
Environmental protection		59	59	59	59	59	59	59	59	59	59	59	58	702	745	785
Trading services		98,938	98,938	98,938	98,938	98,938	98,938	98,938	98,938	98,938	98,938	98,938	98,936	1,187,249	1,257,208	1,346,253
Energy sources		63,569	63,569	63,569	63,569	63,569	63,569	63,569	63,569	63,569	63,569	63,569	63,569	762,833	803,821	863,069
Water management		23,208	23,208	23,208	23,208	23,208	23,208	23,208	23,208	23,208	23,208	23,208	23,208	278,498	298,311	319,000
Waste water management		6,585	6,585	6,585	6,585	6,585	6,585	6,585	6,585	6,585	6,585	6,585	6,584	79,014	83,707	88,464
Waste management		5,575	5,575	5,575	5,575	5,575	5,575	5,575	5,575	5,575	5,575	5,575	5,575	66,904	71,369	75,720
Other		2,043	2,043	2,043	2,043	2,043	2,043	2,043	2,043	2,043	2,043	2,043	2,043	24,518	25,828	27,248
Total Expenditure - Functional		182,753	182,753	182,753	182,753	182,753	182,753	182,753	182,753	182,753	182,753	182,753	182,743	2,193,028	2,327,266	2,471,291
Surplus/(Deficit) before assoc.		11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,350	136,090	142,373	160,795
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,340	11,350	136,090	142,373	160,795

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

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand																
Multi-year expenditure to be appropriated	1															
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	40,500	64,639	77,760
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		1,704	1,704	1,704	1,704	1,704	1,704	1,704	1,704	1,704	1,704	1,704	1,704	20,443	36,750	43,198
Vote 09 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	2	5,079	5,079	5,079	5,079	5,079	5,079	5,079	5,079	5,079	5,079	5,079	5,079	60,943	101,389	120,958
Single-year expenditure to be appropriated																
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		6,593	6,593	6,593	6,593	6,593	6,593	6,593	6,593	6,593	6,593	6,593	6,593	79,113	35,250	36,750
Vote 09 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	2	6,593	6,593	6,593	6,593	6,593	6,593	6,593	6,593	6,593	6,593	6,593	6,593	79,113	35,250	36,750
Total Capital Expenditure	2	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	140,056	136,639	157,708

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

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital Expenditure - Functional	1															
Governance and administration		3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	40,500	64,639	77,760
Executive and council		3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	40,500	64,639	77,760
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		8,296	8,296	8,296	8,296	8,296	8,296	8,296	8,296	8,296	8,296	8,296	8,296	99,556	72,000	79,948
Energy sources		2,138	2,138	2,138	2,138	2,138	2,138	2,138	2,138	2,138	2,138	2,138	2,138	25,658	30,000	28,000
Water management		667	667	667	667	667	667	667	667	667	667	667	667	8,000	15,000	14,500
Waste water management		5,492	5,492	5,492	5,492	5,492	5,492	5,492	5,492	5,492	5,492	5,492	5,491	65,898	27,000	37,448
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other													-	-	-	-
Total Capital Expenditure - Functional	2	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	140,056	136,639	157,708
Funded by:																
National Government		9,713	9,713	9,713	9,713	9,713	9,713	9,713	9,713	9,713	9,713	9,713	9,713	116,556	121,639	133,708
Provincial Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital (municipal allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)													-	-	-	-
Transfers recognised - capital		9,713	9,713	9,713	9,713	9,713	9,713	9,713	9,713	9,713	9,713	9,713	9,713	116,556	121,639	133,708
Borrowing													-	-	-	-
Internally generated funds		1,958	1,958	1,958	1,958	1,958	1,958	1,958	1,958	1,958	1,958	1,958	1,958	23,500	15,000	24,000
Total Capital Funding		11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	140,056	136,639	157,708

NC091 Sol Plaatje - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Cash Receipts By Source															
Property rates	32,745	35,663	35,817	30,053	46,510	46,270	24,689	47,896	51,245	42,058	52,871	40,162	485,978	539,229	583,502
Service charges - electricity revenue	35,448	41,204	47,200	53,026	46,493	67,620	48,307	51,082	55,799	57,530	59,261	74,537	637,505	707,659	754,003
Service charges - water revenue	14,800	13,897	13,693	15,757	18,804	18,337	15,980	14,586	12,549	12,674	14,798	65,942	231,817	252,624	274,616
Service charges - sanitation revenue	3,752	3,863	3,877	4,874	3,785	4,656	3,414	3,685	4,615	3,630	2,645	16,422	59,218	63,700	67,887
Service charges - refuse revenue	3,000	3,337	4,173	4,337	4,018	3,850	2,772	3,959	3,969	4,024	4,079	4,067	45,586	49,153	53,821
Rental of facilities and equipment	1,056	932	925	1,042	998	1,421	971	914	929	926	923	1,404	12,440	13,186	13,912
Interest earned - external investments	1,259	1,333	1,170	1,212	1,064	1,201	241	341	601	470	540	567	10,000	13,000	15,000
Interest earned - outstanding debtors	6,867	7,483	8,374	8,688	8,321	9,420	8,601	8,466	8,209	8,732	8,255	62,584	154,000	154,042	148,815
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	1,510	2,539	1,432	1,435	2,017	1,584	1,317	2,000	2,716	3,924	4,132	8,737	33,345	35,346	37,290
Licences and permits	486	547	487	561	448	313	171	342	641	119	597	1,387	6,100	6,405	6,757
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies - Operational	12,414	15,902	16,700	19,900	19,624	16,119	12,600	12,357	14,403	14,284	12,165	58,073	224,542	239,418	257,397
Other revenue	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	18,008	19,074	20,119
Cash Receipts by Source	114,838	128,201	135,349	142,385	153,583	172,292	120,565	147,130	157,177	149,871	161,765	335,384	1,918,540	2,092,838	2,233,119
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	45,694	10,600	10,600	21,200	-	9,540	12,876					6,046	116,556	121,639	133,708
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)												-			
Proceeds on Disposal of Fixed and Intangible Assets												-			
Short term loans												-			
Borrowing long term/refinancing												-			
Increase (decrease) in consumer deposits												-			
Decrease (increase) in non-current receivables												-			
Decrease (increase) in non-current investments												-			
Total Cash Receipts by Source	160,532	138,801	145,949	163,585	153,583	181,832	133,440	147,130	157,177	149,871	161,765	341,430	2,035,096	2,214,477	2,366,827
Cash Payments by Type															
Employee related costs	57,500	61,552	61,847	57,105	60,344	70,922	55,128	57,105	57,042	57,042	57,042	118,753	771,381	822,603	868,753
Remuneration of councillors	2,752	2,752	2,752	2,752	2,752	2,752	2,752	2,752	2,752	2,752	2,752	2,752	33,023	35,169	37,280
Finance charges						11,771						11,771	23,542	22,342	20,989
Bulk purchases - Electricity	46,875	46,875	46,875	46,875	46,875	46,875	46,875	46,875	46,875	46,875	46,875	46,875	562,500	591,750	639,090
Bulk purchases - Water & Sewer	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	110,000	121,000	133,100
Other materials	13,786	13,786	13,786	13,786	13,786	13,786	13,786	13,786	13,786	13,786	13,786	13,784	165,426	173,890	185,590
Contracted services	3,746	3,746	3,746	3,746	3,746	3,746	3,746	3,746	3,746	3,746	3,746	3,746	44,948	47,553	50,082
Transfers and grants - other municipalities												-			
Transfers and grants - other	505	505	505	505	505	505	505	505	505	505	505	505	6,060	6,188	6,414
Other expenditure	8,487	8,487	8,487	8,487	8,487	8,487	8,487	8,487	8,487	8,487	8,487	17,343	110,697	117,715	120,389
Cash Payments by Type	142,816	146,869	147,164	142,421	145,660	168,010	140,444	142,422	142,359	142,359	142,359	224,694	1,827,578	1,938,211	2,061,687
Other Cash Flows/Payments by Type															
Capital assets	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	11,671	140,056	136,639	157,708
Repayment of borrowing						4,767						4,767	9,534	10,734	12,087
Other Cash Flows/Payments												-			
Total Cash Payments by Type	154,488	158,540	158,835	154,093	157,332	184,448	152,116	154,093	154,030	154,030	154,030	241,132	1,977,168	2,085,584	2,231,482
NET INCREASE/(DECREASE) IN CASH HELD	6,045	(19,740)	(12,886)	9,493	(3,748)	(2,616)	(18,675)	(6,964)	3,147	(4,159)	7,735	100,297	57,928	128,893	135,345
Cash/cash equivalents at the month/year begin:	65,814	71,859	52,119	39,233	48,726	44,978	42,362	23,686	16,723	19,869	15,710	23,445	65,814	123,742	252,635
Cash/cash equivalents at the month/year end:	71,859	52,119	39,233	48,726	44,978	42,362	23,686	16,723	19,869	15,710	23,445	123,742	123,742	252,635	387,980

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 @ 12.445%	M	240	Piped Water Inside Dwelling	48029	31,261
Dbsa Loan @ 12.61%	M	240	Piped Water Inside Dwelling	47118	2,505
Dbsa Loan @ 6.75%	M	288	Flush Toilet (Connected To Sewerage)	45291	513

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

Description	Ref	Preceding Years	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework			Total Contract Value
		Total	Original Budget	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	Estimate
R thousand	1,3						
Parent Municipality:							
<u>Capital Expenditure Obligation By Contract</u>	2						
Upgrade Stormwater Galeshewe		-	40,000	20,000	30,000	30,071	120,071
Lerato Park Link Water And Sewer		-	24,806	26,455	-	-	51,261
			-	-	-	-	-
Total Capital Expenditure Implication		-	64,806	46,455	30,000	30,071	171,332
Total Parent Expenditure Implication		-	64,806	46,455	30,000	30,071	171,332
Entities:							
<u>Revenue Obligation By Contract</u>	2						
							-
							-
							-
Total Operating Revenue Implication		-	-	-	-	-	-
<u>Expenditure Obligation By Contract</u>	2						
							-
							-
							-
Total Operating Expenditure Implication		-	-	-	-	-	-
<u>Capital Expenditure Obligation By Contract</u>	2						
							-
							-
							-
Total Capital Expenditure Implication		-	-	-	-	-	-
Total Entity Expenditure Implication		-	-	-	-	-	-

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		28,933	86,840	85,242	56,180	46,680	46,680	44,613	23,000	21,000
Roads Infrastructure		3,320	11,538	-	-	-	-	-	-	-
Roads		3,320	11,538							
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection										
Storm water Conveyance		-		-	-	-	-	-	-	-
Attenuation										
Electrical Infrastructure		11,144	15,599	30,751	30,998	24,498	24,498	18,158	23,000	21,000
Power Plants		11,144	15,599	24,017						
HV Substations										
HV Switching Station										
HV Transmission Conductors										
MV Substations										
MV Switching Stations										
MV Networks										
LV Networks		-	-	6,734	30,998	24,498	24,498	18,158	23,000	21,000
Capital Spares										
Water Supply Infrastructure		12,469	59,703	36,981	377	2,377	2,377	-	-	-
Dams and Weirs		12,469								
Boreholes										
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	56,387	7,302	-	-	-	-	-	-
Water Treatment Works										
Bulk Mains		-	-	-	377	377	377	-	-	-
Distribution		-	3,316	29,679	-	-	-	-	-	-
Distribution Points		-	-	-	-	2,000	2,000	-	-	-
PRV Stations										
Capital Spares										
Sanitation Infrastructure		2,000	-	17,510	24,806	19,806	19,806	26,455	-	-
Pump Station										
Reticulation		2,000	-	17,510	24,806	19,806	19,806	26,455	-	-
Waste Water Treatment Works										
Outfall Sewers										
Toilet Facilities										
Capital Spares										
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Landfill Sites										
Waste Transfer Stations										
Waste Processing Facilities										
Waste Drop-off Points										
Waste Separation Facilities										
Electricity Generation Facilities										
Capital Spares										
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines										
Rail Structures										
Rail Furniture										
Drainage Collection										
Storm water Conveyance										
Attenuation										
MV Substations										
LV Networks										
Capital Spares										
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps										
Piers										
Revetments										
Promenades										
Capital Spares										
Information and Communication Infrastructure		-	-	-</						

Community Assets	-	8,583	1,856	12,668	14,421	14,421	-	-	-	
Community Facilities	-	8,583	1,856	12,668	14,421	14,421	-	-	-	
Halls										
Centres										
Crèches										
Clinics/Care Centres										
Fire/Ambulance Stations	-			12,668	14,421	14,421	-	-	-	
Testing Stations										
Museums										
Galleries										
Theatres										
Libraries										
Cemeteries/Crematoria										
Police										
Parks										
Public Open Space										
Nature Reserves										
Public Ablution Facilities										
Markets										
Stalls										
Abattoirs										
Airports										
Taxi Ranks/Bus Terminals										
Capital Spares		8,583	1,856							
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-	
Indoor Facilities										
Outdoor Facilities										
Capital Spares										
Heritage assets	-	-	4,207	-	-	-	-	-	-	
Monuments	-	-	4,207	-	-	-	-	-	-	
Historic Buildings										
Works of Art										
Conservation Areas										
Other Heritage										
Investment properties	115	813	2,660	2,000	1,000	1,000	1,000	2,000	4,000	
Revenue Generating	115	813	2,660	2,000	1,000	1,000	1,000	2,000	4,000	
Improved Property	115	813	2,660	2,000	1,000	1,000	1,000	2,000	4,000	
Unimproved Property										
Non-revenue Generating	-	-	-	-	-	-	-	-	-	
Improved Property										
Unimproved Property										
Other assets	10,507	-	2,606	-	-	-	-	-	-	
Operational Buildings	10,507	-	2,606	-	-	-	-	-	-	
Municipal Offices	4,647									
Pay/Enquiry Points										
Building Plan Offices										
Workshops										
Yards	5,860									
Stores										
Laboratories										
Training Centres										
Manufacturing Plant										
Depots										
Capital Spares	-		2,606							
Housing	-	-	-	-	-	-	-	-	-	
Staff Housing										
Social Housing										
Capital Spares										
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	
Biological or Cultivated Assets										
Intangible Assets	1,656	9,495	-	-	-	-	-	-	-	
Servitudes										
Licences and Rights	1,656	9,495	-	-	-	-	-	-	-	
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications	1,656	9,495	-	-	-	-	-	-	-	
Load Settlement Software Applications										
Unspecified	-	-	-	-	-	-	-	-	-	
Computer Equipment	-	-	-	5,000	1,500	1,500	2,000	2,000	3,000	
Computer Equipment	-		-	5,000	1,500	1,500	2,000	2,000	3,000	
Furniture and Office Equipment	-	1,197	595	3,000	1,700	1,700	2,000	2,000	3,000	
Furniture and Office Equipment	-	1,197	595	3,000	1,700	1,700	2,000	2,000	3,000	
Machinery and Equipment	-	578	478	-	-	-	-	-	-	
Machinery and Equipment	-	578	478	-	-	-	-	-	-	
Transport Assets	-	6,003	-	6,000	5,400	5,400	2,000	5,000	10,000	
Transport Assets	-	6,003	-	6,000	5,400	5,400	2,000	5,000	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	41,211	113,509	97,644	84,849	70,701	70,701	51,613	34,000	41,000

Testing Stations										
Museums										
Galleries										
Theatres										
Libraries										
Cemeteries/Crematoria										
Police										
Parks										
Public Open Space										
Nature Reserves										
Public Ablution Facilities										
Markets										
Stalls										
Abattoirs										
Airports										
Taxi Ranks/Bus Terminals										
Capital Spares	24,416									
Sport and Recreation Facilities	-	-	4,448	-	-	-	-	-	-	
Indoor Facilities										
Outdoor Facilities		-	1,221	-	-	-	-	-	-	
Capital Spares			3,227							
Heritage assets	-	-	-	-	-	-	-	-	-	
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas										
Other Heritage										
	-	-	-	-	-	-	-	-	-	
Investment properties										
Revenue Generating	-	-	-	-	-	-	-	-	-	
Improved Property										
Unimproved Property										
Non-revenue Generating	-	-	-	-	-	-	-	-	-	
Improved Property										
Unimproved Property										
	-	-	-	-	-	-	-	-	-	
Other assets										
Operational Buildings	-	-	-	-	-	-	-	-	-	
Municipal Offices										
Pay/Enquiry Points										
Building Plan Offices										
Workshops										
Yards										
Stores										
Laboratories										
Training Centres										
Manufacturing Plant										
Depots										
Capital Spares										
Housing	-	-	-	-	-	-	-	-	-	
Staff Housing										
Social Housing										
Capital Spares										
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	
Biological or Cultivated Assets										
Intangible Assets	-	-	-	-	-	-	-	-	-	
Servitudes										
Licences and Rights	-	-	-	-	-	-	-	-	-	
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications										
Load Settlement Software Applications										
Unspecified										
	-	-	-	-	-	-	-	-	-	
Computer Equipment										
Computer Equipment										
Furniture and Office Equipment	-	216	-	-	-	-	-	-	-	
Furniture and Office Equipment		216								
Machinery and Equipment	-	-	-	-	-	-	-	-	-	
Machinery and Equipment										
Transport Assets	-	-	-	-	-	-	-	-	-	
Transport Assets										
Land	-	-	-	-	-	-	-	-	-	
Land										
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals										
Total Capital Expenditure on renewal of existing asset	1	78,479	131,330	110,183	23,000	17,300	17,300	52,943	58,000	67,948
Renewal of Existing Assets as % of total capex		0.0%	53.6%	53.0%	12.5%	9.1%	9.1%	37.8%	42.4%	43.1%
Renewal of Existing Assets as % of deprecn"		130.2%	206.5%	178.6%	32.1%	24.2%	24.2%	72.0%	73.7%	81.2%

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

Description		Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Repairs and maintenance expenditure by Asset Class/Sub-class											
Infrastructure											
			90,578	126,337	94,182	201,884	194,134	194,134	206,686	222,507	238,118
	Roads Infrastructure		18,157	23,897	24,360	42,380	44,078	44,078	44,251	49,896	55,518
	Roads		18,157	17,132	16,338	35,820	37,518	37,518	37,691	40,302	42,892
	Road Structures										
	Road Furniture		–	6,765	8,022	6,560	6,560	6,560	6,560	9,594	12,626
	Capital Spares										
	Storm water Infrastructure		–	–	–	600	–	–	665	712	758
	Drainage Collection		–	–		600	–	–	665	712	758
	Storm water Conveyance										
	Attenuation										
	Electrical Infrastructure		26,099	39,704	23,975	61,400	58,253	58,253	61,259	65,172	69,042
	Power Plants		20,196								
	HV Substations		–	3,777	968	1,320	1,320	1,320	1,230	1,304	1,376
	HV Switching Station		–	3,991	5,037	4,070	4,055	4,055	4,750	5,037	5,318
	HV Transmission Conductors										
	MV Substations		–	1,273	1,054	1,600	1,758	1,758	1,500	1,590	1,677
	MV Switching Stations		–	4,640	4,731	5,590	5,500	5,500	5,690	6,031	6,363
	MV Networks		–	1,508	1,965	1,300	2,100	2,100	2,080	2,205	2,326
	LV Networks		–	11,097	7,019	15,040	15,040	15,040	14,200	15,192	16,216
	Capital Spares		5,903	13,418	3,202	32,480	28,480	28,480	31,809	33,813	35,765
	Water Supply Infrastructure		17,471	28,953	11,035	44,662	39,682	39,682	45,002	47,702	50,325
	Dams and Weirs		17,471								
	Boreholes										
	Reservoirs		–	2,498	1,987	5,250	2,150	2,150	5,650	5,989	6,318
	Pump Stations		–	1,890	716	1,500	1,500	1,500	1,450	1,537	1,622
	Water Treatment Works		–	2,071	2,189	2,250	5,320	5,320	2,900	3,074	3,243
	Bulk Mains		–	3,012	214	3,750	3,750	3,750	3,000	3,180	3,355
	Distribution		–	18,304	4,375	30,162	24,862	24,862	30,147	31,955	33,713
	Distribution Points										
	PRV Stations										
	Capital Spares		–	1,179	1,554	1,750	2,100	2,100	1,855	1,966	2,074
	Sanitation Infrastructure		15,137	12,982	13,994	28,074	28,854	28,854	30,824	32,673	34,470
	Pump Station		–	–	9,420	7,150	6,830	6,830	8,000	8,480	8,946
	Reticulation		15,137	11,709	2,606	19,224	20,324	20,324	20,524	21,755	22,951
	Waste Water Treatment Works		–	697	391	700	700	700	500	530	559
	Outfall Sewers										
	Toilet Facilities		–	576	1,578	1,000	1,000	1,000	1,800	1,908	2,013
	Capital Spares										
	Solid Waste Infrastructure		13,715	20,801	20,818	23,196	23,196	23,196	22,983	24,547	26,096
	Landfill Sites		13,715	20,560	20,565	22,946	19,946	19,946	22,703	24,249	25,780
	Waste Transfer Stations										
	Waste Processing Facilities		–	241	253	250	3,250	3,250	280	298	316
	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		–	–	–	1,571	70	70	1,703	1,807	1,908
	Sand Pumps										
	Piers										
	Revetments										
	Promenades										
	Capital Spares		–	–		1,571	70	70	1,703	1,807	1,908
	Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
	Data Centres										
	Core Layers										
	Distribution Layers										
	Capital Spares										
Community Assets			1,139	7,190	8,374	4,250	3,048	3,048	3,992	4,139	4,370
	Community Facilities		749	6,788	7,973	3,810	2,308	2,308	3,222	3,687	3,891
	Halls		–	133	47	850	148	148	120	127	134
	Centres										
	Crèches										
	Clinics/Care Centres		262								
	Fire/Ambulance Stations		–	192	181	200	200	200	200	212	224
	Testing Stations										
	Museums										
	Galleries										

Theatres									
Libraries	58	53	36	75	75	75	40	42	45
Cemeteries/Crematoria	26	462	475	640	640	640	650	981	1,035
Police									
Parks	32	1,223	1,988	1,850	1,050	1,050	2,000	2,100	2,216
Public Open Space	-	184	190	195	195	195	212	225	238
Nature Reserves									
Public Ablution Facilities									
Markets	372	2,761							
Stalls									
Abattoirs									
Airports									
Taxi Ranks/Bus Terminals									
Capital Spares		1,780	5,056						
Sport and Recreation Facilities	390	402	401	440	740	740	770	452	479
Indoor Facilities	-	335	333	370	370	370	370	396	420
Outdoor Facilities	390	67	68	70	370	370	400	56	59
Capital Spares	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Monuments									
Historic Buildings									
Works of Art									
Conservation Areas									
Other Heritage									
Investment properties	929	124	478	6,880	6,722	6,722	7,289	7,726	8,184
Revenue Generating	929	124	478	6,880	6,722	6,722	7,289	7,726	8,184
Improved Property	-	-	-	6,380	6,222	6,222	6,789	7,196	7,622
Unimproved Property	929	124	478	500	500	500	500	530	562
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property									
Unimproved Property									
Other assets	19,395	48,689	50,053	10,953	14,453	14,453	10,489	11,124	11,754
Operational Buildings	19,395	48,689	50,053	10,953	14,453	14,453	10,489	11,124	11,754
Municipal Offices	4,603	10,413	12,644	9,953	13,453	13,453	9,389	9,953	10,500
Pay/Enquiry Points									
Building Plan Offices	1,357								
Workshops		1,731	1,280	1,000	1,000	1,000	1,100	1,172	1,254
Yards									
Stores									
Laboratories									
Training Centres									
Manufacturing Plant									
Depots									
Capital Spares	13,434	36,546	36,129						
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	1,261	1,758	1,726	1,726	1,732	1,837	1,939
Furniture and Office Equipment	3,699	1,377	1,261	1,758	1,726	1,726	1,732	1,837	1,939
Machinery and Equipment	-	-	-	23,378	22,369	22,369	23,251	24,749	26,440
Machinery and Equipment	-	-	-	23,378	22,369	22,369	23,251	24,749	26,440
Transport Assets	6,007	5,133	4,782	10,947	7,311	7,311	10,716	11,359	11,990
Transport Assets	6,007	5,133	4,782	10,947	7,311	7,311	10,716	11,359	11,990
Land	-	-	-	-	-	-	-	-	-
Land									
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals									
Total Repairs and Maintenance Expenditure	1	121,748	188,850	159,130	260,050	249,764	249,764	264,155	283,442
R&M as a % of PPE		8.3%	11.8%	9.1%	14.0%	13.4%	13.4%	14.5%	15.7%
R&M as % Operating Expenditure		7.5%	10.2%	8.6%	11.9%	11.9%	11.9%	22.5%	12.9%

NC091 Sol Plaatje - Supporting Table SA34d Depreciation by asset class

Table 1: Supporting Table 08-04 Depreciation by Asset Class										
Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		32,160	36,435	38,615	39,400	39,400	39,400	44,100	47,043	49,930
Roads Infrastructure		13,034	10,795	10,961	12,000	12,000	12,000	13,500	14,513	15,456
Roads		13,034	10,795	10,961	–	–	–	–	–	–
Road Structures					12,000	12,000	12,000	13,500	14,513	15,456
Road Furniture										
Capital Spares										
Storm water Infrastructure		–	820	1,343	1,000	1,000	1,000	1,500	1,613	1,717
Drainage Collection		–	820	1,343	1,000	1,000	1,000	1,500	1,613	1,717
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation										
Electrical Infrastructure		6,763	7,429	7,557	7,500	7,500	7,500	8,300	8,798	9,282
Power Plants		6,763	7,429	–	–	–	–	–	–	–
HV Substations		–	–	3,484	–	–	–	–	–	–
HV Switching Station										
HV Transmission Conductors										
MV Substations										
MV Switching Stations		–	–	375	–	–	–	–	–	–
MV Networks		–	–	3,110	7,500	7,500	7,500	8,300	8,798	9,282
LV Networks		–	–	589	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		4,011	5,197	6,587	6,700	6,700	6,700	7,800	8,268	8,723
Dams and Weirs		–	–	1,388	–	–	–	–	–	–
Boreholes		–	–	–	–	–	–	–	–	–
Reservoirs										
Pump Stations		–	–	223	–	–	–	–	–	–
Water Treatment Works										
Bulk Mains		–	–	2,003	–	–	–	–	–	–
Distribution		4,011	5,197	2,973	6,700	6,700	6,700	7,800	8,268	8,723
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure		6,600	12,194	12,167	12,200	12,200	12,200	13,000	13,852	14,752
Pump Station		–	–	–	–	–	–	–	–	–
Reticulation		6,600	12,194	12,167	12,200	12,200	12,200	13,000	13,852	14,752
Waste Water Treatment Works					–	–	–	–	–	–
Outfall Sewers										
Toilet Facilities										
Capital Spares										
Solid Waste Infrastructure		1,752	–	–	–	–	–	–	–	–
Landfill Sites		1,752	–	–	–	–	–	–	–	–
Waste Transfer Stations		–	–	–	–	–	–	–	–	–
Waste Processing Facilities										
Waste Drop-off Points										
Waste Separation Facilities										
Electricity Generation Facilities										
Capital Spares										
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Rail Lines										
Rail Structures										
Rail Furniture										
Drainage Collection										
Storm water Conveyance										
Attenuation										
MV Substations										
LV Networks										
Capital Spares										
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Sand Pumps										
Piers										
Revetments										
Promenades										
Capital Spares										
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Data Centres		–	–	–	–	–	–	–	–	–
Core Layers		–	–	–	–	–	–	–	–	–
Distribution Layers										
Capital Spares										
Community Assets		7,506	8,443	8,522	9,500	9,500	9,500	9,500	10,213	10,876
Community Facilities		7,506	8,443	8,522	9,500	9,500	9,500	9,500	10,213	10,876
Halls					–	–	–	–	–	–
Centres		7,506	8,443	8,522	9,500	9,500	9,500	9,500	10,213	10,876
Crèches										
Clinics/Care Centres										
Fire/Ambulance Stations										
Testing Stations										
Museums										
Galleries										

Theatres									
Libraries									
Cemeteries/Crematoria									
Police									
Parks									
Public Open Space									
Nature Reserves									
Public Ablution Facilities									
Markets									
Stalls									
Abattoirs									
Airports									
Taxi Ranks/Bus Terminals									
Capital Spares	-								
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
Indoor Facilities									
Outdoor Facilities									
Capital Spares									
Heritage assets	-	-	-	-	-	-	-	-	-
Monuments									
Historic Buildings									
Works of Art									
Conservation Areas									
Other Heritage	-	-	-	-	-	-	-	-	-
Investment properties	1,644	217	217	300	300	300	300	323	343
Revenue Generating	1,644	217	217	300	300	300	300	323	343
Improved Property	-	217	217	-	-	-	-	-	-
Unimproved Property	1,644	-	-	300	300	300	300	323	343
Non-revenue Generating				-	-	-	-	-	-
Improved Property									
Unimproved Property									
Other assets	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-
Municipal Offices				-	-	-	-	-	-
Pay/Enquiry Points				-	-	-	-	-	-
Building Plan Offices									
Workshops									
Yards									
Stores									
Laboratories									
Training Centres									
Manufacturing Plant									
Depots									
Capital Spares									
Housing	-	-	-	-	-	-	-	-	-
Staff Housing									
Social Housing									
Capital Spares									
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets									
Intangible Assets	3,604	4,071	3,641	5,000	5,000	5,000	5,000	5,375	5,724
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	3,604	4,071	3,641	5,000	5,000	5,000	5,000	5,375	5,724
Water Rights									
Effluent Licenses									
Solid Waste Licenses									
Computer Software and Applications	3,604	4,071	3,641	5,000	5,000	5,000	5,000	5,375	5,724
Load Settlement Software Applications									
Unspecified	-	-	-	-	-	-	-	-	-
Computer Equipment	2,317	2,673	1,596	3,000	3,000	3,000	2,500	2,688	2,862
Computer Equipment	2,317	2,673	1,596	3,000	3,000	3,000	2,500	2,688	2,862
Furniture and Office Equipment	1,681	1,323	1,012	2,700	2,700	2,700	2,500	2,688	2,862
Furniture and Office Equipment	1,681	1,323	1,012	2,700	2,700	2,700	2,500	2,688	2,862
Machinery and Equipment	1,505	1,257	803	1,300	1,300	1,300	1,300	1,398	1,488
Machinery and Equipment	1,505	1,257	803	1,300	1,300	1,300	1,300	1,398	1,488
Transport Assets	8,290	8,384	6,486	9,500	9,500	9,500	7,500	8,063	8,587
Transport Assets	8,290	8,384	6,486	9,500	9,500	9,500	7,500	8,063	8,587
Land	1,582	800	805	900	900	900	850	950	1,000
Land	1,582	800	805	900	900	900	850	950	1,000
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals									
Total Depreciation	1	60,291	63,603	61,697	71,600	71,600	73,550	78,738	83,673

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

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		-	-	-	76,436	101,635	101,635	35,500	44,639	48,760
Roads Infrastructure		-	-	-	53,436	96,735	96,735	28,000	41,639	45,760
Roads		-		-	53,436	96,735	96,735	28,000	41,639	45,760
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection										
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		-	-	-	5,000	1,500	1,500	4,500	-	-
Power Plants										
HV Substations		-			5,000	1,500	1,500	4,500	-	-
HV Switching Station										
HV Transmission Conductors										
MV Substations										
MV Switching Stations		-		-	-	-	-	-	-	-
MV Networks										
LV Networks										
Capital Spares										
Water Supply Infrastructure		-	-	-	3,000	3,400	3,400	3,000	3,000	3,000
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes										
Reservoirs										
Pump Stations										
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-			-	-	-	-	-	-
Distribution		-	-	-	3,000	3,400	3,400	3,000	3,000	3,000
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure		-	-	-	15,000	-	-	-	-	-
Pump Station										
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works										
Outfall Sewers		-			15,000	-	-	-	-	-
Toilet Facilities										
Capital Spares										
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Landfill Sites										
Waste Transfer Stations										
Waste Processing Facilities										
Waste Drop-off Points										
Waste Separation Facilities										
Electricity Generation Facilities										
Capital Spares										
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines										
Rail Structures										
Rail Furniture										
Drainage Collection										
Storm water Conveyance										
Attenuation										
MV Substations										
LV Networks										
Capital Spares										
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps										
Piers										
Revetments										
Promenades										
Capital Spares										
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres										
Core Layers										
Distribution Layers										
Capital Spares										
Community Assets		-	-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Halls		-	-	-	-	-	-	-	-	-
Centres										
Crèches										
Clinics/Care Centres										
Fire/Ambulance Stations										
Testing Stations		-			-	-	-	-	-	-
Museums										
Galleries										
Theatres										
Libraries										
Cemeteries/Crematoria										
Police										
Parks										
Public Open Space										
Nature Reserves										
Public Ablution Facilities										

<i>Markets</i>										
<i>Stalls</i>										
<i>Abattoirs</i>										
<i>Airports</i>										
<i>Taxi Ranks/Bus Terminals</i>										
<i>Capital Spares</i>										
<i>Sport and Recreation Facilities</i>	-	-	-	-	-	-	-	-	-	-
<i>Indoor Facilities</i>										
<i>Outdoor Facilities</i>										
<i>Capital Spares</i>										
Heritage assets	-	-	-	-	-	-	-	-	-	-
<i>Monuments</i>										
<i>Historic Buildings</i>										
<i>Works of Art</i>										
<i>Conservation Areas</i>										
<i>Other Heritage</i>										
Investment properties	-	-	-	-	-	-	-	-	-	-
<i>Revenue Generating</i>	-	-	-	-	-	-	-	-	-	-
<i>Improved Property</i>										
<i>Unimproved Property</i>										
<i>Non-revenue Generating</i>	-	-	-	-	-	-	-	-	-	-
<i>Improved Property</i>										
<i>Unimproved Property</i>										
Other assets	-	-	-	-	-	-	-	-	-	-
<i>Operational Buildings</i>	-	-	-	-	-	-	-	-	-	-
<i>Municipal Offices</i>	-	-	-	-	-	-	-	-	-	-
<i>Pay/Enquiry Points</i>										
<i>Building Plan Offices</i>										
<i>Workshops</i>										
<i>Yards</i>										
<i>Stores</i>										
<i>Laboratories</i>										
<i>Training Centres</i>										
<i>Manufacturing Plant</i>										
<i>Depots</i>										
<i>Capital Spares</i>										
<i>Housing</i>	-	-	-	-	-	-	-	-	-	-
<i>Staff Housing</i>										
<i>Social Housing</i>										
<i>Capital Spares</i>										
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	-
<i>Biological or Cultivated Assets</i>										
Intangible Assets	-	-	-	-	-	-	-	-	-	-
<i>Servitudes</i>										
<i>Licences and Rights</i>	-	-	-	-	-	-	-	-	-	-
<i>Water Rights</i>										
<i>Effluent Licenses</i>										
<i>Solid Waste Licenses</i>										
<i>Computer Software and Applications</i>										
<i>Load Settlement Software Applications</i>										
<i>Unspecified</i>										
Computer Equipment	-	-	-	-	-	-	-	-	-	-
<i>Computer Equipment</i>										
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-	-
<i>Furniture and Office Equipment</i>										
Machinery and Equipment	-	-	-	-	-	-	-	-	-	-
<i>Machinery and Equipment</i>										
Transport Assets	-	-	-	-	-	-	-	-	-	-
<i>Transport Assets</i>										
Land	-	-	-	-	-	-	-	-	-	-
<i>Land</i>										
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-
<i>Zoo's, Marine and Non-biological Animals</i>										
Total Capital Expenditure on upgrading of existing assets	1	-	-	-	76,436	101,635	101,635	35,500	44,639	48,760
Upgrading of Existing Assets as % of total capex		0.0%	0.0%	0.0%	41.5%	53.6%	53.6%	25.3%	32.7%	30.9%
Upgrading of Existing Assets as % of deprecn'		0.0%	0.0%	0.0%	106.8%	141.9%	141.9%	48.3%	56.7%	58.3%

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

Vote Description	Ref	2020/21 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Present value
R thousand								
Capital expenditure	1							
Vote 01 - Executive & Council		-	-	-	-	-	-	-
Vote 02 - Municipal And General		40,500	64,639	77,760	-	-	-	-
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		99,556	72,000	79,948	-	-	-	-
Vote 09 -		-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-
<i>List entity summary if applicable</i>								
Total Capital Expenditure		140,056	136,639	157,708	-	-	-	-
Future operational costs by vote	2							
Vote 01 - Executive & Council		56,511	60,066	63,546				
Vote 02 - Municipal And General		327,737	346,351	361,444				
Vote 03 - Municipal Manager		24,268	25,724	27,139				
Vote 04 - Corporate Services		69,524	73,777	77,908				
Vote 05 - Community Services		289,928	311,735	328,867				
Vote 06 - Financial Services		149,015	158,218	166,271				
Vote 07 - Strategy Econ Development And Planning		57,163	60,637	64,123				
Vote 08 - Infrastructure And Services		1,218,882	1,290,757	1,381,993				
Vote 09 -								
Vote 10 -								
Vote 11 -								
Vote 12 -								
Vote 13 -								
Vote 14 -								
Vote 15 - Other								
<i>List entity summary if applicable</i>								
Total future operational costs		2,193,028	2,327,266	2,471,291	-	-	-	-
Future revenue by source	3							
Property rates		584,108	628,700	672,297				
Service charges - electricity revenue		766,232	808,855	869,669				
Service charges - water revenue		278,626	297,205	316,742				
Service charges - sanitation revenue		71,175	74,941	78,301				
Service charges - refuse revenue		53,984	57,827	62,078				
Rental of facilities and equipment		12,440	13,186	13,912				
<i>Interest earned - external investments</i>		10,000	13,000	15,000				
<i>Interest earned - outstanding debtors</i>		154,000	154,042	148,815				
<i>Dividends received</i>		-	-	-				
<i>Fines, penalties and forfeits</i>		33,345	35,346	37,290				
<i>Licences and permits</i>		6,100	6,405	6,757				
<i>Agency services</i>		-	-	-				
<i>Transfers and subsidies - operational</i>		224,542	239,418	257,397				
<i>Other revenue</i>		18,008	19,074	20,119				
<i>List entity summary if applicable</i>								
Total future revenue		2,212,561	2,348,000	2,498,378	-	-	-	-
Net Financial Implications		120,522	115,905	130,621	-	-	-	-

NC091 Sol Plaatje - Supporting Table SA36 Detailed capital budget

Aursond												2020/21 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 2018/19	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	
Parent municipality:																	
List all capital projects grouped by Function																	
Finance And Administration	Capital Infrastructure Existing Renewal Roads Infrastructure Roads	-	RENEWAL	competitive and responsive economic infrastruc	Inclusion and Access		Roads Infrastructure	Roads	WHOLE OF THE MUNICIPALITY	0	0	18,677	-	5,500	12,000	12,000	
Finance And Administration	Capital Infrastructure Existing Renewal Storm Water Infrastructure Storm Water Conveyance	-	RENEWAL	competitive and responsive economic infrastruc	Inclusion and Access		Storm Water Infrastructure	Storm Water Conveyance	WHOLE OF THE MUNICIPALITY	0	0	58,724	-	-	-	-	
Finance And Administration	Capital Infrastructure Existing Upgrading Roads Infrastructure Roads	-	UPGRADING	competitive and responsive economic infrastruc	Inclusion and Access		Roads Infrastructure	Roads	WHOLE OF THE MUNICIPALITY	0	0	-	96,735	28,000	41,639	45,760	
Finance And Administration	Capital Infrastructure New Storm Water Infrastructure Storm Water Conveyance	-	NEW	competitive and responsive economic infrastruc	Growth		Storm Water Infrastructure	Storm Water Conveyance	WHOLE OF THE MUNICIPALITY	0	0	-	-	-	-	-	
Finance And Administration	Infrastructure Existing Renewal Community Assets Sport And Recreation Facilities Outdoor 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	2,642	-	-	-	-	
Finance And Administration	Capital Non-Infrastructure Existing Upgrading Community Assets Community Facilities Halls	-	UPGRADING	vert. effective and development-oriented public	Inclusion and Access		Community Facilities	Halls	WHOLE OF THE MUNICIPALITY	0	0	-	-	-	-	-	
Finance And Administration	Capital Non-Infrastructure Existing Upgrading Community Assets Community Facilities Testing Stations	-	UPGRADING	vert. effective and development-oriented public	Inclusion and Access		Community Facilities	Testing Stations	WHOLE OF THE MUNICIPALITY	0	0	-	-	-	-	-	
Finance And Administration	Capital Non-Infrastructure New Computer Equipment	-	NEW	vert. effective and development-oriented public	Growth		Computer Equipment	Computer Equipment	WHOLE OF THE MUNICIPALITY	0	0	-	1,500	2,000	2,000	3,000	
Finance And Administration	Capital Non-Infrastructure New Furniture And Office Equipment	-	NEW	vert. effective and development-oriented public	Growth		Furniture And Office Equipment	Furniture And Office Equipment	WHOLE OF THE MUNICIPALITY	0	0	-	1,700	2,000	2,000	3,000	
Finance And Administration	Capital Non-Infrastructure New Heritage Assets Monuments	-	NEW	South Africa and contribute to a better Africa at	Growth		Heritage Assets	Monuments	WHOLE OF THE MUNICIPALITY	0	0	4,207	-	-	-	-	
Finance And Administration	Capital Non-Infrastructure New Intangible Assets Computer Software And Applications	-	NEW	vert. effective and development-oriented public	Growth		Licences And Rights	Computer Software And Applications	WHOLE OF THE MUNICIPALITY	0	0	-	-	-	-	-	
Finance And Administration	Capital Non-Infrastructure New Intangible Assets Unspecified	-	NEW	vert. effective and development-oriented public	Growth		Licences And Rights	Unspecified	WHOLE OF THE MUNICIPALITY	0	0	-	-	-	-	-	
Finance And Administration	Capital Non-Infrastructure New Investment Properties Revenue Generating Improved Property	-	NEW	Growth	Growth		Revenue Generating	Improved Property	WHOLE OF THE MUNICIPALITY	0	0	2,660	1,000	1,000	2,000	4,000	
Finance And Administration	Capital Non-Infrastructure New Machinery And Equipment	-	NEW	Growth	Growth		Machinery And Equipment	Machinery And Equipment	WHOLE OF THE MUNICIPALITY	0	0	-	-	-	-	-	
Finance And Administration	Capital Non-Infrastructure New Transport Assets	-	NEW	Growth	Growth		Transport Assets	Transport Assets	WHOLE OF THE MUNICIPALITY	0	0	-	5,400	2,000	5,000	10,000	
Finance And Administration	Capital Non-Infrastructure Existing Upgrading Other Assets Operational Buildings Municipal Offices	-	UPGRADING	vert. effective and development-oriented public	Governance		Operational Buildings	Municipal Offices	WHOLE OF THE MUNICIPALITY	0	0	1,806	-	-	-	-	
Finance And Administration	Capital Non-Infrastructure New Community Assets Community Facilities Fire Ambulance Stations	-	NEW	wise, responsive and sustainable social proce	Growth		Community Facilities	Fire Ambulance Stations	WARD 3	0	0	1,856	14,421	-	-	-	
Environmental Protection	Capital Infrastructure Existing Renewal Solid Waste Infrastructure Landfill Sites	-	RENEWAL	competitive and responsive economic infrastruc	Inclusion and Access		Solid Waste Infrastructure	Landfill Sites	WHOLE OF THE MUNICIPALITY	0	0	-	-	-	-	-	
Energy Sources	Capital Infrastructure Existing Upgrading Electrical Infrastructure Hv Substations	-	UPGRADING	competitive and responsive economic infrastruc	Inclusion and Access		Electrical Infrastructure	Hv Substations	WARD 26	-28709092	24755325	4,935	-	-	-	-	
Energy Sources	Capital Infrastructure Existing Upgrading Electrical Infrastructure Hv Substations	-	UPGRADING	competitive and responsive economic infrastruc	Inclusion and Access		Electrical Infrastructure	Hv Substations	WARD 29	-28709092	24755325	7,703	1,500	3,000	-	-	
Energy Sources	Capital Infrastructure Existing Upgrading Electrical Infrastructure Hv Substations	-	UPGRADING	competitive and responsive economic infrastruc	Inclusion and Access		Electrical Infrastructure	Hv Substations	WARD 34	-28709092	24755325	-	-	1,500	-	-	
Energy Sources	Capital Infrastructure Existing Upgrading Electrical Infrastructure Mv Switching Stations	-	UPGRADING	competitive and responsive economic infrastruc	Inclusion and Access		Electrical Infrastructure	Mv Switching Stations	WHOLE OF THE MUNICIPALITY	0	0	-	-	-	-	-	
Energy Sources	Capital Infrastructure New Electrical Infrastructure Lv Networks	-	NEW	competitive and responsive economic infrastruc	Growth		Electrical Infrastructure	Lv Networks	WARD 1	0	0	-	-	-	-	-	
Energy Sources	Capital Infrastructure New Electrical Infrastructure Lv Networks	-	NEW	competitive and responsive economic infrastruc	Growth		Electrical Infrastructure	Lv Networks	WARD 19	0	0	-	-	-	-	-	
Energy Sources	Capital Infrastructure New Electrical Infrastructure Lv Networks	-	NEW	competitive and responsive economic infrastruc	Growth		Electrical Infrastructure	Lv Networks	WARD 21	0	0	-	2,000	-	-	-	
Energy Sources	Capital Infrastructure New Electrical Infrastructure Lv Networks	-	NEW	competitive and responsive economic infrastruc	Growth		Electrical Infrastructure	Lv Networks	WARD 28	-28758241	24737008	-	3,753	6,008	-	-	
Energy Sources	Capital Infrastructure New Electrical Infrastructure Lv Networks	-	NEW	competitive and responsive economic infrastruc	Growth		Electrical Infrastructure	Lv Networks	WARD 4	0	0	-	3,800	-	-	-	
Energy Sources	Capital Infrastructure New Electrical Infrastructure Lv Networks	-	NEW	competitive and responsive economic infrastruc	Growth		Electrical Infrastructure	Lv Networks	WARD 7	0	0	-	-	-	-	-	
Energy Sources	Capital Infrastructure New Electrical Infrastructure Lv Networks	-	NEW	competitive and responsive economic infrastruc	Growth		Electrical Infrastructure	Lv Networks	WHOLE OF THE MUNICIPALITY	0	0	24,017	14,945	12,150	23,000	21,000	
Energy Sources	Capital Infrastructure Existing Renewal Electrical Infrastructure Lv Networks	-	RENEWAL	competitive and responsive economic infrastruc	Inclusion and Access		Electrical Infrastructure	Lv Networks	WHOLE OF THE MUNICIPALITY	0	0	6,734	-	-	4,000	4,000	
Energy Sources	Capital Infrastructure Existing Renewal Electrical Infrastructure Capital Spares	-	RENEWAL	competitive and responsive economic infrastruc	Inclusion and Access		Electrical Infrastructure	Capital Spares	WHOLE OF THE MUNICIPALITY	0	0	-	3,000	3,000	3,000	3,000	
Water Management	Capital Infrastructure Existing Renewal Water Supply Infrastructure Reservoirs	-	RENEWAL	competitive and responsive economic infrastruc	Inclusion and Access		Water Supply Infrastructure	Reservoirs	WHOLE OF THE MUNICIPALITY	0	0	-	-	-	-	-	
Water Management	Capital Infrastructure Existing Renewal Water Supply Infrastructure Water Treatment Works	C123	RENEWAL	competitive and responsive economic infrastruc	Inclusion and Access		Water Supply Infrastructure	Water Treatment Works	WHOLE OF THE MUNICIPALITY	0	0	-	-	-	-	-	
Water Management	Capital Infrastructure Existing Renewal Water Supply Infrastructure Distribution	Distrib010	RENEWAL	competitive and responsive economic infrastruc	Inclusion and Access		Water Supply Infrastructure	Distribution	WHOLE OF THE MUNICIPALITY	0	0	2,971	-	5,000	12,000	11,500	
Water Management	Capital Infrastructure Existing Renewal Water Supply Infrastructure Distribution Points	-	RENEWAL	competitive and responsive economic infrastruc	Inclusion and Access		Water Supply Infrastructure	Distribution Points	WHOLE OF THE MUNICIPALITY	0	0	-	-	-	-	-	
Water Management	Capital Infrastructure Existing Upgrading Water Supply Infrastructure Dams And Weirs	-	UPGRADING	competitive and responsive economic infrastruc	Inclusion and Access		Water Supply Infrastructure	Dams And Weirs	WARD 32	0	0	-	-	-	-	-	
Water Management	Capital Infrastructure Existing Upgrading Water Supply Infrastructure Water Treatment Works	-	UPGRADING	competitive and responsive economic infrastruc	Inclusion and Access		Water Supply Infrastructure	Water Treatment Works	WARD 29	0	0	-	-	-	-	-	
Water Management	Capital Infrastructure Existing Upgrading Water Supply Infrastructure Bulk Mains	-	UPGRADING	competitive and responsive economic infrastruc	Inclusion and Access		Water Supply Infrastructure	Bulk Mains	WARD 27	0	0	14,713	-	-	-	-	
Water Management	Capital Infrastructure Existing Upgrading Water Supply Infrastructure Bulk Mains	-	UPGRADING	competitive and responsive economic infrastruc	Inclusion and Access		Water Supply Infrastructure	Bulk Mains	WHOLE OF THE MUNICIPALITY	0	0	-	-	-	-	-	
Water Management	Capital Infrastructure Existing Upgrading Water Supply Infrastructure Distribution	-	UPGRADING	competitive and responsive economic infrastruc	Inclusion and Access		Water Supply Infrastructure	Distribution	WHOLE OF THE MUNICIPALITY	0	0	-	3,400	3,000	3,000	3,000	
Water Management	Capital Infrastructure New Water Supply Infrastructure Reservoirs	-	NEW	competitive and responsive economic infrastruc	Growth		Water Supply Infrastructure	Reservoirs	WARD 11	0	0	-	-	-	-	-	
Water Management	Capital Infrastructure New Water Supply Infrastructure Reservoirs	-	NEW	competitive and responsive economic infrastruc	Growth		Water Supply Infrastructure	Reservoirs	WARD 14	0	0	-	-	-	-	-	
Water Management	Capital Infrastructure New Water Supply Infrastructure Pump Station	-	NEW	competitive and responsive economic infrastruc	Growth		Water Supply Infrastructure	Pump Stations	WARD 29	0	0	7,302	-	-	-	-	
Water Management	Capital Infrastructure New Water Supply Infrastructure Bulk Mains	PA2_SD03_OS04_W	NEW	competitive and responsive economic infrastruc	Growth		Water Supply Infrastructure	Bulk Mains	WARD 28	0	0	-	377	-	-	-	
Water Management	Capital Infrastructure New Water Supply Infrastructure Bulk Mains	PA2_SD03_OS04_W	NEW	competitive and responsive economic infrastruc	Growth		Water Supply Infrastructure	Bulk Mains	WHOLE OF THE MUNICIPALITY	0	0	-	-	-	-	-	
Water Management	Capital Infrastructure New Water Supply Infrastructure Distribution	-	NEW	competitive and responsive economic infrastruc	Growth		Water Supply Infrastructure	Distribution	WARD 28	0	0	11,995	-	-	-	-	
Water Management	Capital Infrastructure New Water Supply Infrastructure Distribution Points	-	NEW	competitive and responsive economic infrastruc	Growth		Water Supply Infrastructure	Distribution Points	WHOLE OF THE MUNICIPALITY	0	0	-	2,000	-	-	-	
Waste Water Management	Capital Infrastructure Existing Renewal Water Supply Infrastructure Pump Stations	-	RENEWAL	competitive and responsive economic infrastruc	Inclusion and Access		Water Supply Infrastructure	Pump Stations	WHOLE OF THE MUNICIPALITY	0	0	-	-	-	-	-	
Waste Water Management	Capital Infrastructure Existing Renewal Sanitation Infrastructure Pump Station	-	RENEWAL	competitive and responsive economic infrastruc	Inclusion and Access		Sanitation Infrastructure	Pump Station	WARD 27	0	0	-	-	-	-	-	
Waste Water Management	Capital Infrastructure Existing Renewal Sanitation Infrastructure Pump Station	-	RENEWAL	competitive and responsive economic infrastruc	Inclusion and Access		Sanitation Infrastructure	Pump Station	WHOLE OF THE MUNICIPALITY	0	0	2,261	5,300	20,000	11,250	13,750	
Waste Water Management	Capital Infrastructure Existing Renewal Sanitation Infrastructure Reticulation	-	RENEWAL	competitive and responsive economic infrastruc	Inclusion and Access		Sanitation Infrastructure	Reticulation	WARD 17	0	0	-	-	-	-	-	
Waste Water Management	Capital Infrastructure Existing Renewal Sanitation Infrastructure Reticulation	-	RENEWAL	competitive and responsive economic infrastruc	Inclusion and Access		Sanitation Infrastructure	Reticulation	WHOLE OF THE MUNICIPALITY	0	0	-	-	5,000	12,000	11,500	
Waste Water Management	Capital Infrastructure Existing Renewal Sanitation Infrastructure Waste Water Treatment Works	-	RENEWAL	competitive and responsive economic infrastruc	Inclusion and Access		Sanitation Infrastructure	Waste Water Treatment Works	WHOLE OF THE MUNICIPALITY	0	0	-	9,000	-	-	-	
Waste Water Management	Capital Infrastructure Existing Renewal Sanitation Infrastructure Toilet Facilities	-	RENEWAL	competitive and responsive economic infrastruc	Inclusion and Access		Sanitation Infrastructure	Toilet Facilities	WARD 17	-28748242	24735855	-	-	14,443	3,750	12,198	
Waste Water Management	Capital Infrastructure Existing Renewal Sanitation Infrastructure Toilet Facilities	-	RENEWAL	competitive and responsive economic infrastruc	Inclusion and Access		Sanitation Infrastructure	Toilet Facilities	WHOLE OF THE MUNICIPALITY	0	0	1,859	-	-	-	-	
Waste Water Management	Capital Infrastructure Existing Upgrading Sanitation Infrastructure Reticulation	-	UPGRADING	competitive and responsive economic infrastruc	Inclusion and Access		Sanitation Infrastructure	Reticulation	WARD 24	0	0	-	-	-	-	-	
Waste Water Management	Capital Infrastructure Existing Upgrading Sanitation Infrastructure Outfall Sewers	-	UPGRADING	competitive and responsive economic infrastruc	Inclusion and Access		Sanitation Infrastructure	Outfall Sewers	WARD 19	0	0	21,287	-	-	-	-	
Waste Water Management	Capital Infrastructure Existing Upgrading Sanitation Infrastructure Outfall Sewers	-	UPGRADING	competitive and responsive economic infrastruc	Inclusion and Access		Sanitation Infrastructure	Outfall Sewers	WARD 5	0	0	-	-	-	-	-	
Waste Water Management	Capital Infrastructure New Sanitation Infrastructure Reticulation	-	NEW	competitive and responsive economic infrastruc	Growth		Sanitation Infrastructure	Reticulation	WARD 28	-286937622	24774488	11,479	19,805	25,455	-	-	
Parent Capital expenditure													207,827	189,636	140,056	136,639	157,708
Entities:																	
List all capital projects grouped by Entity																	
Entity A																	
Water project A																	
Entity B																	
Electricity project B																	
Entity Capital expenditure																	
Total Capital expenditure																	
													207,827	189,636	140,056	136,639	157,708

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

[illegible]

NC091 Soi Plaatje - Supporting Table SA38 Consolidated detailed operational projects

Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Prior year outcomes		2020/21 Medium Term Revenue & Expenditure Framework													
												Audited Outcome 2018/19	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23											
Parent municipality:																											
List all operational projects grouped by Function																											
Executive And Council	Operational:Municipal Running Cost	M123	Municipal Running Cost	nan settlements and improved quality of life	Governance			WHOLE OF THE MUNI		0	0	60,326	71,429	72,691	77,217	81,640											
Executive And Council	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Based		Preventative Maintenance	effective and development-oriented projects	Governance		Furniture And Office Equipment	re And Office Equip	OF THE MUNI	0	0	–	5	5	5	6											
Finance And Administration	Operational:Municipal Running Cost	M123	Municipal Running Cost	nan settlements and improved quality of life	Governance			WHOLE OF THE MUNI		0	0	433,330	491,093	535,735	569,072	593,442											
Finance And Administration	Operational:Typical Work Streams:Capacity Building Training And Development:Cap		Work Streams	apable workforce to support an inclusive	Governance			WHOLE OF THE MUNI		0	0	–	–	–	–	–											
Finance And Administration	Operational:Typical Work Streams:Capacity Building Training And Development:Cap		Work Streams	apable workforce to support an inclusive	Governance			WHOLE OF THE MUNI		0	0	–	–	–	–	–											
Finance And Administration	Operational:Typical Work Streams:Capacity Building Training And Development:Leas		Work Streams	apable workforce to support an inclusive	Governance			WHOLE OF THE MUNI		0	0	–	–	–	–	–											
Finance And Administration	Operational:Typical Work Streams:Capacity Building Training And Development:Mur		Work Streams	apable workforce to support an inclusive	Governance			WHOLE OF THE MUNI		0	0	–	–	–	–	–											
Finance And Administration	Operational:Typical Work Streams:Capacity Building Training And Development:Wor		Work Streams	apable workforce to support an inclusive	Governance			WHOLE OF THE MUNI		0	0	–	–	–	–	–											
Finance And Administration	Operational:Typical Work Streams:Community Development:Community Initiatives		Work Streams	e; responsive and sustainable social p	Inclusion and Access			WHOLE OF THE MUNI		0	0	–	–	–	–	–											
Finance And Administration	Operational:Typical Work Streams:Elections		Work Streams	nan settlements and improved quality of life	Inclusion and Access			WHOLE OF THE MUNI		0	0	8,744	2,000	2,000	2,000	2,000											
Finance And Administration	Operational:Typical Work Streams:Expanded Public Works Programme:Project		Work Streams	effective and development-oriented projects	Inclusion and Access			WHOLE OF THE MUNI		0	0	3,137	3,608	4,170	–	–											
Finance And Administration	Tws:Community Development:Community Development Initiatives		Work Streams	e; responsive and sustainable social p	Inclusion and Access			WHOLE OF THE MUNI		0	0	–	20,000	–	–	–											
Finance And Administration	Operational:Maintenance:Infrastructure:Preventative Maintenance:Interval Based:Ele		Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	y Switching Stati	OF THE MUNI	0	0	345	220	300	320	342											
Finance And Administration	Default Transactions		Default Transactions	accountable; effective and efficient loc	Governance		Financial Performance Indicators	Revenue Items	OF THE MUNI	0	0	360	–	–	–	–											
Finance And Administration	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Bas		Preventative Maintenance	effective and development-oriented projects	Governance		Furniture And Office Equipment	re And Office Equip	OF THE MUNI	0	0	1,155	1,572	1,549	1,643	1,734											
Finance And Administration	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Bas		Preventative Maintenance	effective and development-oriented projects	Governance		Machinery And Equipment	hinery And Equipm	OF THE MUNI	0	0	14,468	19,352	20,640	21,981	23,520											
Finance And Administration	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Interval Base		Preventative Maintenance	effective and development-oriented projects	Governance		Machinery And Equipment	hinery And Equipm	OF THE MUNI	0	0	3	20	15	16	17											
Finance And Administration	Operational:Maintenance:Non-Infrastructure:Corrective Maintenance:Planned:Other		Corrective Maintenance	effective and development-oriented projects	Governance		Operational Buildings	Municipal Offices	OF THE MUNI	0	0	12,644	13,410	9,357	9,919	10,464											
Finance And Administration	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Bas		Preventative Maintenance	effective and development-oriented projects	Governance		Operational Buildings	Municipal Offices	OF THE MUNI	0	0	–	40	30	32	34											
Finance And Administration	Operational:Maintenance:Non-Infrastructure:Corrective Maintenance:Planned:Other		Corrective Maintenance	effective and development-oriented projects	Governance		Operational Buildings	Workshops	OF THE MUNI	0	0	–	–	–	–	–											
Finance And Administration	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Bas		Preventative Maintenance	effective and development-oriented projects	Governance		Operational Buildings	Workshops	OF THE MUNI	0	0	1,280	1,000	1,100	1,172	1,254											
Finance And Administration	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based:R		Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Roads Infrastructure	Road Furniture	OF THE MUNI	0	0	7,537	6,000	6,000	9,000	12,000											
Finance And Administration	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based:S		Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Solid Waste Infrastructure	Landfill Sites	OF THE MUNI	0	0	–	–	–	–	–											
Finance And Administration	Operational:Maintenance:Non-Infrastructure:Corrective Maintenance:Emergency:Tra		Corrective Maintenance	effective and development-oriented projects	Governance		Transport Assets	Transport Assets	OF THE MUNI	0	0	217	280	280	298	319											
Finance And Administration	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Bas		Preventative Maintenance	effective and development-oriented projects	Governance		Transport Assets	Transport Assets	OF THE MUNI	0	0	357	629	539	573	606											
Finance And Administration	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Interval Base		Preventative Maintenance	effective and development-oriented projects	Governance		Transport Assets	Transport Assets	OF THE MUNI	0	0	170	356	4,162	4,412	4,654											
Internal Audit	Operational:Municipal Running Cost	M123	Municipal Running Cost	nan settlements and improved quality of life	Governance			WHOLE OF THE MUNI		0	0	5,350	6,479	6,713	7,116	7,508											
Internal Audit	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Bas		Preventative Maintenance	effective and development-oriented projects	Governance		Furniture And Office Equipment	re And Office Equip	OF THE MUNI	0	0	–	3	3	3	3											
Community And Social Services	Operational:Municipal Running Cost	M123	Municipal Running Cost	nan settlements and improved quality of life	Governance			WHOLE OF THE MUNI		0	0	35,448	40,019	40,921	47,679	49,846											
Community And Social Services	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Bas		Preventative Maintenance	e; responsive and sustainable social p	Inclusion and Access		Community Facilities	meteries/Cremato	OF THE MUNI	0	0	25	100	100	400	422											
Community And Social Services	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Bas		Preventative Maintenance	e; responsive and sustainable social p	Inclusion and Access		Community Facilities	meteries/Cremato	OF THE MUNI	0	0	326	300	330	350	369											
Community And Social Services	Operational:Maintenance:Non-Infrastructure:Corrective Maintenance:Planned:Comm		Corrective Maintenance	effective and development-oriented projects	Inclusion and Access		Community Facilities	Halls	OF THE MUNI	0	0	47	148	120	127	134											
Community And Social Services	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Bas		Preventative Maintenance	Quality basic education	Inclusion and Access		Community Facilities	Libraries	OF THE MUNI	0	0	36	75	40	42	45											
Community And Social Services	Operational:Maintenance:Non-Infrastructure:Corrective Maintenance:Planned:Mach		Corrective Maintenance	effective and development-oriented projects	Governance		Machinery And Equipment	hinery And Equipm	OF THE MUNI	0	0	1	2	2	2	2											
Community And Social Services	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Bas		Preventative Maintenance	effective and development-oriented projects	Governance		Transport Assets	Transport Assets	OF THE MUNI	0	0	190	148	195	207	218											
Sport And Recreation	Operational:Municipal Running Cost	M123	Municipal Running Cost	nan settlements and improved quality of life	Governance			WHOLE OF THE MUNI		0	0	43,153	50,585	51,835	54,761	57,809											
Sport And Recreation	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Bas		Preventative Maintenance	effective and development-oriented projects	Inclusion and Access		Community Facilities	Parks	OF THE MUNI	0	0	1,988	1,050	2,000	2,100	2,216											
Sport And Recreation	Operational:Maintenance:Non-Infrastructure:Corrective Maintenance:Planned:Mach		Corrective Maintenance	effective and development-oriented projects	Governance		Machinery And Equipment	hinery And Equipm	OF THE MUNI	0	0	1,069	875	949	1,006	1,062											
Sport And Recreation	Operational:Maintenance:Non-Infrastructure:Corrective Maintenance:Planned:Comm		Corrective Maintenance	ong and healthy life for all South Africa	Inclusion and Access		Sport And Recreation Facilities	Indoor Facilities	OF THE MUNI	0	0	333	370	370	396	420											
Sport And Recreation	Operational:Maintenance:Non-Infrastructure:Corrective Maintenance:Planned:Comm		Corrective Maintenance	ong and healthy life for all South Africa	Inclusion and Access		Sport And Recreation Facilities	Outdoor Facilities	OF THE MUNI	0	0	68	370	400	56	59											
Sport And Recreation	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Bas		Preventative Maintenance	ong and healthy life for all South Africa	Inclusion and Access		Sport And Recreation Facilities	Outdoor Facilities	OF THE MUNI	0	0	–	–	–	–	–											
Sport And Recreation	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Bas		Preventative Maintenance	effective and development-oriented projects	Governance		Transport Assets	Transport Assets	OF THE MUNI	0	0	450	744	618	652	688											
Public Safety	Operational:Municipal Running Cost	M123	Municipal Running Cost	nan settlements and improved quality of life	Governance			WHOLE OF THE MUNI		0	0	44,511	50,768	54,502	57,756	60,940											
Public Safety	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Bas		Preventative Maintenance	e; responsive and sustainable social p	Inclusion and Access		Community Facilities	meteries/Cremato	OF THE MUNI	0	0	124	240	220	231	244											
Public Safety	Operational:Maintenance:Non-Infrastructure:Corrective Maintenance:Planned:Comm		Corrective Maintenance	e; responsive and sustainable social p	Inclusion and Access		Community Facilities	/Ambulance Stati	OF THE MUNI	0	0	181	200	200	212	224											
Public Safety	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Bas		Preventative Maintenance	e; responsive and sustainable social p	Inclusion and Access		Community Facilities	/Ambulance Stati	OF THE MUNI	0	0	–	–	–	–	–											
Public Safety	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Bas		Preventative Maintenance	effective and development-oriented projects	Inclusion and Access		Community Facilities	Public Open Space	OF THE MUNI	0	0	190	195	212	225	238											
Public Safety	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Bas		Preventative Maintenance	effective and development-oriented projects	Governance		Machinery And Equipment	hinery And Equipm	OF THE MUNI	0	0	628	290	370	392	414											
Public Safety	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based:S		Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Solid Waste Infrastructure	Landfill Sites	OF THE MUNI	0	0	15,743	16,388	18,440	19,731	21,013											
Public Safety	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Bas		Preventative Maintenance	effective and development-oriented projects	Governance		Transport Assets	Transport Assets	OF THE MUNI	0	0	670	956	805	853	900											
Housing	Operational:Municipal Running Cost	M123	Municipal Running Cost	nan settlements and improved quality of life	Governance			WHOLE OF THE MUNI		0	0	14,252	16,796	16,614	17,610	18,578											
Housing	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based:C		Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Coastal Infrastructure	Capital Spares	OF THE MUNI	0	0	0	–	3	3	3											
Housing	Operational:Non-Infrastructure:Existing:Renewal:Community Assets:Community Faci		RENEWAL	effective and development-oriented projects	Inclusion and Access		Community Facilities	Capital Spares	OF THE MUNI	0	0	–	6	–	–	–											
Housing	Default Transactions		Default Transactions	accountable; effective and efficient loc	Governance		Financial Performance Indicators	Revenue Items	OF THE MUNI	0	0	–	–	–	–	–											
Housing	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Bas		Preventative Maintenance	effective and development-oriented projects	Spacial Integration		Revenue Generating	Improved Property	OF THE MUNI	0	0	5,197	5,380	5,689	6,030	6,392											
Housing	Operational:Maintenance:Non-Infrastructure:Corrective Maintenance:Emergency:Inv		Corrective Maintenance	effective and development-oriented projects	Spacial Integration		Revenue Generating	Improved Property	OF THE MUNI	0	0	478	500	500	530	562											
Housing	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Interval Base		Preventative Maintenance	effective and development-oriented projects	Governance		Transport Assets	Transport Assets	OF THE MUNI	0	0	37	100	60	64	67											
Health	Operational:Municipal Running Cost	M123	Municipal Running Cost	nan settlements and improved quality of life	Governance			WHOLE OF THE MUNI		0	0	15,662	18,402	17,682	18,698	19,698											
Health	Operational:Maintenance:Non-Infrastructure:Corrective Maintenance:Planned:Comm		Corrective Maintenance	effective and development-oriented projects	Inclusion and Access		Community Facilities	Halls	OF THE MUNI	0	0	–	–	–	–	–											
Health	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Bas		Preventative Maintenance	effective and development-oriented projects	Governance		Furniture And Office Equipment	re And Office Equip	OF THE MUNI	0	0	66	40	74	78	82											
Health	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Bas		Preventative Maintenance	effective and development-oriented projects	Governance		Transport Assets	Transport Assets	OF THE MUNI	0	0	3	50	50	53	56											
Planning And Development	Operational:Municipal Running Cost	M123	Municipal Running Cost	nan settlements and improved quality of life	Governance			WHOLE OF THE MUNI		0	0	44,100	52,561	52,254	55,452	58,653											
Planning And Development	Operational:Typical Work Streams:Expanded Public Works Programme:Project		Work Streams	effective and development-oriented projects	Inclusion and Access			WHOLE OF THE MUNI		0	0	519	–	–	–	–											
Planning And Development	Operational:Typical Work Streams:Local Economic Development:Project Implementa		Work Streams	effective and development-oriented projects	Spacial Integration			WHOLE OF THE MUNI		0	0	413	820	650	689	727											
Planning And Development	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Project Bas		Preventative Maintenance	effective and development-oriented projects	Governance		Furniture And Office Equipment	re And Office Equip	OF THE MUNI	0	0	29	31	36	38	40											
Planning And Development	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Bas		Preventative Maintenance	effective and development-oriented projects	Governance		Transport Assets	Transport Assets	OF THE MUNI	0	0	10	10	12	13	14											

NC091 Sol Plaatje - Supporting Table SA38 Consolidated detailed operational projects

Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Prior year outcomes		2020/21 Medium Term Revenue & Expenditure Framework		
												Audited Outcome 2018/19	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Planning And Development	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Interval Based	M123	Preventative Maintenance	nan settlements and improved quality of	Governance		Transport Assets	Transport Assets	OF THE MUNIC	0	0	18	33	30	32	34
Road Transport	Operational:Municipal Running Cost		Municipal Running Cost		Governance				WHOLE OF THE MUNIC	0	0	34,236	42,401	44,942	47,637	50,257
Road Transport	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based:Corrective Maintenance		Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Coastal Infrastructure	Capital Spares	OF THE MUNIC	0	0	181	-	200	214	228
Road Transport	Operational:Non-Infrastructure:Existing:Renewal:Community Assets:Community Facilities		RENEWAL	effective and development-oriented projects	Inclusion and Access		Community Facilities	Capital Spares	OF THE MUNIC	0	0	-	400	-	-	-
Road Transport	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Based:Corrective Maintenance		Preventative Maintenance	effective and development-oriented projects	Governance		Furniture And Office Equipment	re And Office Equip	OF THE MUNIC	0	0	-	25	25	27	28
Road Transport	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Based:Corrective Maintenance		Preventative Maintenance	petitive and responsive economic infra	Governance		Machinery And Equipment	hinery And Equip	OF THE MUNIC	0	0	239	230	275	292	308
Road Transport	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based:Corrective Maintenance		Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Roads Infrastructure	Road Infrastructure	OF THE MUNIC	0	0	485	560	560	594	626
Road Transport	Operational:Maintenance:Infrastructure:Corrective Maintenance:Planned:Roads Infrastructure		Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Roads Infrastructure	Roads	OF THE MUNIC	0	0	2,789	3,260	2,350	2,515	2,678
Road Transport	Operational:Maintenance:Infrastructure:Corrective Maintenance:Planned:Roads Infrastructure		Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Roads Infrastructure	Roads	OF THE MUNIC	0	0	159	75	180	193	205
Road Transport	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based:Corrective Maintenance		Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Roads Infrastructure	Roads	OF THE MUNIC	0	0	28,863	31,683	32,361	34,627	36,878
Road Transport	Operational:Maintenance:Infrastructure:Corrective Maintenance:Planned:Storm Water Infrastructure	M123	Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Storm Water Infrastructure	rainage Collecto	OF THE MUNIC	0	0	300	-	330	353	376
Road Transport	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based:Corrective Maintenance		Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Storm Water Infrastructure	rainage Collecto	OF THE MUNIC	0	0	298	-	335	358	382
Road Transport	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Based:Corrective Maintenance		Preventative Maintenance		Governance		Transport Assets	Transport Assets	OF THE MUNIC	0	0	222	200	255	270	285
Road Transport	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Interval Based:Corrective Maintenance		Preventative Maintenance		Governance		Transport Assets	Transport Assets	OF THE MUNIC	0	0	9	5	10	11	11
Environmental Protection	Operational:Municipal Running Cost		Municipal Running Cost	nan settlements and improved quality of	Governance				WHOLE OF THE MUNIC	0	0	40,443	43,326	43,774	46,616	49,409
Environmental Protection	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based:Corrective Maintenance		Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Solid Waste Infrastructure	e Processing Fac	OF THE MUNIC	0	0	253	3,250	280	298	316
Energy Sources	Operational:Municipal Running Cost		Municipal Running Cost	nan settlements and improved quality of	Governance				WHOLE OF THE MUNIC	0	0	589,907	656,149	702,575	739,710	795,151
Energy Sources	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based:Corrective Maintenance		Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Coastal Infrastructure	Capital Spares	OF THE MUNIC	0	0	-	-	200	212	224
Energy Sources	Operational:Non-Infrastructure:Existing:Renewal:Community Assets:Community Facilities		RENEWAL	effective and development-oriented projects	Inclusion and Access		Community Facilities	Capital Spares	OF THE MUNIC	0	0	-	225	-	-	-
Energy Sources	Operational:Maintenance:Non-Infrastructure:Corrective Maintenance:Planned:Community Facilities		Corrective Maintenance	effective and development-oriented projects	Inclusion and Access		Community Facilities	Halls	OF THE MUNIC	0	0	-	-	-	-	-
Energy Sources	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based:Corrective Maintenance	M123	Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	Capital Spares	OF THE MUNIC	0	0	29,049	28,480	31,809	33,813	35,765
Energy Sources	Operational:Maintenance:Infrastructure:Corrective Maintenance:Emergency:Electrical Infrastructure		Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	Hv Substations	OF THE MUNIC	0	0	143	160	160	170	179
Energy Sources	Operational:Maintenance:Infrastructure:Corrective Maintenance:Planned:Electrical Infrastructure		Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	Hv Substations	OF THE MUNIC	0	0	150	160	170	180	190
Energy Sources	Operational:Maintenance:Infrastructure:Preventative Maintenance:Interval Based:Electrical Infrastructure		Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	Hv Substations	OF THE MUNIC	0	0	675	1,000	900	954	1,006
Energy Sources	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based:Electrical Infrastructure		Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	y Switching Stat	OF THE MUNIC	0	0	-	300	200	212	224
Energy Sources	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based:Electrical Infrastructure		Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	y Switching Stat	OF THE MUNIC	0	0	-	290	250	265	280
Energy Sources	Operational:Maintenance:Infrastructure:Preventative Maintenance:Interval Based:Electrical Infrastructure		Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	y Switching Stat	OF THE MUNIC	0	0	2,086	2,250	2,000	2,120	2,237
Energy Sources	Operational:Maintenance:Infrastructure:Corrective Maintenance:Emergency:Electrical Infrastructure		Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	Lv Networks	OF THE MUNIC	0	0	1,790	2,000	1,950	2,067	2,181
Energy Sources	Operational:Maintenance:Infrastructure:Corrective Maintenance:Planned:Electrical Infrastructure		Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	Lv Networks	OF THE MUNIC	0	0	4,523	3,400	3,600	3,816	4,026
Energy Sources	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based:Electrical Infrastructure		Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	Lv Networks	OF THE MUNIC	0	0	445	440	500	530	559
Energy Sources	Operational:Maintenance:Infrastructure:Preventative Maintenance:Interval Based:Electrical Infrastructure	M123	Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	Lv Networks	OF THE MUNIC	0	0	988	1,200	1,150	1,219	1,286
Energy Sources	Operational:Maintenance:Infrastructure:Preventative Maintenance:Interval Based:Electrical Infrastructure		Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	Lv Networks	OF THE MUNIC	0	0	6,326	8,000	7,000	7,560	8,165
Energy Sources	Operational:Maintenance:Infrastructure:Corrective Maintenance:Planned:Electrical Infrastructure		Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	Mv Networks	OF THE MUNIC	0	0	239	400	100	106	112
Energy Sources	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based:Electrical Infrastructure		Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	Mv Networks	OF THE MUNIC	0	0	1,081	1,000	1,230	1,304	1,376
Energy Sources	Operational:Maintenance:Infrastructure:Preventative Maintenance:Interval Based:Electrical Infrastructure		Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	Mv Networks	OF THE MUNIC	0	0	646	700	750	795	839
Energy Sources	Operational:Maintenance:Infrastructure:Corrective Maintenance:Emergency:Electrical Infrastructure		Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	Mv Substations	OF THE MUNIC	0	0	80	300	250	265	280
Energy Sources	Operational:Maintenance:Infrastructure:Corrective Maintenance:Planned:Electrical Infrastructure		Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	Mv Substations	OF THE MUNIC	0	0	197	300	250	265	280
Energy Sources	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based:Electrical Infrastructure		Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	Mv Substations	OF THE MUNIC	0	0	778	1,158	1,000	1,060	1,118
Energy Sources	Operational:Maintenance:Infrastructure:Corrective Maintenance:Emergency:Electrical Infrastructure		Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	y Switching Stat	OF THE MUNIC	0	0	2,431	2,770	2,800	2,968	3,131
Energy Sources	Operational:Maintenance:Infrastructure:Corrective Maintenance:Planned:Electrical Infrastructure		Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	y Switching Stat	OF THE MUNIC	0	0	1,375	1,630	1,780	1,887	1,991
Energy Sources	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based:Electrical Infrastructure	M123	Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	y Switching Stat	OF THE MUNIC	0	0	397	500	500	530	559
Energy Sources	Operational:Maintenance:Infrastructure:Preventative Maintenance:Interval Based:Electrical Infrastructure		Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	y Switching Stat	OF THE MUNIC	0	0	528	600	610	647	682
Energy Sources	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Based:Revenue Generating		Preventative Maintenance		Spatial Integration		Revenue Generating	Improved Proper	OF THE MUNIC	0	0	978	842	1,100	1,166	1,230
Energy Sources	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Interval Based:Transport Assets		Preventative Maintenance		Governance		Transport Assets	Transport Assets	OF THE MUNIC	0	0	-	-	-	-	-
Water Management	Operational:Municipal Running Cost		Municipal Running Cost	nan settlements and improved quality of	Governance				WHOLE OF THE MUNIC	0	0	198,809	221,971	226,946	243,667	261,349
Water Management	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Based:Machinery And Equipment		Preventative Maintenance		Governance		Machinery And Equipment	hinery And Equip	OF THE MUNIC	0	0	687	1,600	1,000	1,060	1,118
Water Management	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based:Roads Infrastructure		Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Roads Infrastructure	Roads	OF THE MUNIC	0	0	2,490	2,500	2,800	2,968	3,131
Water Management	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based:Sanitation Infrastructure		Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Sanitation Infrastructure	Pump Station	OF THE MUNIC	0	0	661	330	750	795	839
Water Management	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Interval Based:Transport Assets		Preventative Maintenance		Governance		Transport Assets	Transport Assets	OF THE MUNIC	0	0	931	2,100	2,000	2,120	2,237
Water Management	Operational:Maintenance:Infrastructure:Corrective Maintenance:Emergency:Water Supply Infrastructure		Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Water Supply Infrastructure	Bulk Mains	OF THE MUNIC	0	0	214	3,750	3,000	3,180	3,355
Water Management	Operational:Maintenance:Infrastructure:Corrective Maintenance:Planned:Water Supply Infrastructure		Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Water Supply Infrastructure	Capital Spares	OF THE MUNIC	0	0	714	1,250	900	954	1,006
Water Management	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based:Water Supply Infrastructure	M123	Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Water Supply Infrastructure	Capital Spares	OF THE MUNIC	0	0	103	150	155	164	173
Water Management	Operational:Maintenance:Infrastructure:Preventative Maintenance:Interval Based:Water Supply Infrastructure		Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Water Supply Infrastructure	Capital Spares	OF THE MUNIC	0	0	737	700	800	848	895
Water Management	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based:Water Supply Infrastructure		Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Water Supply Infrastructure	Distribution	OF THE MUNIC	0	0	29,980	24,862	30,147	31,955	33,713
Water Management	Operational:Maintenance:Infrastructure:Corrective Maintenance:Emergency:Water Supply Infrastructure		Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Water Supply Infrastructure	Pump Stations	OF THE MUNIC	0	0	716	1,500	1,450	1,537	1,622
Water Management	Operational:Maintenance:Infrastructure:Corrective Maintenance:Emergency:Water Supply Infrastructure		Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Water Supply Infrastructure	Reservoirs	OF THE MUNIC	0	0	101	750	700	742	783
Water Management	Operational:Maintenance:Infrastructure:Corrective Maintenance:Planned:Water Supply Infrastructure		Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Water Supply Infrastructure	Reservoirs	OF THE MUNIC	0	0	1,044	750	1,200	1,272	1,342
Water Management	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based:Water Supply Infrastructure		Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Water Supply Infrastructure	Reservoirs	OF THE MUNIC	0	0	842	650	3,750	3,975	4,194
Water Management	Operational:Maintenance:Infrastructure:Corrective Maintenance:Emergency:Water Supply Infrastructure		Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Water Supply Infrastructure	ter Treatment Works	OF THE MUNIC	0	0	2,074	4,920	2,200	2,332	2,480
Water Management	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based:Water Supply Infrastructure		Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Water Supply Infrastructure	ter Treatment Works	OF THE MUNIC	0	0	115	400	700	742	783
Waste Water Management	Operational:Municipal Running Cost		Municipal Running Cost	nan settlements and improved quality of	Governance				WHOLE OF THE MUNIC	0	0	45,609	40,547	43,940	46,530	49,242
Waste Water Management	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based:Capital Spares	M123	Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Coastal Infrastructure	Capital Spares	OF THE MUNIC	0	0	1,148	70	1,300	1,378	1,454
Waste Water Management	Operational:Non-Infrastructure:Existing:Renewal:Community Assets:Community Facilities		RENEWAL	effective and development-oriented projects	Inclusion and Access		Community Facilities	Capital Spares	OF THE MUNIC	0	0	-	875	-	-	-
Waste Water Management	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based:Electrical Infrastructure		Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	y Switching Stat	OF THE MUNIC	0	0	2,806	995	2,000	2,120	2,237
Waste Water Management	Operational:Maintenance:Infrastructure:Corrective Maintenance:Emergency:Sanitation Infrastructure		Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Sanitation Infrastructure	Pump Station	OF THE MUNIC	0	0	7,891	4,500	6,250	6,625	6,969
Waste Water Management	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based:Sanitation Infrastructure		Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Sanitation Infrastructure	Pump Station	OF THE MUNIC	0	0	868	2,000	1,000	1,060	1,118
Waste Water Management	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based:Sanitation Infrastructure		Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Sanitation Infrastructure	Reticalation	OF THE MUNIC	0	0	17,484	20,324	20,524	21,755	22,951
Waste Water Management	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based:Sanitation Infrastructure		Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Sanitation Infrastructure	Toilet Facilities	OF THE MUNIC	0	0	1,578	1,000	1,800	1,908	2,013

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Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Prior year outcomes		2020/21 Medium Term Revenue & Expenditure Framework		
												Audited Outcome 2018/19	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Waste Water Management	Operational:Maintenance:Infrastructure:Corrective Maintenance:Emergency:Sanitation	–	Corrective Maintenance	petitive and responsive economic infras	Inclusion and Access		Sanitation Infrastructure	Water Treatment	OF THE MUNIC	0	0	391	700	500	530	559
Waste Water Management	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Interval Based	–	Preventative Maintenance		Governance		Transport Assets	Transport Assets	OF THE MUNIC	0	0	1,498	1,700	1,700	1,802	1,901
Waste Management	Operational:Municipal Running Cost	M123	Municipal Running Cost	han settlements and improved quality of	Governance				WHOLE OF THE MUNIC	0	0	805	900	850	950	1,000
Waste Management	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based:S	–	Preventative Maintenance	petitive and responsive economic infras	Inclusion and Access		Solid Waste Infrastructure	Landfill Sites	OF THE MUNIC	0	0	2,782	3,558	4,263	4,518	4,767
Other	Operational:Municipal Running Cost	M123	Municipal Running Cost	han settlements and improved quality of	Governance				WHOLE OF THE MUNIC	0	0	9,014	9,830	9,657	10,219	10,781
Other	Operational:Typical Work Streams:Tourism:Tourism Projects	–	Work Streams	effective and development-oriented pu	Growth				WHOLE OF THE MUNIC	0	0	412	400	420	443	467
Other	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Bas	–	Preventative Maintenance	effective and development-oriented pu	Governance		Furniture And Office Equipment	re And Office Equ	OF THE MUNIC	0	0	11	50	40	42	45
Other	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Bas	–	Preventative Maintenance	effective and development-oriented pu	Governance		Operational Buildings	Municipal Offices	OF THE MUNIC	0	0	1	3	2	2	2
Parent Operational expenditure											0	1,860,985	2,091,355	2,193,028	2,327,266	2,471,291
Total Operational expenditure												1,860,985	2,091,355	2,193,028	2,327,266	2,471,291

SECTION 2:

TARIFFS

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



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

1.1

LEVY OF RATES (FINANCE/VALUATIONS)

	PRESENT TARIFFS R	PROPOSED TARIFFS 2020-07-01 R	PROPOSED TARIFFS 2021-07-01 R	PROPOSED TARIFFS 2022-07-01 R
Residential Property	0.009752	0.010376	0.011310	0.011876
Vacant Residential Property	0.014628	0.015564	0.016965	0.017813
Industrial Property	0.031206	0.033204	0.036192	0.038002
Vacant Industrial	0.034132	0.036316	0.039585	0.041564
Business and Commercial Property	0.029256	0.031128	0.033930	0.035627
Vacant Business and Commercial Property	0.034132	0.036316	0.039585	0.041564
Agricultural Property	0.002438	0.002594	0.002827	0.002968
Mining Property	0.214544	0.228275	0.237510	0.249386
Public Service Property	0.043884	0.046693	0.050895	0.053440
Property Used by Organ of State	0.058512	0.046693	0.033930	0.035627
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	0.009752	0.010376	0.011310	0.011876
Municipal property used for Municipal Purposes	0.000000	0.000000	0.000000	0.000000
Independent Schools	0.002438	0.002594	0.002827	0.002968
Solar Farms	0.029256	0.031128	0.033930	0.035627
Sports Grounds and facilities operated for gain	0.000000	0.000000	0.000000	0.000000
University	0.029256	0.031128	0.033930	0.035627
Average rates tariff	0.016604	0.017204	0.018480	0.019458

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 2020-07-01 R	PROPOSED TARIFFS 2021-07-01 R	PROPOSED TARIFFS 2022-07-01 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	12.00	13.00	14.00
	Admission fees - Adults	17.00	18.00	19.00
	Season tickets - Children	130.00	138.00	149.00
	Season tickets - Adults	225.00	239.00	257.00
	Hire of pool	1,900.00	2,014.00	2,168.00
	Key / Loss / damage / breakage deposit	1,600.00	1,696.00	1,825.00
1.2.2	<u>Florianville Swimming Pool</u>			
	Admission fees - Children	12.00	13.00	14.00
	Admission fees - Adults	17.00	18.00	19.00
	Season tickets - Children	110.00	117.00	126.00
	Season tickets - Adults	180.00	191.00	206.00
	Hire of pool	1,800.00	1,908.00	2,054.00
	Key / Loss / damage / breakage deposit	1,600.00	1,696.00	1,825.00
1.2.3	<u>Roodepan Swimming Pool</u>			
	Admission fees - Children	9.00	10.00	11.00
	Admission fees - Adults	17.00	18.00	19.00
	Season tickets - Children	100.00	106.00	114.00
	Season tickets - Adults	160.00	170.00	183.00
	Hire of pool	1,800.00	1,908.00	2,054.00
	Key / Loss / damage / breakage deposit	1,600.00	1,696.00	1,825.00
1.2.4	<u>Galeshewe Swimming Pool</u>			
	Admission fees - Children	9.00	10.00	11.00
	Admission fees - Adults	17.00	18.00	19.00
	Season tickets - Children	100.00	106.00	114.00
	Season tickets - Adults	160.00	170.00	183.00
	Hire of pool	1,800.00	1,908.00	2,054.00
	Key / Loss / damage / breakage deposit	1,600.00	1,696.00	1,825.00
	* Hire of pool for functions / commercial use (tariff applicable to all pools)	4,000.00	4,240.00	4,564.00
	* Key / Loss / damage / breakage deposit	2,500.00	2,650.00	2,852.00
1.2.5	<u>De Beers Stadium</u>			
	Hire of athletics track	1,340.00	1,420.00	1,528.00
	Key / Loss / damage / breakage deposit	1,340.00	1,420.00	1,528.00
	Apparatus per day	800.00	848.00	913.00
	Key / Loss / damage / breakage deposit	1,100.00	1,166.00	1,255.00
	Training sessions (Schools/Clubs) per season	185.00	196.00	211.00
	Hire of sports field/preparation fee	720.00	763.00	821.00
	Key / Loss / damage / breakage deposit	1,100.00	1,166.00	1,255.00
	Preparation Fee	720.00	763.00	821.00
	VIP Lounge	720.00	763.00	821.00
	Lights :Fixed (plus hourly rate)	1,540.00	1,632.00	1,757.00
	: Hourly rate	48.00	51.00	55.00
	HIRE OF STADIUM			
	Other than sport	2,500.00	2,650.00	2,852.00
	Key / Loss / damage / breakage deposit	2,000.00	2,120.00	2,282.00
	Music festivals/events /commercial use	23,000.00	24,380.00	26,240.00
	Key / Loss / damage / breakage deposit	32,000.00	33,920.00	36,508.00
	HIRE OF HALL NO. 4			
	Indoor sport	160.00	170.00	183.00
	Hire of cafeteria/bar	320.00	339.00	365.00
	Key / Loss / damage / breakage deposit	1,100.00	1,166.00	1,255.00

	PRESENT TARIFFS R	PROPOSED TARIFFS 2020-07-01 R	PROPOSED TARIFFS 2021-07-01 R	PROPOSED TARIFFS 2022-07-01 R
PRACTICE SESSIONS FOR ATHLETICS				
Season ticket for individuals	170.00	180.00	194.00	207.00
Individual per session	43.00	46.00	50.00	53.00
GROUPS:				
1 - 10 per session	75.00	80.00	86.00	92.00
11 - 20 per session	96.00	102.00	110.00	118.00
21 - 30 per session	122.00	129.00	139.00	149.00
31 - 40 per session	150.00	159.00	171.00	183.00
41 - 60 per session	175.00	186.00	200.00	214.00
61 and more per session	255.00	270.00	291.00	311.00
1.2.6 <u>Galeshewe Stadium</u>				
Sport per day	1,000.00	1,060.00	1,141.00	1,220.00
Key / Loss / damage / breakage deposit	1,350.00	1,431.00	1,540.00	1,647.00
Other than sport	4,500.00	4,770.00	5,134.00	5,490.00
Key / Loss / damage / breakage deposit	2,000.00	2,120.00	2,282.00	2,440.00
Music festivals/events /commercial use	18,000.00	19,080.00	20,536.00	21,959.00
Key / Loss / damage / breakage deposit	31,000.00	32,860.00	35,367.00	37,818.00
Lights :Fixed (plus hourly rate)	3,100.00	3,286.00	3,537.00	3,782.00
: Hourly rate	90.00	95.00	102.00	109.00
1.2.7 <u>Galeshewe Arena</u>				
Hire of arena per day	390.00	413.00	445.00	476.00
Hire of hall per day	200.00	212.00	228.00	244.00
Key / Loss / damage / breakage deposit	650.00	689.00	742.00	793.00
Music festivals/events /commercial use	5,900.00	6,254.00	6,731.00	7,197.00
Key / Loss / damage / breakage deposit	12,000.00	12,720.00	13,691.00	14,640.00
Lights :Fixed (plus hourly rate)	50.00	53.00	57.00	61.00
: Hourly rate	14.00	15.00	16.00	17.00
1.2.8 <u>West-End Indoor Facility</u>				
<u>Competitive sport -</u>				
Prior occupation per day	733.00	777.00	836.00	894.00
Main Hall (per day)	1,723.00	1,826.00	1,965.00	2,101.00
Key / Loss / damage / breakage deposit	1,712.00	1,815.00	1,953.00	2,088.00
Small Hall (per day)	1,070.00	1,134.00	1,221.00	1,306.00
Key / Loss / damage / breakage deposit	1,070.00	1,134.00	1,221.00	1,306.00
<u>Training sessions -</u>				
Main Hall (per hour)	177.00	188.00	202.00	216.00
Key / Loss / damage / breakage deposit	268.00	284.00	306.00	327.00
Small Hall (per hour)	128.00	136.00	146.00	156.00
Key / Loss / damage / breakage deposit	235.00	249.00	268.00	287.00
<u>Other than sport -</u>				
Prior occupation per day	856.00	907.00	976.00	1,044.00
Main Hall	2,140.00	2,268.00	2,441.00	2,610.00
Key / Loss / damage / breakage deposit	2,140.00	2,268.00	2,441.00	2,610.00
Small Hall	1,198.00	1,270.00	1,367.00	1,462.00
Key / Loss / damage / breakage deposit	1,284.00	1,361.00	1,465.00	1,567.00
<u>Commercial use -</u>				
Prior occupation per day	878.00	931.00	1,002.00	1,071.00
Main Hall (per day)	4,815.00	5,104.00	5,493.00	5,874.00
Key / Loss / damage / breakage deposit	14,231.00	15,085.00	16,236.00	17,361.00
Small Hall (per day)	2,140.00	2,268.00	2,441.00	2,610.00
Key / Loss / damage / breakage deposit	2,140.00	2,268.00	2,441.00	2,610.00
Kitchen (per day)	610.00	647.00	696.00	744.00
Key / Loss / damage / breakage deposit	1,070.00	1,134.00	1,221.00	1,306.00

	PRESENT TARIFFS R	PROPOSED TARIFFS 2020-07-01 R	PROPOSED TARIFFS 2021-07-01 R	PROPOSED TARIFFS 2022-07-01 R
Braai (per day)	642.00	681.00	733.00	784.00
Key / Loss / damage / breakage deposit	1,070.00	1,134.00	1,221.00	1,306.00
Conference room	642.00	681.00	733.00	784.00
Key / Loss / damage / breakage deposit	749.00	794.00	855.00	914.00

1.2.9

West-End Club**Commercial use -**

Prior occupation per day	941.60	998.00	1,074.00	1,148.00
Main Hall (per day)	4,601.00	4,877.00	5,249.00	5,613.00
Key / Loss / damage / breakage deposit	11,235.00	11,909.00	12,818.00	13,706.00

Competitive sport -

Prior occupation per day	802.50	851.00	916.00	979.00
Main Hall (per day)	1,070.00	1,134.00	1,221.00	1,306.00
Key / Loss / damage / breakage deposit	1,070.00	1,134.00	1,221.00	1,306.00

Training sessions -

Main Hall (per hour)	176.55	187.00	201.00	215.00
Key / Loss / damage / breakage deposit	288.90	306.00	329.00	352.00
Main Hall (other than specified)	2,407.50	2,552.00	2,747.00	2,937.00
Key / Loss / damage / breakage deposit	2,407.50	2,552.00	2,747.00	2,937.00
Kitchen	609.90	646.00	695.00	743.00
Key / Loss / damage / breakage deposit	1,070.00	1,134.00	1,221.00	1,306.00
Braai area	642.00	681.00	733.00	784.00
Key / Loss / damage / breakage deposit	1,070.00	1,134.00	1,221.00	1,306.00
Trog Bar	856.00	907.00	976.00	1,044.00
Key / Loss / damage / breakage deposit	1,070.00	1,134.00	1,221.00	1,306.00
Soccer Field	609.90	646.00	695.00	743.00
Key / Loss / damage / breakage deposit	856.00	907.00	976.00	1,044.00
Cricket field	609.90	646.00	695.00	743.00
Key / Loss / damage / breakage deposit	856.00	907.00	976.00	1,044.00
Air Conditioner	695.50	737.00	793.00	848.00
Deposit on hiring of facilities (Within 7 days of the request for the reservation)	50% of total amount	50% of total amount	50% of total amount	50% of total amount

Cancellation

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

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

Conditions

1. Right of admission reserved.
2. Facility used at own risk.
3. Total reservation fee to be paid within 10 (ten) days of booking.
4. Payment to be made in relation to booking.
5. Facility may not be used unless payment is received in advance.
6. Use of the facility will not be allowed unless a contract has been completed and signed by the Lessee.
7. No equipment may be removed from the facility.
8. Facility to be left in same condition as it was found on occupation.
9. Lessee will be held responsible for any littering, damages or loss of any equipment of the property and strict action will be taken against such lessee.
10. Losses and breakages of any items brought onto the premises by the lessee will not be compensated by the lessor of this facility.
11. A pre occupation fee payable if the lessee needs to decorate the hall one day or more before the function.
12. Cancelling 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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2021-07-01
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14. A market related corkage fee may be charged for wine and champagne.
15. The playing of musical instruments, live musical performances and any other form of amplified music is prohibited outdoors. The playing of music will be allowed indoor only until 24:00.
16. Ignorance of any of the above can lead to: Arrest, prohibition from the facility and forfeiture of total deposit.
17. All reservations will be accommodated on the basis of first come first served.
18. Funerals to be charged as per item 1.9.5

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

* Registered Welfare Organisations

* Registered Non-profitable Organisations

* Schools and Churches

NB. Government Departments to pay full tariff.

If a contract is drawn up with a specific Provincial or National body for the hire of any of the facilities for sport (seasonal), the fee is R40 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)	139.10	147.00	158.00	169.00
	- (per person)	69.55	74.00	80.00	86.00
	Caravan Club				
	Minimum of 20 Caravans - (per Caravan)	101.65	108.00	116.00	124.00
	- (per person)	64.20	68.00	73.00	78.00
	Pensioners - (per Caravan)	96.30	102.00	110.00	118.00
	- (per person)	64.20	68.00	73.00	78.00
	Tent (per site)	101.65	108.00	116.00	124.00
	(per person)	80.25	85.00	91.00	97.00
	Day Visitors:				
	Car (per car)	80.25	85.00	91.00	97.00
	(per person)	85.60	91.00	98.00	105.00
	Bus (per bus)	395.90	420.00	452.00	483.00
	(per person)	69.55	74.00	80.00	86.00
1.3	<u>BURIAL PLOT FEES (COMMUNITY & SOCIAL DEVELOPMENT SERVICES)</u>				
1.3.1	<u>West-End and Kenilworth Cemeteries</u>				
	Re-opening (casket)	1,020.00	1,081.00	1,163.00	1,244.00
	Re-opening (adults)	830.00	880.00	947.00	1,013.00
	Re-opening (babies)	660.00	700.00	753.00	805.00
	Burial of ashes	220.00	233.00	251.00	268.00
	Grave fees (adult)	1,400.00	1,484.00	1,597.00	1,708.00
	Grave fees (children under 7)	1,070.00	1,134.00	1,221.00	1,306.00
	Special graves (casket)	1,970.00	2,088.00	2,247.00	2,403.00
	Wall of Remembrance (per niche)	2,070.00	2,194.00	2,361.00	2,525.00
	Two burials per grave	3,000.00	3,180.00	3,423.00	3,660.00
	Reserved graves	3,000.00	3,180.00	3,423.00	3,660.00
	Monument erection fee - single graves	510.00	541.00	582.00	622.00
	Monument erection fee - double graves	880.00	933.00	1,004.00	1,074.00
	Sundry payment - Saturday funerals	1,050.00	1,113.00	1,198.00	1,281.00

	PRESENT TARIFFS R	PROPOSED TARIFFS 2020-07-01 R	PROPOSED TARIFFS 2021-07-01 R	PROPOSED TARIFFS 2022-07-01 R
1.3.2	<u>Roodepan, Greenpoint and Galeshewe Cemeteries</u>			
	Re-opening (casket)	880.00	933.00	1,004.00
	Re-opening (adults)	670.00	710.00	764.00
	Re-opening (babies)	580.00	615.00	662.00
	Burial of ashes	220.00	233.00	251.00
	Grave fees (adult)	880.00	933.00	1,004.00
	Grave fees (children under 7)	390.00	413.00	445.00
	Special graves (casket)	1,700.00	1,802.00	1,939.00
	Pauper graves	370.00	392.00	422.00
	Two burials per grave	2,100.00	2,226.00	2,396.00
	Reserved graves	2,140.00	2,268.00	2,441.00
	Monument erection fee - single graves	510.00	541.00	582.00
	Monument erection fee - double graves	880.00	933.00	1,004.00
	Sundry payment - Saturday funerals	1,050.00	1,113.00	1,198.00
1.3.3	<u>Ritchie, Motswedimosa and Rietvale Cemeteries</u>			
	Re-opening (casket)	880.00	933.00	1,004.00
	Re-opening (adults)	670.00	710.00	764.00
	Re-opening (babies)	580.00	615.00	662.00
	Burial of ashes	220.00	233.00	251.00
	Grave fees (adult)	880.00	933.00	1,004.00
	Grave fees (children under 7)	390.00	413.00	445.00
	Special graves (casket)	1,700.00	1,802.00	1,939.00
	Pauper graves	370.00	392.00	422.00
	Two burials per grave	2,100.00	2,226.00	2,396.00
	Reserved graves	2,140.00	2,268.00	2,441.00
	Monument erection fee - single graves	510.00	541.00	582.00
	Monument erection fee - double graves	880.00	933.00	1,004.00
	Sundry payment - Saturday funerals	1,050.00	1,113.00	1,198.00
	<u>New Cemetery</u>			
	Re-opening (dome casket/casket)	1,020.00	1,081.00	1,163.00
	Re-opening (adults)-normal	830.00	880.00	947.00
	Re-opening (babies)	660.00	700.00	753.00
	Burial of ashes	220.00	233.00	251.00
	Grave fees (adult)	1,400.00	1,484.00	1,597.00
	Grave fees (children under 7)	1,070.00	1,134.00	1,221.00
	Special graves (dome casket/casket)	1,970.00	2,088.00	2,247.00
	Pauper graves	2,070.00	2,194.00	2,361.00
	Two burials per grave	3,000.00	3,180.00	3,423.00
	Reserved graves	3,000.00	3,180.00	3,423.00
	Monument erection fee - single graves	510.00	541.00	582.00
	Monument erection fee - double graves	880.00	933.00	1,004.00
	Sundry payment - Saturday funerals	1,050.00	1,113.00	1,198.00
1.3.4	Grave Fees for Deceased Indigent Account holders	340.00	360.00	387.00
1.4	<u>PLEASURE RESORTS AND CARAVAN PARKS (COMMUNITY & SOCIAL DEVELOPMENT SERVICES)</u>			

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

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

Accommodation cancellation

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

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

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

PRESENT TARIFFS R	PROPOSED TARIFFS 2020-07-01 R	PROPOSED TARIFFS 2021-07-01 R	PROPOSED TARIFFS 2022-07-01 R
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Accommodation deposit

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

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

***No free entry for Riverton residents

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

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

1.4.1

Riverton Pleasure Resort

Chalets/Villas

Basic tariff per unit

135.00 143.00 154.00 165.00

Per bed available in the unit

190.00 201.00 216.00 231.00

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

Rondavels

Basic tariff per unit

78.00 83.00 89.00 95.00

Per bed available in the unit

135.00 143.00 154.00 165.00

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

Upgraded Rondavels : Basic tariff per unit

111.00 118.00 127.00 136.00

Upgraded Rondavels : Per bed available in the unit

148.00 157.00 169.00 181.00

Caravan Park

Caravan (per day)

111.00 118.00 127.00 136.00

Per person (per day)

53.00 56.00 60.00 64.00

Caravan Clubs (minimum of 15 caravans)

(excluding December holidays)

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

Pensioners (excluding December holidays)

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

Super Tube per ride

5.50 6.00 6.00 6.00

Day visitors

42.00 45.00 48.00 51.00

Day visitors (1 May - 31 August)

26.50 28.00 30.00 32.00

Cars

31.50 33.00 36.00 38.00

Season ticket (minimum 100 tickets)

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

Boats

80.00 85.00 91.00 97.00

Hall (for period of 24 hours)

567.00 601.00 647.00 692.00

Key / Loss / damage / breakage deposit

Chalets and Villas

530.00 562.00 605.00 647.00

Rondavels

530.00 562.00 605.00 647.00

Hall

530.00 562.00 605.00 647.00

Group reservations

5,936.00 6,292.00 6,772.00 7,241.00

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

1.4.2

Langleg Pleasure Resort

Chalets

135.00 143.00 154.00 165.00

Basic tariff per unit

122.00 129.00 139.00 149.00

Per bed available in the unit

Rondavels

Basic tariff per unit

78.00 83.00 89.00 95.00

Per bed available in the unit


40.00 42.00 45.00 48.00

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

(Key deposit of R20 225-00 as well as payment for 15 (fifteen) security guards from a recognized security company on the day of the festival is compulsory)

37100.00 39,326.00 42,327.00 45,260.00

	PRESENT TARIFFS R	PROPOSED TARIFFS 2020-07-01 R	PROPOSED TARIFFS 2021-07-01 R	PROPOSED TARIFFS 2022-07-01 R
<u>Key / Loss / damage / breakage deposit</u>				
Resort	19,080.00	20,225.00	21,768.00	23,277.00
Chalets	530.00	562.00	605.00	647.00
Rondavels	530.00	562.00	605.00	647.00
<u>Camping sites</u>				
Tent 6 persons(per day)	100.00	106.00	114.00	122.00
Per person (per day)	53.00	56.00	60.00	64.00
<u>Caravans</u>				
Per caravan (per day)	117.00	124.00	133.00	142.00
Per person (per day)	64.00	68.00	73.00	78.00
<u>Hall</u>				
24-hour period	1,272.00	1,348.00	1,451.00	1,552.00
Per person	37.00	39.00	42.00	45.00
Key / Loss / damage / breakage deposit	530.00	562.00	605.00	647.00
<u>Day visitors</u>				
Per person	42.00	45.00	48.00	51.00
Cars	32.00	34.00	37.00	40.00
<u>Group accommodation</u>		-		
Key / Loss / damage / breakage deposit	1,590.00	1,685.00	1,814.00	1,940.00
Per person per night (without bedding)	106.00	112.00	121.00	129.00
Per person per night (with bedding)	127.00	135.00	145.00	155.00
For calculation of tariffs, a day will be calculated from 15:00 - 11:00 the following day or a part thereof. In the event of these times being exceeded a pro-rata hourly rate of 10% of the tariff will be recovered from the deposit. If the occupier should choose to occupy the living unit before the stipulated time the abovementioned payment of 10% will be payable, subject to availability.				
1.4.3 <u>Rekaofela and Transka Pleasure Resorts</u>				
<u>Chalets : Rekaofela</u>				
Basic tariff per unit	164.00	174.00	187.00	200.00
Per bed available in the unit	196.00	208.00	224.00	240.00
(Amount converted to the nearest multiple of 5).				
Key / Loss / damage / breakage deposit	530.00	562.00	605.00	647.00
<u>Chalets : Transka</u>				
Basic tariff per unit	135.00	143.00	154.00	165.00
Per bed available in the unit	135.00	143.00	154.00	165.00
Key / Loss / damage / breakage deposit	530.00	562.00	605.00	647.00
<u>Caravan Park :Transka</u>				
Caravan (per day)	122.00	129.00	139.00	149.00
Per person (per day)	64.00	68.00	73.00	78.00
<u>Group accommodation</u>				
Transka - per person per night (with bedding)	122.00	129.00	139.00	149.00
Key / Loss / damage / breakage deposit	1,590.00	1,685.00	1,814.00	1,940.00
Rekaofela - per person per night	143.00	152.00	164.00	175.00
Key / Loss / damage / breakage deposit	1,590.00	1,685.00	1,814.00	1,940.00

	PRESENT TARIFFS 	PROPOSED TARIFFS 2020-07-01	PROPOSED TARIFFS 2021-07-01	PROPOSED TARIFFS 2022-07-01
	R	R	R	R
Hall - (24-hour period) Kopano	1,113.00	1,180.00	1,270.00	1,358.00
- (48-hour period)	1,166.00	1,236.00	1,330.00	1,422.00
- (72-hour period)	1,219.00	1,292.00	1,391.00	1,487.00
- (96-hour period)	1,272.00	1,348.00	1,451.00	1,552.00
(More than 96 hours)	1,855.00	1,966.00	2,116.00	2,263.00
Key / Loss / damage / breakage deposit	1,590.00	1,685.00	1,814.00	1,940.00
<u>Training Centre - Mongano Hall</u>				
Per person per night	143.00	152.00	164.00	175.00
Key / Loss / damage / breakage deposit	1,590.00	1,685.00	1,814.00	1,940.00
Hall - (24-hour period)	2,385.00	2,528.00	2,721.00	2,910.00
- (48-hour period)	2,491.00	2,640.00	2,841.00	3,038.00
- (72-hour period)	2,650.00	2,809.00	3,023.00	3,232.00
- (96-hour period)	2,756.00	2,921.00	3,144.00	3,362.00
(More than 96 hours)	4,717.00	5,000.00	5,382.00	5,755.00
Key / Loss / damage / breakage deposit	1,590.00	1,685.00	1,814.00	1,940.00
Prior occupation	1,060.00	1,124.00	1,210.00	1,294.00
<u>Recreation Hall - Riverside Hall</u>				
Hall - (24-hour period)	5,936.00	6,292.00	6,772.00	7,241.00
- (48-hour period)	6,148.00	6,517.00	7,014.00	7,500.00
- (72-hour period)	6,254.00	6,629.00	7,135.00	7,629.00
- (96-hour period)	6,466.00	6,854.00	7,377.00	7,888.00
(More than 96 hours)	7,102.00	7,528.00	8,102.00	8,663.00
Prior occupation (per day)	604.00	640.00	689.00	737.00
Key / Loss / damage / breakage deposit	2,650.00	2,809.00	3,023.00	3,232.00
<u>Meals and refreshments</u>				
That a 10% levy be charged on all catering costs over weekends, long weekends and public holidays.				
<u>Catering at Rekaofela Resort is compulsory</u>				
<u>No outside Caterers are allowed to do catering at this facility</u>				
Daily conference tariff per person per day for a minimum of 20-40 delegates.	721.00	764.00	822.00	879.00
Daily conference tariff per person per day for less than 20 delegates,	848.00	899.00	968.00	1,035.00
Breakfast	55.00	58.00	62.00	66.00
	58.00	61.00	66.00	71.00
	70.00	74.00	80.00	86.00
	82.00	87.00	94.00	101.00
	93.00	99.00	107.00	114.00
	107.00	113.00	122.00	130.00
	143.00	152.00	164.00	175.00
Lunch / Dinner	70.00	74.00	80.00	86.00
	82.00	87.00	94.00	101.00
	88.00	93.00	100.00	107.00
	93.00	99.00	107.00	114.00
	88.00	93.00	100.00	107.00
	101.00	107.00	115.00	123.00
	106.00	112.00	121.00	129.00
	111.00	118.00	127.00	136.00
	117.00	124.00	133.00	142.00
	122.00	129.00	139.00	149.00
	128.00	136.00	146.00	156.00
	140.00	148.00	159.00	170.00
	148.00	157.00	169.00	181.00
	159.00	169.00	182.00	195.00
	187.00	198.00	213.00	228.00

	PRESENT TARIFFS R	PROPOSED TARIFFS 2020-07-01 R	PROPOSED TARIFFS 2021-07-01 R	PROPOSED TARIFFS 2022-07-01 R
Dessert	32.00 37.00 48.00	34.00 39.00 51.00	37.00 42.00 55.00	40.00 45.00 59.00
<u>Additional meals</u>				
Finger lunch per person	53.00 70.00 76.00 101.00 117.00	56.00 74.00 81.00 107.00 124.00	60.00 80.00 87.00 115.00 133.00	64.00 86.00 93.00 123.00 142.00
Spitbraai per person	233.00 270.00 307.00	247.00 286.00 325.00	266.00 308.00 350.00	284.00 329.00 374.00
Weddings per person	250.00 270.00 320.00 360.00	265.00 286.00 339.00 382.00	285.00 308.00 365.00 411.00	305.00 329.00 390.00 439.00
<u>Coffee/Tea & Refreshments</u>				
Coffee/Tea (per person)	22.00	23.00	25.00	27.00
Coffee/Tea & refreshments (per person)	54.00	57.00	61.00	65.00
Coffee/Tea & muffins (per person)	46.50	49.00	53.00	57.00
Tablecloths (weddings) each	58.00	61.00	66.00	71.00
Crockery and cutlery (per day)	350.00	371.00	399.00	427.00
Overhead projector (per day)	69.00	73.00	79.00	84.00
Video machine (per day)	64.00	68.00	73.00	78.00
Television (per day)	42.00	45.00	48.00	51.00
Flip chart	42.00	45.00	48.00	51.00
Flip chart paper (per batch)	291.50	309.00	333.00	356.00
Cool room (24-hours)	116.50	123.00	132.00	141.00
Data Projector (per day)	233.00	247.00	266.00	284.00
<u>Printing charges and phone calls</u>				
Paper prints - A4	10.00	11.00	12.00	13.00
Paper prints - A3	14.00	15.00	16.00	17.00
Fax - A4	23.00	24.00	26.00	28.00
<u>Day Visitor Tariff</u>				
Per person (Transka)	23.00	24.00	26.00	28.00
Per person Seasonal (Transka) Easter/ December till 10th of January	63.50	67.00	72.00	77.00
School children out of season (Transka)	11.50	12.00	13.00	14.00
Winter Period (1 May till 31st July	11.50	12.00	13.00	14.00
Buses (15 Seater and more) / Cars	31.50	33.00	36.00	38.00
Putt-Putt	21.00	22.00	24.00	26.00

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

	PRESENT TARIFFS R	PROPOSED TARIFFS 2020-07-01 R	PROPOSED TARIFFS 2021-07-01 R	PROPOSED TARIFFS 2022-07-01 R
<u>Hire of Lapas</u>				
Lapa A	400.00	424.00	456.00	488.00
Lapa B	400.00	424.00	456.00	488.00
Lapa C	450.00	477.00	513.00	549.00
Key / Loss / damage / breakage deposit	500.00	530.00	570.00	610.00

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	477.00	513.00	549.00
1-Activity introduction (per person) - instruction, refreshments, equipment	500.00	530.00	570.00	610.00

Instructor's fees

Instructor's fees per day (with OAA Level 2 training)	450.00	477.00	513.00	549.00
Instructor's fees per day (with OAA Level 3 training)	500.00	530.00	570.00	610.00
Instructor's transport costs (per Km)	5.50	6.00	6.00	6.00

Cancellation fee is 25% of the total reservation fee.

CONDITIONS:

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

PRESENT TARIFFS R	PROPOSED TARIFFS 2020-07-01 R	PROPOSED TARIFFS 2021-07-01 R	PROPOSED TARIFFS 2022-07-01 R
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27. No private caterers or private individuals are allowed to use any catering equipment or kitchen facilities or any recourses of the Rekaofela Resort for personnel or private use.
28. The serving of meals in all cases will not exceed the 2.5 hour prescribed time frame.
29. In the event of catering at Rekaofela, all payments must be received 5 days prior to the actual reservation date. In the case of not receiving payment in the prescribed period no catering will be done, the reservation cancelled and the cancellation fee is applicable.
30. All individuals, private institutions, schools, political parties, private companies, wedding arrangements, family reunions etc. must pay upfront before any service are to be rendered.
31. In the event of outstanding accounts, no new reservations will be accepted before all outstanding payments have been received. Where state departments are involved, no service will be provided without an official order at least 4 days prior to the reservation.(see cancellation fee)
32. Preference would be given to all clients (reservations) who utilise accommodation for longer periods during high peak season. Such reservations will be accommodated well in advance of 1/2 day reservations with the provision that payments being received within the month the reservation has been done.
33. An application for hire of a resort to stage a festival / event should be made on the relevant application form, after which the Resort Manager will compile a quotation and submit same to the CFO for approval.

1.4.5	<u>PERSONNAL HEALTH</u> <u>PATIENT INFORMATION FROM CLINICS</u> Per enquiry per person	424.00	449.00	483.00	516.00
1.5	<u>HOUSING (SERVICES & INFRASTRUCTURE)</u> That the rental on all Municipal Renting Schemes be increased as per National Housing Guidelines as per the following based on market related rentals: <u>Impala Court</u> 1 Bedroom 2 Bedroom <u>Hercules Court</u> 1 Bedroom 2 Bedroom <u>Holland Court</u> 1 Bedroom 2 Bedroom 3 Bedroom Bachelor <u>Newton Court</u> 1 Bedroom 2 Bedroom 3 Bedroom <u>Tiffany Court</u> 2 Bedroom <u>Eugenie Court</u> 1 Bedroom 2 Bedroom <u>Jonker Court</u> 1 Bedroom 2 Bedroom <u>Eureka Court</u> 1 Bedroom 2 Bedroom <u>Krisant Court</u> 1 Bedroom 2 Bedroom <u>Roodepan Flats</u> 1 Bedroom 2 Bedroom 3 Bedroom	1,500.00 1,900.00 1,650.00 2,000.00 2,200.00 2,700.00 2,900.00 1,950.00 2,450.00 3,000.00 3,450.00 3,000.00 2,400.00 2,900.00 2,000.00 2,400.00 2,000.00 2,450.00 1,900.00 2,450.00 730.00 1,200.00 1,650.00	1,590.00 2,014.00 1,749.00 2,120.00 2,332.00 2,862.00 3,074.00 2,067.00 2,597.00 3,180.00 3,657.00 3,180.00 2,544.00 3,074.00 2,120.00 2,544.00 2,120.00 2,597.00 2,014.00 2,597.00 774.00 1,272.00 1,749.00	1,711.00 2,168.00 1,882.00 2,282.00 2,510.00 3,080.00 3,309.00 2,225.00 2,795.00 3,423.00 3,936.00 3,423.00 2,738.00 3,309.00 2,282.00 2,738.00 2,282.00 2,795.00 2,168.00 2,795.00 833.00 1,369.00 1,882.00	1,830.00 2,318.00 2,012.00 2,440.00 2,684.00 3,293.00 3,538.00 2,379.00 2,989.00 3,660.00 4,209.00 3,660.00 2,928.00 3,538.00 2,440.00 2,928.00 2,440.00 2,989.00 2,318.00 2,989.00 891.00 1,464.00 2,012.00

	PRESENT TARIFFS R	PROPOSED TARIFFS 2020-07-01 R	PROPOSED TARIFFS 2021-07-01 R	PROPOSED TARIFFS 2022-07-01 R
<u>Flamingo Court</u>				
1 Bedroom	1,250.00	1,325.00	1,426.00	1,525.00
2 Bedroom	1,600.00	1,696.00	1,825.00	1,951.00
Bachelor	1,150.00	1,219.00	1,312.00	1,403.00
<u>Carports</u>				
Carport with locking facility (per month)	110.00	117.00	126.00	135.00
Carport without locking facility (per month)	50.00	53.00	57.00	61.00
Key deposit	150.00	159.00	171.00	183.00
Administration fee	170.00	180.00	194.00	207.00
<u>By-pass houses</u>				
7 Villiers street	1,850.00	1,961.00	2,111.00	2,257.00
9 Villiers street	1,700.00	1,802.00	1,939.00	2,073.00
27a St Augustines road	1,850.00	1,961.00	2,111.00	2,257.00
28 St Augustines road	2,100.00	2,226.00	2,396.00	2,562.00
29 St Augustines road	1,650.00	1,749.00	1,882.00	2,012.00
20 Auction	1,850.00	1,961.00	2,111.00	2,257.00
4 Marriott	1,700.00	1,802.00	1,939.00	2,073.00
21 Diebel	2,250.00	2,385.00	2,567.00	2,745.00
13 Fuller	1,500.00	1,590.00	1,711.00	1,830.00
49 Jacobson	2,500.00	2,650.00	2,852.00	3,050.00
183 Barkly	1,050.00	1,113.00	1,198.00	1,281.00
185 Barkly	2,300.00	2,438.00	2,624.00	2,806.00
30 Meyer	3,400.00	3,604.00	3,879.00	4,148.00
West end Nursery house	1,850.00	1,961.00	2,111.00	2,257.00
Pioneer cemetery house	490.00	519.00	559.00	598.00
104a Waterworks street	2,100.00	2,226.00	2,396.00	2,562.00
Administration fee	150.00	159.00	171.00	183.00
<u>Santa centre</u>				
Rental units	70.00	74.00	80.00	86.00
<u>Dingaan family units</u>				
Bachelor	290.00	307.00	330.00	353.00
1 Bedroom	320.00	339.00	365.00	390.00
<u>Selling Scheme</u>				
Administration charges	100.00	106.00	114.00	122.00
Insurance	45.00	48.00	52.00	56.00
<u>Informal housing</u>				
Occupation fee	120.00	127.00	137.00	146.00
1.6 <u>MARK (STRATEGY, ECONOMIC DEVELOPMENT & PLANNING SERVICES)</u>				
<u>Hire</u>				
Office (per m2) per month	31.46	33.00	36.00	38.00
<u>Cold rooms per month</u>				
Outside	3001.14	3,181.00	3,424.00	3,661.00
Inside	5986.54	6,346.00	6,830.00	7,303.00
<u>Outside buildings</u> (per m2) per month	37.08	39.00	42.00	45.00
Parking per month	64.05	68.00	73.00	78.00
Transaction fees per transaction	1.13	1.20	1.29	1.38
Ripening fees per box per day	4.77	5.00	5.00	5.00
Hiring of the Lapa	1,272.00	1,348.00	1,451.00	1,552.00
<u>Small trollies per day</u>				
Trolley	5.62	6.00	6.00	6.00
Pallet jack	26.97	29.00	31.00	33.00
Storage (per m2) per month	11.24	12.00	13.00	14.00
Big trollies (plus refundable deposits of R10.00)	10.6	11.00	12.00	13.00

	PRESENT TARIFFS R	PROPOSED TARIFFS 2020-07-01 R	PROPOSED TARIFFS 2021-07-01 R	PROPOSED TARIFFS 2022-07-01 R
1.7	<u>SIDEWALK AND ROAD TARIFFS (SERVICES & INFRASTRUCTURE)</u>			
	Lowered curbing per meter	242.74	257.00	277.00
	Per safety pole on sidewalk	218.36	231.00	249.00
	Tar patching work per m2 - area ÷ 30mm thickness installed	364.64	387.00	417.00
	Application fee for upgrading of sidewalk per square meter	2.12	2.25	2.42
	Application and advertisement for closure of road	5,300.00	5,618.00	6,047.00
	<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)	848.00	899.00	968.00
	- Delivery in Kimberley per 5 m3	1,590.00	1,685.00	1,814.00
	Lowered kerbs inspections	84.80	90.00	97.00
	Erf peg inspections (per inspection)	143.10	152.00	164.00
1.8	<u>URBAN PLANNING (STRATEGY, ECONOMIC DEVELOPMENT & PLANNING SERVICES)</u>			
1.8.1	<u>Building Control Section</u>			
	<u>Building Plan Inspection Fees</u>			
	The fees for the approval of building plans of all buildings (including covered stoep, veranda's, carports and outbuildings) calculated along the external walls on each floor and excluding the areas of external staircases, chimney breasts, architectural features and eaves, are as follows:			
	The minimum charge for any approval	712.32	755.00	813.00
	Minor building work as defined in the definitions of the NBR	712.32	755.00	813.00
	Swimming Pool	712.32	755.00	813.00
	Boundary Wall - Plan Submission	712.32	755.00	813.00
	Cell phone Mast - Plan Submission	990.00	1,049.00	1,129.00
	Re-inspection of defective work (every inspection more than two)	672.00	712.00	766.00
	Re-submission of lapsed plans	1,282.60	1,360.00	1,464.00
	Alterations to drainage systems	583.00	618.00	665.00
	For all new buildings per m2	18.18	19.00	20.00
	For all as-built buildings, completed or under construction	86.92	92.00	99.00
	For new buildings over 500m2 (per m2)	15.90	17.00	18.00
	For all new buildings per m2 exceeding 1000m2	14.84	16.00	17.00
	Per Government subsidized house	71.02	75.00	81.00
	For additions to any existing building per m2	18.02	19.00	20.00
	For additions over 500m2 (per m2)	15.90	17.00	18.00
	For additions of buildings per m2 exceeding 1000m2	14.84	16.00	17.00
	For business temporary structure/s per square meter	10.60	11.00	12.00
	For any government building/s per square meter	18.02	19.00	20.00
	For residential temporary structure per square meter	5.30	6.00	6.00
	<u>For internal alterations to existing buildings.</u>			
	Between 0 & 250m2 any existing building	1,070.60	1,135.00	1,222.00
	Between 250 & 500m2 any existing building	1,213.70	1,287.00	1,385.00
	Between 500 & 750m2 any existing building	2,067.00	2,191.00	2,358.00
	Between 750 & 1000m2 any existing building	3,964.40	4,202.00	4,523.00
	Between 1000 & 5000m2 any existing building	7,547.20	8,000.00	8,610.00
	Between 5000 & 10000m2 any existing building	12,461.36	13,209.00	14,217.00
	Private Contractors - Council supervision per house type (over and above inspection fees)	143.10	152.00	164.00
	Postage of Plans less than weigh 1Kg	213.06	226.00	243.00
	Postage of Plans less than weigh 2Kg	427.18	453.00	488.00
	Postage of Plans less than weigh 5Kg	854.36	906.00	975.00
	Postage of Plans less than weigh 7Kg	1,709.78	1,812.00	1,950.00
	Postage of Plans exceeding weigh 7Kg	2,849.28	3,020.00	3,250.00
1.8.1.2	<u>Building Control Penalty and Fine schedule for Law-Enforcement (New)</u>			
	Demolition Permit	1,049.40	1,112.00	1,197.00
	Temporary Occupancy	1,049.40	1,112.00	1,197.00
	Section 7 (6) Approval	5,830.00	6,180.00	6,652.00
	Accumulative daily fine CIB	143.10	152.00	164.00
	Under construction illegal work per m2	86.92	92.00	99.00

	PRESENT TARIFFS R	PROPOSED TARIFFS 2020-07-01 R	PROPOSED TARIFFS 2021-07-01 R	PROPOSED TARIFFS 2022-07-01 R
Submission fee for completed illegal work per m2	86.92	92.00	99.00	106.00
Dumping building rubble exceed 30days per m3	286.20	303.00	326.00	349.00
Dumping building rubble exceed 60days per m3	428.24	454.00	489.00	523.00
Encroachment to council land (per day)	143.10	152.00	164.00	175.00
Failing to display building permit onsite	712.32	755.00	813.00	869.00
Aggressive FDBP (per day)	143.10	152.00	164.00	175.00
Structure as nuisance in terms of Section 10	143.10	152.00	164.00	175.00
Aggressive structure as nuisance	1,425.70	1,511.00	1,626.00	1,739.00
Unauthorised erected public tent 500-1000m2	712.32	755.00	813.00	869.00
Unauthorised erected public tent 1000-5000m2	1,425.70	1,511.00	1,626.00	1,739.00
Unauthorised erected public tent 2000-10000m2	2,849.28	3,020.00	3,250.00	3,475.00
Unauthorised erected public tent 10000-above	7,123.20	7,551.00	8,127.00	8,690.00
Unauthorised erected artist stage	2,136.96	2,265.00	2,438.00	2,607.00
Unauthorised demolishing of structure/s	7,123.20	7,551.00	8,127.00	8,690.00
Unauthorised occupying building/s	3,561.60	3,775.00	4,063.00	4,345.00
Amendment fee	New	755.00	813.00	869.00
Additional Occupancy per certificate	New	159.00	171.00	183.00
Services rendered: Application in terms of the Sol Plaatje Land Use By-Laws 2015 read together with SPLUM Act (Act 16 of 2013): Basic fee plus	2,991.32	3,171.00	3,413.00	3,650.00
Rezoning	1,097.10	1,163.00	1,252.00	1,339.00
Consent use / Conditional uses	1,097.10	1,163.00	1,252.00	1,339.00
Phasing of Layout Plan	595.72	631.00	679.00	726.00
All Departures to be approved by Council (except delegated departures)	1,097.10	1,163.00	1,252.00	1,339.00
Consolidation in terms of section 13	595.72	631.00	679.00	726.00
Subdivision:				
Basic subdivision fee	1,097.10	1,163.00	1,252.00	1,339.00
Thereafter:				
3-10 erven an additional per erf	118.72	126.00	136.00	145.00
11-50 erven an additional per erf	59.36	63.00	68.00	73.00
51 and above erven an additional per erf	12.72	13.00	14.00	15.00
Advertising deposit per application (Local Newspapers)	2,136.96	2,265.00	2,438.00	2,607.00
Removal, Suspension or Amendment of Title Deed	1,097.10	1,163.00	1,252.00	1,339.00
Advertising: Government Gazette	5,411.30	5,736.00	6,174.00	6,602.00
Advertising: Local Newspaper (two placements)	3,561.60	3,775.00	4,063.00	4,345.00
Amendment of condition of approval/layout plan of previous Council decision without the basic fee	1,097.10	1,163.00	1,252.00	1,339.00
Extension of Council approval without basic fee	1,097.10	1,163.00	1,252.00	1,339.00
Exemption in terms of section 15	New	1,966.00	2,116.00	2,263.00
MAT (Municipal Appeal Tribunal) Basic lodgement fee	New	3,710.00	3,993.00	4,270.00
Cancellation Fee	429.30	455.00	490.00	524.00
Delegated Departures as per Zoning Scheme:				
Delegated departures (coverage:				
600m² not exceeding 60%)	641.30	680.00	732.00	783.00
Delegated departures (second dwelling: max 75m²) (excluding electrical contribution fees)	641.30	680.00	732.00	783.00
Delegated departures (garages/carports: not exceeding 6m on Street Building Lines except title conditions for garages)	641.30	680.00	732.00	783.00
All departures excluding the above for Council approval	1,855.00	1,966.00	2,116.00	2,263.00

PRESENT TARIFFS R	PROPOSED TARIFFS 2020-07-01 R	PROPOSED TARIFFS 2021-07-01 R	PROPOSED TARIFFS 2022-07-01 R
Home business registration	784.40	831.00	894.00
Home business registration (Galeshewe)	784.40	831.00	894.00
Other:			
Information (without copy costs)	36.04	38.00	41.00
Zoning Certificate	113.42	120.00	129.00
CUP Reports/SDF/LUMS/IDP/GURP	1,282.60	1,360.00	1,464.00
Building Plan research (without copy costs)	36.04	38.00	41.00
Building statistics - Monthly	213.06	226.00	243.00
- Annually	1,568.80	1,663.00	1,790.00

1.8.1.3

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

Any person who contravenes or fails to comply with this: The owner/operator of every residential business shall be the dwelling unit on the premises in which the business operates.	4.1 (i)	2,120.00	2,247.00	2,418.00	2,586.00
Any person who contravenes or fails to comply with this: All heavy equipment such as tractors trailers, semi-trailers, or construction equipment must be garaged screened with plantings or fencing to at least the height of the equipment	4.2	1,060.00	1,124.00	1,210.00	1,294.00
Any person who contravenes or fails to comply with this: One commercial vehicle which is not heavy equipment and which is not more than two tons in rated capacity may be parked outdoors on the property. Additional commercial vehicle must be garaged or screened as for heavy equipment.	4.3	1,060.00	1,124.00	1,210.00	1,294.00
Any person who contravenes or fails to comply with this: Any outdoors lighting fixture newly installed or replaced shall be shield so that it does not produce a strong, direct light beyond the property boundaries. Lighting must be compatible with the character of the district.	4.6 (i)	530.00	562.00	605.00	647.00
Any person who contravenes or fails to comply with this: Hours of operation: In no case shall a residential business be open to the public, including non-resident employees, clients, visitors, deliveries, earlier than 07h00 nor later than 21h00 with the exception of Tuck Shops may operate from 06h00-22h00.	4.7	1,060.00	1,124.00	1,210.00	1,294.00
Any person who contravenes or fails to comply with this: General Nuisances: Any activity that might result in excessive noise, electrical interference, smoke, dust, odours, heat, or glare beyond that which is common to the residential character of the area is prohibited.	4.8	2,120.00	2,247.00	2,418.00	2,586.00
Any person who contravenes or fails to comply with this: Hazardous Materials: No highly toxic, explosive, Flammable, combustible, corrosive, radioactive or similar hazardous materials shall be used, stored, or manufactured on the premises in amounts exceeding those found in normal residential use.	4.9	2,120.00	2,247.00	2,418.00	2,586.00
Any person who contravenes or fails to comply with this: Retail sales: There shall be no sales of services or products on the premises which are not produced on the premises, except those sales which are incidental to the business.	4.1	2,120.00	2,247.00	2,418.00	2,586.00
Any person who contravenes or fails to comply with this: No more two (2) employees who do not live on the premises shall be permitted to work on the premises at any one time for residential business	5.1	2,120.00	2,247.00	2,418.00	2,586.00
Any person who contravenes or fails to comply with this: A residential business may not use more than of the gross floor area of the buildings for business purposes, as in accordance's with the municipality's Land Use Management scheme, from time to time.	5.2	1,060.00	1,124.00	1,210.00	1,294.00
Any person who contravenes or fails to comply with this: Tuck shop shall serve a minimum of at least 60 household and least be at least 200m from formal business opportunity	6.1	2,120.00	2,247.00	2,418.00	2,586.00
Any person who contravenes or fails to comply with this: Tuck shop trade is restricted to general household consumables and liquor sales shall not be permitted.	6.2	2,120.00	2,247.00	2,418.00	2,586.00
Any person who contravenes or fails to comply with this: Tuck Shops shall only be allowed to operate between the hours of 06h00 to 22h00	6.3	1,060.00	1,124.00	1,210.00	1,294.00
Any person who contravenes or fails to comply with this: Tuck Shops shall be of a separate, permanent structure and must be separated by a wall and/or door from other activities in the residential home, such as sleeping cooking or entertainment areas, if attached to the house	6.4	1,060.00	1,124.00	1,210.00	1,294.00
Any person who contravenes or fails to comply with this: Tuck shop must adhere to the conditions as prescribed by the Municipality's Environmental Health By-law and must comply with National Building Regulations and Building Standards Act, 1977 (103 of 1977)	6.5	1,060.00	1,124.00	1,210.00	1,294.00

1.8.1.4

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

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

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

2.1 (a)-
(g)


- Any person who contravenes or fails to comply with this: The premises must provide: access to bedrooms and bathrooms at all the times for registered guests;
- 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
- 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;
- Any person who contravenes or fails to comply with this: No kitchen facility may be provided to guests in the lettable rooms;
- 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;
- 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.
- 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.
- 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.
- Any person who contravenes or fails to comply with this: Effective, paved parking, together with the necessary manoeuvring area shall be providing on the erf to the satisfaction of the municipality, in accordance to the following ratios:
- (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)

2,120.00	2,247.00	2,418.00	2,586.00
2,120.00	2,247.00	2,418.00	2,586.00
1,590.00	1,685.00	1,814.00	1,940.00
1,590.00	1,685.00	1,814.00	1,940.00
1,590.00	1,685.00	1,814.00	1,940.00
1,590.00	1,685.00	1,814.00	1,940.00
1,060.00	1,124.00	1,210.00	1,294.00
1,060.00	1,124.00	1,210.00	1,294.00
1,590.00	1,685.00	1,814.00	1,940.00
1,590.00	1,685.00	1,814.00	1,940.00
2,000.00	2,000.00	2,000.00	2,000.00

 PRESENT TARIFFS	PROPOSED TARIFFS	PROPOSED TARIFFS	PROPOSED TARIFFS
	2020-07-01 R	2021-07-01 R	2022-07-01 R
2,120.00	2,247.00	2,418.00	2,586.00
2,120.00	2,247.00	2,418.00	2,586.00
2,120.00	2,247.00	2,418.00	2,586.00
1,060.00	1,124.00	1,210.00	1,294.00
530.00	562.00	605.00	647.00
530.00	-	-	-
530.00	562.00	605.00	647.00
530.00	562.00	605.00	647.00
530.00	562.00	605.00	647.00
530.00	562.00	605.00	647.00
1,060.00	1,124.00	1,210.00	1,294.00
530.00	562.00	605.00	647.00
1,060.00	1,124.00	1,210.00	1,294.00
530.00	562.00	605.00	647.00
212.00	225.00	242.00	259.00
1,060.00	1,124.00	1,210.00	1,294.00
530.00	562.00	605.00	647.00
848.00	899.00	968.00	1,035.00
1,060.00	1,124.00	1,210.00	1,294.00

	PRESENT TARIFFS R	PROPOSED TARIFFS 2020-07-01 R	PROPOSED TARIFFS 2021-07-01 R	PROPOSED TARIFFS 2022-07-01 R
(x) Ceilings shall be dust proof	530.00	562.00	605.00	647.00
(xi) All cupboards, shelves and other equipment for the storage of kitchen utensils and equipment shall be of metal and shall be so fitted or situated as to be easily cleaned and not for favour the harbourage of insects, rodents and other vermin;	848.00	899.00	968.00	1,035.00
(xii) All worktables shall be constructed of metal with a stainless steel top;	530.00	562.00	605.00	647.00
(xiii) The stove or other cooking units shall be so installed as to allow easy access between the stove or cooking unit and the adjoining wall surfaces to allow for cleaning;	530.00	562.00	605.00	647.00
(xiv) Facilities for the storage of vegetables shall be provided;	530.00	562.00	605.00	647.00
(xv) There shall be provided suitable refrigeration facilities for the storage of perishable foodstuffs	1,060.00	1,124.00	1,210.00	1,294.00
(xvi) There shall be provided a sufficient number of metal bins with covers for the temporary storage of refuse pending disposal	1,060.00	1,124.00	1,210.00	1,294.00
1.8.2 Advertising				
Application fee	336.00	356.00	383.00	410.00
Directional sign board single once off	1,312.50	1,391.00	1,497.00	1,601.00
Directional sign board double once off	2,572.50	2,727.00	2,935.00	3,138.00
LED - Digital Billboard displayed on municipal property per month	1,974.00	2,092.00	2,252.00	2,408.00
Per banner	315.00	334.00	359.00	384.00
Per Illegal Boards	393.75	417.00	449.00	480.00
Per Illegal Boards Additional fee if not removed within 2 (two) weeks	262.50	278.00	299.00	320.00
NGO's, Churches, Schools etc. deposit upfront and if the posters are removed within a week, the deposit is 100% refundable, if it is not removed within a week Council will be liable to clean the city and the deposit is then non-refundable	1,312.50	1,391.00	1,497.00	1,601.00
Political poster deposit upfront and if the posters are removed within a week, the deposit is 100% refundable, if it is not removed within a week Council will be liable to clean the city and the deposit is then non-refundable	6,562.50	6,956.00	7,487.00	8,006.00
The above advertising tariffs are subject to a 5% discount only when the following criteria are met: Five (5) or more boards must be placed. The application fee must exceed R1 500-00 for any particular advertising.				
1.8.3 Plan Printing Charges				
<u>Paper prints:</u>				
Size A4	9.00	10.00	11.00	12.00
Size A3	11.66	12.00	13.00	14.00
Size A2	14.84	16.00	17.00	18.00
Size A1	58.30	62.00	67.00	72.00
Size A0	85.86	91.00	98.00	105.00
<u>Opaque Film Prints & Transparent Prints</u>				
Size A4	22.79	24.00	26.00	28.00
Size A3	42.40	45.00	48.00	51.00
Size A2	112.36	119.00	128.00	137.00
Size A1	156.88	166.00	179.00	191.00
Size A0	242.74	257.00	277.00	296.00
<u>Plans plotted by GIS System</u>				
Size A4	48.76	52.00	56.00	60.00
Size A3	65.72	70.00	75.00	80.00
Size A2	131.44	139.00	150.00	160.00
Size A1	195.04	207.00	223.00	238.00
Size A0	231.08	245.00	264.00	282.00

	PRESENT TARIFFS R	PROPOSED TARIFFS 2020-07-01 R	PROPOSED TARIFFS 2021-07-01 R	PROPOSED TARIFFS 2022-07-01 R
<u>Paper prints: Colour</u>				-
Size A4	5.30	6.00	6.00	6.00
Size A3	4.24	4.00	4.00	4.00
Size A2	12.72	13.00	14.00	15.00
Size A1	63.60	67.00	72.00	77.00
Size A0	78.44	83.00	89.00	95.00
<u>Opaque Film Prints & Transparent Prints Colour</u>				
Size A4	26.08	28.00	30.00	32.00
Size A3	50.88	54.00	58.00	62.00
Size A2	138.86	147.00	158.00	169.00
Size A1	188.68	200.00	215.00	230.00
Size A0	284.08	301.00	324.00	346.00
<u>Plans plotted by REGIS System - Colour</u>				
Size A4	54.06	57.00	61.00	65.00
Size A3	98.58	104.00	112.00	120.00
Size A2	164.30	174.00	187.00	200.00
Size A1	263.94	280.00	301.00	322.00
Size A0	279.84	297.00	320.00	342.00
<u>Other</u>				
Information (without copy cart)	28.09	30.00	32.00	34.00
CUP Reports/SDF/LUMS/IDP/GURP	135.68	144.00	155.00	166.00
Building Plan search fee (without copy cart)	1,420.40	1,506.00	1,621.00	1,733.00
Building Statistics - Monthly	135.68	144.00	155.00	166.00
- Annually	1,420.40	1,506.00	1,621.00	1,733.00
Building Occupancy Certificate	826.80	876.00	943.00	1,008.00
Temporary Occupancy	826.80	876.00	943.00	1,008.00
Hoarding on Municipal property per square meter	135.68	144.00	155.00	166.00
Compulsory (removal executed by Municipal) of Building rubble per m3 load	710.20	753.00	810.00	866.00
Penalty on illegal building structure/s, per day and to be attached to account	213.06	226.00	243.00	260.00
Penalty on illegal encroaching to adjacent erf/erven, per day and to be attached to account	213.06	226.00	243.00	260.00
Penalty on Illegal usage of property other than as zoned, per day and to be attached to account	213.06	226.00	243.00	260.00
Penalty on Illegal closing of adjacent neighbour access, per day and to be attached to account	213.06	226.00	243.00	260.00
Penalty on Illegal closing for storm water flow allowance, per day and to be attached to account	213.06	226.00	243.00	260.00
Penalty on deviation from approved building plan/s, per day and to be attached to account	213.06	226.00	243.00	260.00
Penalty on illegal encroaching to municipality land or property, per day and to be attached to account	213.06	226.00	243.00	260.00
Unauthorised sewer connection	1,425.70	1,511.00	1,626.00	1,739.00
Unauthorised water connection	1,425.70	1,511.00	1,626.00	1,739.00
Unauthorised electrical connection	1,425.70	1,511.00	1,626.00	1,739.00
Commencing building work or statutory stages controlled without council authorisation	711.26	754.00	812.00	868.00
Unauthorised erection of structures for event	21,200.00	22,472.00	24,187.00	25,863.00

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

1.9.1 **TARIFFS FOR RECREATION HALL**

Development Sport

Training sessions (Monday - Thursday)

07:45 - 16:30 (per hour)

Key / Loss / damage / breakage deposit

48.00	51.00	55.00	59.00
118.00	125.00	135.00	144.00

PRESENT TARIFFS R	PROPOSED TARIFFS 2020-07-01 R	PROPOSED TARIFFS 2021-07-01 R	PROPOSED TARIFFS 2022-07-01 R
* <u>Monday - Friday</u>			
07:00 - 12:00 (per session)	342.00	363.00	391.00
12:00 - 17:00 (per session)	342.00	363.00	391.00
17:00 - 07:00 (per hour)	428.00	454.00	489.00
* <u>Saturdays</u>			
A basic fee is charged for 4 hours or part thereof	695.00	737.00	793.00
For every additional hour which the facility is used an additional tariff is payable	342.00	363.00	391.00
* <u>Sundays & Public Holidays</u>			
A basic fee is charged for 4 hours or part thereof	749.00	794.00	855.00
For every additional hour which the facility is used an additional tariff is payable	353.10	374.00	403.00
* <u>All Dances</u>			
A basic fee is charged for 4 hours or part thereof	2,675.00	2,836.00	3,052.00
For every additional hour which the facility is used an additional tariff is payable	706.00	748.00	805.00
Funerals - for 4 hours (no deposit required)	642.00	681.00	733.00
For every additional hour	348.00	369.00	397.00
* Key / Loss / damage / breakage deposit	1,177.00	1,248.00	1,343.00
<u>TARIFFS FOR SOCIAL CENTRE, R C ELLIOTT HALL AND RITCHIE</u>			
<u>Development Sport</u>			
Training sessions (Monday - Thursday)			
07:45 - 16:30 (per hour)	48.00	51.00	55.00
Key / Loss / damage / breakage deposit	118.00	125.00	135.00
* <u>Monday - Friday</u>			
07:00 - 12:00 (per session)	342.00	363.00	391.00
12:00 - 17:00 (per session)	243.00	258.00	278.00
17:00 - 07:00 (per hour)	428.00	454.00	489.00
* <u>Saturdays</u>			
A basic fee charged for 4 hours or part thereof	695.00	737.00	793.00
For every additional hour which the facility is used an additional tariff is payable	353.00	374.00	403.00
* <u>Sundays & Public Holidays</u>			
A basic fee is charged for 4 hours or part thereof	749.00	794.00	855.00
For every additional hour which the facility is used an additional tariff is payable	353.00	374.00	403.00
* <u>All Dances</u>			
A basic fee is charged for 4 hours or part thereof	2,675.00	2,836.00	3,052.00
For every additional hour which the facility is used an additional tariff is payable	706.00	748.00	805.00
Funerals - for 4 hours (no deposit required)	642.00	681.00	733.00
For every additional hour	348.00	369.00	397.00
* Key / Loss / damage / breakage deposit	1,177.00	1,248.00	1,343.00

1.9.2

PRESENT TARIFFS R	PROPOSED TARIFFS 2020-07-01 R	PROPOSED TARIFFS 2021-07-01 R	PROPOSED TARIFFS 2022-07-01 R
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1.9.3

TARIFFS FOR FLORIANVILLE HALLDevelopment Sport

Training sessions (Monday - Thursday)

07:45 - 16:30 (per hour)

Key / Loss / damage / breakage deposit

48.00	51.00	55.00	59.00
118.00	125.00	135.00	144.00

* Monday - Friday

07:00 - 12:00 (per session)

12:00 - 17:00 (per session)

17:00 - 07:00 (per hour)

342.00	363.00	391.00	418.00
342.00	363.00	391.00	418.00
428.00	454.00	489.00	523.00

* Saturdays

A basic fee charged for 4 hours or part thereof

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

696.00	738.00	794.00	849.00
353.00	374.00	403.00	431.00

* Sundays & Public Holidays

A basic fee is charged for 4 hours or part thereof

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

749.00	794.00	855.00	914.00
742.00	787.00	847.00	906.00

* All Dances

A basic fee is charged for 4 hours or part thereof

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

2,675.00	2,836.00	3,052.00	3,264.00
706.00	748.00	805.00	861.00

* Funerals - for 4 hours (no deposit required)

For every additional hour

642.00	681.00	733.00	784.00
348.00	369.00	397.00	425.00

* Key / Loss / damage / breakage deposit

1,177.00	1,248.00	1,343.00	1,436.00
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1.9.4

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

Training sessions (Monday - Thursday)

07:45 - 16:30 (per hour)

Key / Loss / damage / breakage deposit

48.00	51.00	55.00	59.00
118.00	125.00	135.00	144.00

* Monday - Friday

07:00 - 12:00 (per session)

12:00 - 17:00 (per session)

17:00 - 07:00 (per hour)

230.00	244.00	263.00	281.00
230.00	244.00	263.00	281.00
230.00	244.00	263.00	281.00

* Saturdays

A basic fee charged for 4 hours or part thereof

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

642.00	681.00	733.00	784.00
321.00	340.00	366.00	391.00

* Sundays & Public Holidays

A basic fee is charged for 4 hours or part thereof

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

* Key / Loss / damage / breakage deposit

663.00	703.00	757.00	809.00
353.00	374.00	403.00	431.00
1,177.00	1,248.00	1,343.00	1,436.00

* All Dances

A basic fee is charged for 4 hours or part thereof

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

2,675.00	2,836.00	3,052.00	3,264.00
706.00	748.00	805.00	861.00

PRESENT TARIFFS R	PROPOSED TARIFFS 2020-07-01 R	PROPOSED TARIFFS 2021-07-01 R	PROPOSED TARIFFS 2022-07-01 R
* Funerals - for 4 hours	642.00	681.00	733.00
For every additional hour	348.00	369.00	397.00
* Key / Loss / damage / breakage deposit	1,177.00	1,248.00	1,343.00

1.9.5

CITY HALL*** Monday - Friday**

07:00 - 12:00 (per session)

1,028.00 1,090.00 1,173.00 1,254.00

12:00 - 17:00 (per session)

1,028.00 1,090.00 1,173.00 1,254.00

17:00 - 07:00 (per hour)

620.00 657.00 707.00 756.00

*** Saturdays**

A basic fee charged for 4 hours or part thereof

1,605.00 1,701.00 1,831.00 1,958.00

For every additional hour which the facility is used

an additional tariff is payable

428.00 454.00 489.00 523.00

*** Sundays & Public Holidays**

A basic fee is charged for 4 hours or part thereof

1,765.00 1,871.00 2,014.00 2,154.00

For every additional hour which the facility is used

an additional tariff is payable

620.00 657.00 707.00 756.00

* Key / Loss / damage / breakage deposit

1,284.00 1,361.00 1,465.00 1,567.00

**** All Dances**

A basic fee is charged for 4 hours or part thereof

2,675.00 2,836.00 3,052.00 3,264.00

For every additional hour which the facility is used

an additional tariff is payable

738.00 782.00 842.00 900.00

** Key / Loss / damage / breakage deposit

1,605.00 1,701.00 1,831.00 1,958.00

***** Supper Room**

07:00 - 12:00 (per session)

803.00 851.00 916.00 979.00

12:00 - 17:00 (per session)

803.00 851.00 916.00 979.00

17:00 - 07:00 (per hour)

590.00 625.00 673.00 720.00

Funerals - for 4 hours (no deposit required)

1,605.00 1,701.00 1,831.00 1,958.00

For every additional hour

348.00 369.00 397.00 425.00

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

1,070.00 1,134.00 1,221.00 1,306.00

Preparation fee (per hour) applicable to all activities

470.80 499.00 537.00 574.00

Aircon \ 8 hour session

1,070.00 1,134.00 1,221.00 1,306.00

Preparation fee to be charged at the applicable tariff (time slots) at all the halls.

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

* 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

600.00 636.00 685.00 732.00

* Maximum

1,810.00 1,919.00 2,065.00 2,208.00

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

600.00 636.00 685.00 732.00

Advertising for alienation or leasing of land

800.00 848.00 913.00 976.00

1.9.7

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

One or two Officers per event

1,030.00

1,092.00

1,175.00

1,256.00

Three or four Officers per event

2,040.00

2,162.00

2,327.00

2,488.00

More than four Officers per event

2,540.00

2,692.00

2,897.00

3,098.00

Sunday and Public Holidays

Per Officer per hour or part thereof

980.00

1,039.00

1,118.00

1,195.00

ESCORT OF ABNORMAL LOADS**Monday to Saturday**

Per Officer per hour or part thereof

600.00

636.00

685.00

732.00

Sunday and Public Holidays

Per Officer per hour or part thereof

1,980.00

2,099.00

2,259.00

2,416.00

RENTAL OF ROAD SIGNS

Renting of temporary Road Signs -

340.00

360.00

387.00

414.00

Deposit per sign

200.00

212.00

228.00

244.00

HIRE OF PARKING BAY

Hiring of a Parking Bay per Parking Bay per Day

230.00

244.00

263.00

281.00

SEARCH FEES

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

110.00

117.00

126.00

135.00

WEIGHBRIDGE

0 - 3500 kg

130.00

138.00

149.00

159.00

3500 - 9000 kg

240.00

254.00

273.00

292.00

9000 - 16000 kg

355.00

376.00

405.00

433.00

Above 16000 kg

590.00

625.00

673.00

720.00

1.9.8

LIBRARY

Videos, Fiksie en Nie-fiksie / DVD

8.00

8.00

9.00

10.00

Damaged barcode

5.00

5.00

5.00

5.00

Postal tariffs : reminders

8.50

9.00

10.00

11.00

Fines : per week

2.50

3.00

3.00

3.00

: per month

10.00

11.00

12.00

13.00

Maximum fine per item

40.00

42.00

45.00

48.00

Reservation fee

5.00

5.00

5.00

5.00

Admin fee : Phone calls

15.00

16.00

17.00

18.00

Admin fee : Cell phone calls

18.00

19.00

20.00

21.00

Book record covers

12.00

13.00

14.00

15.00

Duplicate computer membership card

40.00

42.00

45.00

48.00

Photocopy charges - A4

0.50

0.60

0.65

0.69

- A3

1.00

1.10

1.18

1.27

Country members (per annum)

160.00

170.00

183.00

196.00

Visitors - deposit

170.00

180.00

194.00

207.00

- fee

150.00

159.00

171.00

183.00

PRESENT
TARIFFS
RPROPOSED
TARIFFS
2020-07-01
RPROPOSED
TARIFFS
2021-07-01
RPROPOSED
TARIFFS
2022-07-01
R

	PRESENT TARIFFS R	PROPOSED TARIFFS 2020-07-01 R	PROPOSED TARIFFS 2021-07-01 R	PROPOSED TARIFFS 2022-07-01 R
<u>Laminates:</u>				
A4	8.00	8.00	9.00	10.00
A3	15.00	16.00	17.00	18.00
85mm x 60	5.00	5.00	5.00	5.00
A5	6.00	6.00	6.00	6.00
Inter library loans	90.00	95.00	102.00	109.00
Books rebinding	80.00	85.00	91.00	97.00
Toilet tariff	0.50	1.00	1.00	1.00
CD container / DVD	6.00	6.00	6.00	6.00
Research fee (inter library loans)	28.00	30.00	32.00	34.00
<u>Fax facility:</u>				
Local per page	5.00	5.00	5.00	5.00
National per page	12.00	13.00	14.00	15.00
International per page	32.00	34.00	37.00	40.00
Faxes received per page	3.00	3.00	3.00	3.00
Fax to mail (all 086 numbers) per page	10.00	11.00	12.00	13.00
<u>MAIN- AND GALESHEWE LIBRARIES</u>				
<u>Non-profitable Organisations and Cultural Activities</u>				
Per session	170.00	180.00	194.00	207.00
Kitchen facilities	60.00	64.00	69.00	74.00
Key / Loss / damage / breakage deposit	480.00	509.00	548.00	586.00
			-	-
<u>Commercial Institutions and Political Parties</u>				
Per session	400.00	424.00	456.00	488.00
Kitchen facilities	60.00	64.00	69.00	74.00
Key / Loss / damage / breakage deposit	480.00	509.00	548.00	586.00
Audio visual material (per item)	80.00	85.00	91.00	97.00
Data Projector (Main Library only) per session	320.00	339.00	365.00	390.00
<u>HALL RENTALS</u>				
<u>SONNY LEON LIBRARY</u>				
<u>Non-profitable organisations and Cultural Activities</u>				
Per session	100.00	106.00	114.00	122.00
Kitchen facilities	60.00	64.00	69.00	74.00
Key / Loss / damage / breakage deposit	480.00	509.00	548.00	586.00
<u>Commercial Institutions and Political Parties</u>				
Per session	250.00	265.00	285.00	305.00
Kitchen facilities	60.00	64.00	69.00	74.00
Key / Loss / damage / breakage deposit	480.00	509.00	548.00	586.00
Audio visual material (per item)	80.00	85.00	91.00	97.00
<u>HALL RENTALS</u>				
<u>BEACONSFIELD AND JUDY SCOTT LIBRARIES</u>				
<u>Non-profitable organizations and Cultural Activities</u>				
Per session	100.00	106.00	114.00	122.00
Kitchen	60.00	64.00	69.00	74.00
Key / Loss / damage / breakage deposit	480.00	509.00	548.00	586.00
<u>Commercial Institutions and Political Parties</u>				
Per session	250.00	265.00	285.00	305.00
Kitchen facilities	60.00	64.00	69.00	74.00
Key / Loss / damage / breakage deposit	480.00	509.00	548.00	586.00
Audio visual material (per item)	80.00	85.00	91.00	97.00

PRESENT TARIFFS R	PROPOSED TARIFFS 2020-07-01 R	PROPOSED TARIFFS 2021-07-01 R	PROPOSED TARIFFS 2022-07-01 R
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AFRICANA LIBRARY**Research fees**

* National	880.00	933.00	1,004.00	1,074.00
* International	1,100.00	1,166.00	1,255.00	1,342.00

* Pro rata fees will be levied for partially research request

1.9.9

EMERGENCY SERVICES**Km Turnout fees**

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

* Fire fighting vehicle	43.00	46.00	50.00	53.00
* Assistance vehicle	8.00	8.50	9.00	10.00

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

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

Fire fighting vehicles / Rescue pumper	2,068.00	2,192.00	2,359.00	2,522.00
Portable pump	1,034.00	1,096.00	1,180.00	1,262.00
Assistance vehicle	1,034.00	1,096.00	1,180.00	1,262.00
Hazmat Pumps	2,068.00	2,192.00	2,359.00	2,522.00

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

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

Fire fighting vehicles / Rescue pumper	1,034.00	1,096.00	1,180.00	1,262.00
Portable pump	517.00	548.00	590.00	631.00
Assistance vehicle	517.00	548.00	590.00	631.00
Hazmat Pumps	1,034.00	1,096.00	1,180.00	1,262.00

Personnel tariffs

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

Chief Emergency service or any member	560.00	594.00	639.00	683.00
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Specialized equipment

(Calculated per unit used)

Chemical extinguisher	429.00	455.00	490.00	524.00
CO ² extinguisher	429.00	455.00	490.00	524.00
Breathing apparatus	297.00	315.00	339.00	362.00
Refill of SCBA/SCUBA cylinder : per cylinder	34.00	36.00	39.00	42.00
* Jaws of Life rescue equipment - per incident / use	890.00	943.00	1,015.00	1,085.00
* Rollgliss rescue equipment - per incident / use	890.00	943.00	1,015.00	1,085.00
* Medical equipment (consumables) - per patient	429.00	455.00	490.00	524.00
* Pneumatic Equipment - per incident / use	890.00	943.00	1,015.00	1,085.00
* Chemical suites - per suit per incident	Replacement cost+20%	Replacement cost+20%	Replacement cost+20%	Replacement cost
* Hazmat equipment (consumables) - per incident / use	Replacement cost+20%	Replacement cost+20%	Replacement cost+20%	Replacement cost

Fire extinguishing material

(Calculated per unit state or part thereof)

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

PRESENT TARIFFS R	PROPOSED TARIFFS 2020-07-01 R	PROPOSED TARIFFS 2021-07-01 R	PROPOSED TARIFFS 2022-07-01 R
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Inspection fees

(Calculated per inspection or plan approved)

Fire prevention inspection, building plans and sites per project

517.00	548.00	590.00	631.00
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Inspection of flammable liquids, solids and gasses installations:

* 1 liter - 2000 liter

600.00	636.00	685.00	732.00
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* 2001 liter - 5000 liter

775.00	822.00	885.00	946.00
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* 5001 liter - 50000 liter

946.00	1,003.00	1,080.00	1,155.00
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* 50001 litre and more

1,120.00	1,187.00	1,278.00	1,367.00
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*Tankers - irrespective the size and inspected at the Emergency Services - per registration certificate

572.00	606.00	652.00	697.00
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Inspection and service of fire extinguishers for Municipal Sections - per extinguisher serviced.

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

230.00	244.00	263.00	281.00
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Training

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

1.9.10

DEVELOPMENT SERVICES**Tram**

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

10.00	11.00	12.00	13.00
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Single trip (Children - Primary School) (Return Trip 2x single)

10.00	11.00	12.00	13.00
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Regional Tourism Centre

Kiosk:

Minimum tender price/month - 12 month period

1,250.00	1,325.00	1,426.00	1,525.00
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Cubicles:

Minimum tender price/month - 12 month period

900.00	954.00	1,027.00	1,098.00
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Exhibition space per m² per day

16.96	18.00	19.00	20.00
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Hawkers shelter per day

31.80	34.00	37.00	40.00
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Informal Trade facilities

Stalls with storage facilities

351.92	373.00	401.00	429.00
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Stalls without storage facilities

168.54	179.00	193.00	206.00
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Fruits and Vegetable Structures

228.96	243.00	262.00	280.00
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Pension Pay Points (Card Carrying Pensioners)

66.78	71.00	76.00	81.00
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Caravans within CBD (Auction set-off price)

445.20	472.00	508.00	543.00
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Caravans outside CBD

223.66	237.00	255.00	273.00
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1.9.11

POUND SERVICES**Impounding:**

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

160.00	170.00	183.00	196.00
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Sheep and goat (each, once off payment)

64.00	68.00	73.00	78.00
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Maintenance

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

64.00	68.00	73.00	78.00
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Sheep and goat (each per day)

33.00	35.00	38.00	41.00
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G.W.K rent tariff

Large stock unit

64.00	68.00	73.00	78.00
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Small stock unit

39.00	41.00	44.00	47.00
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The tariff per kilometre will be applicable for animals brought to the pound by an individual with a (LCV) light commercial vehicle. The tariff paid will be in accordance with the AA Vehicle Rates Calculator.

PRESENT TARIFFS R	PROPOSED TARIFFS 2020-07-01 R	PROPOSED TARIFFS 2021-07-01 R	PROPOSED TARIFFS 2022-07-01 R
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1.10 **LABORATORY TARIFFS (COMMUNITY & SOCIAL DEVELOPMENT SERVICES)**

Chemical Analysis

Digester samples	598.90	635.00	683.00	730.00
Waste activated sludge	169.60	180.00	194.00	207.00
Sludge volume index	85.86	91.00	98.00	105.00
Nitrates	135.68	144.00	155.00	166.00
Potassium	163.24	173.00	186.00	199.00
Sulfates	163.24	173.00	186.00	199.00
Phosphate	163.24	173.00	186.00	199.00
Fluoride	163.24	173.00	186.00	199.00
Total solids	163.24	173.00	186.00	199.00
Free Residual Chlorine	85.86	91.00	98.00	105.00
Magnesium	185.50	197.00	212.00	227.00
COD	148.40	157.00	169.00	181.00
TKN = Total Kjeldahl Nitrogen	185.50	197.00	212.00	227.00
NH-3/Ammonia	185.50	197.00	212.00	227.00
Zinc	185.50	197.00	212.00	227.00
Iron	185.50	197.00	212.00	227.00
Manganese	185.50	197.00	212.00	227.00
Plate Count	169.60	180.00	194.00	207.00
Suspended solids	169.60	180.00	194.00	207.00
Hardness	169.60	180.00	194.00	207.00
Alkalinity	169.60	180.00	194.00	207.00
Total Chloride	169.60	180.00	194.00	207.00
Aluminium	169.60	180.00	194.00	207.00
PH	74.20	79.00	85.00	91.00
Conductivity	74.20	79.00	85.00	91.00
Turbidity	74.20	79.00	85.00	91.00
Dissolved Oxygen	74.20	79.00	85.00	91.00

Packets

Water Bacteriological E. coli and coli	342.38	363.00	391.00	418.00
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1.11 **MISCELLANEOUS (FINANCIAL SERVICES)**

1.11.1 Furnishing of information

(a) Search of any account	90.00	95.00	102.00	109.00
(b) For the inspection of any Deed document or diagram or any details relating thereto	90.00	95.00	102.00	109.00
(c) For the supply of any Certificate of Valuation or of the outstanding charges against property (excluding requests by the court for estate purposes or by attorneys)	90.00	95.00	102.00	109.00
(d) In respect of any search or provision of information where a fee for such search has not been prescribed by (a), (b) or (c).	200.00	212.00	228.00	244.00

NB. ABOVE - In respect of (a)(b) and (d) for every hour or portion thereof

1.11.2	Water - Reconnection fees	1,000.00	1,060.00	1,141.00	1,220.00
	Water - Disconnection fees	1,000.00	1,060.00	1,141.00	1,220.00
	Water - Temporary consumption (Funerals, etc.)	200.00	212.00	228.00	244.00
1.11.3	Special meter reading	200.00	212.00	228.00	244.00
1.11.4	Meter test - Electricity	600.00	636.00	685.00	732.00
	Electricity - Temporary consumption (Funerals, etc.)	300.00	318.00	342.00	366.00
1.11.5	Electricity - Non-payment penalty:				
	* For Conventional meters	650.00	689.00	742.00	793.00
	* For Prepaid meters	400.00	424.00	456.00	488.00

		PRESENT TARIFFS R	PROPOSED TARIFFS 2020-07-01 R	PROPOSED TARIFFS 2021-07-01 R	PROPOSED TARIFFS 2022-07-01 R
1.11.6	Electricity - Reconnection fees (Controller Wire)	700.00	742.00	799.00	854.00
	Tampering administration fee	1,700.00	1,802.00	1,939.00	2,073.00
	Tamper disconnection fee	3,250.00	3,445.00	3,708.00	3,965.00
	Tamper reconnection fee	3,250.00	3,445.00	3,708.00	3,965.00
1.11.7	<u>Informal Housing - Erven with pails</u>				
	Bulk refuse	30.00	32.00	34.00	36.00
	Pails	See sanitation	See sanitation	See sanitation	See sanitation
	High Mast	28.00	30.00	32.00	34.00
	Gravel road	26.00	28.00	30.00	32.00
	Stand pipe	30.00	32.00	34.00	36.00
1.11.8	<u>Informal Housing - Sewered Erven</u>				
	Bulk refuse	30.00	32.00	34.00	36.00
	Sewerage	See sanitation	See sanitation	See sanitation	See sanitation
	High Mast	28.00	30.00	32.00	34.00
	Gravel road	26.00	28.00	30.00	32.00
	Stand pipe	30.00	32.00	34.00	36.00
1.11.9	Electricity availability	250.00	265.00	285.00	305.00
1.11.10	Water availability	250.00	265.00	285.00	305.00
1.11.11	Fixed electricity (limited supply - 2Amps)	250.00	265.00	285.00	305.00
1.11.12	<u>Deposits - Electricity and Water Supply</u>				
	<u>Flats:</u>				
	1-Bedroom	1,250.00	1,325.00	1,426.00	1,525.00
	2-Bedroom	1,500.00	1,590.00	1,711.00	1,830.00
	3-Bedroom	1,900.00	2,014.00	2,168.00	2,318.00
	<u>Townhouses:</u>				
	2-Bedroom	1,500.00	1,590.00	1,711.00	1,830.00
	3-Bedroom	1,900.00	2,014.00	2,168.00	2,318.00
	<u>Domestic Houses:</u>				
	2-Bedroom	1,500.00	1,590.00	1,711.00	1,830.00
	3-Bedroom	1,900.00	2,014.00	2,168.00	2,318.00
	More than 3-bedrooms	2,700.00	2,862.00	3,080.00	3,293.00
	Builders water deposit	2,700.00	2,862.00	3,080.00	3,293.00
	<u>Business/Industries:</u>				
	Small power users	2,700.00	2,862.00	3,080.00	3,293.00
	Large power users	6,500.00	6,890.00	7,416.00	7,930.00
	<u>Rural consumers</u>				
	Informal housing	75.00	80.00	86.00	92.00
	<u>Businesses/Industries:</u>				
	Bulk water supply	6,500.00	6,890.00	7,416.00	7,930.00
	Indigents - Water deposit	70.00	74.00	80.00	86.00
1.11.13	Valuation Roll (CD or Disk)	4,750.00	5,035.00	5,419.00	5,795.00
1.11.14	Address List (CD or Disk)	4,750.00	5,035.00	5,419.00	5,795.00

		PRESENT TARIFFS R	PROPOSED TARIFFS 2020-07-01 R	PROPOSED TARIFFS 2021-07-01 R	PROPOSED TARIFFS 2022-07-01 R
1.11.15	<u>Penalty for an unmetered</u> (official) Water connection Thereafter a daily penalty until meter is installed (per day) Consumption per house	12,000.00 1,300.00 6,500.00	12,720.00 1,378.00 6,890.00	13,691.00 1,483.00 7,416.00	14,640.00 1,586.00 7,930.00
1.11.16	Electricity and water availability for Business/Industries/State.	250.00	265.00	285.00	305.00
1.11.17	<u>Late objection to General Valuation Roll or Supplementary Valuation Roll</u> Prescribed application fee for consideration of late objection and review	350.00	371.00	399.00	427.00
1.11.18	A basic tariff for services which are impractical to be metered as per the Tariff Policy	150.00	159.00	171.00	183.00
1.11.19	All financial transactions on services or other, billed by the municipality attracting interest will be charged such interest at a rate of prime (bank rate) plus 1 %.				
1.12	<u>WATER TARIFFS (SERVICES & INFRASTRUCTURE)</u>				
1.12.1	<u>Water Connections</u> Size of Connection (mm) Size of Meter (mm)				
	20 15	8,613.29	9,130.00	9,739.00	10,379.00
	25 20	8,951.36	9,488.00	10,121.00	10,786.00
	40 32	17,679.40	18,740.00	19,990.00	21,303.00
	50 40	20,807.42	22,056.00	23,527.00	25,073.00
	80 50	33,946.01	35,983.00	38,383.00	40,905.00
		Additional costs	Additional costs	Additional costs	Additional costs
	100 75	39,595.66	41,971.00	44,770.00	47,711.00
		Additional costs	Additional costs	Additional costs	Additional costs
	150 100	46,927.97	49,744.00	53,062.00	56,548.00
		Additional costs	Additional costs	Additional costs	Additional costs
	250 150	46,927.97	49,744.00	53,062.00	56,548.00
		Additional costs	Additional costs	Additional costs	Additional costs
	300 150	46,927.97	49,744.00	53,062.00	56,548.00
		Additional costs	Additional costs	Additional costs	Additional costs
	<u>Builders Water</u> These connections are temporary connections supplied for the purpose of providing construction water during the period when building activities are taking place. The cost of this connection will be 50% of the initial cost of a similar size connection for general use but in the case of larger meters, any additional cost required to install the meter will be payable in full. A deposit (refundable on closure of account) is payable.	1,266.35	1,342.00	1,432.00	1,526.00
1.12.2	<u>Testing of Water Meters</u> Tariff per meter tested	1,285.72	1,363.00	1,454.00	1,550.00
1.12.3	<u>Exposure of Services</u> Tariff per service exposure	639.06	677.00	722.00	769.00
1.12.4	<u>Water</u> (Normal tariff structure) Schools, Sports fields and Parks Charities/Churches Business - Commercial Business - Industrial Indigents (0 - 6 KI) Residential (0 - 6 KI) Residential (7 - 20 KI) Residential (21 - 40 KI) Residential (41 - 60 KI) Residential (more than 60 KI)	19.31 19.31 32.78 26.78 6.30 6.30 26.77 30.13 31.87 34.05	20.37 20.37 34.58 28.25 6.65 6.65 28.24 31.79 33.62 35.92	21.73 21.73 36.89 30.14 7.09 7.09 30.13 33.91 35.87 38.32	23.16 23.16 39.31 32.12 7.56 7.56 32.11 36.14 38.22 40.84

	PRESENT TARIFFS R	PROPOSED TARIFFS 2020-07-01 R	PROPOSED TARIFFS 2021-07-01 R	PROPOSED TARIFFS 2022-07-01 R
Flats (0 - 6 KI)	6.30	6.65	7.09	7.56
Flats (7 - 20 KI)	26.78	28.25	30.14	32.12
Flats (21 - 40 KI)	30.13	31.79	33.91	36.14
Flats (more than 40 KI)	34.05	35.92	38.32	40.84
Prepaid water per KI Households	16.20	17.09	18.23	19.43
Builders Water	37.70	39.77	42.43	45.21
Rural consumers: as above plus	4.00%	4.00%	4.00%	4.00%

1.12.5 Water restriction tariffs

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

level 1 - 20% saving

Residential/Indigents (0 - 6 KI)	6.30	6.65	7.09	7.56
Residential (7 - 20 KI)	28.12	29.67	31.65	33.72
Residential (21 - 40 KI)	33.15	34.97	37.31	39.76
Residential (41 - 60 KI)	36.65	38.67	41.24	43.95
Residential (more than 60 KI)	40.86	43.11	45.98	49.00
Flats (0 - 6 KI)	6.30	6.65	7.09	7.56
Flats (7 - 20 KI)	28.12	29.67	31.65	33.72
Flats (21 - 40 KI)	33.15	34.97	37.31	39.76
Flats (more than 40 KI)	40.86	43.11	45.98	49.00
Schools, sport, parks	22.20	23.42	24.98	26.62
Churches	22.20	23.42	24.98	26.62
Builders water	43.35	45.73	48.78	51.99
Industries	37.70	39.77	42.43	45.21
Commercial	30.79	32.48	34.65	36.93

level 2 - 40% saving

Residential/Indigents (0 - 6 KI)	6.30	6.65	7.09	7.56
Residential (7 - 20 KI)	29.45	31.07	33.14	35.32
Residential (21 - 40 KI)	36.17	38.16	40.70	43.38
Residential (41 - 60 KI)	39.83	42.02	44.82	47.77
Residential (more than 60 KI)	47.67	50.29	53.65	57.17
Flats (0 - 6 KI)	6.61	6.97	7.44	7.93
Flats (7 - 20 KI)	32.13	33.90	36.16	38.53
Flats (21 - 40 KI)	36.17	38.16	40.70	43.38
Flats (more than 40 KI)	47.67	50.29	53.65	57.17
Schools, sport, parks	23.16	24.43	26.06	27.78
Churches	23.16	24.43	26.06	27.78
Builders water	45.23	47.72	50.90	54.24
Industries	39.33	41.49	44.26	47.17
Commercial	32.13	33.90	36.16	38.53

	PRESENT TARIFFS R	PROPOSED TARIFFS 2020-07-01 R	PROPOSED TARIFFS 2021-07-01 R	PROPOSED TARIFFS 2022-07-01 R
level 3 - 70% saving				
Residential/Indigents (0 - 6 KI)	6.93	7.31	7.80	8.31
Residential (7 - 20 KI)	32.13	33.90	36.16	38.53
Residential (21 - 40 KI)	37.67	39.74	42.39	45.18
Residential (41 - 60 KI)	41.43	43.71	46.62	49.69
Residential (more than 60 KI)	51.08	53.89	57.48	61.26
Flats (0 - 6 KI)	6.93	7.31	7.80	8.31
Flats (7 - 20 KI)	32.13	33.90	36.16	38.53
Flats (21 - 40 KI)	39.18	41.33	44.09	46.99
Flats (more than 40 KI)	51.08	53.89	57.48	61.26
Schools, sport, parks	25.09	26.47	28.24	30.09
Churches	25.09	26.47	28.24	30.09
Builders water	49.00	51.70	55.14	58.77
Industries	42.61	44.95	47.95	51.10
Commercial	34.81	36.72	39.17	41.75
level 4 - survival				
Residential/Indigents (0 - 6 KI)	6.93	7.31	7.80	8.31
Residential (7 - 20 KI)	40.17	42.38	45.21	48.18
Residential (21 - 40 KI)	45.21	47.70	50.88	54.22
Residential (41 - 60 KI)	57.36	60.51	64.55	68.79
Residential (more than 60 KI)	61.30	64.67	68.99	73.52
Flats (0 - 6 KI)	6.93	7.31	7.80	8.31
Flats (7 - 20 KI)	40.17	42.38	45.21	48.18
Flats (21 - 40 KI)	54.25	57.23	61.05	65.06
Flats (more than 40 KI)	61.30	64.67	68.99	73.52
Schools, sport, parks	34.75	36.66	39.11	41.68
Churches	34.75	36.66	39.11	41.68
Builders water	67.85	71.58	76.36	81.37
Industries	59.00	62.25	66.40	70.76
Commercial	48.20	50.85	54.24	57.81
level 5 - emergency				
Residential/Indigents (0 - 6 KI)	6.93	7.31	7.80	8.31
Residential (7 - 20 KI)	53.55	56.50	60.26	64.22
Residential (21 - 40 KI)	60.28	63.60	67.84	72.29
Residential (41 - 60 KI)	63.74	67.25	71.73	76.44
Residential (more than 60 KI)	68.11	71.86	76.65	81.68
Flats (0 - 6 KI)	6.93	7.31	7.80	8.31
Flats (7 - 20 KI)	53.55	56.50	60.26	64.22
Flats (21 - 40 KI)	60.28	63.60	67.84	72.29
Flats (more than 40 KI)	68.11	71.86	76.65	81.68
Schools, sport, parks	38.61	40.73	43.45	46.31
Churches	38.61	40.73	43.45	46.31
Builders water	75.39	79.54	84.84	90.42
Industries	65.56	69.17	73.78	78.63
Commercial	53.55	56.50	60.26	64.22

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

694.54

732.74

771.50

806.06

(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

694.54

732.74

771.50

806.06

(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

694.54

732.74

771.50

806.06

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

2,607.06

2,750.45

2,895.95

3,025.69

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

423.33

446.61

470.24

491.31

610.19

643.75

677.80

708.17

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

67.64

71.36

75.14

78.50

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

694.54

732.74

771.50

806.06

(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

351.04

370.35

389.94

407.41

1.13.2 Private dwellings

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

117.96

124.45

131.03

136.90

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

117.96

124.45

131.03

136.90

1.13.3 Flats

1.13.4 Availability charge

A basic monthly charge - Indigent

58.98

62.22

65.52

68.45

A basic monthly charge - Residential

58.98

62.22

65.52

68.45

- Business

351.04

370.35

389.94

407.41

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

165.24

174.33

183.55

191.77

Basic monthly charge (two sanitary convenience)

165.24

174.33

183.55

191.77

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

99.16

104.61

110.15

115.08

Flats and semi-detached dwellings:

Basic monthly charge (first living unit)

165.24

174.33

183.55

191.77

Additional monthly charge (each additional unit)

99.16

104.61

110.15

115.08

PRESENT TARIFFS R	PROPOSED	PROPOSED	PROPOSED
	TARIFFS 2020-07-01 R	TARIFFS 2021-07-01 R	TARIFFS 2022-07-01 R
165.24	174.33	183.55	191.77
99.16	104.61	110.15	115.08
145.13	153.11	161.21	168.43
274.67	289.78	305.11	318.77
45.33	47.82	50.35	52.61
226.65	239.12	251.76	263.04
430.06	453.71	477.71	499.12
73.66	77.71	81.82	85.49
317.30	334.75	352.46	368.25
565.77	596.89	628.46	656.62
87.83	92.66	97.56	101.93
446.21	470.75	495.65	517.86
51.21	54.03	56.88	59.43
129.05	136.15	143.35	149.77
70.83	74.73	78.68	82.20
35.41	37.36	39.33	41.10
890.08	939.03	988.71	1,033.00
1,320.07	1,392.67	1,466.35	1,532.04
545.37	575.37	605.80	632.94
665.77	702.39	739.54	772.68
991.58	1,046.12	1,101.46	1,150.80
247.89	261.52	275.36	287.69
531.20	560.42	590.06	616.50
3,080.97	3,250.42	3,422.37	3,575.69
3,576.76	3,773.48	3,973.10	4,151.09
14.27	15.05	15.85	16.56

1.14.2

1.14.3

		PRESENT TARIFFS R	PROPOSED TARIFFS 2020-07-01 R	PROPOSED TARIFFS 2021-07-01 R	PROPOSED TARIFFS 2022-07-01 R
1.14.4	<u>Purified effluent tariffs</u>				
	Basic Charge (Use in Excess of 1 Mega litre - 1000kl per billing cycle of approximately 30 days)	64,699.24	68,257.69	71,868.53	75,088.24
	Plus per KI	0.1821	0.1930	0.21	0.22
	Basic Charge (Use LESS than 1 Mega litre per billing cycle of approximately 30 days)	-	-	-	-
	Plus per KI	0.6083	0.6448	0.69	0.74
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	25,123.93	26,692.00	28,480.00	30,351.00
	* 9m single cantilever	39,930.65	42,422.00	45,264.00	48,238.00
	* 9m double cantilever	40,434.24	42,957.00	45,835.00	48,846.00
	* 12m single cantilever	42,863.49	45,538.00	48,589.00	51,781.00
	<u>SINGLE PHASE DIS- & RECONNECTION FEE WHEREBY AN ELECTRICIAN IS INVOLVED</u>				
	Disconnection fee for an O/H supply system	2,750.73	2,922.00	3,118.00	3,323.00
	Disconnection fee for an U/G supply system	6,622.64	7,036.00	7,507.00	8,000.00
	Reconnection fee for an P/H supply system	2,795.07	2,969.00	3,168.00	3,376.00
	Reconnection fee for an U/G supply system	365.81	389.00	415.00	442.00
	<u>3-PHASE DIS- & RECONNECTION FEE WHEREBY AN ELECTRICIAN IS INVOLVED</u>				
	Disconnection fee for an O/H supply system	3,919.43	4,164.00	4,443.00	4,735.00
	Disconnection fee for an U/G supply system	6,825.35	7,251.00	7,737.00	8,245.00
	Reconnection fee for an O/H supply system	5,408.02	5,745.00	6,130.00	6,533.00
	Reconnection fee for an U/G supply system	6,825.35	7,251.00	7,737.00	8,245.00
	<u>CALL OUT TO CONSUMER</u>				
	Call out to a fault on consumer's installation	554.26	589.00	628.00	669.00
1.16.2	<u>COSTS OF NEW SERVICE CONNECTIONS</u>				
	<u>60-AMP STANDARD SINGLE PHASE</u>				
	Airdac connection from O/H supply system with prepayment meter & ready board	19,858.43	21,098.00	22,512.00	23,991.00
	Airdac connection from O/H supply system with prepayment meter only	17,435.51	18,523.00	19,764.00	21,062.00
	Cable connection from U/G supply system with prepayment meter	27,697.29	29,426.00	31,398.00	33,461.00
	Cable connection from U/G supply system with conventional meter	24,561.74	26,094.00	27,842.00	29,671.00
	<u>60AMP STANDARD 3-PHASE</u>				
	Airdac connection from O/H supply system with prepayment meter & ready board	24,157.92	25,665.00	27,385.00	29,184.00
	Airdac connection from P/H supply system with prepayment meter only	21,735.01	23,091.00	24,638.00	26,257.00
	Cable connection from U/G supply system with prepayment meter	30,072.70	31,949.00	34,090.00	36,330.00
	Cable connection from U/G supply system with conventional meter	35,987.47	38,233.00	40,795.00	43,475.00
	<u>ALTERATIONS TO SERVICE CONNECTIONS</u>				
	Alterations on existing single phase connection	As per quote	As per quote	As per quote	As per quote
	Alterations on existing 3-phase connection	As per quote	As per quote	As per quote	As per quote

	PRESENT TARIFFS R	PROPOSED TARIFFS 2020-07-01 R	PROPOSED TARIFFS 2021-07-01 R	PROPOSED TARIFFS 2022-07-01 R
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 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. 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 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 Supply above 100A (single & 3-phase) Replacement of conventional meter with prepayment meter (Meter only) Replacement of conventional meter with prepayment meter (Meter and labour) NB. MAXIMUM OF TWO PREPAYMENT METERS DOMESTIC ERF, EXCEPT WHEN 3-PHASE			
	As per quote and stipulated conditions	As per quote and stipulated conditions	As per quote and stipulated conditions	As per quote and stipulated conditions
	As per quote and stipulated conditions	As per quote and stipulated conditions	As per quote and stipulated conditions	As per quote and stipulated conditions
	As per quote and stipulated conditions	As per quote and stipulated conditions	As per quote and stipulated conditions	As per quote and stipulated conditions
	As per quote and stipulated conditions	As per quote and stipulated conditions	As per quote and stipulated conditions	As per quote and stipulated conditions
	As per quote	As per quote	As per quote	As per quote
	Bin price + VAT	Bin price + VAT	Bin price + VAT	Bin price + VAT
	9,658.38	10,261.00	10,948.00	11,667.00
	CABLES AND VARIOUS			
	Installation of public address system	5,180.46	5,504.00	5,873.00
	Meter test	1,047.16	1,113.00	1,188.00
	Special meter reading	339.77	361.00	385.00
1.16.4	ELECTRICITY TARIFFS (POWER USERS) (Subject to the approval of the NERSA) NERSA guideline tariffs for municipalities necessitate the introduction and implementation of inclined block tariff for domestic users. This has had a major impact on all categories of electricity tariffs. In addition to this, SPM sought to simplify and align it's "Large Power User" tariffs with Eskom's municipal billing structure. This required a revision of all commercial/business based tariffs. For large power users a low and high demand season tariff was introduced. <u>A. The customer groupings are as follows:</u> <u>Domestic Consumers:</u> Defined as residential use. <u>Indigent Consumers:</u> Defined as consumers registered as indigent with the Municipality and who consume for residential purposes. <u>Public Benefit Activity Consumers:</u> Defined as churches, schools, halls, old age homes and other charitable and non profit organisations. <u>Small Power Consumers:</u> Defined as all other consumers not on the Time of Use Billing Structure and not defined as "Domestic" or "Public Benefit Activities". <u>Time of Use Consumers:</u> Defined as all consumers who have installed TOU capable metering to SPM's standards. Such metering to be installed at their own costs. 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	<u>Domestic Tariff (Conventional and Prepaid)</u> Block 1 (0 - 350 Kwh) Block 2 (> 350 Kwh)			
	1.6666	1.7706	1.8690	2.0096
	2.3255	2.4706	2.6080	2.8041
1.16.4.2	<u>Indigents Tariff (Prepaid)</u> Block 1 (0 - 50 Kwh) (subsidised) Block 2 (51 - 350 Kwh) Block 3 (> 351 Kwh)			
	1.6666	1.7706	1.8690	2.0096
	1.6666	1.7706	1.8690	2.0096
	2.3255	2.4706	2.6080	2.8041
1.16.4.2	<u>Public Benefit and Schools</u> Conventional and Prepayment Meter users Summer Winter Basic Charge per month			
	2.2425	2.3824	2.5149	2.7040
	2.2770	2.4191	2.5536	2.7456
	310.50	329.88	348.22	374.40
1.16.4.3	<u>Business Tariff</u>			
1.16.4.3.1	<u>Small Power Users (Conventional and prepaid meters)</u>			
	Energy charge per Kwhr			
	Basic Charge per month	310.50	329.88	348.22
	<u>Summer</u>			
	Block 1 (0 - 1200 Kwh)	2.4265	2.5779	2.7212
	Block 2 (> 1200 Kwh)	2.7177	2.8873	3.0478
	<u>Winter</u>			
	Block 1 (0 - 1200 Kwh)	2.5185	2.6757	2.8244
	Block 2 (> 1200 Kwh)	2.8536	3.0317	3.2002

PRESENT TARIFFS R	PROPOSED TARIFFS 2020-07-01 R	PROPOSED TARIFFS 2021-07-01 R	PROPOSED TARIFFS 2022-07-01 R
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1.16.4.3.2 **Time of Use Consumers**

1.16.4.3.2.1 **NPO, NGO, SCHOOLS**

Basic charge per month

<75 KVA	1380.00	1466.11	1547.63	1664.01
>75<100 KVA	2760.00	2932.22	3095.26	3328.02
>100	3910.00	4153.98	4384.95	4714.69
Network Demand Charge R/kVA	144.87	153.91	162.47	174.68
Network Access Charge R/kVA	49.11	52.17	55.08	59.22

Energy Charges R/Kwh

Low Demand Season: (September - May) Summer

Peak

<75 KVA	1.7455	1.8544	1.9575	2.1047
>75<100 KVA	1.8328	1.9472	2.0554	2.2100
>100	1.9724	2.0955	2.2120	2.3783

Standard

<75 KVA	1.2977	1.3787	1.4553	1.5648
>75<100 KVA	1.3366	1.4200	1.4990	1.6117
>100	1.4274	1.5165	1.6008	1.7212

Off-peak

<75 KVA	1.0463	1.1116	1.1734	1.2616
>75<100 KVA	1.0672	1.1338	1.1968	1.2868
>100	1.1615	1.2340	1.3026	1.4005

High Demand Season: (June - August) Winter

Peak

<75 KVA	3.5504	3.7719	3.9817	4.2811
>75<100 KVA	3.5852	3.8089	4.0207	4.3230
>100	3.6201	3.8460	4.0598	4.3651

Standard

<75 KVA	1.5847	1.6836	1.7772	1.9108
>75<100 KVA	1.6164	1.7173	1.8127	1.9491
>100	1.7114	1.8182	1.9193	2.0636

Off-peak

<75 KVA	1.1509	1.2227	1.2907	1.3878
>75<100 KVA	1.1509	1.2457	1.3150	1.4139
>100	1.2775	1.3572	1.4327	1.5404

1.16.4.3.2.2 **INDUSTRIAL AND BUSINESSES**

Basic charge per month

<75 KVA	1,840.00	1954.82	2063.50	2218.68
>75<100 KVA	3,047.50	3237.66	3417.68	3674.69
>100	4,232.00	4496.08	4746.06	5102.96
Network Demand Charge R/kVA	170.79	181.45	191.54	205.94
Network Access Charge R/kVA	57.89	61.50	64.92	69.80

Energy Charges R/Kwh

Low Demand Season: (September - May) Summer

Peak

<75 KVA	2.0178	2.1437	2.2629	2.4331
>75<100 KVA	1.9549	2.0769	2.1924	2.3572
>100	1.9833	2.1071	2.2242	2.3915

Standard

<75 KVA	1.3642	1.4493	1.5299	1.6450
>75<100 KVA	1.3705	1.4560	1.5370	1.6526
>100	1.4147	1.6494	1.7411	1.8720

Off-peak

<75 KVA	1.2880	1.3684	1.4445	1.5531
>75<100 KVA	1.4375	1.5272	1.6121	1.7333
>100	1.5525	1.5030	1.5866	1.7059

	PRESENT TARIFFS R	PROPOSED TARIFFS 2020-07-01 R	PROPOSED TARIFFS 2021-07-01 R	PROPOSED TARIFFS 2022-07-01 R
<u>High Demand Season: (June - August) Winter</u>				
<u>Peak</u>				
<75 KVA	4.8623	5.1657	5.4529	5.8630
>75<100 KVA	4.9087	5.2150	5.5050	5.9189
>100	5.0476	5.3626	5.6607	6.0864
<u>Standard</u>				
<75 KVA	1.7114	1.8182	1.9193	2.0636
>75<100 KVA	1.7210	1.8284	1.9300	2.0752
>100	1.7712	1.8817	1.9863	2.1357
<u>Off-peak</u>				
<75 KVA	1.4168	1.5052	1.5889	1.7084
>75<100 KVA	1.6100	1.7105	1.8056	1.9413
>100	1.7388	1.8473	1.9500	2.0967
1.16.4.3.2.2	<u>RESIDENTIAL COMPLEX// GATED COMMUNITY</u>			
Residential complex where 90% of floor space/complex size is used for residential dwelling				
Basic charge per month	1,840.00	400.00	422.24	453.99
Network Demand Charge R/kVA	170.79	-	0.00	0.00
Network Access Charge R/kVA	57.89	-	0.00	0.00
Energy Charges R/Kwh				
<u>Low Demand Season: (September - May) Summer</u>				
Peak	1.7546	1.8641	1.9677	2.1157
Standard	1.1186	1.1884	1.2545	1.3488
Off-peak	1.1200	1.1899	1.2560	1.3505
<u>High Demand Season: (June - August) Winter</u>				
Peak	4.2281	4.4919	4.7417	5.0983
Standard	1.4882	1.5811	1.6690	1.7945
Off-peak	1.2320	1.3089	1.3817	1.4856
1.16.4.4	<u>Street Lights</u>			
Energy charge per Kwhr	1.7654	1.8756	1.9798	2.1287
1.16.4.5	<u>Electricity Feedback Tariffs - Small Scale Embedded Generation Photovoltaic Policy</u>			
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				
	388.51	412.75	435.70	468.47
Energy Charges R/Kwh - payable to the generator				
<u>Low Demand Season: (September - May)</u>				
Peak	0.3904	0.4148	0.4378	0.4707
Standard	0.2687	0.2855	0.3013	0.3240
Off-peak	0.1704	0.1810	0.1911	0.2055
<u>High Demand Season: (June - August)</u>				
Peak	1.1963	1.2709	1.3416	1.4425
Standard	0.3624	0.3850	0.4064	0.4370
Off-peak	0.1968	0.2091	0.2207	0.2373

SECTION 3:

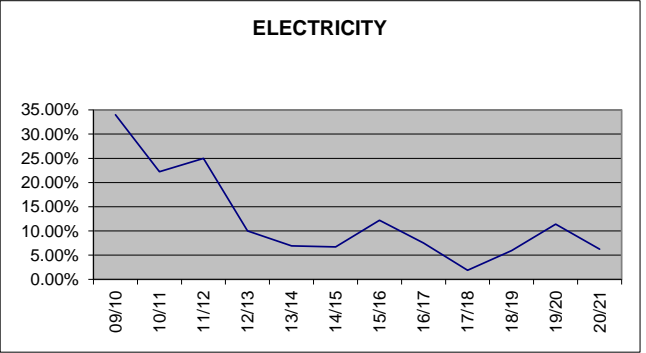
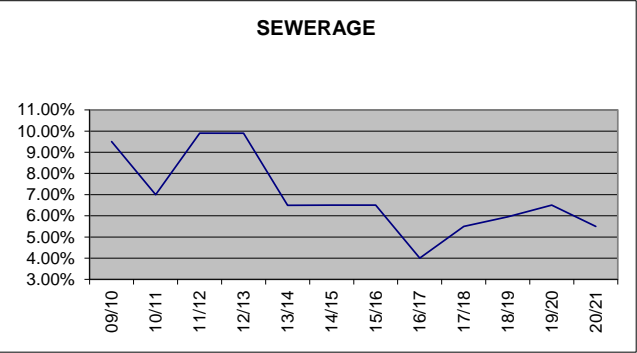
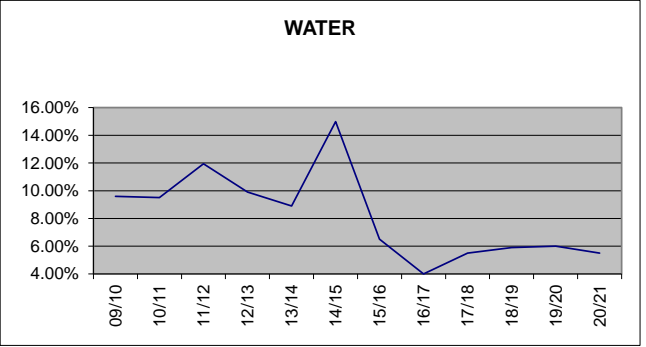
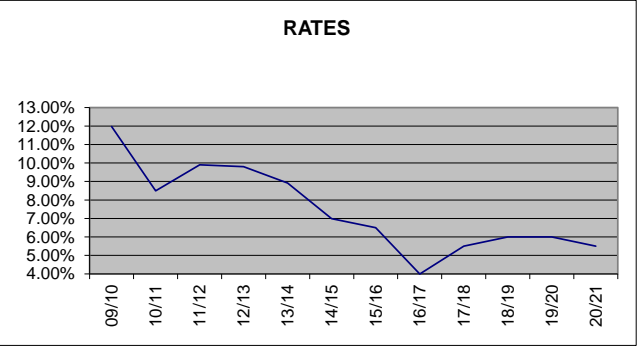
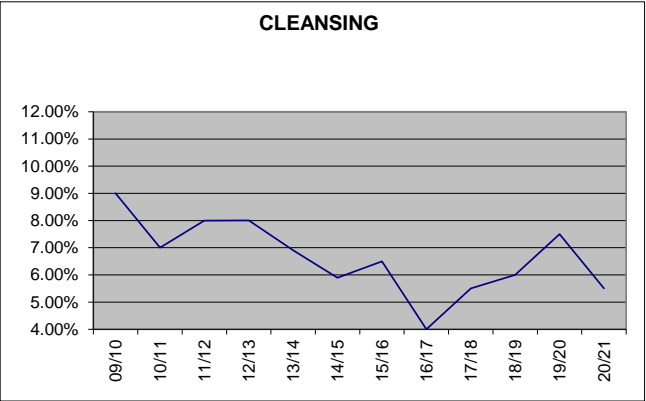
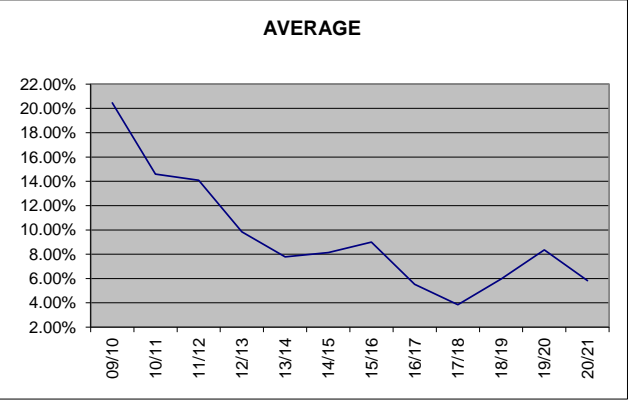
**HISTORY OF
TARIFFS**

SOL PLAATJE LOCAL MUNICIPALITY

TARIFF HISTORY

	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21
RATES	11.97%	8.50%	9.91%	9.80%	8.91%	6.99%	6.50%	4.00%	5.50%	6.00%	6.00%	5.50%
SEWERAGE	9.50%	7.00%	9.90%	9.90%	6.50%	6.50%	6.50%	4.00%	5.50%	5.95%	6.50%	5.50%
CLEANSING	9.00%	7.00%	8.00%	8.00%	6.90%	5.90%	6.50%	4.00%	5.50%	6.00%	7.50%	5.50%
WATER	9.60%	9.50%	11.95%	9.90%	8.90%	14.99%	6.50%	4.00%	5.50%	5.90%	6.00%	5.50%
ELECTRICITY	34.00%	22.22%	24.98%	9.99%	6.90%	6.72%	12.20%	7.50%	1.88%	5.95%	11.40%	6.24%
AVERAGE	20.46%	14.60%	14.09%	9.85%	7.79%	8.13%	9.00%	5.53%	3.85%	5.96%	8.36%	5.82%

SOL PLAATJE LOCAL MUNICIPALITY



SECTION 4:

INTEGRATED DEVELOPMENT PLAN OVERVIEW



SOL PLAATJE MUNICIPALITY

Integrated Development Plan (IDP)

DRAFT IDP REVIEW 2019/20

PLANNING 2020/21

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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
EEDSM	Energy Efficiency and Demand Side Management
EPWP	Expanded Public Works Programme
EU	European Union
FBDM	Frances Baard District Municipality
FY	Financial Year
GDP	Gross Domestic Product
GDS	Growth and Development Strategy
GV	General Valuation
GVA	Gross Value Added
HRM	Human Resource Management
IDP	Integrated development Plan
IGR	Inter-Governmental Relations
INEP	Integrated National Electrification Programme
IPP	Independent Power Producer
ISDG	Infrastructure Skills Development Grant
IT	Information Technology
IUDF	Integrated Urban Development Framework
KPA	Key Performance Area
LA	Local Administation
LED	Local Economic Development
LGMIM	Local Government Management Improvement Model
LUMS	Land Use Management Scheme
MAYCO	Mayoral Committee
MIIF	Municipal Infrastructure Investment Framework
MPC	Monetary Policy Committee
MSA	Municipal Structures Act

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

PREFACE

VISION AND MISSION OF SOL PLAATJE MUNICIPALITY

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

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

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

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

TOWARDS A LEADING AND MODERN CITY

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

In order to achieve this vision, it will be important for SPLM to ensure growth in the local economy in order to be sustainable. The SPLM also needs to improve on the efficiency of its service delivery, the sustainability of its finances and the effectiveness of its administration.

Achieving a developmental state is not the responsibility of just the government – let alone local municipalities. In the spirit of the National Planning Commission's "National Development Plan - Vision 2030", stronger social partnerships between government, organised labour, organised business and the community constituency are needed to address investment, employment and poverty challenges our country faces.

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

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

STRATEGIC PRIORITIES

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

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

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

Spatial Transformation:

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

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

People live their lives in geographic space; how activities and infrastructure are organized in space, fundamentally impacts on people's access to economic and social opportunities. For example, locating housing for the poor far away from work opportunities, impacts on disposable income, work productivity and transport infrastructure provision. People have to pay a disproportionately high percentage of their incomes to move to and from work, journeys take a long time, and infrastructure and vehicles have to be provided and maintained to transport them. Also, locating business opportunities far from infrastructure increases the cost of products and diminishes the chances of success for large and small businesses. An informal trader or small café owner cannot hope to succeed without necessities such as water or a reasonable flow of passers-by.

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

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

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

Inclusive Growth:

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

Service Provision:

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

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

Governance:

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

The municipality has taken steps over the past years to rebuild and stabilize the internal processes of delivery and build financial sustainability but due to the temporary suspension of the Municipal Manager and the Chief Financial Officer in June 2018 as well as strike actions, it contributed to the decline in investments and financial constraints. The Section 106 report need to be finalized in order for Sol Plaatje Municipality to move forward and become financially stable. The Sol Plaatje Municipality was without leadership and ED's were acting on a three-monthly basis.

The Premier of the Northern Cape has thus seconded Messrs MT Mabija and Z Cader during November 2019 to Act as Municipal Manager and Chief Financial Officer, respectively for a period of three months, which were extended in February 2020 until April 2020.

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

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

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

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

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

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

Low density areas enjoy the privilege of owning large tracts of land that are located in very close proximity to economic opportunities. The divide between high and low density areas will be linked through a coordinated effort of spatial planning, local economic development and access to services.

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

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

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

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

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

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

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

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

Table 1: National KPA's and IDP Objectives

National KPA	National Outcome 9: A responsive, accountable, effective and efficient local government system	Strategic Objectives to reach the Vision "Towards a Leading and Modern City"	Key Strategic Focus	IDP Strategies	Detail Project related objectives as per the SDBIP
Strategic Economic Development and Planning	Outcome: A spatially transformed, equitable and productive city	Inclusive Growth: To establish a competitive economic position that attracts diverse investments, increases economic growth and	Land Development	Accelerate preparation, approvals and release of land for development supporting integrated human settlement, agricultural production,	To develop sustainable living through job creation (EPWP and other initiatives)

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
		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		redevelopment of mining land and regional economic targets	
			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	

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
			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

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
					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 administrative capacity	Governance: To lead, direct and manage spatial growth of the City robustly, enhance revenue generation and improve operational efficiency	Financial Governance	Revenue enhancement and operational efficiency	Promote sound financial management and financial sustainability of Sol Plaatje Municipality through prudent fiscal management
				Grow the rates base and grow revenue collection; and undertake municipal functions in a cost effective manner	Enhance revenue through leveraging alternate sources of funding and identifying new revenue streams
Municipal Institutional Development and Transformation	Outcome: Implemented differentiated approach to financial planning and support	Governance: To enhance the capacity of the state and its citizens to work together to achieve spatial and social integration. To lead, direct and manage spatial growth of the City robustly, enhance revenue generation and improve operational efficiency.	Spatial Governance	Regulate the entire City space according to a common spatial development vision and single land use management system	To provide a basis for sustainable municipal performance improvement
			IGR and Stakeholder Relations	Improve IGR and stakeholder relations targeted towards developing integrated human settlements and local economic growth	To improve effective human resource development to staff and Councillors

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
					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 third 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 2019/20 as well as new information, both internal and external that will have an effect on the further implementation of the IDP. The IDP will also be reviewed in terms of the relevance of its strategic objectives in line with shifts in national and provincial policies and plans.

This is a draft document which is tabled to Council for public consultation and to finalise the IDP Review for submission and adoption by not later than 31 May 2020.

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:

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

- o To ensure the sustainable provision of services;
- o To provide democratic and accountable government for all communities;
- o To promote social and economic development;
- o To promote a safe and healthy environment;
- o To give priority to the basic needs of communities; and
- o 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. Council adopted the Process Plan at a meeting held on 20 August 2019 and is attached as Annexure 1. The process plan enhances integration and alignment between the IDP and the Budget, thereby ensuring the development of an IDP-based budget.

Annexure 1 (Process Plan)

Public participation

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

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

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

The Public Participation Process will commence during April/May 2020 should the Corona Covid-19 lock down be lifted. The schedule for public participation will be included when the Final IDP Review 2019/20 and Planning 2020/21 is tabled to Council for approval before end of May 2020.

CHAPTER 2: STRATEGIC ANALYSIS

2.1 MUNICIPAL PROFILE

Below are some key statistics relating to demographic and socio-economic trends in the Sol Plaatje Municipality. This information comes from STASSA 2011 Census, the 2016 Community Survey, Sol Plaatje Statistical Overview performed by IHS Information and Insight in 2015 and IHS Markit Regional eXplorer version 1570. The statistics included in the IDP document were obtained mainly from the Census 2011 outcomes. However, for the purposes of the IDP review, and taking cognisance of the fact that the Community Survey 2016 is used as a basis for the budget assumptions, this chapter also includes statistical information from these two additional sources. At the end of this section some conclusions and contextual issues are mentioned relating to this information.

2.1.1 Person Statistics

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

Table 2: Key Statistics Summary

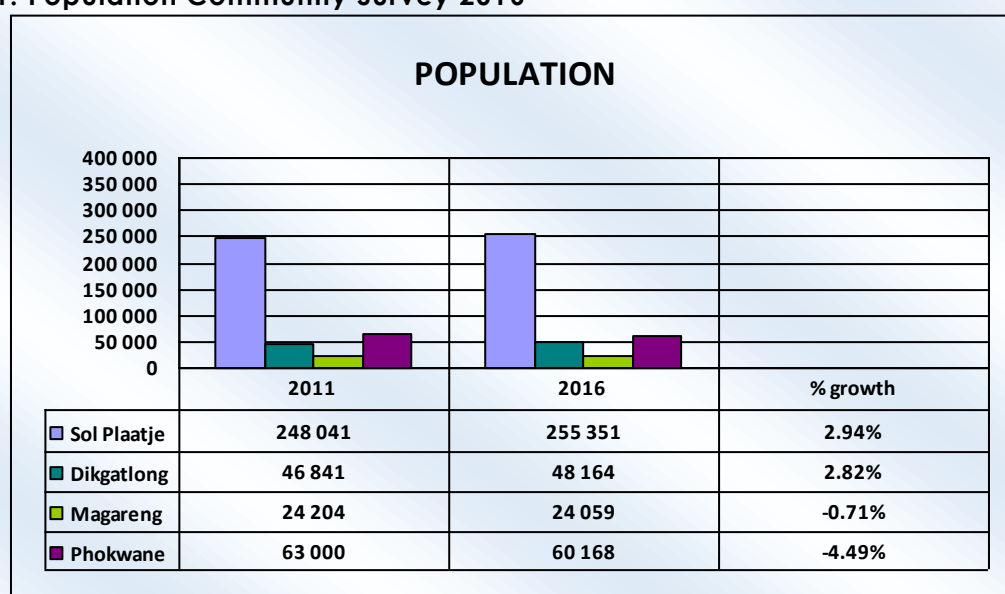
Key Statistics summary		
People	2011 Census	2016 CS
Region area (sq km)	3 145	3 160
Population	248 041	255 351
Population density (nr of people per sq km)	79	81
Population growth rate (pa 2001-2011)	2.04%	0.6%
Economically active population (as % of total pop.)	66,2%	
No schooling age 20+	10%	
Higher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

Key Statistics summary		
People	2011 Census	2016 CS
Youth unemployment rate (official) 15-34	41.7%	n.a
Economic output in 2013 (GDP, R' million current prices)	16 531	23 170
Share of economic output (GDP% of SA in current prices)	0.6%	0.58%
Gross domestic fixed investment (Rm constant prices)	1904	n.a
Economic growth performance 1995-2013 (GVA at basic prices)	0.6%	1.51%

Source: Stats SA and Quantec

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

Chart 1: Population Community Survey 2016



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

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

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

Source: HIS Markit Regional eXplorer version 1570

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

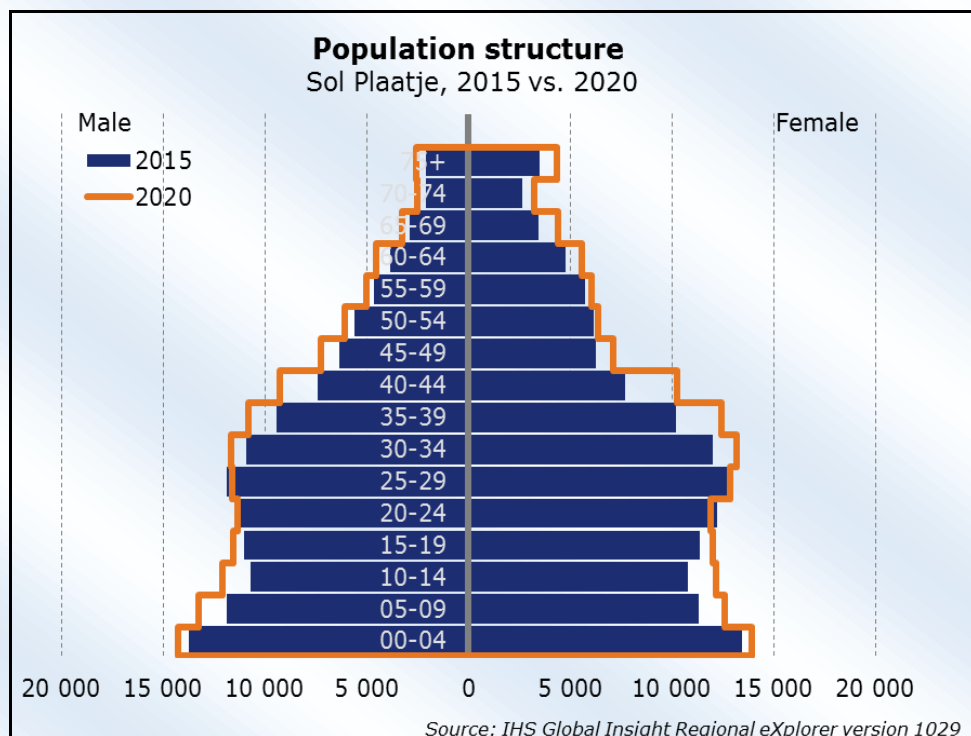
Table 4: Population projections - Sol Plaatje, Frances Baard, Northern Cape and National Total, 2015-2020 [Numbers percentage]

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

Source: IHS Global Insight Explorer Version 1029

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

Chart 2: Population structure 2015 vs 2020



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

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

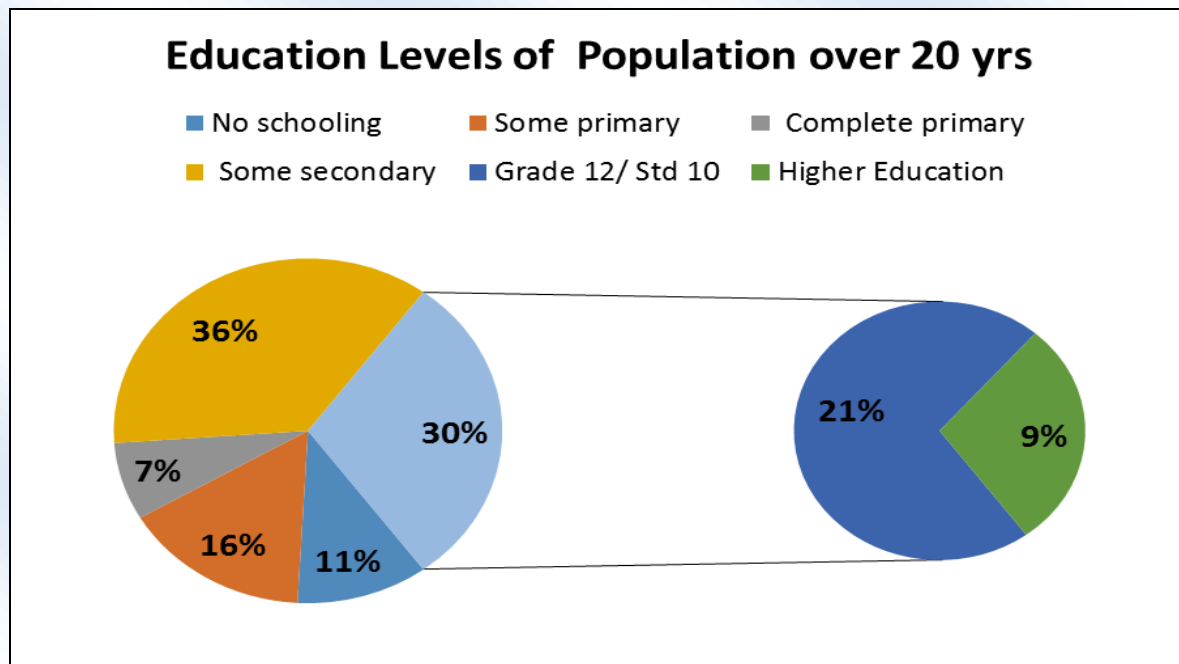
The fertility rate in 2020 is estimated to be slightly higher compared to that experienced in 2015. The share of children between the ages of 0 to 14 years is projected to be slightly smaller (27.4%) in 2020 when compared to 2015 (27.6%).

In 2015, the female population for the 20 to 34 years age group amounts to 14.3% of the total female population while the male population group for the same age amounts to 13.2% of the total male population. In 2020, the male working age population at 12.1% does not exceed that of the female population working age population at 13.3%, although both are at a lower level compared to 2015.

2.1.2 Labour Market and Educational Statistics

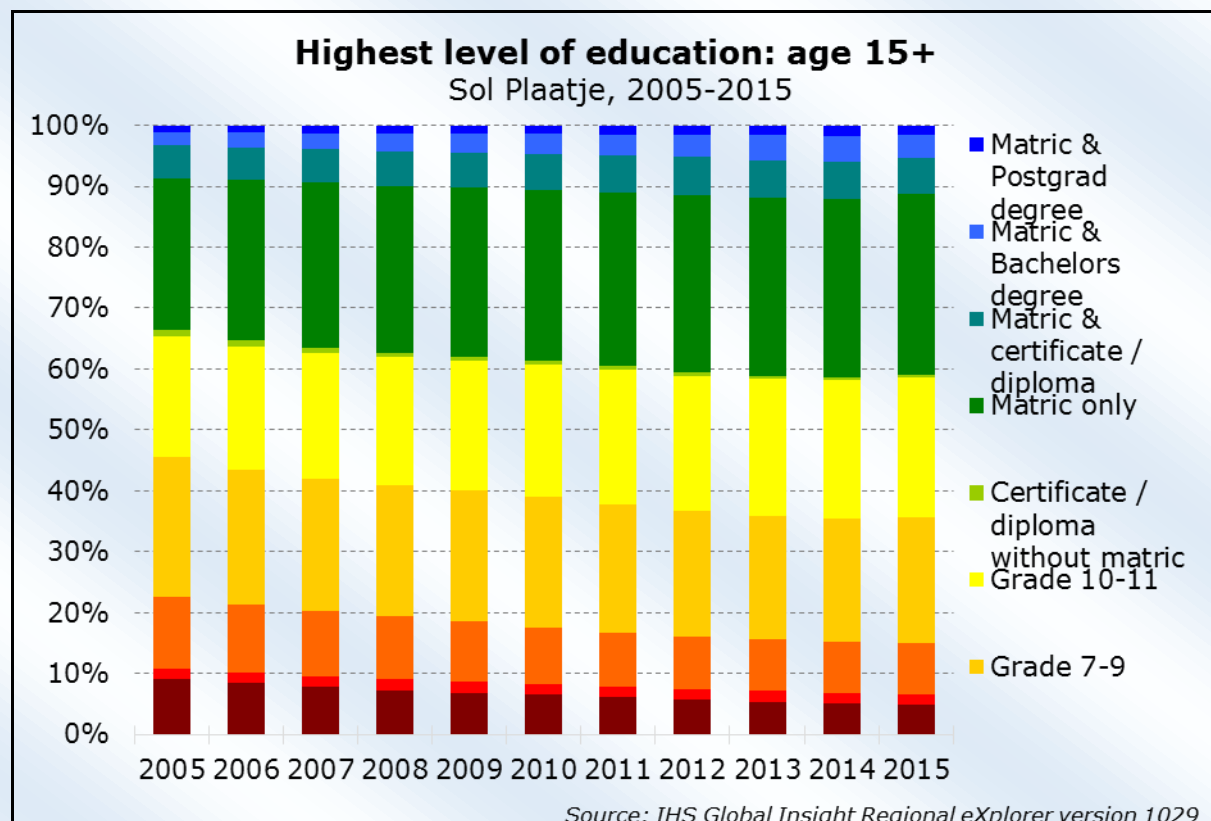
Of the population over 20 years, 30% have matric and higher education, while 10% indicate no schooling. The remaining 60% have some primary schooling and some secondary schooling. This will pose a serious problem for the future economic trajectory as skills will have to be built to suit the economic path and in the short-term skills will have to be brought in from skilled areas.

Chart 3: Labour Market and Education Statistics 2011 compared to 2001



Source Stats SA & Quantec

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



Within Sol Plaatje Local Municipality, the number of people without any schooling decreased from 2005 to 2015 with an average annual rate of -3.43%, while the number of people within the 'matric only' category, increased from 32,100 to 49,200. The number of people with 'matric and a certificate/diploma' increased with an average annual rate of 3.65%, with the number of people with a 'matric and a Bachelor's' degree increasing with an average annual rate of 7.82%. Overall improvement in the level of education is visible with an increase in the number of people with 'matric' or higher education.

Chart 5: Involvement in the economy

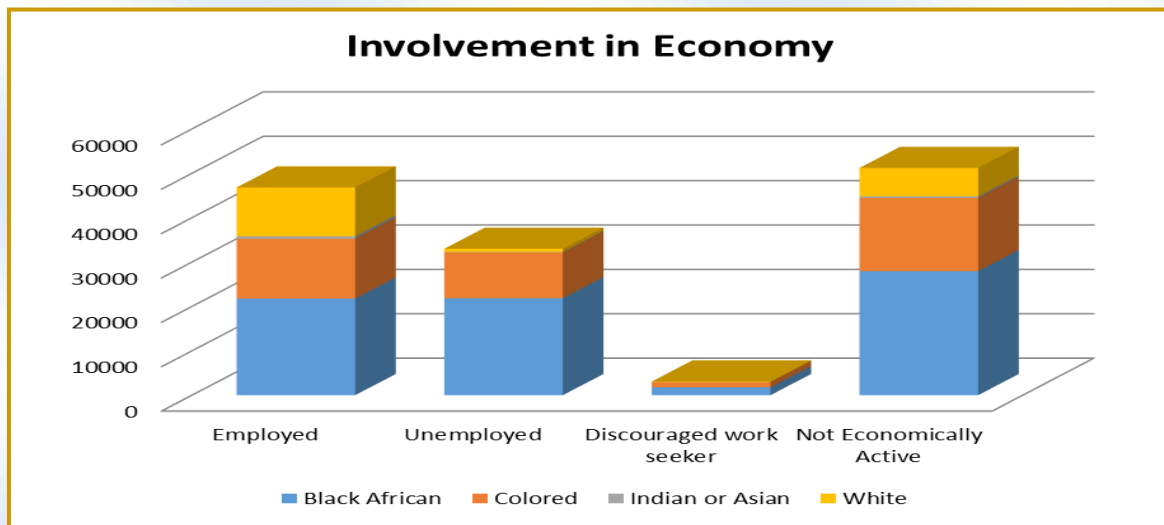
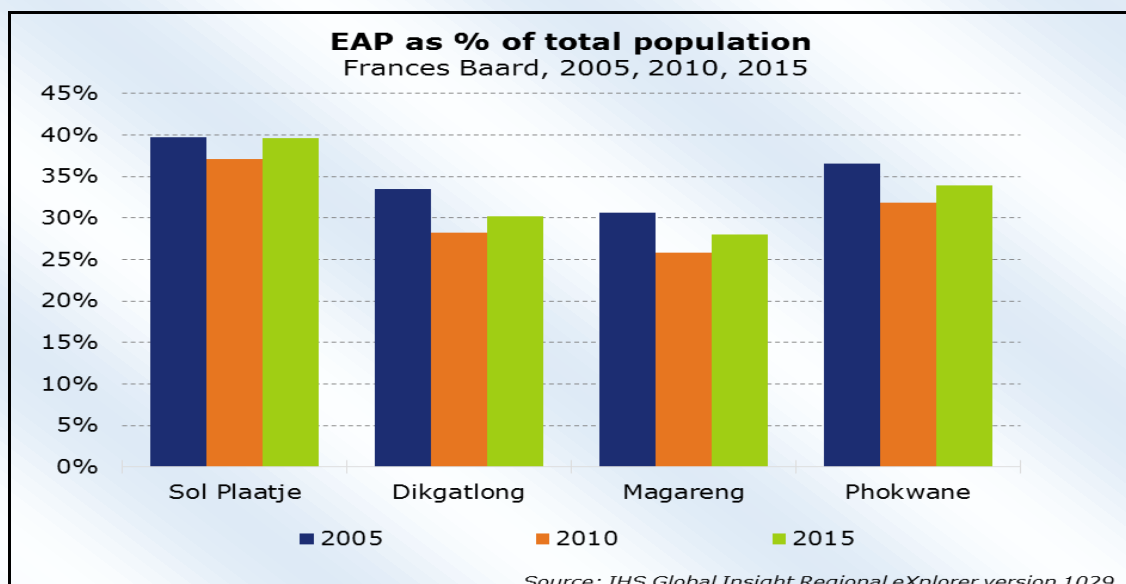


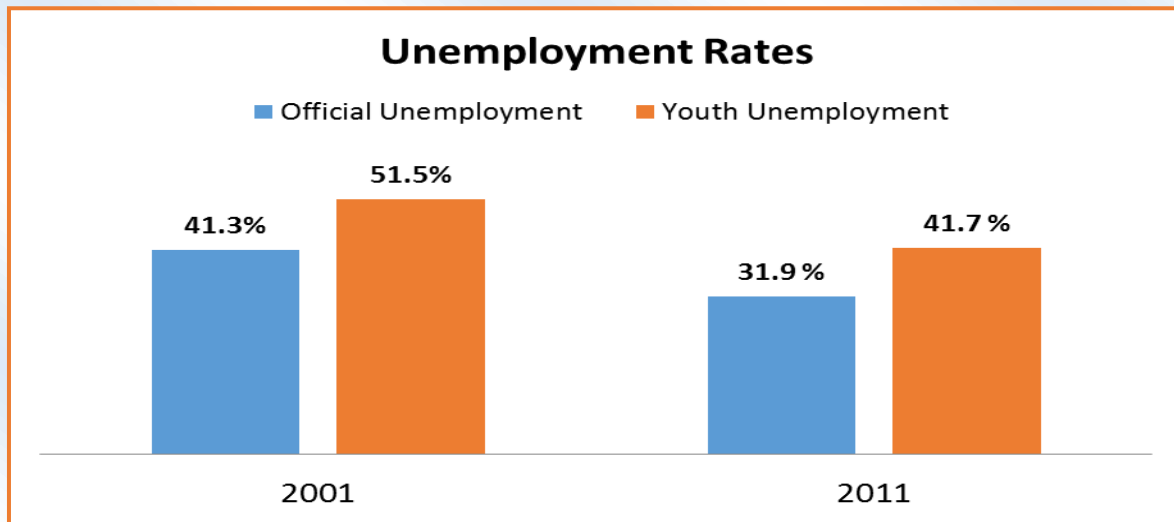
Chart 6: EAP as a percentage of total population



In 2005, 39.7% of the total population in Sol Plaatje Local Municipality were classified as economically active which decreased to 39.6% in 2015. Compared to the other regions in Frances Baard District

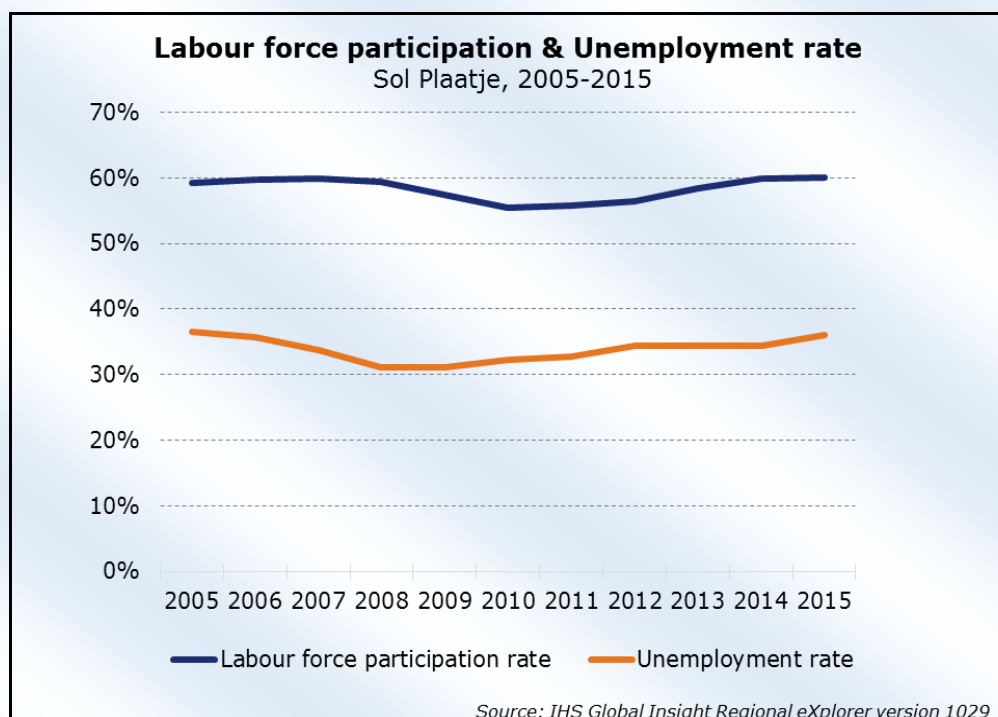
Municipality, Sol Plaatje local municipality had the highest EAP as a percentage of the total population within its own region relative to the other regions. On the other hand, Magareng local municipality had the lowest EAP with 28.0% people classified as economically active population in 2015.

Chart 7: Unemployment Rates



Of the economically active people in the municipality, 31.9% are unemployed (narrow definition of unemployment). 41.7% of the economically active youth (15 – 34 years) in the area are unemployed. This figure is compelling enough to direct a special focus on youth employment.

Chart 8: Labour force and Unemployment Rates



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

success rate of the labour force relative to employment. In 2005, the unemployment rate for Sol Plaatje was 36.6% and decreased overtime to 36.0% in 2015.

The gap between the labour force participation rate and the unemployment rate decreased which indicates a negative outlook for the employment within Sol Plaatje Local Municipality.

2.1.3 Household Statistics

Chart 9 shows a comparison between the number and types of dwellings in Sol Plaatje and surrounding municipal areas, from 2001 to 2016.

During the 2011 Census 10378 households lived in informal settlements. This number increased to 9829 by end of 2016, according to the Community Survey performed by STATS SA. Refer to chart 9 below for further detail.

Chart 9: Types of dwellings

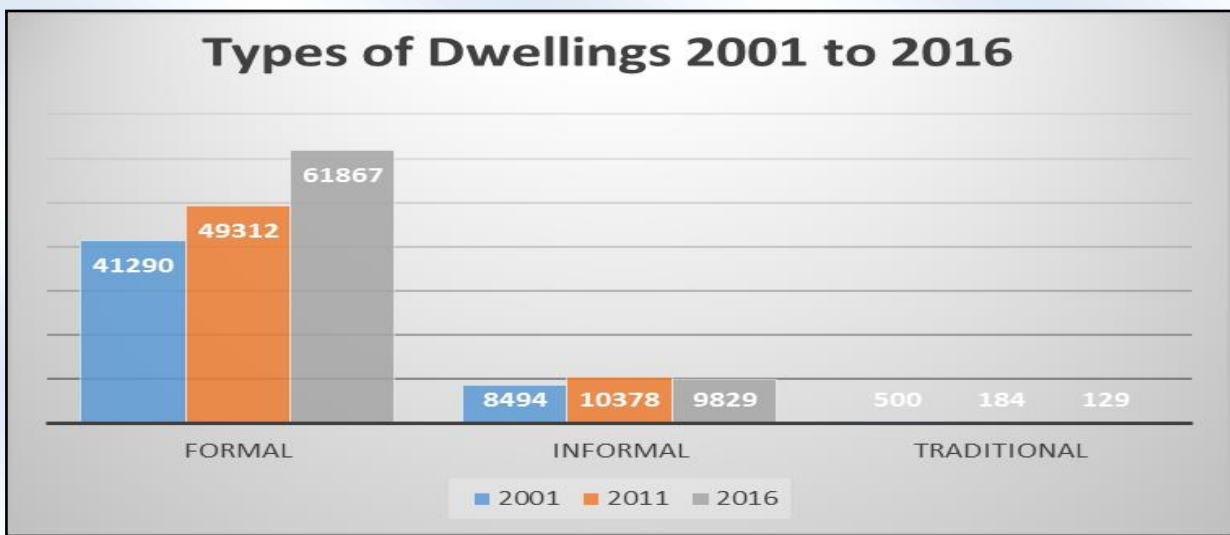
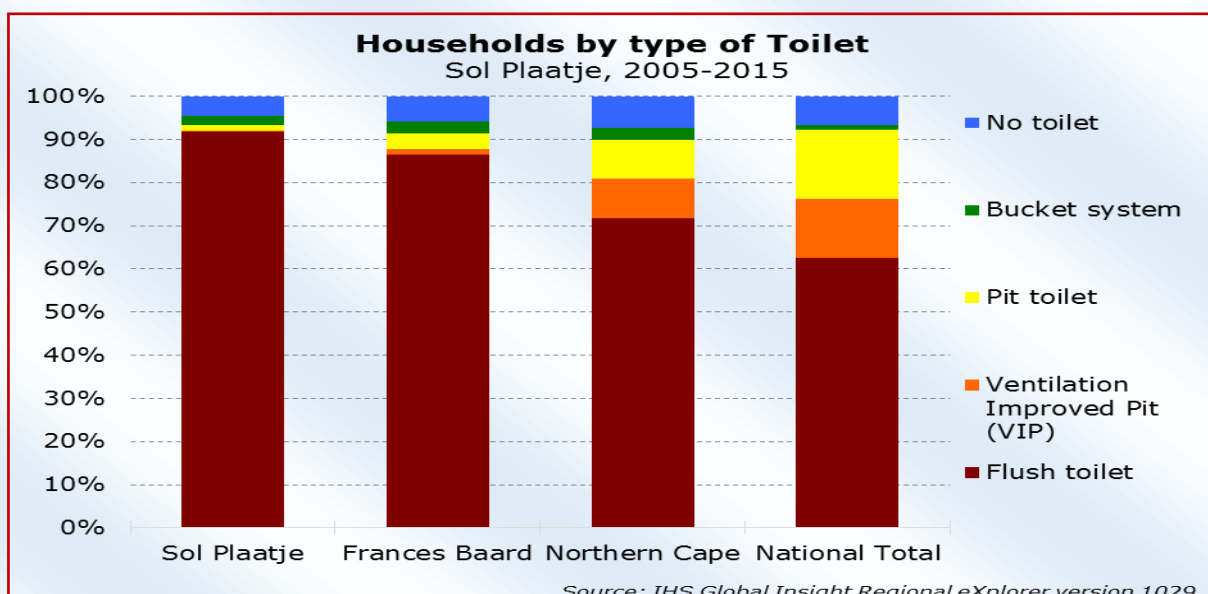


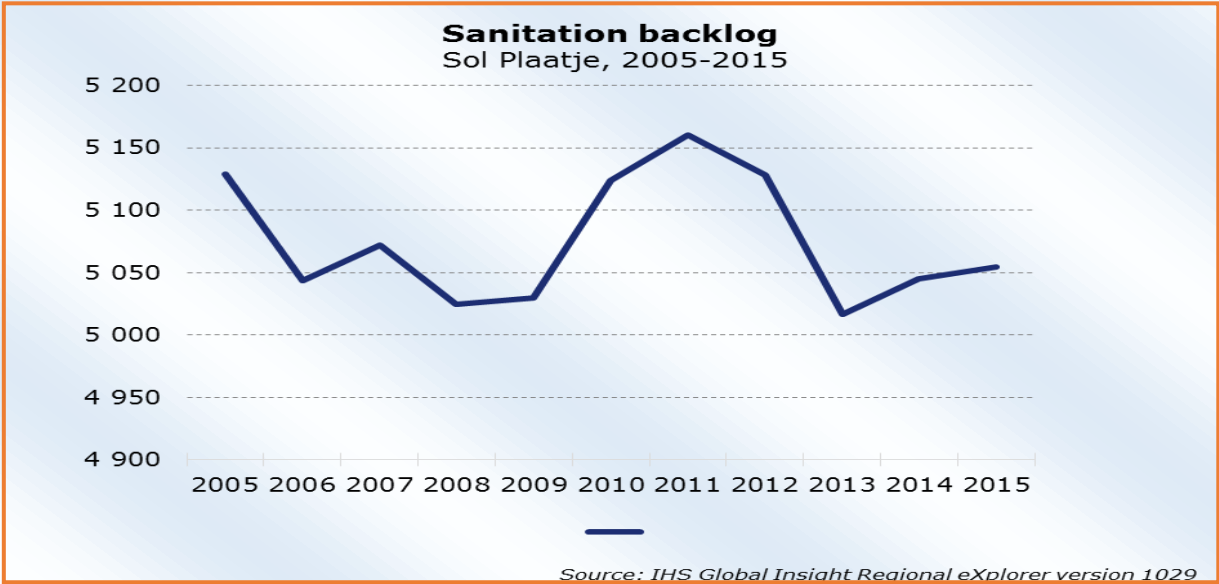
Chart 10: Households by type of toilet



Source: IHS Global Insight Regional eXplorer version 1029

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.

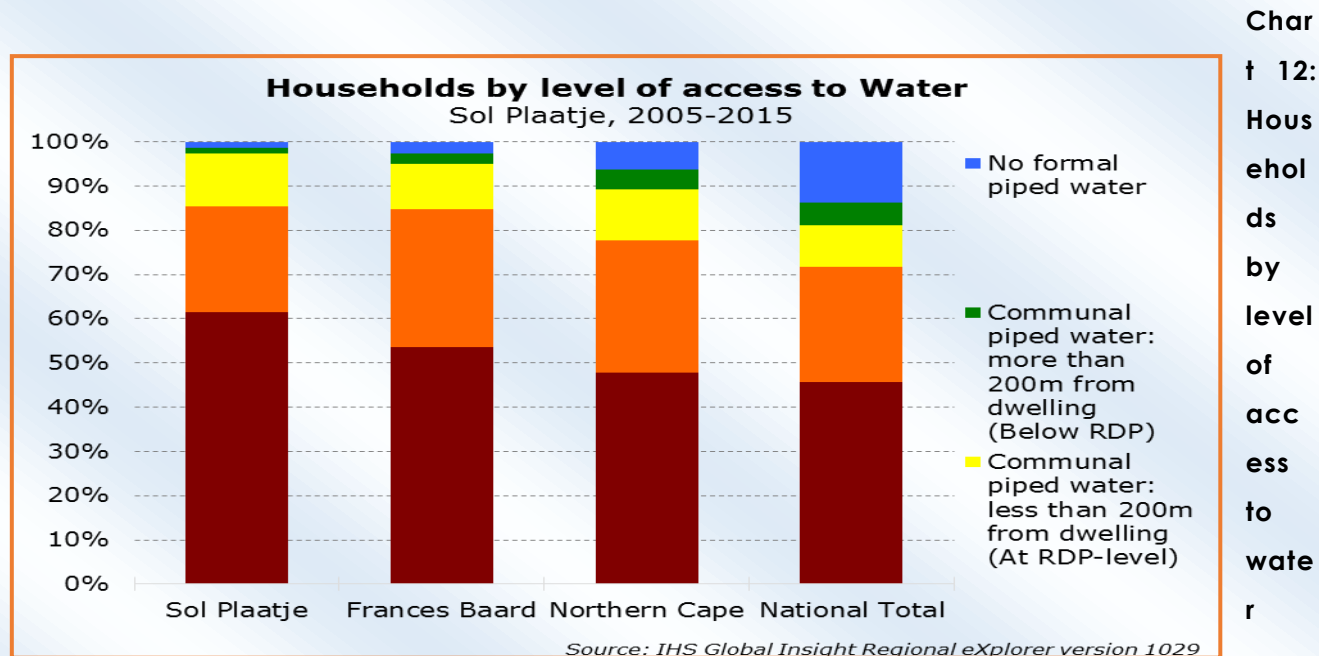


Chart 12: Households by level of access to water

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: Water Backlog

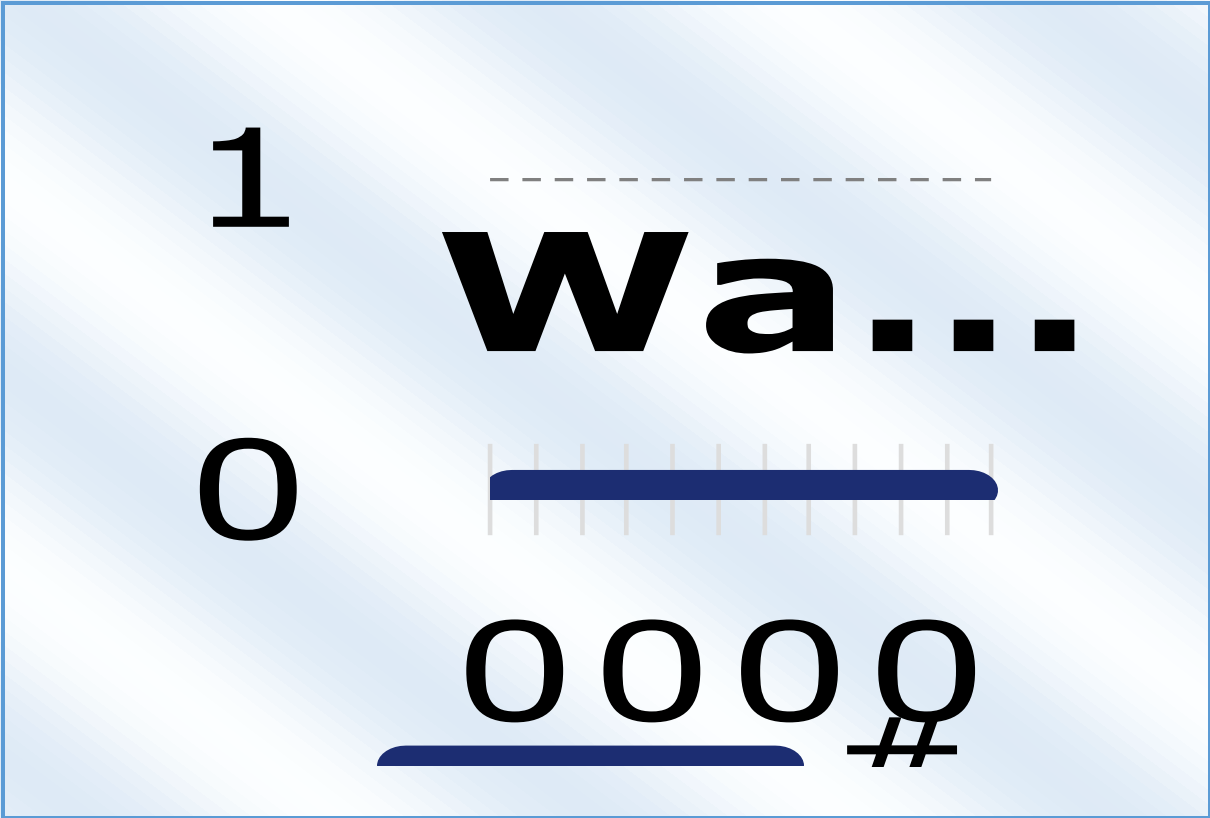
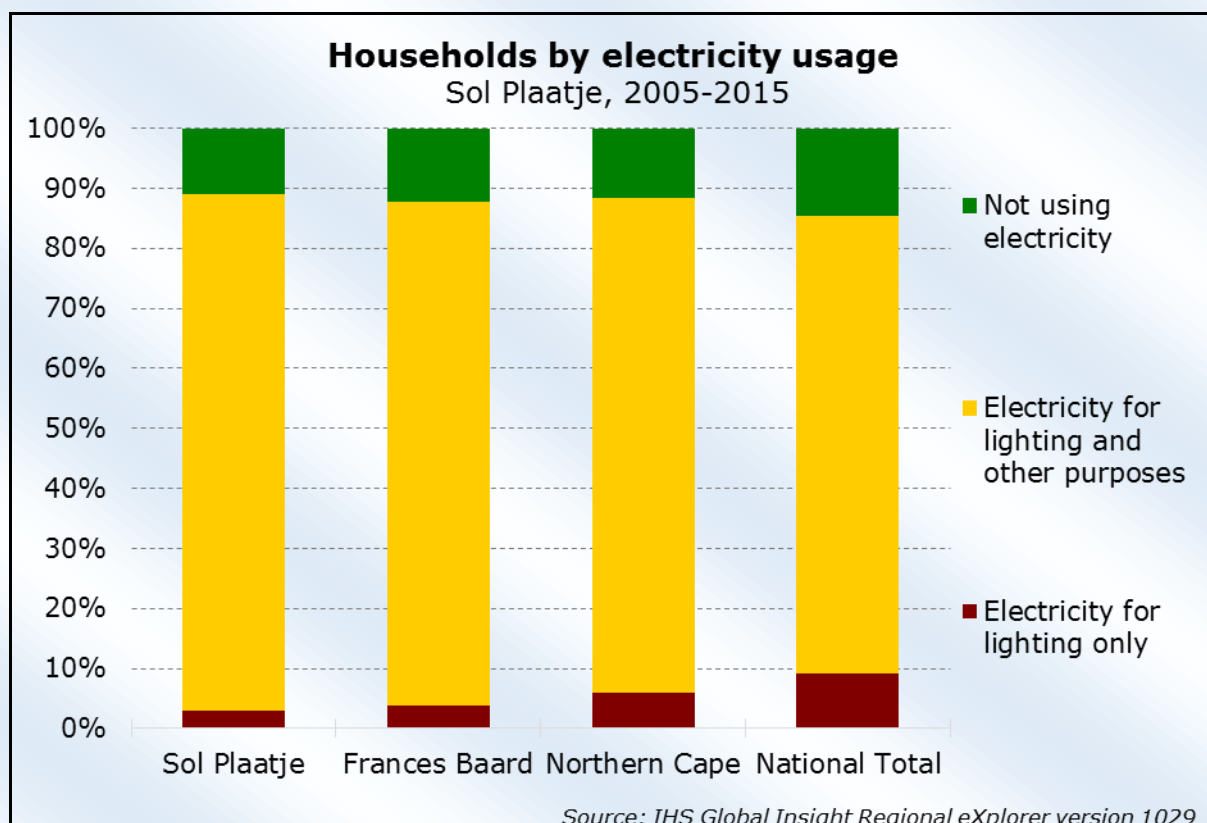


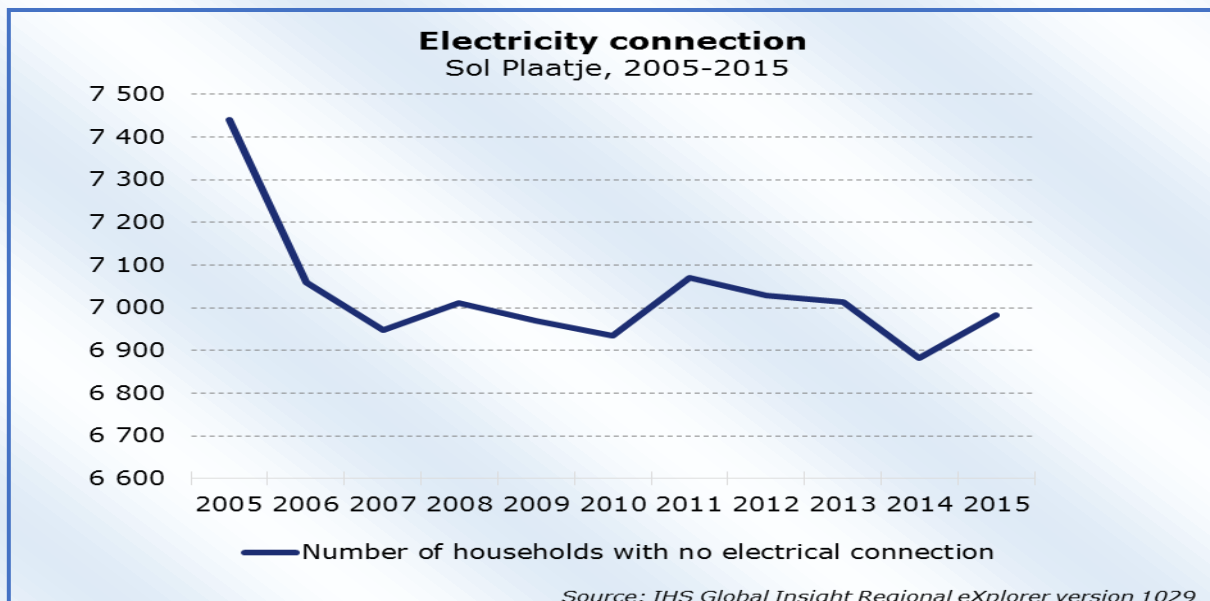
Chart 14: Households by electricity usage



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

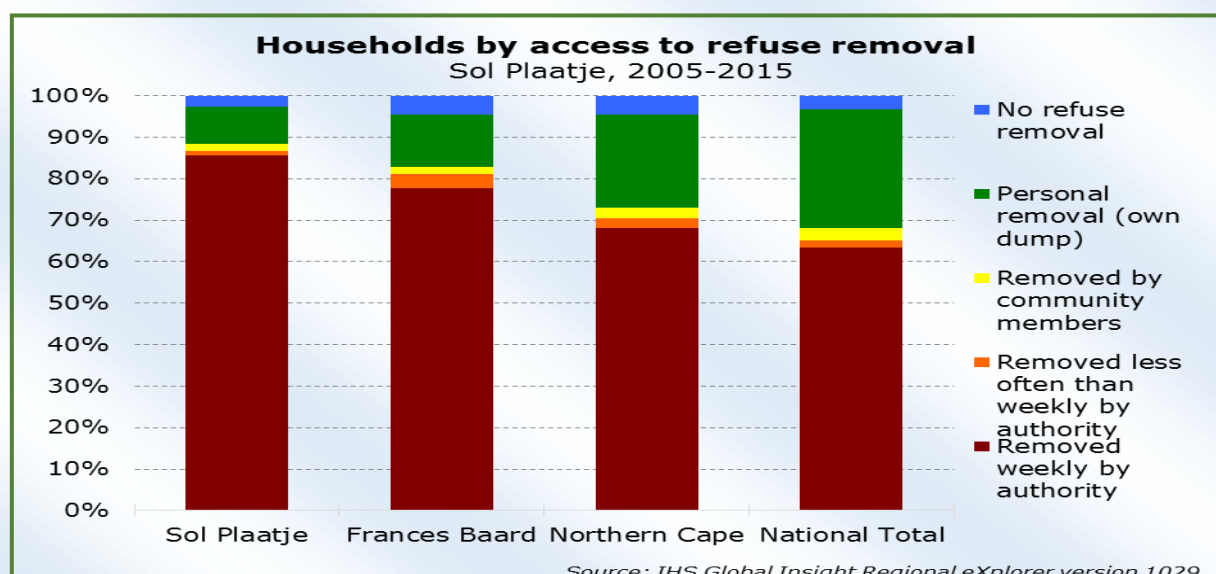


The region within Frances Baard with the highest number of households with electricity for lighting and other purposes is Sol Plaatje local municipality with 55 200 or a share of 66.36% of the households with electricity for lighting and other purposes within Frances Baard District Municipality.

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



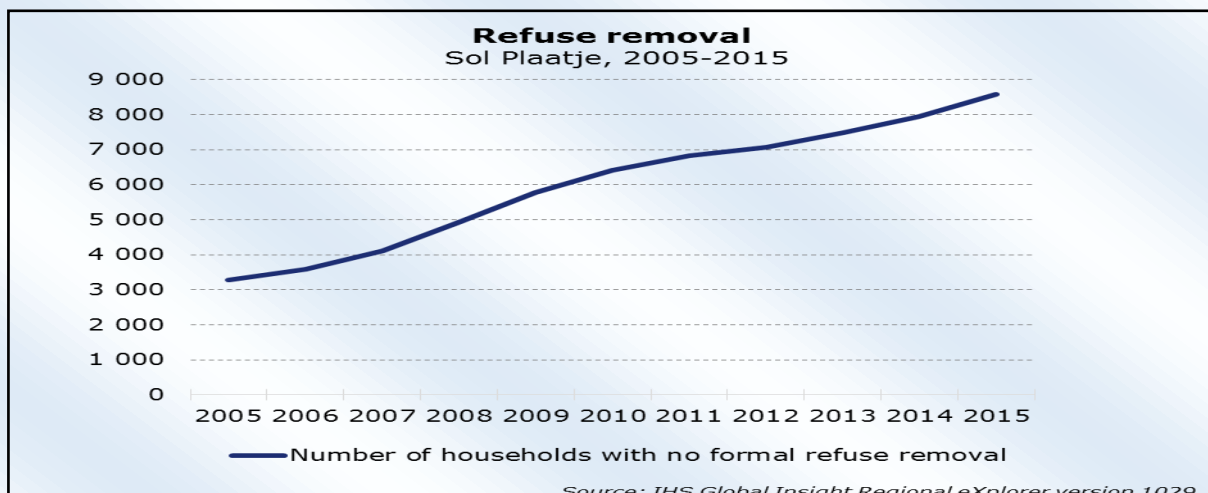
A distinction is made between formal and informal refuse removal. When refuse is removed by the local authorities, it is referred to as formal refuse removal. Informal refuse removal is where either the household or the community disposes of the waste, or where there is no refuse removal at all. A further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



When looking at the number of households with no formal refuse removal, it can be seen that in 2005 the households with no formal refuse removal in Sol Plaatje Local Municipality was 3 280, this increased annually at 10.07% per annum to 8 560 in 2015.

The total number of households within Sol Plaatje Local Municipality increased at an average annual rate of 1.67% from 2005 to 2015, which is higher than the annual increase of 1.86% in the number of households in South Africa. For the financial year of 2018/19 Sol Plaatje Municipality had a total number of 59 306 households which had their refuse removed on a weekly basis and a backlog of

9 000 with regard to informal settlements that are making use of bulk containers. There are 30 bulk containers with 170 removals per month.

2.1.4 Economic Statistics

As seen in chart 18 below, the tertiary sector employs relatively little unskilled labour compared to the primary and secondary sectors. Therefore, growth in the tertiary sector does not normally have a significant impact on unemployment as the majority of unemployed people are not highly skilled.

The Province economy grew at 2.8% in 2017, an improvement from the blow par growth of -1.2% experienced in 2016. The number of unemployed people, however increased by 12 652 in the 2nd Quarter of 2019 with the Province having the highest rate of young people unemployed and second highest for those aged 15 to 24 years at a rate of 45.9%. Currently 125 313 people in the Northern Cape are without employment, aged 15 to 24 years not in employment, education and training.

The high youth unemployment means young people are not acquiring the skills or experience needed to drive the economy forward, which inhibits the province's economic development.

Chart 18: GVA – Broad sector composition, 2015

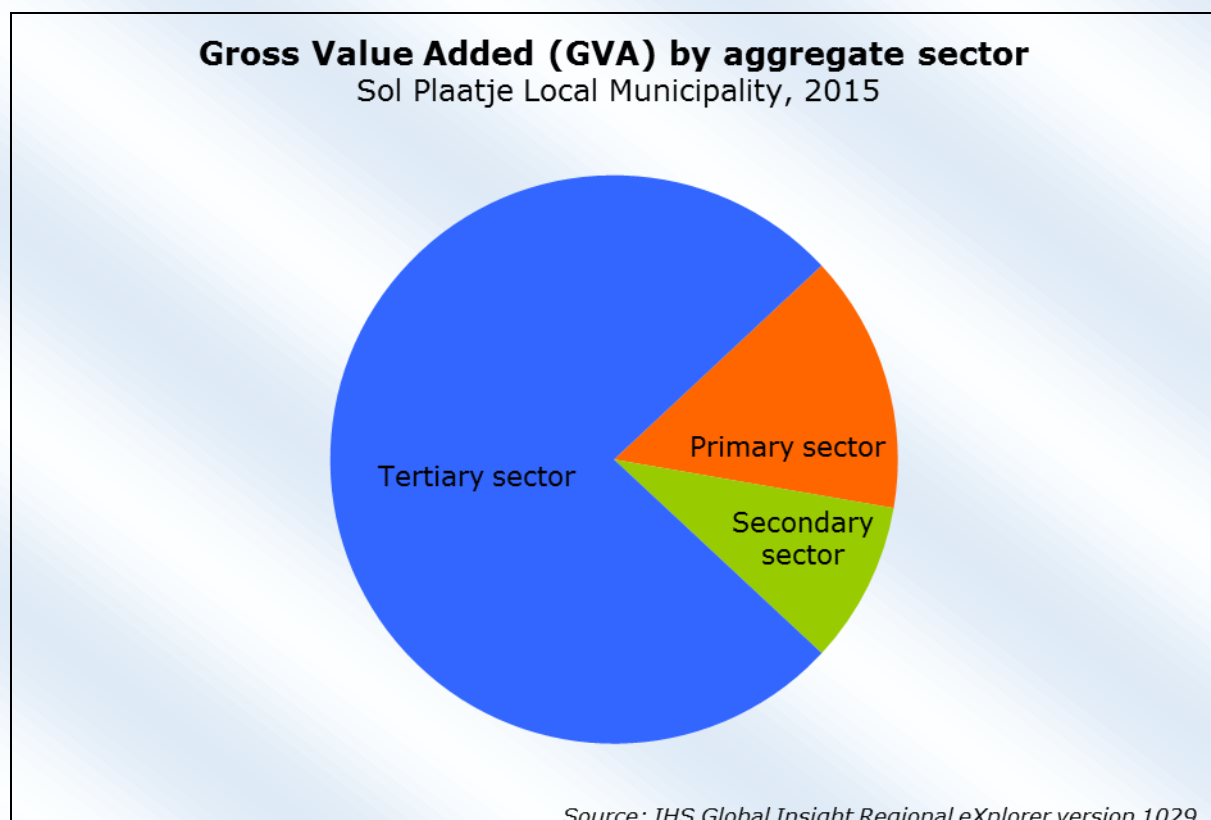
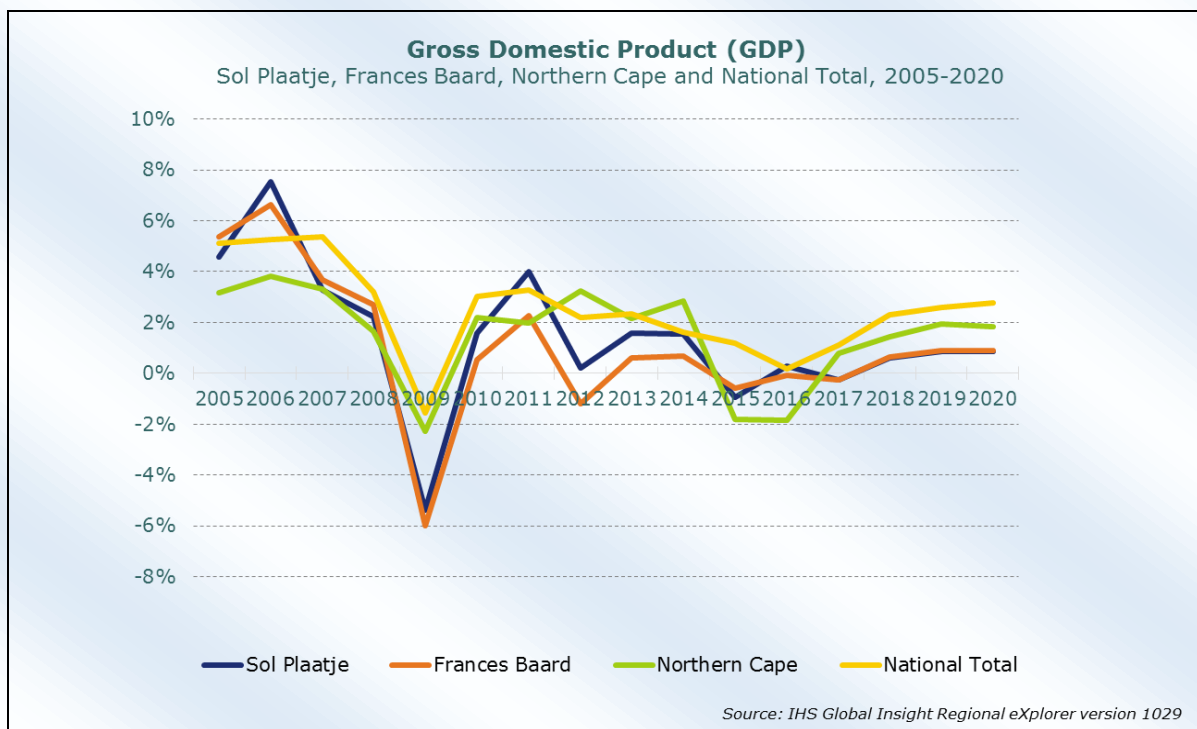


Chart 19: Gross Domestic Product (GDP) Forecast, 2005 - 2015



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

During the State of the Nation Address by President Cyril Ramaphosa on 13 February 2020, some key announcements were made.¹

To fight youth unemployment a new six-pronged plan was introduced that will target skill building, expansion of the Youth Employment Service and re-allocation of 1% of the national budget to a youth employment initiative. South Africa's youth faces one of the highest unemployment rates in the world, with almost 6 out of every 10 South African between the ages of 15 and 24 without jobs.

After the success of the high-profile investment conferences held in 2018 and 2019 in a bid to attract R1.2 trillion in new investment over five years, a third conference will be held in November to review the implementation of the previous commitments and to generate new investment into SA's economy. A total of R664 billion in investment commitments had been raised during the first two years of the investment drive.

¹ Web SA Government

The Infrastructure Fund Implementation Team has finalised the list of shovel-ready projects and has begun work to expand private investment into public infrastructure sections with revenue streams. These include areas like student accommodation, social housing, independent water production, rail freight branch lines, embedded electricity generation, municipal bulk infrastructure and broadband roll-out.

The social housing program to build rental housing for low-income families is at implementation stage, which could leverage as much as R9 billion of private investment in the construction of 37 000 rental apartments.

A Tourism Equity Fund is going to be launched by Government to stimulate transformation in tourism.

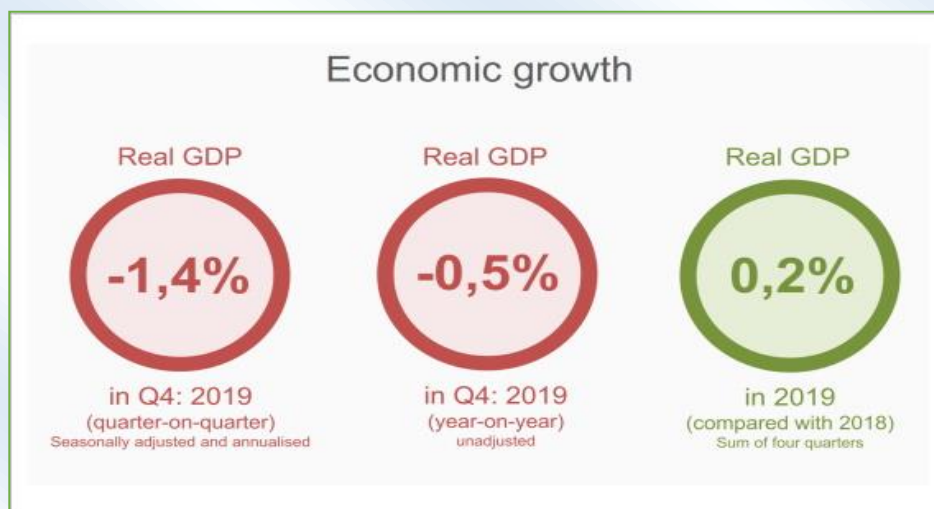
The low levels of growth mean that South Africa are not generating enough revenue to meet our expenses. Our debt is heading towards unsustainable levels, and spending is misdirected towards consumption and debt servicing rather than infrastructure and productive activity. The Minister of Finance would thus outline a series of measures to reduce spending and improve its composition.²

Gross domestic product shrank an annualised 1.4% in the last quarter of 2019, compared with a revised 0.8% decline in the three months through September. The economy contracted 0.5% from a year earlier, the first time in almost four years that GDP has shrunk from the same period a year earlier.

³

The contraction means Africa's most-industrialised economy has had two recessions since President Cyril Ramaphosa came to power at the start of 2018. For the full year, economic growth was 0.2%, the lowest since the global financial crisis, and half of what the Reserve Bank estimated in January, when it cut its key interest rate.

Chart 20: Economic Growth in 4th Quarter 2019 (SA Statistics)



² Fin 24

³ SA Statistics

Seven of the ten industries contracted in the fourth quarter. Finance, mining and personal services managed to keep their heads above water, but this was not enough to prevent the economy from sliding into its third recession since 1994 as shown below.

Chart 21: Industry growth in 4th Quarter 2019(SA Statistics)

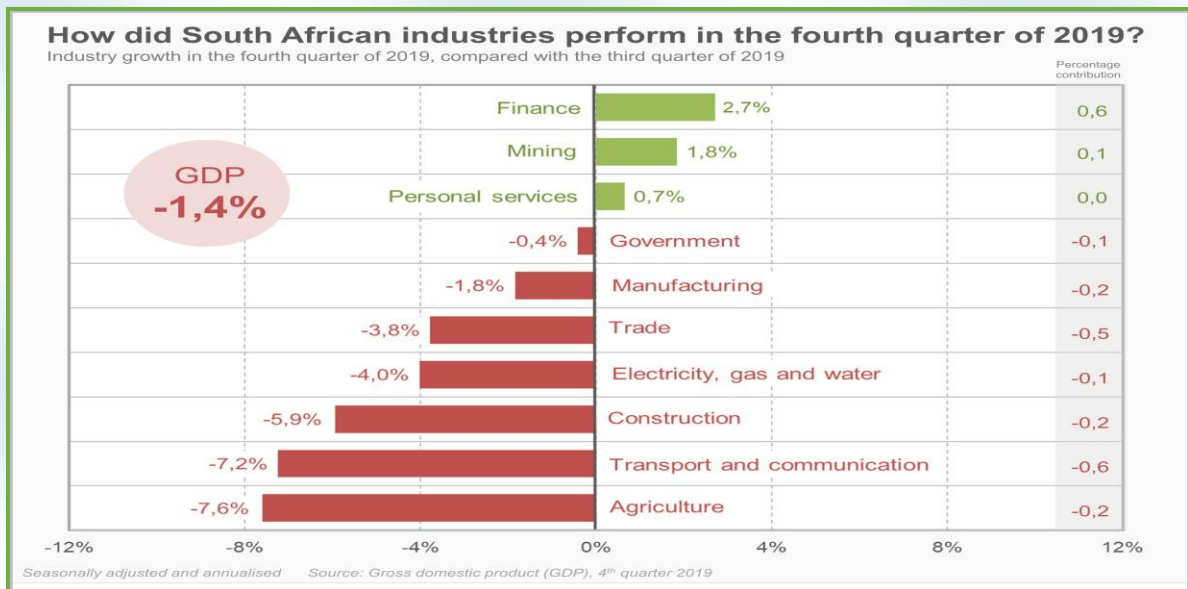


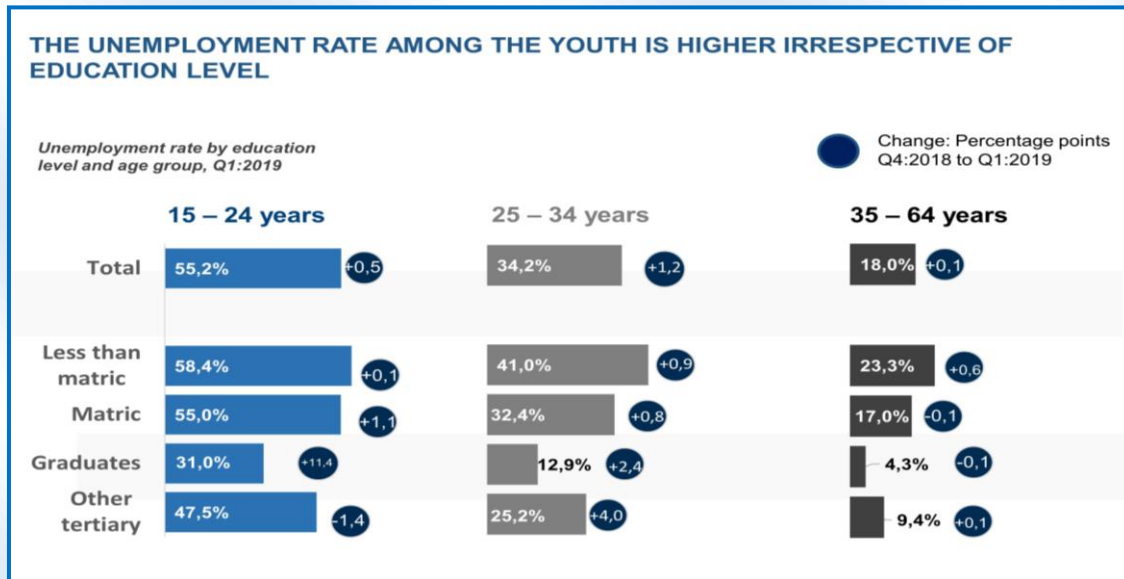
Chart 22: SA's Consumer Price Inflation, January 2020 (SA Statistics)



South Africa's annual inflation rate nudged up to 4,6% in February from January's 4,5%, inching past the 4,5% midpoint of the South African Reserve Bank's monetary policy target range. The last time the inflation rate was above the midpoint was in November 2018 when the rate was 5,2% as shown above.

The youth aged 15–24 years are the most vulnerable in the South African labour market as the unemployment rate among this age group was 55,2% in the 1st quarter of 2019. Among graduates in this age group, the unemployment rate was 31,0% during this period compared to 19,5% in the 4th quarter of 2018 – an increase of 11,4 percentage points quarter-on-quarter. However, the graduate unemployment rate is still lower than the rate among those with other educational levels, as shown in the chart below, meaning that education is still the key to these young people's prospects improving in the South African labour market.

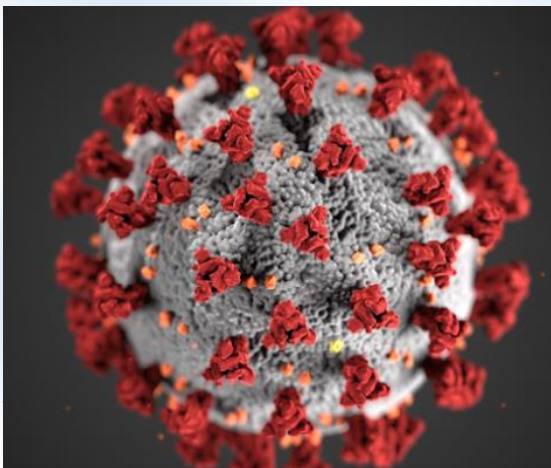
Chart 23: SA's Youth Unemployment Rate, Quarter 4:2018 to Q1: 2019(SA Statistics)



The continued lack of growth will weigh on the government's revenue collection and efforts to tame debt and narrow the budget deficit. It will also make it even more difficult to lower an unemployment rate that's close to 30% and seen as one of the biggest obstacles to reducing poverty in one of the world's most unequal nations

SA is facing a heightened risk of a sovereign credit rating downgrade to junk by Moody's Investors Service, which changed its outlook from stable to negative late in 2019. Moody's is the sole major rating agency to not already have down-graded SA's sovereign debt to sub-investment grade,

For the first time over a century, the world is facing a medical emergency far graver than what human race have experienced before. The World Health Organisation has declared the coronavirus outbreak as a global pandemic. It is for this reason that SA's President, Cyril Ramaphosa, declared a national disaster on 15 March 2020 with the outbreak of the Corona-virus and announced government measures to assist in containing the spread and supporting businesses with the pandemic. Never before in the history of our democracy has the country been confronted with such a severe situation.



The pandemic will have an impact on health and wellbeing of people on the day-to-day life of society and a significant and potentially lasting impact on the economy.

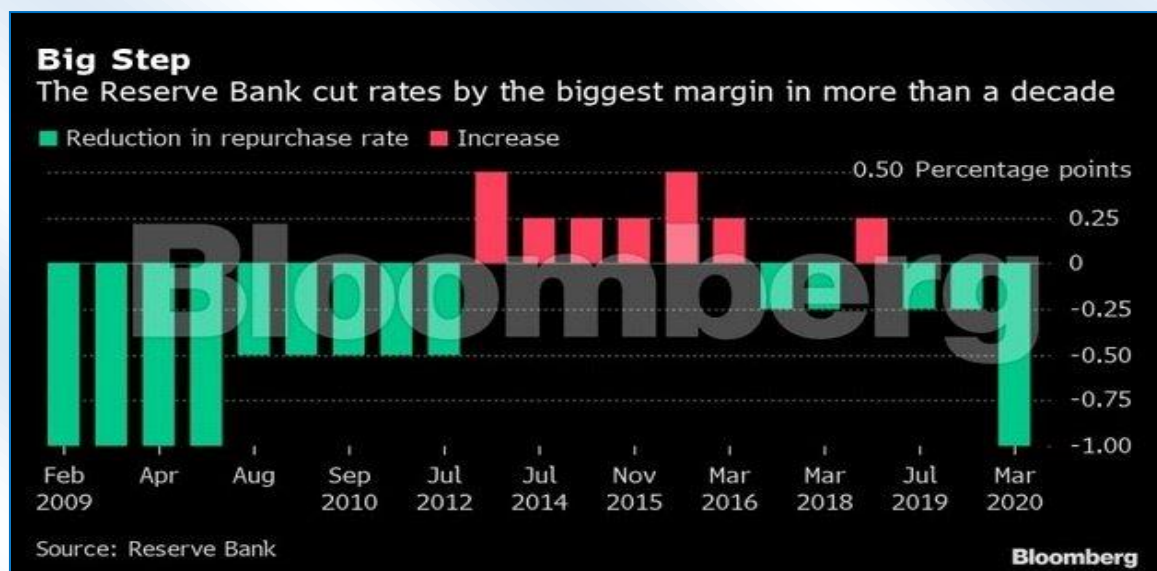
There was already a dramatic decline in economic activity in SA's major trading partners, i.e. a sudden drop in international tourism and severe instability across all global markets. The anticipated effects of the decline in exports and tourist arrivals will be exacerbated by both an increase in infections and the measures required to take to contain the spread of the disease.

A potentially severe impact on production, the viability of businesses, job retention and job creation.

The Cabinet is therefore in the process of finalising a comprehensive package of interventions to mitigate the expected impact of COVID-19 on the economy especially on production, viability of businesses, job retention and job creation.

Impact

It is the first time in a decade that the Reserve Bank cut the interest rate by a full percentage point in one meeting as shown below.



The inflation rose above the 4.5% midpoint of the central bank's target range for the first time in 15 months in February, but it's expected to moderate over the coming months on the back of a sharp decline in oil prices. The cut in interest rates won't derail the efforts to anchor price growth at the midpoint according to the Monetary Policy Committee, who has also revised its inflation forecast for the year to 3.8% from 4.7%

The central bank's quarterly projection model indicated three repo rate cuts of 25 basis points each in the second and fourth quarter of 2020, as well as in the third quarter of 2021.

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

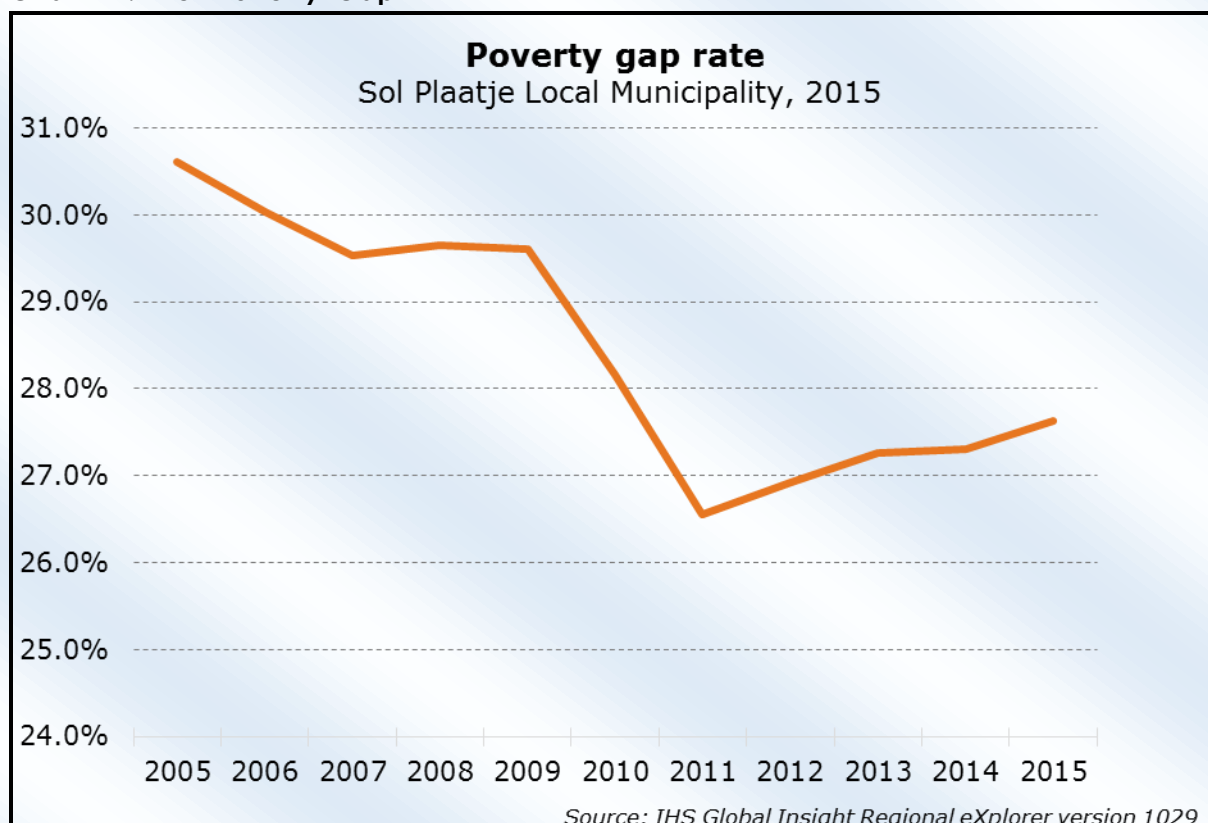
The issues identified above need to be considered when reviewing the IDP and preparing the budget for the 2020/21 MTREF. The Province economy grew at 2.8% in 2017, an improvement from the blow par growth of -1.2% experienced in 2016. The number of unemployed people, however increased by 12 652 in the 2nd Quarter of 2019 with the Province having the highest rate of young people unemployed and second highest for those aged 15 to 24 years at a rate of 45.9%. SPLM's population growth is 2, 95% (between 2011 and 2016). A large proportion of this growth is in the lower income and indigent component of the population. The unemployment rate is 31,9% (youth unemployment 41,7%). Only 10% of SPLM's population has a higher education than matric. More than half (55%) of SPLM's population also has an income of R3, 000 or less per month. All this indicate that economic growth and job creation must (in line with the NDP) be a high priority in SPLM as well.

Realizing economic growth in its area and creating sustainable jobs is, however, a huge challenge for SPLM as it is in itself not a "big" role-player in this process.

This challenge becomes even greater considering the fact that the primary and secondary sectors is the actual job creating sectors within the economy - especially in an area, such as SPLM, where the skills levels are low (refer to level of education above). Unfortunately the primary sectors form a very small portion of the SPLM's economy – only 12%. The tertiary sector on the other hand forms 69% of the local economy and these are also the sectors where SPLM has a comparative.

The state of the economy (in SA at present) should also be considered. 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 24: The “Poverty-Gap”



The poverty gap is used as an indicator to measure the depth of poverty. The gap measures the average distance of the population from the poverty line and is expressed as a percentage of the upper bound poverty line, as defined by StatsSA. The Poverty Gap deals with a major shortcoming of the poverty rate, which does not give any indication of the depth, of poverty. The upper poverty line is defined by StatsSA as the level of consumption at which individuals are able to purchase both sufficient food and non-food items without sacrificing one for the other.

It is estimated that the poverty gap rate in Sol Plaatje Local Municipality amounted to 27.6% in 2015 - the rate needed to bring all poor households up to the poverty line and out of poverty.

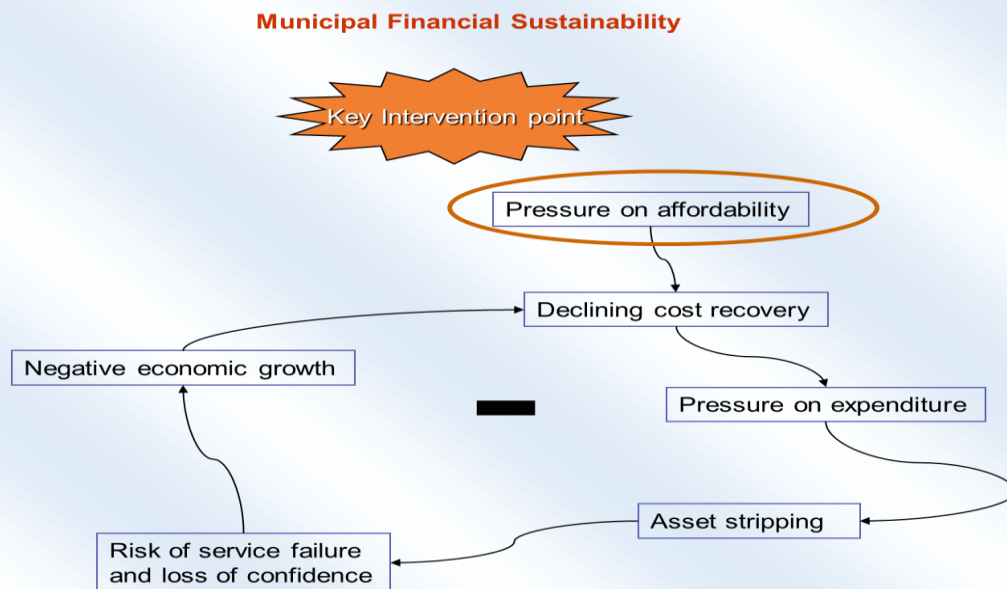
In 2015, the poverty gap rate was 27.6% and in 2005 the poverty gap rate was 30.6%, it can be seen that the poverty gap rate decreased from 2005 to 2015, which means that there were improvements in terms of the depth of the poverty within Sol Plaatje Local Municipality.

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

1. A job creation strategy for the indigent population in order for them to also contribute towards the creation and maintenance of the urban services and facilities, and
2. Create an enabling environment for private sector investment in order for this segment of the population to grow which will contribute towards sustainable economic growth.

It is of utmost importance to address the above issues as it also negatively influences the financial sustainability of the municipality who is tasked to ensure a livable City by providing and maintaining the necessary municipal services and facilities. This is illustrated by the figure below.

Figure 1: Municipal Financial Sustainability



Issues to be addressed to ensure the financial sustainability of the SPLM include, but are not restricted to:

- Economic growth and job creation
- Affordable Municipal Rates
- Increase revenue collection
- Reduce billing lag after development has been completed.
- Differentiated service levels according to affordability
- Core vs Non-core functions – concentrate on core functions (B2B)
- Optimum cost-efficient service delivery
- Reliable and increased infrastructure capacity for growth and development, especially related to connector and reticulation networks – specifically Electricity
- Reduce “Red Tape” for investors who wishes to invest in development in Kimberley

CHAPTER 3: SITUATIONAL ANALYSIS

3.1 STATUS QUO PER KEY PERFORMANCE AREA

3.1.1 STRATEGIC ECONOMIC DEVELOPMENT AND PLANNING

3.1.1.1 Local Economic Development

Status Quo

The history of LED in South Africa can be divided into six phases, as described in Table 5.

Table 5: South Africa and LED history

<p>PRE-1994 (apartheid era)</p>	<ul style="list-style-type: none"> ▪ The approach was government-planned industrial decentralisation and LED initiatives, as part of the social engineering and economic boosterism of the apartheid state (Rogerson, 1997; Nel & John, 2006). ▪ From the 1980s, programmes were introduced to attract industries, promote place marketing, and develop infrastructure, tourism and land. However, by the early 1990s, many of the decentralised, planned places (e.g. Botshabelo, Mdantsane) were failing, with plants closing and jobs being lost (Marais et al., 2016c; SACN, 2016).
<p>1994–2002</p>	<ul style="list-style-type: none"> ▪ The new Constitution (1996) came into force and included the principle of developmental local government, reinforcing the importance of economic planning at the local level. ▪ Two opposing approaches to LED developed: a city-based (or pro-market) approach and a community-based approach (Nel, 1997). As donors started channelling their funding through government, the community-based approach lost momentum (Nel, 2005). Community groups argued in favour of pro-poor approach to LED (Khanyaacidd, 2006). ▪ Government introduced the LED Fund (1998) that was aimed at projects with a pro-poor, poverty-relief focus. Projects had limited success because they were poorly planned and designed, seldom considered the value chains, were mostly implemented by the public sector and often did not include appropriate technical support (Marais & Botes, 2007). ▪ Some of the large cities implemented inner-city renewal programmes and large tourism investments, such as waterfront developments and convention centres, which were in many cases driven by public-private partnerships (Nel & Rogerson, 2007)
<p>2003–2011</p>	<ul style="list-style-type: none"> ▪ Having discontinued the LED Fund (2002), government developed a new LED policy for South Africa, the National LED Framework 2006–2011 (DPLG, 2006), which was: <ul style="list-style-type: none"> ▪ A five-year strategic framework aimed at supporting the development of sustainable local economies through integrated government action. ▪ A guide to LED that proposed a strategic implementation approach that government and communities could use to improve LED, and suggested actions for implementing LED Key Performance Indicators.

POST 2011	<ul style="list-style-type: none"> ▪ A review of the 2006–2011 LED Framework took into consideration the state of the economy and of local government, the existing national economic frameworks and national contemporary LED issues, and identified LED challenges and opportunities. ▪ Challenges included: the lack of a shared conceptual understanding of LED, poor intergovernmental relations on LED, sectoral plans not integrated as part of LED planning and implementation, limited funding and financing for municipal-led LED programmes, the lack of a differential approach to LED implementation, and skills deficit and general human resources issues.
2016	<ul style="list-style-type: none"> ▪ Cabinet adopted South Africa's national urban policy, the IUDF, which promotes a differentiated approach to cities and towns. ▪ The IUDF recognises the specific problems associated with intermediate cities in South Africa, including dependence on a single economic sector, poor urban management, inadequate maintenance of municipal infrastructure, and weak relations between the municipality and external role-players. ▪ The IUDF specifically calls for a national LED strategy and for economic development to be central to the municipal agenda.
2018	<ul style="list-style-type: none"> ▪ The Ministry of Cooperative Governance and Traditional Affairs (COGTA) published a draft National Framework for Local Economic Development: Creating Innovation driven Local Economies 2018–2028 (COGTA, 2018) that takes forward the policy proclamations. ▪ Its aim is to “provide strategic guidance to LED agents and actors and their activities in order to achieve innovative, competitive, sustainable, inclusive local economies that maximise local opportunities, address local needs, and contribute to national and provincial development objectives”.

Understanding of the LED within Sol Plaatje Municipality

The main goal of Local Economic Development is improving the economic well-being of a community through efforts that entail job creation, job retention, tax base enhancements and quality of life. As there is no single definition for economic development, there is no single strategy, policy, or program for achieving successful economic development. Communities differ in their geographic and political strengths and weaknesses. Each community, therefore, will have a unique set of challenges for economic development.

Within municipalities, there still confusion about the LED department's role, and LED is not considered a high priority. As a result, projects identified in terms of SDBIP are not aligned with New Agenda LED 2017 in terms National LED Framework and are rarely updated in the IDP. These projects tend to be disconnected from reality, lack strong economic rationale or make simplistic assumptions about the economic value chains, and assume that funding will come from other spheres of government. The private sector is also not aligned with the municipality, and economic analysis and intelligence are lacking.

The Integrated Urban Development Framework (DCOG, 2016) and research by the South African Cities Network (SACN) and the South African Local Government Association (SALGA) recognise that the economic development function at local level needs to be re-imagined.

This study recommends that the LED function be re-imagined, based on four principles and six strategic issues.

Four institutional principles for LED

1. A functional economic development directorate can exist on a small budget.
2. A functional economic development directorate needs to be involved in both pro-growth and pro-poor projects.
3. LED needs to occupy centre stage within a municipality and economic thinking must be integrated into the other functions performed by a municipality.
4. A functional economic development directorate should furnish the rest of the municipality with robust economic intelligence.

Six strategic issues in reimagining LED

1. Local governments should mainstream economic considerations into their sectoral departments and also into the accompanying strategies of those departments.
2. Local governments need to use municipal levers, such as land-use planning, to support their economies.
3. Municipalities should do more to build economic intelligence, with the assistance of other spheres of government.
4. Local governments should strengthen economic strategies that are appropriate for their specific economic context and based on solid economic intelligence.
5. Local governments should develop economic partnerships, as municipalities need to facilitate, not drive, economic development.
6. Local governments should create appropriate institutional arrangements that support economic development.

The LED challenges of Sol Plaatje Municipality as an intermediate city

The slower economic growth is due to various realities facing intermediate city, including SPM reliance on a single sector (especially mining). This makes SPM vulnerable to changes in mining and international markets, and to decisions and policies made at national level; for example, the imposition or relaxation of import tariffs. Compounding this reality is the disappointing state of economic planning at local government level, or local economic development (LED).

The draft National Framework for Local Economic Development

The draft Framework contains a vision for LED: "Innovative, competitive, sustainable, inclusive local economies that maximise local opportunities, address local needs, and contribute to national development objectives", including the following strategic objectives:

- To launch a radical fight against poverty, inequality and unemployment, and enhance the quality of life for all through developing innovative and inclusive and competitive local economies.
- To support the potential of local economies to grow and develop the national economy.
- To raise greater awareness of the significance of regions, metropolitan municipalities and localities as focal points for generating national prosperity.

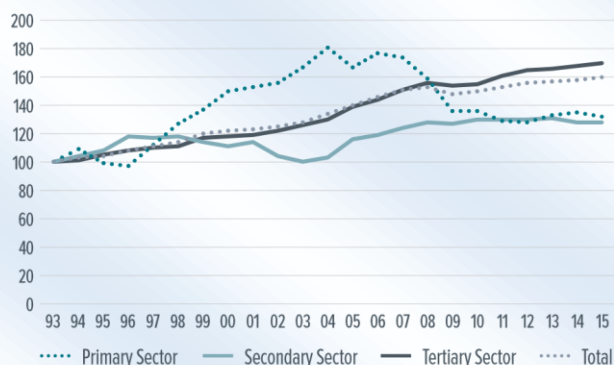
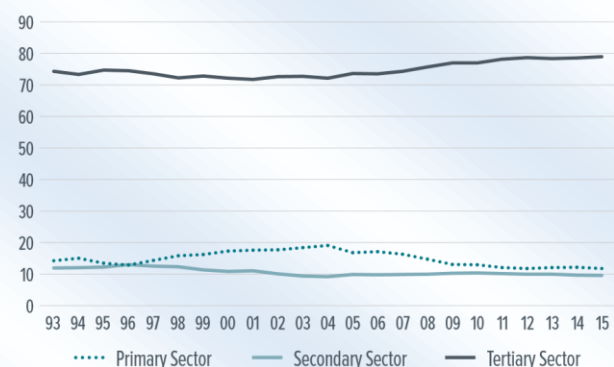


FIGURE 12: Percentage share of primary, secondary and tertiary sectors (1993–2015)



- To intensify the support for local economies to realise and build their economic potential, diversity, levels of employment and the creation of decent work for their communities.
- To strengthen intergovernmental coordination for the planning of inclusive economic development between government and non-governmental sectors.

Main economic function of Sol Plaatje Municipality

Two external factors saved the economy of what would otherwise be a dying mining town: the establishment of Sol Plaatje as the capital of the sparsely populated Northern Cape Province and the opening of a new national university five years ago. The city's capital status ensured that large numbers of public servants settled in the city, helping to maintain the housing market and creating demand for office space, and served to direct government spending on hospitals and other public services.

This in turn expanded the regional services function of the city. For the last 25 years, diamond mining stimulated the economy, but this is no longer the case. A large artisanal mining sector has developed in Sol Plaatje that remains unregulated and illegal, despite attempts to formalise these activities. Over the last two years, the economy has changed, and economic development officials are concerned by the loss of large numbers of businesses. Overall, the city struggles with political instability, bulk water supply and basic service-delivery problems.

Economic development planning

Sol Plaatje has an SEDP whereby Local Economic Development Unit placed and that focuses on tourism and enterprise development. The municipality has started a process to develop a new economic development strategy. Integrated economic thinking is limited, and the overall strategy is unclear. However, the city's economy has benefited from external government decisions, such as in 1994 when the city became the provincial capital, and in 2015 when a national university opened its doors. Another boost came in 2012 when the provincial government established a convention centre, which enables the city to attract niche conferences, rather than compete with Cape Town or eThekweni for large conferences. The tourism experience focuses on the Big Hole, extreme adventure sports and desert tourism.

Achievement

The move towards Diversification and Innovation: A necessity for Mining Towns

A current innovation within Kimberley is the NC mLab (Mobile Applications Laboratories) project. In 2012 Sol Plaatje Local Municipality entered into a partnership with the Northern Cape provincial Department of Economic Development and Tourism (DEDaT), the Northern Cape Community Education Training College and NC mLab Africa to establish a local skills-development incubation hub within Sol Plaatje (MLAB Northern Cape).

The provincial government's Northern Cape Information Society Strategy (NCISS) noted as early as 2005 that: "a paradigm shift will be required to transition our resource rich industrial and agricultural economy to a knowledge-based information economy" (NCISS, 2005). Establishing an NC mLab within the province is an example of a progressive means towards the desired goal of diversifying the local economy. Northern Cape mLab is a Non-Profit Organisation which exists in order to provide skills, training and an incubation platform for the youth in the province, particularly in the areas of entrepreneurship, SMME development ICT and mobile applications.

Through the MLAB skills and innovation cycle, the organisation provides opportunities to scholars, budding entrepreneurs and upcoming innovators to gain new and highly sort after skills including:

- Coding skills
- Exposure and opportunities to participate in ICT industry innovation and research
- Business start-up an SMME skills
- Mobile application development skills

Currently the NC mLab is located in the Galeshewe SMME Village in Kimberly. Over twenty (20) youths comprising of small business owners, mobile app developers and "mentees" are currently part of the NC mLab establishment and are receiving training and skill up-scaling through one means or the other. NC mLab hopes to see an increase in the volume of youths and entrepreneurs that have been mentored by the business incubation programme run by the organisation.

In addition to the above, it is worth noting that **Sol Plaatje University offers a specialised undergraduate degree in Data Science** and is currently the only university in Africa that provides this course offering. It is clear that the municipality is charting its way towards innovation, new technologies and a knowledge-based economy, and this is commendable. It is hoped that many mining towns within the country may adopt means of economic diversification, best suited for them, and take the necessary steps towards innovation-driven local economic development. This forms an essential part of economic sustainability for mining towns' through-out the country.

Planning 2020/21

The Department of Science and Technology and Department of Economic Development and Tourism allocated an amount of R11.8 m over a period of 2018/19 to 2020/21 for the NC mLab project as mentioned above with the SMME's in the Galeshewe township being the beneficiaries for this grant. This is an on-going project and in its 2nd year of implementation.

The Review of the LED Strategy is funded by the Old Mutual Group in the amount of R1 m for the period 2020. The review must be done by the Centre for Local Economic Development from the University of Johannesburg (CENLED) being a condition of the grant. Beneficiaries are the entire community of Sol Plaatje which is extended to the entire region of the Frances Baard District Municipality.

The third grant known as the General Budget Support National Treasury and European Union in the amount of R45 m is for the period 2020/21 to 2022/23. The purpose of this grant is to enhance the institution's economic governance and infrastructure for Business Expansion Attraction and Retention (BEAR) with SPLM 's community being the beneficiaries which will be done through the Medium Term Revenue Expenditure Framework of SPLM.

A grant of R1 m was allocated for the Establishment of the Northern Cape Innovative Forum to enhance the implementation of science, technology and innovation through LED's strategic planning. This will be an on-going project of which Sol Plaatje University will be the champion of the project with the beneficiaries being the entire community of SPLM as well as the entire Northern Cape.

The LED Unit is currently in engagement with Genk City in Limburg Province of Belgium to finalize a concept proposal to be able to qualify for the European Union Partnerships for Sustainable cities 2020 : Smart Cities' Grant of approximately R50 m for 2020. This grant must be used for smart data management in SPLM as driving force for city policy on waste, gender and local entrepreneurship is Beneficiaries will be the entire community and SPM's organisation. The condition of the grant is that SPLM must have an European Partner to qualify before submitting an application.

3.1.1.2 Urban Planning

The Urban Planning Division is a strategic Division within the Municipality mandated to focus on the containment of an orderly built environment and proper land use management for various land uses i.e. industrial, institutional, residential and various businesses. For the financial year 2020/2021 the Urban Planning Division will be having various initiatives and below is a summary of the proposed initiatives:

Status Quo

IUDF- The Sol Plaatje Municipality is the only municipality in the Northern Cape selected as a pilot project for the National programme facilitated and implemented by National Department of COGTA (Cooperative Governance and Traditional Affairs) and which also is a requirement in terms of the Spatial Planning and Land Use Management Act, 2013 (SPLUMA) Integrated Urban Development Framework funded by COGTA National in order to achieve spatial transformation. The municipality have developed a capital expenditure framework which will assist the municipality in allocating funds to previously disadvantaged areas and below is a detailed definition of CEF.

*"A Capital Expenditure Framework is a comprehensive, high-level, **long-term spatial-infrastructure plan which is underpinned by a 10-year financial plan**". The capital expenditure framework **estimates the level of affordable capital investment by the municipality over the long term**. Affordable capital investment is determined by comparing an estimate of capital investment needs to an estimate of available capital finance sources. The affordable capital investment **should be disaggregated** by sector, by target user (poor households, non-poor households and non-residential users); by investment driver (**informal settlement upgrading, other new infrastructure and renewal**) and in space." In the financial year 2020/2021 the municipality will Review the Capital Expenditure.*

ICLEI – EU –The Urban Planning Division have made submission to ICLEI's global Transformative Action Program (TAP) 2019 for program to determine the extent of flood-line and flood prone areas in preparation of climate change and creating resilient city. The municipality will equally have further engagements in 2020/2021 for the progress of submission and due way forward.

The Draft SDF was approved by council on the 26 February 2020 and it will be out for public participation in due course. This will enable the city to outline its growth strategy spatially and also encourage the investment in the City. The reviewed SDF will be able to guide the orderly and desirable spatial development inter alia developing development strategies. Thus creating integrated, sustainable and habitable city as well as rural areas.

Project for the feasibility studies for Ritchie (Draft EIA and Ge-Technical Report, Phase 1) and Fluffy Park (Layout Plan and Draft SG Diagramme) for financial year 2019/20.

In terms of NUSP (National Upgrading of Informal Settlement) program the municipality had 31 Informal Settlements from 2014 to date. In order to reduce informal settlements, the Sol Plaatje Local Municipality formalised a total of twenty (20) informal settlement from 2014 till 2020. However, the challenge remains the illegal land invasions which have known sprawled to private properties i.e. Lions Club next to St Boniface in Kimberley.

Challenges

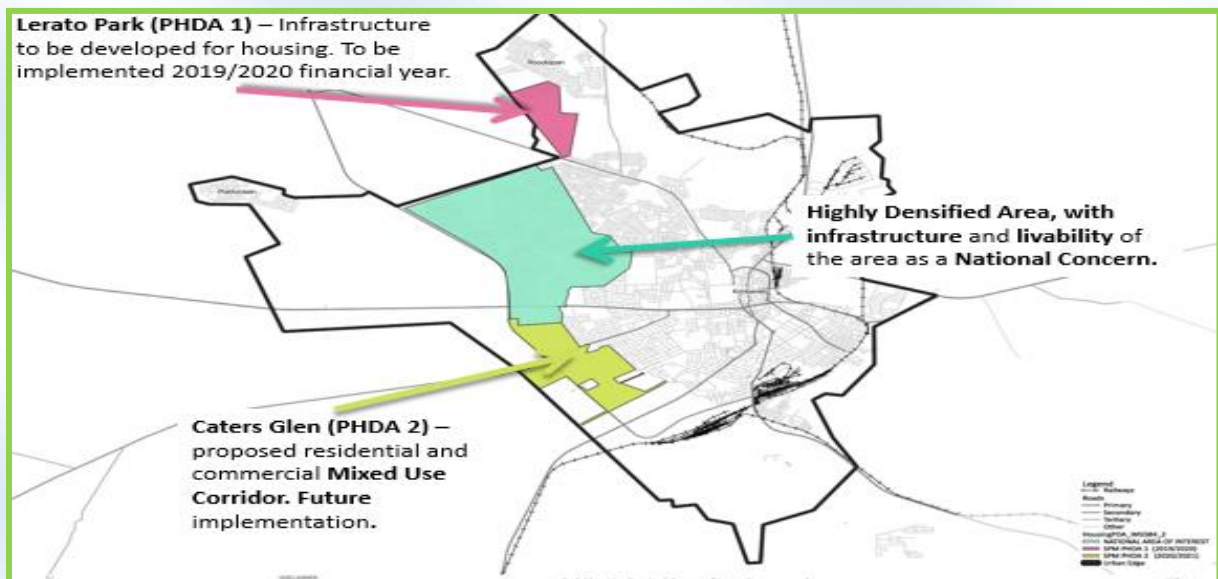
Moreover, relocation within a close proximity of invaded spaces remains a challenge and the municipality will engage with Provincial COGHSTA in order to assist with the acquisition of land in various areas within the vicinity of Sol Plaatje Local Municipality. The Urban Planning Division of Sol Plaatje Local Municipality will have engagements in the year 2020/2021 in order for the municipality to be assisted with acquisition of land.

In light of the above the Urban Planning unit will continuously ensure that there is enabling environment in order to improve the investment in the City of Kimberley and Sol Plaatje Local Municipality in its entirety.

Planning 2020/21

The provision of erven for middle and low cost remains a challenge and as such the municipality is participating in the PHDA's (Priority Housing Development Areas) program facilitated by National COGTA.

Figure 2: Priority Housing Development Areas



In the financial year 2020/2021 the municipality will start with planning and implementation of PHDA 2 (Carters Glen).

The planning and surveying of 1200 erven in Ritchie erf 454 (Layout Plan and Draft SG diagramme)

Lastly in the financial year 2020/2021 the municipality will review the Land Use Management Scheme 2008 in order to comply with Section 27 (1) of the Spatial Planning and Land Use Management Act 16 of 2013.

3.1.2 BASIC AND SUSTAINABLE SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Two Directorates fall under this Key Performance Area, namely Infrastructure and Community and Social Development Services which will be separately reviewed, hereunder.

INFRASTRUCTURE SERVICES

3.1.2.1 ROADS AND STORM WATER

Status Quo

Currently there is no policy that prescribes the basic level of service for access roads in residential areas. The municipality, can only make reference to the Municipal Infrastructure Framework, which recommends an all-weather access road at a distance of not more than 500m. Considering this, the municipality does not have backlogs. However, the municipality has embarked on a programme to improve gravel roads to paved roads in the previously disadvantaged areas.

General condition of roads and streets in Sol Plaatje Municipality can be classified as fair to poor. This is due to lack of investment in upgrading and routine maintenance challenges, which nee

During the mid-year adjustment the IUDG funding for the upgrading of gravel roads to paved roads was increased from R13.4 m to R18.4 m. The kilometres paved for gravel roads for FY 2019/20 have thus increased from 4.5 km to 6.7 km to be done in Wards 6, 7, 9, 10, 12, 15 and 17. This project will be completed by year end.

The NDPG funding for Phase 2A for the upgrading of storm water channels in Galeshewe, has been increased during the mid-year for FY 2019/20 from R40 m to R78.2. The target set for the completion of the construction projects for Phase 2 by year end is 60%.ds attention.

Challenges

The scaling down of projects has impacted on the roads department and no funds were allocated. The capital budget decreased by 20.3% in in 2019/20 financial year when compared to the 2019/20 adjustment budget.

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 palling tool that can be updated when changes occur to the development plans.

The transport sector in Kimberley is confronted with intensified demand for people and goods, especially in the already-congested CBD. Galeshewe is, however no exception as continuing

economic growth accelerate the demand for transportation, and rising income generate a desire for greater mobility. The Integrated Transport Plan will reflect an acute awareness, safeguard against adverse social and environmental impacts of transport and highlight issues of how transportation can stimulate economic growth.

Storm Water Master Plan: This is a plan that will consolidate all information on municipal formal and informal storm water infrastructure, inform all storm water infrastructure upgrades, frequency of maintenance and the protection of the infrastructure. It will also most importantly deal with elements of possible water capture and reuse, flood lines, analysis of catchment areas, and integration with road infrastructure.

Rehabilitation and Upgrading of Storm Water Infrastructure: Emanating from the Storm Water Master Plan, the municipality would be in a position to know what its current and future needs are so it can appropriately plan and coordinate maintenance, rehabilitation and upgrading programs.

The municipality is already undertaking planning and implementation of storm water upgrading in Galeshewe as almost half the storm water runoff is collected from the Southern suburbs through pipe culverts and lined open channels, and get disposed at the attenuation pond in Thlageng. This pond falls under the most critical storm water sub-system within the Kimberley area since it conveys approximately 50% of the storm runoff.

Resealing of roads: Sol Plaatje Municipality finds itself as one of the main corridors between the North and South of the country, as well as a central hub for mining and transportation of commodities. As a result, this has had a negative impact on the road infrastructure as our roads have to carry heavy traffic volumes and excessive loads that they were not initially intended for, resulting in advanced deterioration. Most residential and arterial roads urgently need resurfacing as they are very old and show signs of brattling and cracking, later resulting into potholes. The municipality therefore acknowledges the unhealthy state of tarred roads and intends rolling out a resealing programme to prevent the roads from further deterioration and not lead to a state of disrepair. This project can only be implemented as and when funding has been secured.

Upgrading of roads: A number of streets in newly established townships as well as previously underdeveloped areas are either gravel roads or earth roads. Although acceptable, this is a low level of service and sustainability is a challenge. The municipality has therefore put as one of its priorities the upgrading of township roads to a paved surface in order to increase the level of service and accessibility in those areas.

Re-Alignment of N12: The effect of the closure of Bultfontein has a severe impact on the Municipality's budget and its ability to provide improved road infrastructure to its residents and the through traffic through Kimberley. This diversion is placing severe strain on the alternative routes as these routes were not designed for the number and for the loading of traffic that it must now carry. In addition to the structural strain, traffic congestion caused by the N12 traffic through the centre business area of Kimberley as a result of the 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.

Planning 2020/21

2.5 km of Gravel roads in Galeshewe will be upgraded to a paved surface.

Completion of the construction work for Phase 2 for the upgrading of the storm water infrastructure in Galeshewe.

3.1.2.2 WATER AND SANITATION

Status Quo

Sol Plaatje Municipality consists of two main towns, Kimberley and Ritchie, with varying levels of infrastructure quality and standards. Kimberley is an old city that was designed as a mining town which grew with time. The infrastructure is very old, retrofitted with time and buried under other structures with no accurate "as built" information. While Ritchie is a small predominantly farming town, with very limited water infrastructure.

The municipality has invested, and still investing in improvement of the infrastructure to realize its goals. The minimum requirements in terms of the provision of basic water and sanitation services delivery are met, but challenges still exist in the informal settlements due to uncontrollable sprawling of informal dwellings.

The following projects were planned for the financial year 2019/20:-

Appointment of a contractor for the construction of the Carters Glen new sewer pump station and the reconstruction of aged sink toilets in Kagisho, Kutlwanong and Phomolong had to be re-advertised due to non-responsiveness of bids according to Supply Chain Management Policies and National Treasury Regulations.

Complete the bulk water infrastructure for the Lerato Park Development

Complete 50% work for the bulk sewer infrastructure for Lerato Park Development

Replacement of 2500 water meters

Complete the repair/refurbishment of the Homevale/Seleke outfall sewer line to Homevale WWTW

During mid-year the Department of Water and Sanitation allocated R9 m under the WSIG grant for emergency repairs at the Homevale Wastewater Treatment Plan.

Challenges

Funding remains one of the main challenges to timeously address challenges of maintenance, refurbishment, upgrading and development of new infrastructure at the same rate as demand and growth

Planning 2020/21

Complete the reconstruction of 320 aged sink toilets in Kagisho, Kutlwanong and Phomolong funding by WSIG.

Complete 70% of the construction work at the new sewer outfall mains for Carters Glen sewer pump station.

Complete the bulk sewer infrastructure for the Lerato Park development.

Replacement of 1500 water meters

Complete the installation of electrical and mechanical components in Lerato Park Sewer Pump stations in Eagle Street and Lerato Park.

Complete the construction work at the Homevale Fire Station.

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 6: Water losses – Action plan

Water Losses – Action Plan				
Efficiencies at the purification plant (Riverton)	Catchment of purified water disposed during the back wash process	Upgrade of existing dam in Riverton that can be used to catch the water, ensuring that the already purchased and purified water is not flushed back into the river	Capital Budget or Maintenance as the asset exists already	It is estimated that 6% of water losses are as a result of this process
Unmetered consumers (farmers along the 900 and 630 lines from Riverton)	It is believed that there are farmers connected directly on the distribution line from Riverton that have no meters installed, and accordingly not being billed for the water.	Water Services Engineering must confirm the existence of such customers and ensure that these customers have a meter installed and are read and billed monthly	Part of day to day operations.	Depending on the number of customers found, it is estimated that this may be about 3% of the water losses reported. It will also improve on the monthly billing and receivables per month.
Major leaks identified in the distribution network.	There are apparent major leaks that need urgent attention of the Engineers. Some had been attended to. Pipe replacement projects have also be conceptualised in the current IDP Cycle.	Pipe replacement project as part of maintenance must be developed and funded within the available budget allocated.	Normal maintenance work or use of contractors to complete complex fixes required. A capital project was planned in phases from 2018/19 MTREF	Leaks and pipe bursts may be contributing about 5% to losses reported
Installation of bulk meters to all informal and formalised areas where household billing is not yet taking place	The municipality provides free basic water to formalised and illegal/unplanned settlements. However, water provided is not metered to determine amounts consumed for billing of FBW purposes. This unmetered water is reported as part of losses.	Installation of meters in all areas that receive FBW immediately	Part of day to day operations of technicians and plumbers.	It is estimated that 1,584 cubic litres of water is distributed as FBW thus contributing about 3-5% to the water losses
Covered meters	Inability of meter readers to read meters due to them being covered	Clearing of meters for reading purposes	Duties of Meter Readers and Meter Inspectors	Finance to provide a list of covered meters
Leaking meters and internal services	Many customers report leaking meters and leakages within the yard causing disputed bills	Establish a system to manage reported leaks and replacement of such meters	This work can be outsources to ensure quick turnaround times to complete the list available	There is a budget for water meter replacement
Replacement of water	No proper management of	Procure and install	Capital Project funded as	Identify municipal

meters with SMART meters at all Council Properties	meters installed at all council occupied properties and the reading rate of such is very poor.	SMART water meters for all council occupied properties for accurate measurement of consumption.	water meter replacement	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 – mater 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 devises. The project was successful and new device requires to be purchased. However, this project must be enhanced to include an integrate-able meter reading system and reading devices for water and electricity	Procurement has been completed. Tender processes must now be followed in this regard. Consider Section 32 if possible.	This has been budgeted for as part of meter replacement, however, upon award, the system installation, staff training, testing and implementation will be moved with budget for correct classification. Annual license fees shall be budgeted for under ICT.	A 100% reading rate is sought after for good performance by Meter reading Section

3.1.2.3 ELECTRICITY

Sol Plaatje Municipality is licensed to purchase electricity from Eskom and distribute to residents via the 66kV, 11kV and low voltage electrical network.

Sol Plaatje has two bulk 66kV electricity supply points from Eskom namely, Herlear and HA Morris Substations which supply the Kimberley area and Riverton Substation. Although demarcated within the Sol Plaatje municipal area, Eskom is licensed to distribute electricity in Ritchie.

Status Quo

Projects planned for the financial year 2019/20 is set out below:-

Complete the replacement of the 66 KV oil circuit breakers a the Herlear Substation with SF6.

Appointment of an Electrical Engineer Consultant for the Lerato Park link services network strengthening bulk project.

Complete the electrification of 200 households on project areas to be determined as per revised project schedule program.

Replace at least 1550 prepaid electricity meters.

Challenges

Electrification remains a challenge due to continuous growth of informal settlements on vacant land. Electrical infrastructure and electrification of houses cannot be installed in informal settlements prior to township establishment.

Other major challenges regarding electricity are vandalism and copper theft that lead to equipment damage, electrical supply interruptions and possible fatalities to municipal employees or members of the public.

Planning 2020/21

The following projects are planned for financial year 2020/21:-

Complete the procurement phase only for the replacement of the 11kV circuit breakers at Herlear Substation.

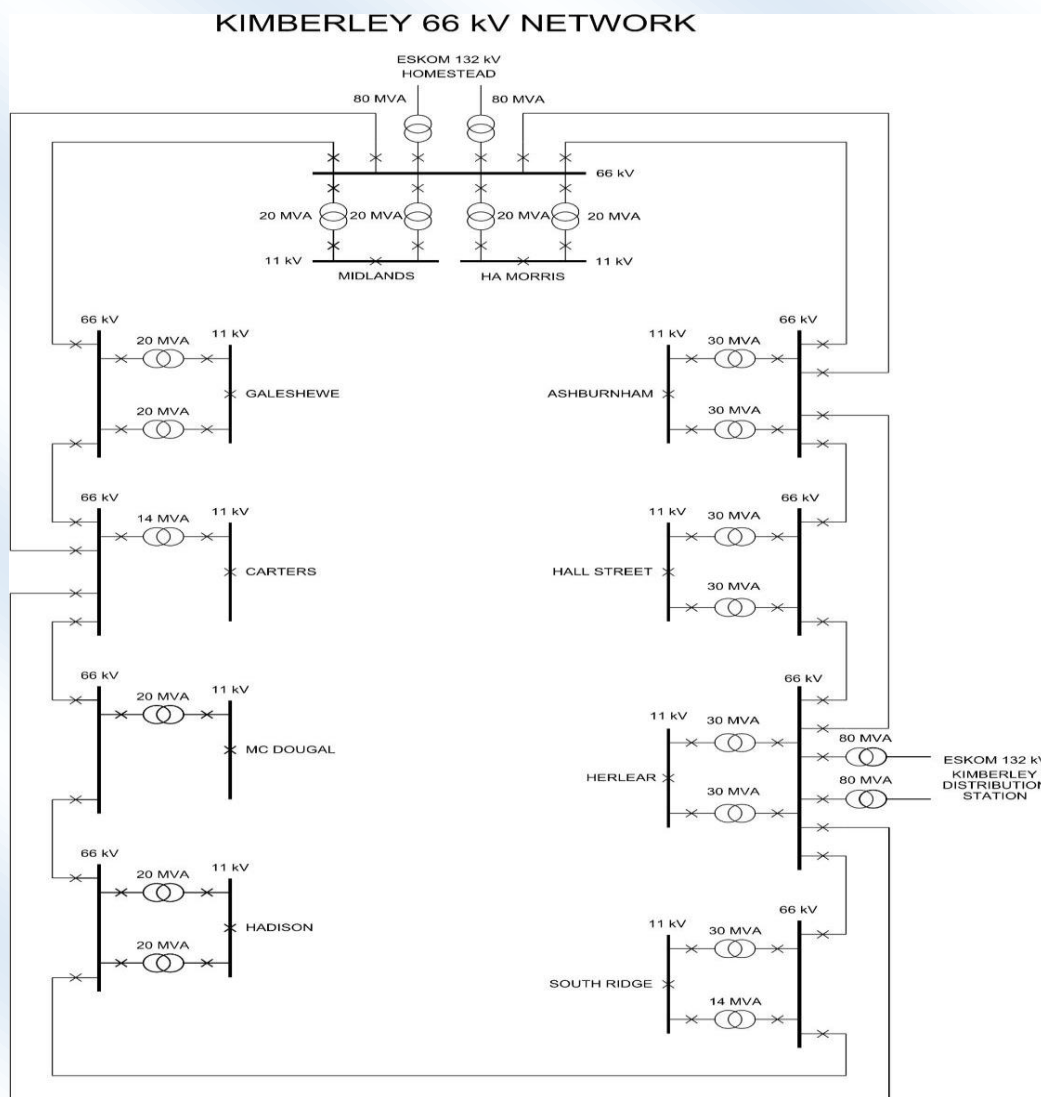
Complete 50% of the bulk electrification work for Lerato Park.

Complete the electrification of 675 households.

Replace at least 1550 prepaid electricity meters.

Refer to the Figure below for the 66 kV network layout.

Figure 3: Kimberley 66 Kv Network



Mitigation Strategies

An action plan has also been compiled to curb the high electricity losses:

Table 7: Electricity losses – Action plan

ELECTRICITY LOSSES - PROJECTS				
Faulty meters replacement	There are still faulty electricity meters that need to be replaced.	There is lack of supervision in as far as replacement of faulty meters is concerned – this may contribute to the electricity losses suffered by the municipality.	There is a detailed report on faulty meters. All meters must be replaced by 30 June 2019.	Appointment of contractor may be necessary to complete the project on time.
Replacement of all credit meters for residential customers.	The municipality has progressively replaced residential customer meters and there is less than 5 000 customers still on credit meters.	For revenue protection purposes, these customers must have their meters replaced as part of the meter replacement project	A report of residential customers with credit meters be obtained, customers on arrears for more than 90 days must have their meters replaced as a priority	Appointment of contractor may be necessary to complete the project on time.
Install of SMART electricity meters for large customers and ensure automated reading take place for accurate and efficient billing.	Project has been conceptualised. Out of 400 customers, over 250 customers have been installed with SMART meters.	Implement project to completion.	Accurate reading and reduction of customer queries that delays payment of accounts.	Billing and Electricity to meet and prepare a status quo report in this regard. CFO and ED I and S to guide immediately after the report is received.

3.1.2.4 FLEET

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 R6m was made available for the 19/20 financial year but during mid-year the amount was adjusted downwards to R5.4m due to financial constraints. A projected budget of R2, R5 and R10 m per year was made available for the following three financial years.

3.1.2.5 HOUSING

Status Quo

It should be emphasised that the provision of housing is not the responsibility of the Local Municipality, but rather the Department of Cooperative Governance and Human Settlements (COGSTHA). The municipality had in the past acted as an implementing agent for the department, through appointing and monitoring of construction contractors. The function was, however taken back by the department in its entirety. The municipality is responsible for the identification, planning and surveying of land suitable for human settlement.

That being said, housing remains a major challenge in Sol Plaatje municipality, with backlogs as per the housing applications currently at approximately 12 000 applications. This is evident by the number of illegal and informal settlements that have mushroomed over the past decade, sitting currently at 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 municipality has a mandate to ensure provision of all basic housing to deserving communities as set out in the table below.

Table 8: Estimated Housing Backlog

The estimated number of families living in informal settlements is 12374, and this is something that

Estimated backlog		No. of Units
INCREMENTAL FORMAL HOUSING	Self-financed and improved housing	349
COMMUNAL/TRANSITIONAL HOUSING	Communal and transitional housing	146
BNG HOUSING	Municipal delivered stock for ownership in areas of high growth	5541
SOCIAL HOUSING	Medium to high-density social housing in Hull Street and Soul City	2803
FORMALISED HOME OWNERSHIP	mortgaged property for the Gap market(FLISP)	733
TOTAL		9572

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 in in line with the budget speech from the National Minister of Human Settlement. The Minister emphasized how without the rightful owners, government is unable to revitalise old townships, which are in most cases in a state of decay. The municipality is looking at collaborating with department of Land Reform and the office of the Land Commission to create a dedicated unit to deal with fast tracking the issuing of these Title Deeds.

In addition to this, the department has also expressed its intention to donate the Community Rental Units (CRU's) in Lerato Park to the municipality. The municipality plans to outsource the management of these units – including the maintenance thereof.

Achievements

In an effort to deal with overcrowding and density challenges in informal settlements, the municipality also undertook a project to identify new pockets of land suitable for low cost housing, survey sites and relocate families.

Challenges

The illegal invasion of municipal land and sporadic mushrooming of illegal settlements remains the biggest challenge facing the Housing Division. The safeguarding of municipal land has always been a challenge, and eviction of illegal occupants is even a much more difficult challenge to overcome due to non-cooperation from SAPS and insufficient security personnel from the municipality to enforce evictions. This also negatively impacts on municipal efforts to eradicate the Housing backlog as in some instances the invasion of land impedes proper coordination to providing services. Land invasion also interferes with the Housing Needs Register as in most instances people who have illegally occupied land end up being permanent residents to the land they have occupied, thus interfering with the Planning and Development of the Implementation protocols of Human Settlements Development.

All the above are exacerbated by the shortage of suitable located land for BNG and the Gap Market potential beneficiaries, which are the two brackets most in need.

Maintenance of municipal rental stock is also a big challenge in the municipality as the municipal flats have drastically deteriorated over the years and are becoming more and more costly to maintain, of the revenue collected at the stock is far less than maintenance cost incurred. This needs to be investigated to look at possibilities of putting these flats/stock in being managed by a Social Housing Institute or a management company who can do that effectively on behalf of the Municipality.

The issuing of title deeds remains a challenge as the rightful owners have either left town, or do not attend organised meetings to have their details verified and to collect their title deeds. Difficulties in regards to transfers of deceased estate also adds to this predicament.

Mitigation Strategies

In order to address one of the biggest challenges that affect Housing in Sol Plaatje Municipality, the Housing Division will improve its interactions with town planning to ensure alignment in planning and exploring for land availability suitable for human settlement.

Subsequently this, the current waiting list would be converted to a National Housing Register and appropriately prioritized in order to consolidate and streamline the Housing Delivery value chain.

The Municipality has gone a long way in upgrading its bulk infrastructure to enable growth. It now has to prioritise the reticulation of services to business and households. In this process it is important to take cognisance of the spatial development taking place – both in terms of commercial development and residential development to ensure that the reticulation of services is aligned to the 'space-economic' development of the City.

The table below details the funded infrastructure projects that the municipality has included in its capital budget for 2020/21.

Table 9: Capital Infrastructure projects

Project Description	Current Year 2019/20 Full Year Forecast	2020/21 Medium Term Revenue & Expenditure Framework			Ward Location
		Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	
Complete the procurement phase for the 11 KV circuit breakers at Herlear Substation	1 500	3 000			21
Hadison Park 66/11 KV Substation		1 500			24
Complete 50% of the Lerato Park bulk electrification project	3 753	6 008			30
Electrification of 675 households	14 945	12 150	23 000	21 000	To be determined
Replacement of 1 550 prepaid meters	3 000	3 000	3 000	3 000	All
Complete the construction work for the Homevale Fire station	14 421	9 200			3
Pending on Roll-over approval – no CRR funding available for FY 2020/21					
Repair 80% of faulty electrical and mechanical equipment emergency repairs at Homevale WWTW	9 000	9 000			3
Replacement of 1 550 water meters	3 000	3 000	3 000	3 000	All
Complete 100% upgrade of 2km water reticulation pipe length in Galeshewe		5 000	12 000	11 500	To be determined
Complete 100% upgrade of 1.8 km sewer reticulation pipe length in Galeshewe		5 000	12 000	11 500	
Replacement of 1 500 water meters	3 400	3 000	3 000	3 000	All
Complete 70% of the construction work at the new sewer outfall mains for Carters Glen new sewer pump station	5 300	20 000	11 250	13 750	24
Reconstruction of 320 aged sink toilets in Kagisho, Kutlwanong and Phomolong		5 943	9 700	12 198	15, 17
		8 500 CRR funding			
Complete the construction for the bulk sewer infrastructure for the Lerato Park Development	19 806	26 455			30
Complete the installation of electrical and mechanical components in Lerato Park Sewer Pump Stations in Eagle Street and Lerato Park					
Complete the construction work of Priority 2, Ph 2A for the upgrading of storm water infrastructure in Galeshewe		20 000	30 000	30 071	All

Project Description	Current Year 2019/20 Full Year Forecast	2020/21 Medium Term Revenue & Expenditure Framework			Ward Location
		Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	
To upgrade 2.5 km of Galeshewe access roads to a paved surface	18 436	8 000	11 639	15 689	To be determined
Resealing of various roads		5 500	12 000	12 000	All
Fleet Replacement	4 000 000	2 000 000	5 000 000	10 000 000	All

As can be seen from the table above, the following flag ship projects currently receive priority at the municipality:

The biggest project on the capital program is for the Development in Lerato Park in the amount of R26 455 m to complete the bulk sewer infrastructure and the installation of the electrical and mechanical components at the pump station in Eagle Street and in Lerato Park. This project is funded through the IUDG Grant. R6 m was also allocated through INEP to complete 50% of the construction work for the bulk electrification.

The second biggest project is the Galeshewe Storm Water Upgrade which 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 total allocation from the Neighborhood Development Partnership Grant (NDPG) from National Treasury is R20 for 2020/21 and R60 m 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.

An allocation through Water Services Infrastructure Grant (WSIG) in the amount of R20 m for 2020/21 and over the MTREF R25 m is the construction of new sewer outfall mains for Carters Glen new sewer pump station.

Paving of roads in Galeshewe received an allocation of R13.5 m and R51 328 m over the MTREF funding through IUDG. As a result of paving being far more cost effective than tarring, over 20 kilometres will be paved.

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 R12 150 m has been earmarked for the electrification of 675 households funded by Integrated National Electrification Program (INEP).

The project for the reconstruction of 320 aged sink toilets is partly funded through Council's own funding (Capital Replacement Reserve – CRR) with an amount of R8.5 m and also through WSIG with an allocation of R5.9 m for 2020/21. The total funding for this project for 2020/21 is thus R13,5 m. The allocation from WSIG over the MTREF amounts to R15.9 m.

Planned capital funding sources for the next three financial years are shown in the table below:

Table 10: Capital funding sources over the MTREF

FUNDING	2020/21	2021/22	2022/23
IUDG EX MIG	50 955 000	53 639 000	56 689 000
INEP	19 658 000	23 000 000	21 000 000
NDPG	20 000 000	30 000 000	30 071 000
WSIG	25 943 000	15 000 000	25 948 000
CRR	23 500 000	15 000 000	24 000 000
TOTAL	R140 056 000	R136 639 000	R157 708 000

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 2** – Multi-year capital plan for a comprehensive list of funded and unfunded projects. **ANNEXURE 2**

Table 11: Ward Priorities

The list of ward priorities received, is attached as Annexure 3.

ANNEXURE 3

COMMUNITY AND SOCIAL DEVELOPMENT SERVICES

Parks and Recreation

Status Quo

The municipality has 12 community halls with two of them being in Ritchie (Motswedimosa and Rietvale). The Greenpoint community hall is being used as a drop-off centre as part of the community-based projects.

The halls are used by the community to generate revenue on a weekly basis for meetings, training session, weddings, funerals and for commercial purposes. The community is charged accordingly as per the intended use in line with the approved tariff.

Three (3) of the halls, namely the RC Elliot, Recreation and Motswedimosa halls were badly damaged during the municipal protests that took place in 2018 and 2019, and it has been a challenge to recover funds from the Municipal Insurance. The section has been relying only on eight (8) community halls to service the entire community within the Sol Plaatje jurisdiction.

Challenges

Due to the municipality's low cash flow, vacant positions could not be filled which led to inadequate manpower in terms of safeguarding of the facilities and general maintenance of the buildings.

A major setback was the decision by Finance Department to combine the vote number for the Caravan Park and all 12 community halls. This has negatively affected the running and maintenance of these facilities seeing that the budget allocation was insufficient. This forces the section to mainly rely on the Municipal Maintenance Section for the maintenance of the Caravan Park and all community halls, and the Maintenance Section is overloaded with work and subsequently fail to respond speedily to the section's needs.

Mitigation Strategies

Immense pressure was put on the Asset Management Office to follow up with the insurance to claim funds and a positive feedback was received in January 2020. The Recreation Hall will be addressed first by the Maintenance section as it was not badly damaged as compared to damages that resulted at the RC Elliot Hall.

Permission was granted by the Municipal Manager in 2019 to temporarily appoint 6 General Workers and a Senior Booking Clerk. Funds saved from not filling vacant positions were used to finance the salaries of these contract workers. Appointment of a Handyman which is included on the new organogram that was approved by Council in June 2016, will assist in having an employee within the Halls section who will be responsible for the basic maintenance of the halls.

Planning 2020/21

The following rehabilitation work will be done at the halls:-

- ✓ Upgrading of halls
 - Painting of the walls
 - Removal of old ceiling boards
 - Replacement and painting of ceiling
 - Repairing of leaking roofs
 - Tiling floors
 - Removal of worn-out window and door frames
 - Replacement of new window and door frames

- Ablution facilities
 - Installation of hand sanitizer dispenser
 - Installation of hand towel dispenser
 - Installation of new toilet systems
 - Repair and replacement of male urinary systems
 - Repair outside toilet blocks (Bantu Hall)

- ✓ Furniture and equipment
 - Tables
 - Chairs
 - Kitchen Appliances
 - Polish buffer machines
 - Industrial Vacuum Cleaners
 - Solar system to save electricity usage

- ✓ Air conditioning
Industrial air conditioner
Fan (to save electricity)
- ✓ Security system
Installation of Alarm Systems
Installation of Surveillance Cameras
Burglar proofing of windows and doors
Appointment of Security Services
Upgrading of fence using Clearvu Invisible fence

Rehabilitation Cost-estimation **R5 000 000,00**

Libraries

Status Quo

The Kimberley Library and Research Services consist of two parts namely:

- A. The Public Library Section and
- B. The Africana Research Library

PUBLIC LIBRARIES

The Public Libraries consist of two service points namely Central Services and Northern Services.

Central Services	Northern Services
Beaconsfield Library	Galeshewe Library
Greenpoint Library	Judy Scott Library
Hadison Park Library	Sonny Leon Library
Kimberley Public Library	Ubuntu Library

Central Services also service the following Old Age Homes: Acacia, Belgrave Lodge, Ons Huis, Sally Aucamp Home for Physically Disabled Adults and Stillerweë.

The following services are rendered by the libraries:

Circulation of books, internet usage, research, photocopying, laminating of documents, monthly outreach programs, monthly displays to conduct awareness, old age home visits, reading clubs, marketing and advocacy.

Staff received several in-house training sessions.

Africana Library

Visitors from South Africa and abroad, visited and were taken on guided tours through the library. Heritage Program for Students of Sol Plaatje University.

Ghost tour in collaboration with Steve Lunderstedt in October 2019 attended by 70 people

Several documentaries for television was shoot at the library

Kalf Annual General Meeting was held on 13 November 2019 with guest speaker Jaco Powell who gave an talk on game farms, 25 people attended.
Trust meetings are held on a quarterly basis.
Daily research are done for people received via e-mail or telephone. Researchers worldwide visited the library to do own research.

Conservation and preservation of books, documents, etc.
Indexing and Digitization of municipal files, maps, photographs, news papers are done on a daily basis.

Challenges

No internet connections due to Department of Arts and Culture's changeover to a new service provider.
Maintenance of libraries
Security at Judy Scott Library huge risk
Staff vacancies
Budget constraints – Grant funding were decreased

Planning 2020/21

Public Internet Access Facilities
Security upgrade at Judy Scott Library if DSAC Grant Funding is sufficient
Alternative storage facilities to assist with the increasing collection of the Africana Research Library

TRAFFIC SERVICES

Status Quo

The municipality is responsible for ensuring a safe road environment by providing efficient and effective law enforcement resulting in the reduction in the loss of life as well as the number of persons injured on our roads, free flow of traffic, and creating public awareness with emphasis to educate all road users to arrive alive.

Challenges

Shortage of staff due to vacancies hamper service delivery. The absence of road signs and marking is a main contributory factor for accidents and fatalities on the roads.
General assistants – Only 1 cleaner to service 4 floors.

Light Duty Policy to be drawn up as positions are vacant due to personnel on light duty. Traffic wardens act in permanent positions to do the cleaning and road marking and signs after hours and on weekends to improve service delivery. No corrective measures can be taken against personnel on light duty as a traffic officer needs to have the necessary qualification specified by legislation.

SOCIAL DEVELOPMENT

Status Quo

The institution must become a meaningful and effective partner in a sustainable TB and STI/HIV/Aids prevention and treatment program. The normal activities is the Counselling and testing, awareness and promotion, condom distribution, support and poverty alleviation.

Achievements

UNAIDS has developed a new strategy to combat HIV/Aids which is known as 90-90-90 strategy. This strategy is labelled as an "ambitious" treatment target because its ultimate goal is to work towards eliminating HIV/Aids by 2030. SPLM has been nominated to lead the Northern Cape Province in this initiative and the former mayor, KD Molusi signed the declaration in March 2016 as a commitment to implement this strategy in partnership with relevant stakeholders in their City.

Challenges

Re-launch of Local Aids Council still outstanding – not operational.

Resistance to HIV counselling and testing

Inadequate transport for Peer Educators to visit sections outside Kimberley (Ritchie, Riverton & Rekaofella)

Stigma and discrimination

Uniform for new Peer Educators and warm jackets for early sessions during winter

Partnership with Municipalities from other provinces to learn and expand the program

More condom dispensers to be purchased so that all municipal service points have one

Banners, Tents and Chairs – external campaigns

Inadequate budget

The 90-90-90 campaign is not on track as representatives of the Premier's Office are struggling to meet with Executive Mayor to be briefed on his role in the campaign

Corrective Measures

Re-emphasize importance of functional Local Aids Council

Highlight benefits of testing to employees as an encouragement to go for testing

Continue with arrangements with Security and Traffic Services to assist, when possible

Stigma and discrimination can be eliminated through more education to dispel the myths

Motivation needs to be approved by Executive Director or CFO for municipal warm jackets

Request SALGA for assistance

Condom dispensers to be purchased in minimal quantities during each financial year

Banner, tents and chairs to be procured pending on the availability of funds

Budget to be increased to ensure the continuation of programs as planned

Attempts by Premier's Office to meet with Executive Mayor must continue

Costing estimates : R525 000

3.1.3 MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

Status Quo – Budget and Expenditure

Sound financial management deals with the management of financial resources in a manner that supports service delivery, good governance and institutional transformation, whilst at the same time ensuring compliance with the local government legislative framework and its supporting regulations and circulars.

When planning the road ahead for the municipality, it is imperative to analyse and understand the financial situation, trends and forecasts. This will aid in ensuring that the planning objectives are realistic and takes into consideration the funds available. Part of this KPA is also to identify new and innovative strategies to generate revenue as well as optimizing the effectiveness of the current revenue related plans and strategies.

Table 12: State of the Budget – 2020/21 Tariff increases

SUMMARY SERVICES	DEFICIT	AVERAGE
SEWER AND SANITATION	30 453 445	5.50%
CLEANSING / REFUSE COLLECTION	45 034 466	6.24%
ELECTRICITY	14 524 299	5.50%
WATER	3 712 602	5.50%
RATES	2 815 275	5.50%
	96 540 086	5.82%

The figures below depict the trend in terms of tariff increases over the past years, both on an average basis, and for the rates service specifically.

Chart 25: Average tariff increases

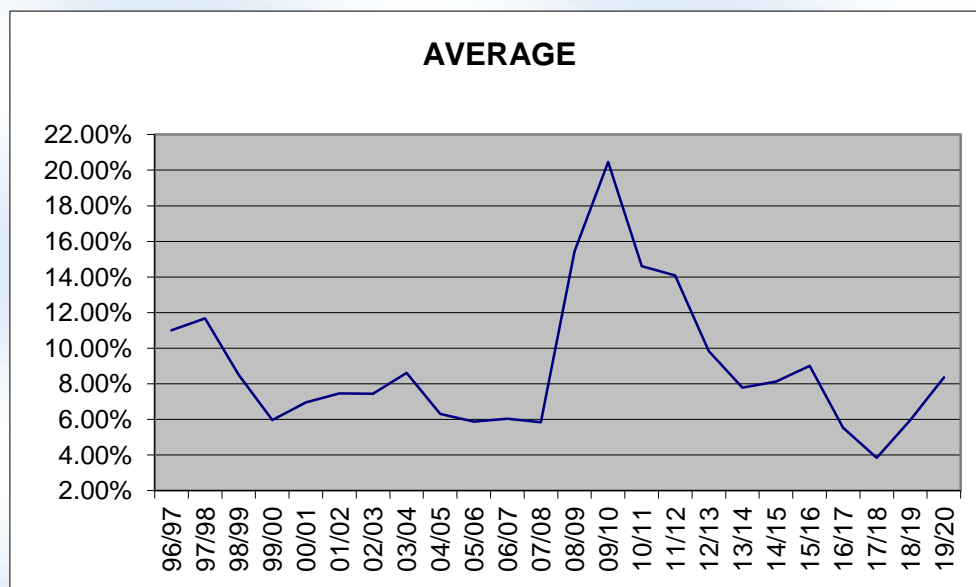
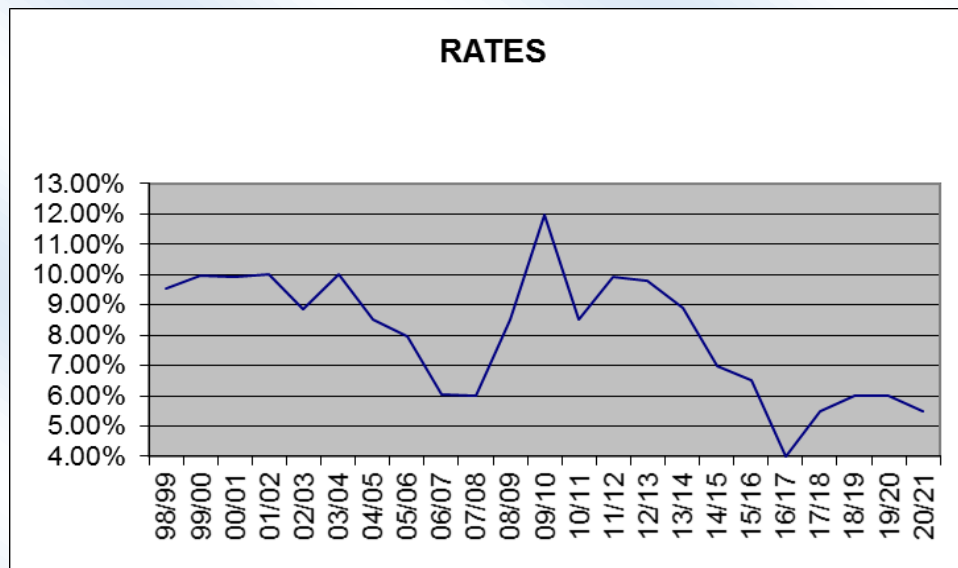


Chart 26: Rates tariff increases



The main cost drivers for the municipality are shown in the table below:

Table 13: Main cost drivers

Expenditure as a % of Total Expenditure	2020/21	% of Total Expenditure
Employee related costs	814 281	37%
Bulk purchases	672 500	31%
Debt impairment	249 000	11%
Other materials	165 426	8%

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.

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 31 July 2019, R35 496 318 070 with 54,718 properties, to 28 February 2020, to R35 503 108 070.00 with 55,031 properties.

The current valuation roll is completed and the Valuation Appeal Board has been constituted for the hearing of appeals against certain entries to the Sol Plaatje Municipality General Valuation Roll 2019. The Appeal Board will sit on the 6th and 7th of April 2020.

Below is a summary of the status of the General valuation roll:

Total number of registered properties as at February 2020: **55 031**
The G.V. 2019 and lodging of objections against the Municipal Valuer, was concluded.
The Valuation Appeal Board was established and will sit on the 6th and 7th of April 2020.

Chart 27: Current value of G.V. Roll – R35 503 108 070.00

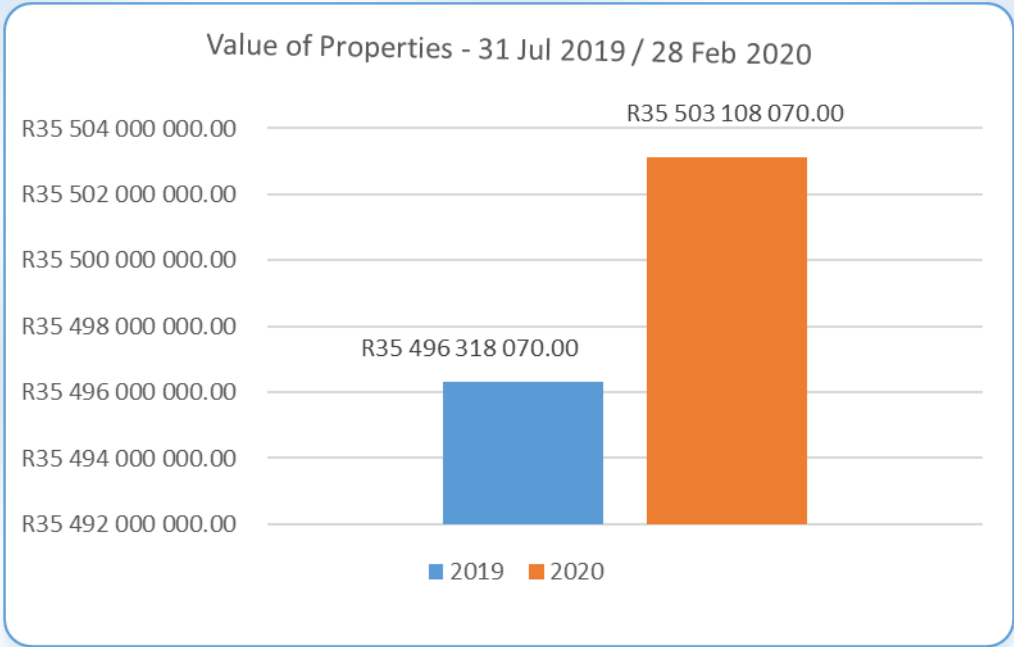
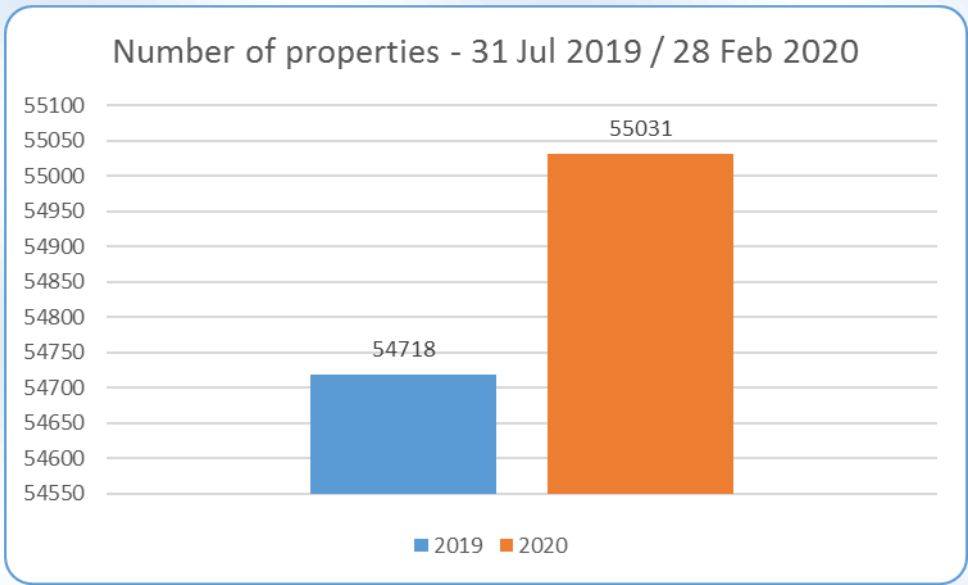


Chart 28: Growth in Number of Properties



Achievements

The municipality was a pilot site for the implementation of the municipal Standard Chart of Accounts (mSCOA) since 2015. Version 6.3 of mSCOA was implemented in July 2019 and version 6.4 will be implemented from 1 July 2020. All submissions of supporting documents and data was done as per the regulation.

The municipality has managed to produce an adjusted budget for the FY 2019/20 that was assessed by the National Treasury to be credible and funded.

For the 2018/19 financial year Sol Plaatje municipality received a financially qualified audit report and a disclaimer for reporting on predetermined objectives.

Bi-weekly meetings are held with regard to the progress made on the Audit Action Plan for 2019/20. Progress made on the audit action plan as well as on the status of the cash flow are reported regularly to the relevant Portfolio Committees and to Council. Councilors are receiving e-mails with regard to progress made with the Audit Action Plan with the plan attached for ease of reference.

The newly appointed acting CFO and Acting MM have put various cost containment measures in place which includes the stopping of the procurement of beverages, refreshments, bottled water and furniture. Clamping down on deviations and also centralizing the sourcing of quotations to Supply Chain Unit.

Improved debt collection practices

The municipality embarked on an improved method to implement the credit control policy to own personnel, councilors, all categories of customers including Organs of State. Our three year debt collection strategy which included the use of specialist debt collection service provider; New Integrated Credit Solutions ("NICS") to collect arrear debt older than 90 days for residential and businesses category came to an end 31st October 2019. The municipality is currently implementing recommendations from this contract's close off report including recommendation to write off of about R249,6 Million of irrecoverable debt relating doubtful recoverable indigent household debt, deceased and dormant untraceable debt. The municipality also encouraged more debtors to enter into formal payment arrangements and offered relief to customers by introducing arrear debt settlements specials including black Fridays and December specials.

Challenges

There are many factors that impact on this KPA, both directly and indirectly. These factors can be broadly divided into internal and external factors.

Internal factors that affect the financial sustainability of the municipality negatively include:

- Non-compliance with policies, hence incorrect practices followed and payment arrangement to collect outstanding debt.
- Restrictive policy to enrol indigents to the register and strict audit reviews on indigent approval criteria and verifications.
- Public perception that SPLM does not offer fair value for the cost of tariffs and taxes
- Rental charges are not market related

- Penalties do not deter transgression
- Incentives offered are not sufficient to attract the required investment.
- Project planning and project management need to be improved. Poor spending on grant funded projects may lead to a reduction in grant funding for future years. The trend of underspending, specifically during the first 6 months of the financial year, should be curbed. Furthermore, additional or unplanned spending towards the end of a particular project causes unnecessary budgetary constraints.

External factors that play a role are described below:

- The biggest challenge this KPA faces remain the growth in debtors. This is largely attributable to the economic climate, the high unemployment rate and the consequential mushrooming of informal settlements. People are finding it increasingly difficult to settle their municipal bills.
- Consumer attitude towards regular settlement of monthly current accounts and honouring arrangement payments agreements is very concerning because only an average of R88,3 Million is collected from average monthly services billing of R130 million.
- Political and policy uncertainties which results more and more public protests to erupt.
- The rising costs of distribution and supply of electricity impacts negatively on the electricity tariffs. Increases applied for, are not always approved by NERSA, placing even more strain on the already overstretched budget.
- Another obstacle to financial sustainability is the unfunded mandates carried by the municipality, e.g. health services, library services and resorts. These services cost the municipality a significant amount of money, without any external funding being received.

Mitigation Strategies

In an effort to address the factors mentioned above, a shared understanding and appreciation of the importance of Revenue, Expenditure and Budget Management needs to be created. The community does not have an unlimited supply of money and they deserve to be given the best service possible at the most cost effective prices. Revenue collection as an administrative function belongs to Finance. Revenue management and collection as a principle and lifeline of the community by way of provision of services is every person's responsibility. Two-way communication between the Municipality and its community is imperative and so is a need for reciprocal participation. The municipality should strive to create pride in the city through education and campaigns. Children should know that it is their city.

Estimated readings for water and electricity should be kept to a minimum. This will promote accuracy of billing. 100 Percent billing coverage is the aim. Stringent measures should be implemented when payments are not received and no arrangements were made. These measures should be consistently applied throughout the financial year.

Various avenues of obtaining readings should be possible. This includes automated readings, own readings, and prepayment metering. Turnaround times towards resolving reported billing queries, reported faulty meters and leakages should be attended to at shorter intervals. Access to account information can be made easier, with online account information (static and interactive).

Contents of existing policies and by-laws should be reviewed to determine the relevance and applicability thereof. Interpretation of provisions in policies and by-laws should also be reviewed and clarity provided where required. In doing so, existing sources of revenue will be optimized (including advertising and rental income).

In terms of tariff determination, the following key principles should continue to be applied:

- ✓ Transparency
- ✓ Efficiency
- ✓ Uniformity
- ✓ Parity

The following important considerations must be made in addition to the policy criteria and guidelines when considering tariffs and charges:

- What do we want the city to look like in 100 years?
- What do we want the city to be best known for: *Towards a leading and modern City?*
- What are the most pressing and immediate needs for the community?

Development of cycles of aggressive competitiveness, business and other sector maintenance, community relief, growth and development is key. The municipality should improve fluidity to maximize opportunity.

New sources of revenue that may be explored:

- ✓ Small Scale Embedded Electricity Generators (SSEG's). This involves the municipality buying excess energy from these electricity generators at a price lower than the ESKOM tariff.
- ✓ Independent Power Producers (IPP's): Similar to the above scenario, but on a larger scale. This may be more cumbersome as the IPP'S are more closely regulated.
- ✓ Land Development/Sales Partnerships should be encouraged
- ✓ Advertising income optimized
- ✓ Landfill Site – the upgrade of the landfill site will enable the municipality to develop charges for dumping of certain material.
- ✓ Purified Effluent can be sold to mining companies.
- ✓ Environmental and developmental Incentives and Partnerships

ICT UNIT

Status Quo

ICT has made strides in enforcing the ICT strategy vision to connect, collaborate, and integrate not only for employee related services, but also for Council and the community.

This strategic vision is directly aligned to the IDP vision for Leading to a modern city. To achieve this vision, ICT had prioritised 3 key critical projects. The information security project to strengthen the current ICT physical infrastructure and provide for a secure platform to transact electronically in all spheres of user bases. This project also spans into necessary responses to the AG findings for automation that will allow better and effective controls in our environment.

Supplementary to the information security project is the Biometric access project, which is not only a basic core component of security but spans into the human resources extensively thus allowing for improved controls around employee related matters.

Disaster management is the third project identified to provide an automated response to disaster management and to a certain extent business continuity, but also to provide an automated solution for the municipality as the disaster management co-ordinators of the province.

IT is ready to roll out the town planning application management system, and building plan application management system.

There is also a property management and land management system ready for implementation for the 2019/2020 year in preparation for a fully integrated AFLA portal. All of which will be accessible by the public on the GIS portal which is now available online on the municipality website to the community.

Challenges

The main challenge experienced through the year is the financial constraint more so on the resource limitations. Over the past 3 years ICT has suffered loss of employees through a retirement and resignations. As a result delivery on day-to-day responsibility and project implementation has become difficult to run concurrently. The ICT structure is now under revision to ensure that at minimum ICT is able to support the basic service delivery requirements.

Planning 2020/21

The planning in preparation focuses on the 2nd phase of the information security project as well as disaster management. Automation of revenue based processes and well as community focused initiatives will be the key priority to promote and realise the ICT strategy vision to connect, collaborate, and integrate with the community, employees and council.

3.1.4 MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

Status Quo

Institutional development and transformation focuses on the provision of strategic managerial leadership of the integrated business, transformation, development strategies and plans for the organisation. It provides the framework within which the municipality must function, the collaborative development thereof, inclusive corporate strategies. Objectives under this key performance area must ensure effective and appropriate use of organisational intelligence and information for strategic purposes for operational, planning purposes and enable reporting and compliance with the local government legislative framework.

It is also focusing on strategies aimed at building capacity for excellent performance and service delivery through developing and implementing sound recruitment policies and effective performance management framework. It aims at fostering synergies between various departments by developing workflows, clear job descriptions and organisational structure aimed at mobilising human capital that will match the organisational mission and vision and improve existing capital.

The Mission and Values that will guide the municipality over the five year term, as captured in the IDP:

Togetherness: there is no separation between Sol Plaatje municipality and community, we are intertwined.

Certainty: There is a clear plan of reaching out to every community in Sol Plaatje municipal area.

Availability: The services are available at different levels, everywhere.

Responsiveness: We will be innovative and embrace technology as means of communication

Appreciative: We are best placed in Sol Plaatje, and we choose to be here.

Relentlessness: We work, we serve, and we do our best.

Legacy: We create heritage through legacy.

Ethical work: We will work in an ethical manner to be efficient, effective and ensure value for money.

Respect: We are family.

These values provide the backdrop for the approach to Human Resource's contribution to the achievement of municipal strategic objectives in the medium to long term. The Human Resource function of the Municipality must therefore be capable to perform its strategic human resource function and not only personnel management. As of February 2020, Sol Plaatje had a total of 2223 employees including:

- 1356 permanent employees
- 424 contract employees
- 48 interns
- 65 councillors
- 330 ward committee members

The approved organisational structure of the municipality provides for 2701 posts (excluding ward committee members and ad hoc contract workers). The rest of the vacant positions are not budgeted for. SPLM currently employs 0.7% of SPLM population, and could potentially employ 1% of the population in future.

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 these gaps 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 Policy – has been developed and was tabled to the relevant Council Sub-Committee where it was noted. The Policy is scheduled to be tabled to Council on 8 April 2020 for approval. 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 were done.

The Annual Performance Assessment for FY 2018/19 was done on 22 October 2019 and the Mid-Year Performance Assessment is scheduled for 6 April 2020.

An Overtime policy has been developed and was tabled to the relevant Council Sub-Committee where it was noted. The Policy is scheduled to be tabled to Council on 8 April 2020 for approval.

An item for the establishment of a Disciplinary Board was submitted to the Portfolio Committee for Corporate Services and Human Resources for noting. It will be submitted to the next Council meeting for noting.

A process is underway to review allowances to determine whether it is still applicable and relevant.

Council endeavors to work towards a Paperless Committee Service. All councillors were issued with the required tools of trade and the number of hard copies have been reduced substantially.

Challenges

The unresolved Section 106 report and the MM and CFO who are still on special leave has contributed to the current financial situation and the low morale of employees in the institution. An Acting MM, T Mabija and CFO, Z Cader have been appointed in October 2019 for a three month period which was extended to April 2020 to take leadership in order for the institution to go forward.

Critical vacancies were advertised for the IDP Manager, Revenue, Expenditure and Supply Chain Manager and City Engineer: Roads and Storm water but held in abeyance until the financial situation has improved. Personnel are appointed to act in these positions on a rotating basis.

Outstanding appeals must be finalized and implemented.

Mitigation Strategies

The approved organogram should be analyzed 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. Centralizing 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 SPLMs 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, per directorate, clearly indicating where the most critical skills gaps are and how these gaps 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 program to reinvigorate the organization, establish a new code of conduct at all levels and positively enhance the profile of the municipality.

A Human Resource Strategy is developed and skills development plan is available. The Succession Management plan is addressed by the Human Resource Strategy.

The present Individual Performance Management System (IPMS) must be fully institutionalized to all levels of staff and a Reward and Recognition Policy is approved to ensure proper buy-in into the IPMS. A process to prepare Standard Operational Procedures for all functions should also be prioritized.

The Performance Management System is institutionalized from the level of Executive Directors to General Workers. Some of the Executive Directors have not yet cascaded to lower levels, however additional training has been provided and is on-going. The Reward & Recognition Policy is completed and approved by Council.

Planning 2020/21

It is also important to enhance the project management skills and processes in the administration to ensure the delivery of capital projects on time, within budget and according to set qualities. In this process the Project Management Unit should play a central role. It is the intention of the municipality to focus on the capacitation of managers and leaders in project management and leadership skills in the 2020/2021 Workplace Skills Plan.

In order to achieve the strategic objectives, set out for this KPA, it is imperative to look at the information technology support systems and functionalities required for this department to function optimally. Currently a number of tasks are still performed manually (paper-based). Modernization in these areas should be prioritized.

Introduction and preparation of employees to go online leave application which continues and the biometric system, initial date was 1 March 2020. Currently the implementation has been delayed due to the Covid-19 for protective measures.

3.1.5 GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Status Quo

Accountability is a fundamental requirement of good governance, Municipalities have an obligation to report, explain and be answerable for the consequences of decisions it has made on behalf of the community it represents.

Good governance is also transparent, as it must enable people to follow and understand the decision making process, the information utilised to arrive at the decision, the advice received and consideration of the legal framework. Good governance is also responsive, and this is in line with the motto of the municipality of "We Serve". According to the Back to Basics Programme good governance is at the heart of the effective functioning of municipalities. SPLM must therefore ensure that good governance is prioritised. This lies within the responsibility sphere of the political component of the Municipality, which will be constantly monitored and evaluated on its ability to carry out the following basics:

- The holding of Council meetings as legislated.
- The functionality of oversight structures, S79 committees, audit committees and District IGR Forums.
- The existence and efficiency of anti-corruption measures.
- The extent to which there is compliance with legislation and the enforcement of by-laws.
- The rate of service delivery protests and approaches to address them.

Public participation is another essential component of good governance namely, putting people first. Measures need to be taken to ensure that the Municipality engages with communities. The Municipality must develop affordable and efficient communication systems to communicate regularly with communities and disseminate urgent information. The basic measures to be monitored include:

Achievements

In terms of achievement within this KPA, the following should be mentioned:

- The required number of ward committees have been established and are functional.
- Effective public participation programs are conducted by Council.
- Functioning of council and committees is optimal.
- General compliance on decision making processes and technical compliance matters is high in all sectors such as SCM, Financial Management, HRM, Town Planning, contracts management, safety procedures, conditional grants etc
- Reporting requirements strictly adhered to.
- The Budget, IDP, SDBIP, and financial statements are prepared and tabled timeously without exception.

Challenges

According to literature on identification of the developmental state, there are few challenges that every society, especially the developing economies, are faced with in accomplishment of good governance: they are weak institutions, lack of participation and democratization, lack of social etc. In the developing countries, institutions concerning fined property rights, formal contacts and guarantees and enforcement rules are weak— either too weak or too predatory in their demands. This being so, to achieve good governance becomes difficult. Attributes of goods and services have to be clearly measured for proper exchange to take place and property rights enforced. All these activities have costs, which can be reduced only when these institutions are effective.

In fact, good governance is significantly related to issues of participation and democratization. For the people dependent on local resources, democracy means participation in managing them. But in the face of the emergence of worldwide markets, the efficacy of local community tends to be destroyed and they seem to be powerless in facing new challenges. These local communities need to be strengthened to at least manage local resources and local affairs.

Other than weak institutions and absence of participation and democratization, lack of social capital poses a major challenge to approaching good governance. Social capital is viewed as emerging from the collection of norms, belief, attitudes and practices that govern relationship between individuals and groups in a society.

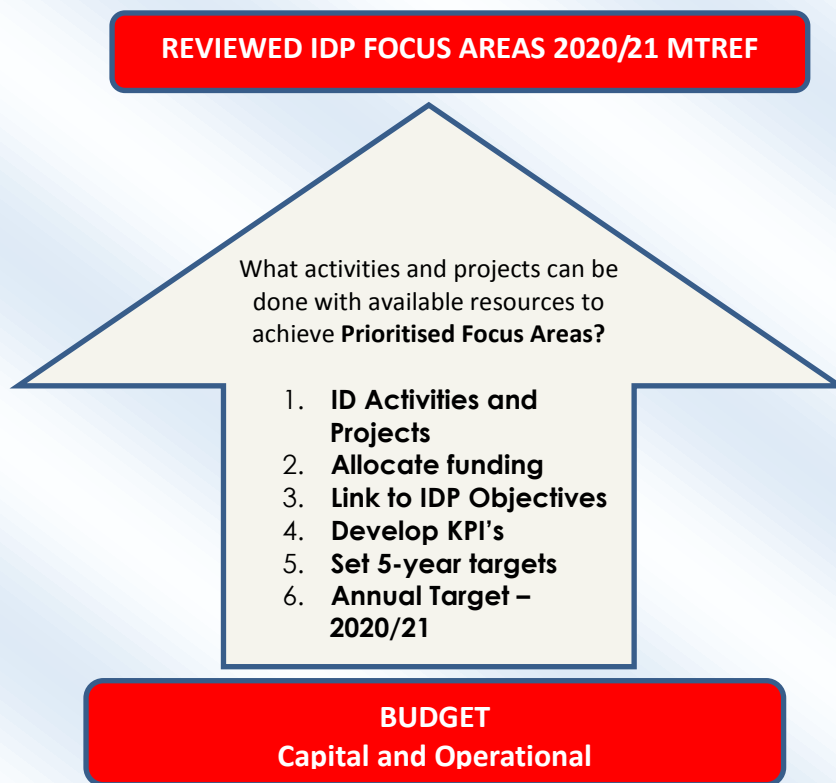
It is the social capital that fosters trust in societies, and the societies that are marked by trust are industrialized and economically developed. The performance in the KPA is largely dependent on all other areas and departments in the municipality, as it is a collective effort to achieve fair and transparent processes and decision-making. Specifically, the KPA “municipal institutional development and transformation” directly impact on the area of good governance and therefore the challenges mentioned there may be replicated in the KPA of Good Governance.

Mitigation Strategies

SPLM needs to operationalize the above Strategic Development Agenda. This is achieved by prioritizing the IDP Objectives and the activities to achieve them as outlined above and to ensure that the resource allocation of the Municipality over the remaining period of this IDP cycle addresses these priorities. It is also important that it must be possible to monitor and measure whether this is in fact happening. This will only be possible if realistic Key Performance Indicators and Targets are developed for each IDP Objective. The operational resources are contained in the Operational Budget of the 2020/21 MTREF. Some of the line items in the Operational Budget need to address the IDP priorities indicated above – especially in light of the B2B program as not all priorities relate to the capital program.

Projects and activities must now be identified to address the key focus areas discussed above and must be resourced with the available financial resources from own confirmed funding and gazetted funding from National and Provincial Government. This process is diagrammatically indicated below:

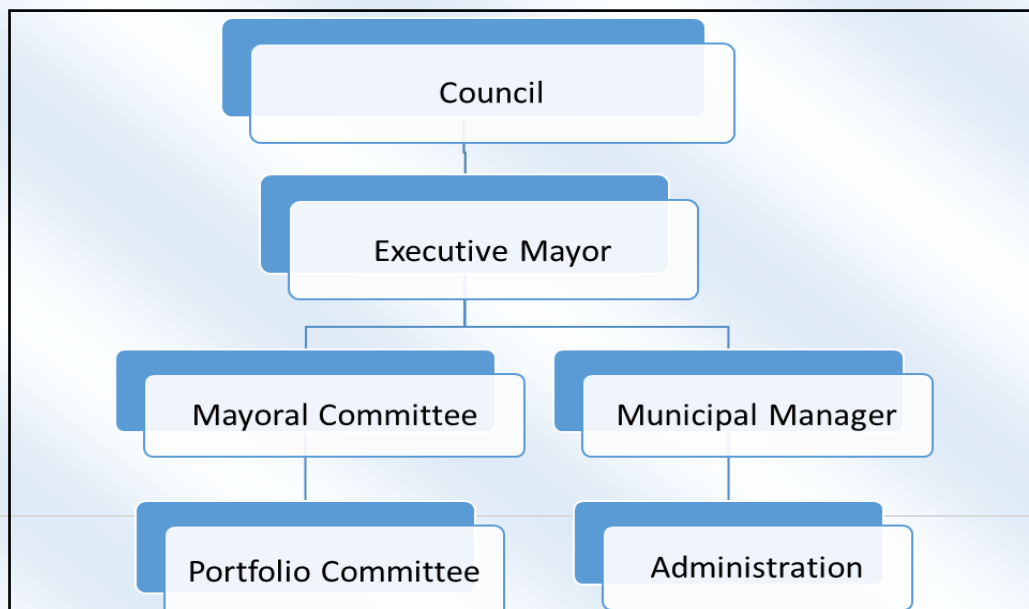
Figure 4: IDP/Budget/SDBIP Process



3.1.5.1 GOVERNANCE FRAMEWORK

The Sol Plaatje Municipality is an organ of state within the local sphere of government exercising legislative and executive authority within its area of jurisdiction as specified by the Local Government: Municipal Demarcation Act 117 of 1998. It consists of the political segment, an administrative component and the community. Sol Plaatje Municipality is a category C Municipality. It has an Executive Mayoral System combined with a ward participatory system. After local government elections in 2016, a 66 member council was elected. There are 33 ward councilors and 33 proportional representatives nominated to council from the list of respective parties.

Figure 5: Governance Structure



Roles and responsibilities of political structures

The roles and responsibilities of the political structures and political office bearers are stipulated in section 53 of the Municipal Systems Act. The roles of the Council,

Executive Mayoral Committee and the Executive Mayor are summarised in the table below:

Table 14: Roles and responsibilities of political structures

Council	Executive Mayor	Mayoral Committee
<p>Governs by making and administrating laws, raising taxes and taking decisions that affect people's rights.</p> <p>Is a tax authority that may raise property taxes and service levies</p>	<p>Is the executive and political leader of the Municipality and is in this capacity supported by the mayoral committee.</p> <p>Is the social and ceremonial head of the Municipality</p> <p>Must identify the needs of the Municipality and must evaluate progress against key performance indicators.</p>	<p>Its members are appointed by the Executive Mayor from the ranks of councillors, with the exception of the Deputy Executive Mayor who is elected by the council and is an ex officio member of the mayoral committee.</p>
<p>Is the primary decision maker and takes all the decisions of the Municipality except those that are delegated to political structures, political office bearers.</p> <p>Individual councillors or officials; can delegate responsibilities and duties for the purposes of fast and effective decision making.</p> <p>Must strive towards the constitutional objects of local government.</p> <p>Must consult the community with respect to local government matters.</p> <p>Is the only decision maker on non-delegated matters such as the approval of the IDP and budget.</p>	<p>Is the defender of the public's right to be heard</p> <p>Has many responsibilities with respect to the annual budget, the budget process, budget control and various other financial matters.</p> <p>Performs the duties and exercises the responsibilities delegated to her by the council.</p>	<p>Its functional responsibility is linked to that of the Executive Mayor to the extent that she must operate together with the members of the mayoral committee.</p> <p>Its primary task is to assist the Executive Mayor in the execution of her powers – it is in fact an extension of the office of Executive Mayor.</p> <p>The committee has no powers on its own, decision making remains that of the Executive Mayor.</p>

The political structure and composition is based on the Executive Mayoral Committee (MayCo) system. The Mayoral Committee reports to the Municipal Council whose duties are defined so as to ensure proper decision making and appropriate allocation of funds. The Council must adhere to the Protocol of Corporate Governance in the Public Sector (1997) and a host of relevant legislation.

The MAYCO is appointed by the Executive Mayor. It exercises powers, functions and duties designated to it by the Executive Mayor and Council. These powers, functions and duties are performed and exercised by the Executive Mayor, Ald SP Mabilo together with the members of the MAYCO as follows.

Executive Management Structure

The Municipal Manager as head of the administration is responsible and accountable for tasks and functions as provided for in Section 55 of the Systems Act, other functions/tasks as provided for in legislation, as well as functions delegated by the Executive Mayor and Council. He is responsible for the implementation of the IDP under the direction and guidance of the Municipal Council.

The Municipal Manager is supported by executive managers appointed in terms of Section 57 of the MSA. The Development Priorities of the municipality as contained in the IDP cannot be achieved without people (human resources) and therefore the effective management of human resources makes a vital contribution to achieving these goals. The Sol Plaatje Municipality, through its salary budget, human resource management policies, practices, systems, etc. recognizes that its employees are central in realizing the vision and mission of the organization. There is, therefore, close alignment between the way in which the administration is structured and resourced through its operational and salaries budget, the IDP objectives and the performance targets of the municipality.

Figure 6: Executive Management Structure



As such, there has to be a focus on building strong municipal administrative systems and processes. This includes ensuring that administrative positions are filled with competent and committed people whose performance is closely monitored. Targeted and measurable training and capacity building will be provided for councillors and municipal officials so that they are able to deal with the challenges of local governance as well as ensuring that scarce skills are addressed through bursary and training programs. The basic requirements to be monitored include:

- Ensuring that the top six posts (Municipal Manager, Finance, Infrastructure and Services, Corporate Services, Community and Social Development Services and Strategy, Economic Development and Planning) are filled by competent and qualified people.
- That the municipal organograms are realistic, underpinned by a service delivery model and affordable.
- That there are implementable human resources development and management programs.

- There are sustained platforms to engage organised labour to minimise disputes and disruptions.
- Importance of establishing resilient systems such as billing.

The Municipality is attending to most of the above issues – albeit in an ad-hoc manner. These activities and actions should be done in a more integrated manner. It is therefore important that these issues should be incorporated in the IDP Objectives. SPLM is reporting on the B2B program via provincial COGHSTA and therefore these issues should also form part of the SDBIP's KPI's and targets – this will result in attending to these issues continuously and in a more integrated manner – rather than only attending to these issues on a quarterly basis when reports are due.

3.1.5.2 LOCAL GOVERNMENT MANAGEMENT IMPROVEMENT MODEL

Linked to the above is the Local Government Management Improvement Model. The LGMIM assesses compliance and quality of management practices of municipalities. It serves two important purposes, namely, learning or improvement, and accountability. It also provides a holistic or integrated picture of the state of management practices within municipalities. Municipalities can then be benchmarked against each other and best practices can be exchanged in order to enhance local government in general.

The LGMIM does not include an assessment of actual deliverables against planned deliverables and it does not assess the performance of individual officials. It is therefore not a performance management system but measures the Municipality's compliance and management practices within the following key performance areas:

- o Integrated Planning and Implementation
- o Service delivery
- o Human Resource Management
- o Financial Management
- o Community Engagement
- o Governance

The LGMIM also does not duplicate existing legal, regulatory and prescribed best practices. It draws these together into a single coherent framework. The due date for the 2018/19 LGMIM Assessment was December 2019 with a review period in January 2020. The late submission of documentation for uploading on the system by some directorates has resulted that the assessment was only partly completed by the IDP Unit.

CHAPTER 4: INTEGRATION OF THE IDP

4.1 LINKAGE OF THE IDP TO OTHER STRATEGIC DOCUMENTS

It should be emphasized that the IDP was not developed in isolation. National plans, goals and frameworks were considered as follows:

4.1.1 Sustainable Development Goals (SDGs)

These goals are aimed at ending poverty, fighting inequality and injustice, and tackling climate change by 2030. Goal eleven of the seventeen SDG's is: "Making cities and human settlements inclusive, safe, resilient and sustainable" which is a specific focus area for SPM during this IDP cycle.

4.1.2 African Union Agenda 2063

This agenda recognises that: "Cities and other settlements are hubs of cultural and economic activities, with modernized infrastructure, and people have access to affordable and decent housing including housing finance together with all the basic necessities of life such as, water, sanitation, energy, public transport and ICT." One of Agenda 2063's key objectives is to: "Provide opportunities for all Africans to have decent and affordable housing in clean, secure and well planned environments."

4.1.3 National Development Plan (NDP)

The NDP challenges all, "to rethink the urban to face the future challenges" and to "grapple with this task and deal intelligently with social exclusion, environmental threats, economic inefficiencies, logistical bottlenecks, urban insecurity, decaying infrastructure and the impacts of new technologies." The National Development Plan envisages a future in which, "we have created a home where everybody feels free yet bounded to others; where everyone embraces their full potential. We are proud to be a community that cares." It also envisages a future in which, "Our homes, neighbourhoods, villages, towns and cities are safe and filled with laughter." Our future is clearly an urban future, an urban future inextricably linked to our rural future.

The NDP recognises that, "while the fundamental reshaping of the colonial and apartheid geography may take decades, by 2030 South Africa should observe meaningful and measurable progress in reviving rural areas and in creating more functionally integrated, balanced and vibrant urban settlements." However, for this to happen, the NDP says the country must do three things:

1. Clarify and relentlessly pursue a national vision for spatial development;
2. Sharpen the instruments for achieving this vision;
3. Build the required capabilities in the state and among citizens.

In the spirit of the National Planning Commission's "National Development Plan - Vision 2030", stronger social partnerships between government, organised labour, organised business and the community constituency are needed to address investment, employment and poverty challenges our country faces.

Government has therefore developed a range of intervention approaches to support and guide action on growth and development. The two most important of these documents, at present, in relation to local government are:

National Development Plan is about both growth and redistribution and there are many aspects to this transformation challenge:

How we utilise land and our mineral resources,
 How we organise transport, energy and communication networks,
How we manage cities and local government,
 How we improve education and health services,
 How we reform our social security and welfare services,
 How we broaden ownership and enterprise development, and
 How we engage with Africa and the rest of the world.

Figure 7: The National Development Plan – Vision 2030

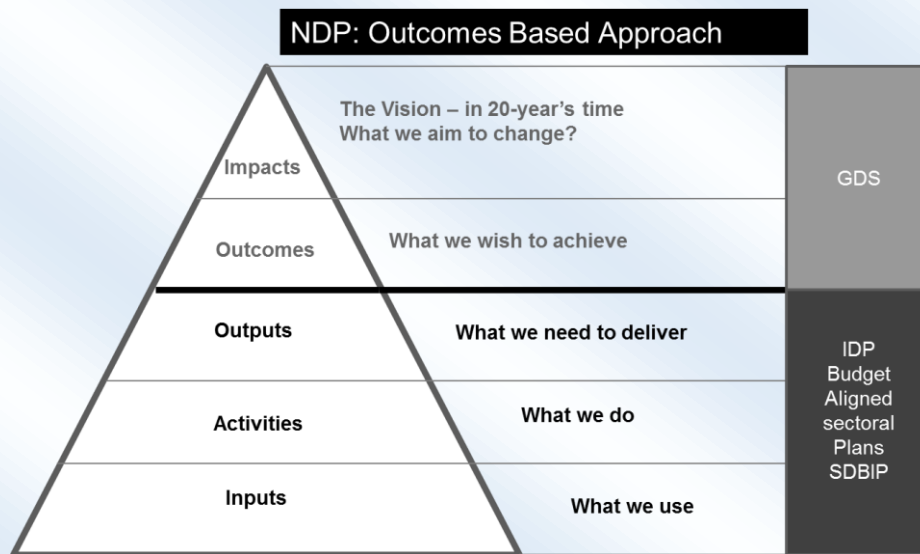


Although municipalities can also contribute to most of the above themes it is in the areas of managing cities and local government where it plays its specific role in contributing towards the NDP.

However, the National Development Plan (NDP) – Vision 2030 has been given greater emphasis as the point of departure for all spheres of Government in terms of planning and budgeting for next 20 to 30 years. The Plan includes integrated strategies for accelerating growth, eliminating poverty and reducing inequality. The NDP further emphasises lowering the cost of living for households and reducing the cost of doing business, especially for small and emerging enterprises.

In light of the above and for SPLM to contribute towards the vision of the NDP it needs to, as a priority, embark on a process to develop a Growth and Development Strategy with a long term (30 year) planning horizon.

Figure 8: NDP Outcomes Based Approach



At present there exist a “gap” in the SPLM’s planning hierarchy in the sense that from a long-term planning perspective on national, provincial and district level the SPLM is forced to align its planning with these documents on a “medium-term” perspective instead of a long-term perspective such as the GDS.

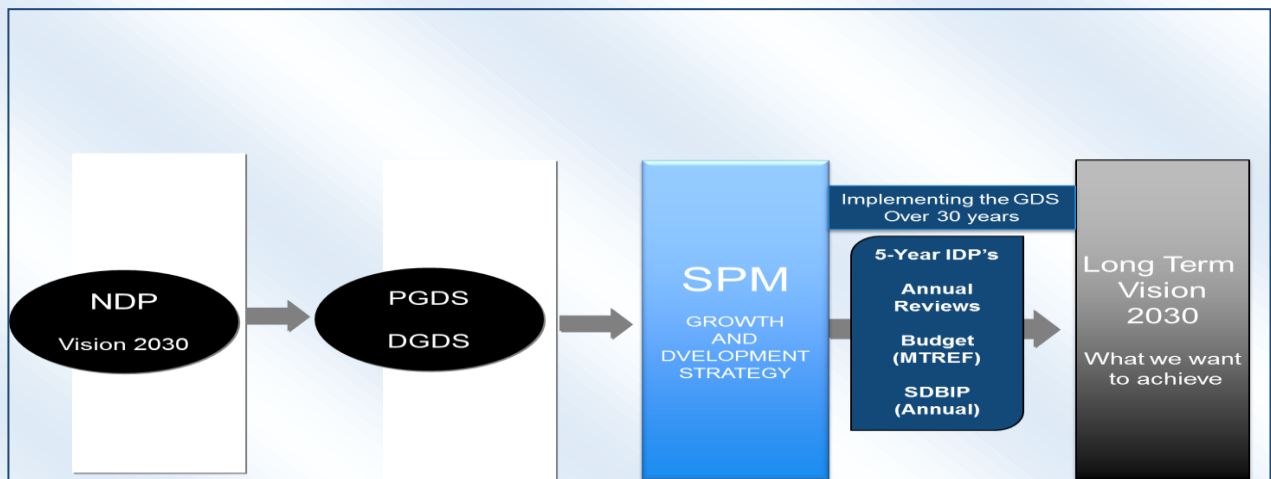


Figure 9: The GDS in the Planning (IDP) and Budgeting Context

The illustration above indicates how this process will unfold to ensure:

1. Proper alignment to national provincial and district long-term plans and policies.
2. Alignment and linkage between all sectoral issues such as the space-economy (SDF and LED Strategy), municipal infrastructure investment (MIIF), municipal financial management and sustainability (financial plan) and municipal institutional development (institutional plan).

3. Transformation of the current development policy framework into one that is integrated, coherent, strategic and user friendly.
4. In-depth collaboration and consultation with all relevant stakeholders to ensure a common vision and understanding of the future growth and development path of SPLM.
5. An implementation framework with key projects and activities linked to programs and projects and main activities – with funding alternatives - that will be integrated with the municipal 5-year IDP and Budget cycles.

4.1.4 Back to Basics programme

The National Development Plan makes it clear that meeting the development and transformation agenda requires functional municipalities and a capable machinery at a local level that can create safe and healthy and economically sustainable areas where citizens and people can work, live and socialize.

The goal of the B2B Programme is to improve the functioning of municipalities to better serve communities by getting the basics right.

Municipalities must therefore:

- Develop fundable consolidated infrastructure plans.
- Ensure infrastructure maintenance and repairs to reduce losses with respect to
- Water and sanitation.
- Human Settlements.
- Electricity.
- Waste Management.
- Roads.
- Public Transportation.

Ensure the provision of Free Basic Services and the maintenance of Indigent register.

4.1.5 Integrated Urban Development Framework (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. Sector Plans plays an important role in management, planning and decision-making.

Table 15: Existing Sectoral Plans

Sector Plan	Contribution to IDP Objectives	Status
Spatial Development Framework (SDF) and aligned Land Use Management System (LUMS)	<p>The SDF sets out the objectives for the desired spatial form of the municipal area. It also contains strategies relating to the desired pattern of land use. It also addresses spatial reconstruction and provides strategic guidance for the location and nature of future development in the Municipality. It contains a strategic assessment of the environmental impact of the SDF and identifies programs and projects for the development of land within the municipality. The SDF also sets guidelines for a land use management system.</p> <p>While the SDF deals with spatial policy issues the Land Use Management Scheme 2008 (LUMS) gives effect to these policies and can be seen as the implementation tool of the SDF. The LUMS consist of a set of Zoning Plans which indicate the specific use allowed on the land parcel. The LUMS will be reviewed after completion of the reviewed SDF.</p>	<p>The Draft SDF 2018-2022 was approved by council on the 26 February 2020 and it will be out for public participation in due course. This will enable the city to outline its growth strategy spatially and also encourage the investment in the City. The reviewed SDF will be able to guide the orderly and desirable spatial development inter alia developing development strategies.</p> <p>Thus creating integrated, sustainable and habitable city as well as rural areas.</p> <p>Lastly in the financial year 2020/2021 the municipality will review the Land Use Management Scheme 2008 in order to comply with Section 27 (1) of the Spatial Planning and Land Use Management Act 16 of 2013</p>
LED Strategy	<p>The LED Strategy was prepared to investigate the options and opportunities available to broaden the local economic base of Sol Plaatje in order to address the creation of employment opportunities and the resultant positive spin-off effects throughout the local economy. Poverty and lack of economic development are two indicators of the sub-optimal functioning and operation of a development system, creating a poverty trap with a range of developmental and social problems.</p> <p>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</p>	<p>Old Mutual Group has collaborated with SPM by funding the review of the LED Strategy to value of R1 million. The Centre for Local Economic Development at University of Johannesburg is the appointed service provider reviewing the LED Strategy. The inception meeting took place in February 2020. The focus group meetings will be on the 18th, 19th and 20th March 2020 first focus group with SPM officials and Councilors including business communities other institutions such as IDC, NEF, NYDA, SEDA.</p> <p>The review It promotes LED Strategy as a <i>territorial-led approach to development; as an inclusive and innovative process; and as an outcome that results in stronger local economies.</i> Therefore, is designed to entrench LED as primarily a territorial response to local</p>

Sector Plan	Contribution to IDP Objectives	Status
	<p>any shock (contraction or change) within these sectors, which could have a devastating effect on local communities in terms of job losses. This phenomenon is already evident within the Mining Sector as many mineworkers in the study area and the Province as a whole, have over the last few years, experienced retrenchments and job losses.</p> <p>It should be noted that strategy formulation is regarded as a process and this process can be applied to initiate economic development and inform the establishment of economic development partnerships between the local municipality, the community as well as the private sector. The strategy should not be regarded as an end in itself, but rather as a dynamic and pro-active tool to be used by the municipality to promote regeneration and economic development.</p>	<p>challenges of Frances Baard region. It emphasises the importance of unique characteristics of localities; an innovative approach to development; a Local Government-led process, multi-stakeholder driven process, and an outcome based on progressive partnerships.</p> <p>Thus, Frances Baard District Municipality, Phokwane, Magareng and Dikgatlong are part of the review and on the 19th and 20th March the focus meetings is with these municipalities.</p>
Integrated Transport Plan (ITP)	<p>Roads and Storm Water section provides an effective, competitive and responsive infrastructure by ensuring continuous maintenance, refurbishment, upgrade and replacement of existing roads and storm water infrastructure assets in order to sustain service delivery and infrastructure development in the municipality.</p> <p>By ensuring effective roads and Storm Water systems, this section contributes towards facilitating economic growth and social development, improving traffic flow and traffic safety by alleviating traffic congestion. For this, Integrated Transport Plan becomes crucial, as a strategic sector plan.</p>	<p>The sector still does not have Master Plans. However, Master Plans shall be developed in the 2020/2021 financial year, to inform ITP and provide inputs into IDP review or new IDP process.</p>
Water Services Development Plan (WSDP)	<p>The Water Services Act, 1997 (Act 108 of 1997) requires municipalities which have been authorized to render the water services provision function (Water Services Authorities) to:</p> <ol style="list-style-type: none"> 1. Draft a Water Services Development Plan as part of their IDP process 2. Elicit comments on draft WSDP 3. Consider and report consideration of 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 has completed the process to prepare a WSDP in accordance with the new Guideline framework of DWA. DWA is also in the process to review IDP assessment framework in consultation with CoGTA to align with WSDP Guide Framework. The outstanding process is the approval by the Council</p>
Storm water Master Plan		<p>SPLM does not have a Storm water Master Plan in place.</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"> o The compilation of a Disaster Management Framework (DMF). o The execution of comprehensive disaster hazard, vulnerability and risk assessment. o The compilation of disaster management plans. o Establishment of a Disaster Management Centre. <p>These four objectives aim to help formulate and implement appropriate disaster risk reduction strategies</p> <p>The Disaster Management Plan guides all role players on how to proactively manage disasters, respond to disasters and recover from disasters.</p>	<p>The Disaster Management Plan was adopted by Council in August 2008. This Plan was updated already in June 2018.</p> <p>The plan and executive summary were submitted to the Safety and Security Committee on several occasions and due to no quorums, it was escalated to the next level. It was later decided to present it to the EMT who supported it and there after it was submitted to the Mayoral Committee with Ald Matika as the then Chairperson where it was noted. Unfortunately, it was during the time with quite a lot of division between ANC Councillors and meetings were postponed indefinitely. The then Municipal Manager made a proposal that the documents be placed on the Intranet for inputs by the general public.</p> <p>We are already working on the new plan. This plan will be discussed with the ED of Community Services and the Acting MM to determine the way forward.</p>
Water and Sanitation Master Plan	<p>The Water Services Act, 1997 (Act 108 of 1997), prescribes the legislative duty of municipalities as water-service authorities to provide water supply and sanitation according to national standards and norms. It also regulates water boards as important water service providers and gives the executive authority and responsibility to the Minister of Water and Sanitation to support and strengthen the capacity of municipalities to manage their own affairs, exercise their powers and perform their functions.</p> <p>In order to meet this requirement, the municipality must develop and update plans that seek to support this requirement.</p>	<p>The water and sanitation master plan is completed and used by the user sub-directorate. The process of getting it approved by the Council is currently underway.</p>
Electricity Master Plan	<p>The master plan details the needs versus the current situation. The master plan is aligned to the IDP where all sector plans were considered. This for both medium-term and long-term. This master plan outlines the impact on consumers/communities and industry, and includes an implementation plan which will be dependant on funding sources.</p>	<p>The Electricity Master Plan was completed.</p>
Integrated Waste Management Plan	<p>The overall aim of the IWMP is to set out the direction required for the effective</p>	<p>An Integrated Waste Management Plan has been adopted by Council in</p>

Sector Plan	Contribution to IDP Objectives	Status
(IWMP)	<p>management of waste within SPLM that will result in activities that will not only align those activities with the legislative compliance required but will have a positive effect on the health and wellbeing of communities and the environment.</p> <p>The IWMP addresses the following focus areas:</p> <ul style="list-style-type: none"> ○ Review the current routes of collection and implement a cost effective and sustainable system of collection in all areas within SPLM. ○ Ensuring a positive impact on the health of communities. ○ Limiting the impact on the environment. ○ Compliance with relevant legislation. ○ Encouraging community participation through mobilization, education and awareness programmes. ○ Proper management of the refuse disposal site so as to ensure legislative compliance and limited impact on the health of communities and the environment. ○ Proper and effective monitoring and control of all processes. ○ Facilitation of effective waste minimization projects through recycling, avoidance, reduction and proper disposal with the focus on entrepreneurship development. ○ Implementation of resources required and the effective management thereof. ○ Prevention of air, water and soil pollution. ○ Effective law enforcement. ○ Eradicate illegal dumping and littering on municipal, public and private property. 	<p>October 2011 and program/projects emanating from this plan have been included in the 5-year Action Plan of this IDP. Kwezi V3 Consultants was appointed to review the Plan, which was finalized in 2018 and only council approval is still outstanding. Upon approval the plan will be submitted to the MEC.</p>
Integrated Environmental Management Plan (IEMP)	<p>The IEMP presents an IDP sector plan, which strives to achieve the following:</p> <ul style="list-style-type: none"> ○ To ensure that municipal development strategies and projects take cognisance of: <ul style="list-style-type: none"> • Existing environmental problems and threats; and • Environmental assets; ○ To ensure that the Chapter 1 principles of the National Environmental 	<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</p>

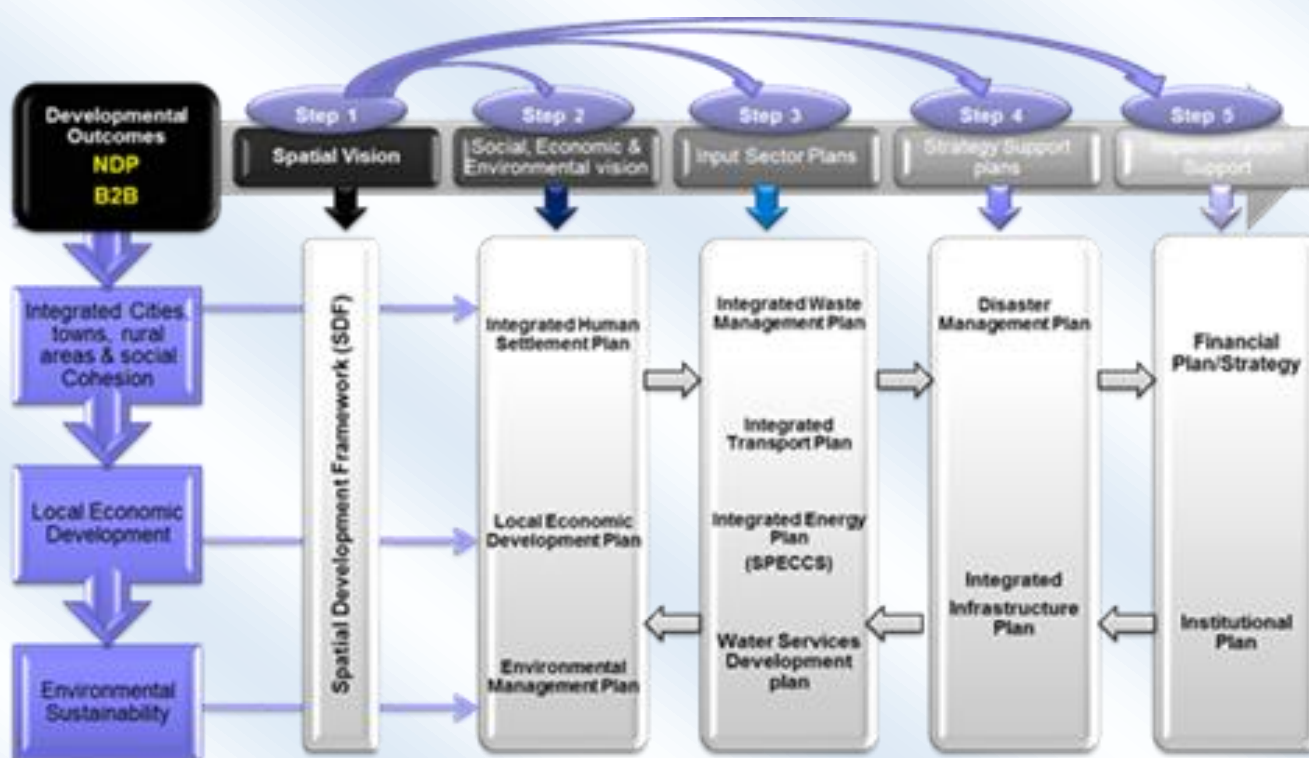
Sector Plan	Contribution to IDP Objectives	Status
	<p>Management</p> <p>Act (Act No. 107 of 1998) are applied when:</p> <p>Strategies are designed; and</p> <p>Projects planned;</p> <ul style="list-style-type: none"> • To ensure a healthy environment by ensuring that: • Urgent environmental issues are addressed; and • Envisaged projects have no negative impacts on the natural environment. 	<p>completed in Mar 2012.</p> <p>The municipality does not have an Environmental Unit at present.</p>
<p>Municipal Infrastructure Investment Framework (MIIF) and Capital Expenditure Framework (CEF)</p>	<p>The Municipal Infrastructure Investment Framework should address the following critical issues:</p> <ul style="list-style-type: none"> ○ Bulk Infrastructure requirements (electricity, water, sanitation, waste disposal and transport network) ○ Infrastructure network (reticulation) requirements (electricity, water, sanitation, roads, waste management – telecom and IT) ○ Replace and refurbish existing and ageing Infrastructure (electricity, water, sanitation, solid waste disposal and the transport network. Upgrade and extent the existing IT and telecom infrastructure network ○ Provide sufficiently for infrastructure operations and maintenance requirements (electricity, water, sanitation, solid waste disposal, roads, storm water and the IT and telecom networks) 	<p>Central government have proposed a new capital funding model, with the intention of consolidating all its funding streams. This is effected through the Capital Expenditure Framework (CEF). Although the intention of CEF is not to replace MIIF, but has similar features. Municipality as approved CEF, which will dove-tail with MIIF when it is developed and completed.</p> <p>Due to the seriousness of the bulk infrastructure backlogs the Municipality continues to implement recommendations of the feasibility study that quantified the actual infrastructure backlog and came up with a funding model. The feasibility study focused on critical infrastructure delivery such as water, sanitation and electricity capacity.</p> <p>The already developed master plans for water, sanitation and electricity shall provide crucial stepping stone towards the MIIF</p>
<p>Institutional Plan</p>	<p>The SPLM's Institutional Plan will address:</p> <ul style="list-style-type: none"> ○ A revised HR Policies and Procedures Handbook were prepared. ○ An assessment of changes required to Macro and Micro Organisational Structure was completed and proposals on the "to be" Organisational Structure were drafted ○ 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>As part of its Turnaround Strategy and OPCAR the Sol Plaatje Municipality has identified Institutional Building as a key focus area in line with the National Local Government Turnaround Strategy and Outcomes Based. An institutional overview indicated the critical interventions that were required in this area and has been included in a draft plan which is in its approval phase. 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>

Sector Plan	Contribution to IDP Objectives	Status
Integrated Human Settlement Plan	<p>The aim of the IHSP is to identify the location and nature of specific housing projects in the greater SPLM area, the combined effect of which is to meet the net housing need in the area, insofar as possible within the strategic framework of the SPLM IDP, taking into account the realities of development on the ground.</p> <p>The IHSP should be read with the IDP which remains the principal strategic planning instrument which guides and informs all planning and development and all decisions with regard to planning, management and development in the municipality.</p>	<p>An IHSP has been adopted by Council in October 2011 and is due for review.</p> <p>The National Upgrading of Informal-Settlements program assist the categorization and the implementation of the upgrading plans viz Relocation, In Situ or Infill upgrading plans. We identified 31 Informal-settlements of 20 are fully upgraded for residential purposes 11 are outstanding due to Funding to complete the others with additional 6 recently areas invaded. The IHSP is part of the efforts to deal with the Human-settlements Backlog in terms of the different housing programs, viz Social Housing, BNG, CRU's and FLISP. {Gap Market}</p>
Ward Based Plans	<p>Practical implementation plans should be prepared for each ward to include the following – in order to create sustainable livelihoods:</p> <ul style="list-style-type: none"> ○ One needs to develop a “pro-forma” for these plans – they need to address the same things, follow the same process and look the same. ○ The plan needs to provide some community perspective/back ground, a statement of needs and then a plan. ○ The plan needs to address 1-year, 3-year and 5-year needs. ○ All service and functional areas need to be addressed. ○ A useful planning and monitoring tool to use is a matrix. The matrix effectively links plan, budget, responsibility and performance in one document/page. ○ The plan should also be illustrative. 	<p>A draft ward based planning model is in plan. The practical implementation of this model is still a challenge due to various factors – the most important being that the issue of outdated sector plans in all infrastructure areas should be addressed before effective ward based planning can be done. Ward priorities are however sources from the various ward councilors and these priorities are listed earlier in this document</p>

5.2 THE LOGIC OF SECTOR PLANS

Through the development of a Growth and Development Strategy SPLM will also be in a position to transform the current policy framework (including the sector plans) into one that is integrated, coherent, strategic and user-friendly. A strategic user friendly document can be produced through the GDS process that integrates and references all municipal plans, strategies and programmes related to the SPLM's long term integrated space-economic vision and goals. This will result in the "logic of sector plans". This is illustrated in the diagram below – which follows a logic sequence.

Figure 10: Logic of Sectoral Plans



From the illustration above SPLM should:

- In the first instance look at how it can, on a local level, contribute towards the national development outcomes in creating integrated cities that include social cohesion.
- Secondly, how it can ensure an enabling environment for local economic development, and
- Thirdly, how it can contribute towards environmental sustainability.

The three above mentioned national strategic objectives (which also aligns to the principles of sustainable development) can be achieved by utilising the "logic of sector plans", in the absence of a Growth and Development Strategy, as illustrated above:

Step 1: The Spatial Vision

Everything happens in a space. The above objectives therefore need to be spatially organised. Section 26(e) of the Local Government: Municipal Systems Act, No. 32 of 2000 (the "MSA") requires all municipalities to compile Spatial Development Frameworks (the "SDF") as a core component of Integrated Development Plans (the "IDP"). It is therefore important that the SPLM has a Spatial Development Framework in place that will ensure an integrated and optimal spatial development of the City and its surrounding areas. SDF will give effect to National, Provincial and Municipal Planning and Alignment of the strategic frameworks of other spheres as well as sector plans i.e. Housing Sector Plan.

The NDP, for instance, stresses the importance of a strong and efficient spatial planning system, well integrated across the spheres of government. In this endeavour it promotes the following actions:

- Reforms to the current planning system for improved co-ordination (SPLUMA is one example).
- Develop a strategy for densification of cities and resource allocation to promote better located housing and settlements.
- Substantial investment to ensure safe, reliable and affordable public transport.
- Introduce spatial development framework and norms, including improving the balance between location of jobs and people.
- Conduct a comprehensive review of the grant and subsidy regime for housing with a view to ensure diversity in product and finance options that would allow for more household choice and greater spatial mix and flexibility. This should include a focused strategy on the housing gap market, involving banks, subsidies and employer housing schemes.
- National spatial restricting fund, integrating currently defused funding.
- Establish a national observatory for spatial data and analysis.
- Provide incentives for citizen activity for local planning and development of spatial compacts.
- Introduce mechanisms that would make land markets work more effectively for the poor and support rural and urban livelihoods.

Step 2: Social, Economic and Environmental Vision

This step elaborates on the detail within the Spatial Vision namely to articulate the social -, economic -, and environmental vision through the following strategic plans, namely:

- An Integrated Human Settlement Plan
- A Local Economic Development Plan
- An Environmental Management Plan

These plans need to articulate in detail how SPLM will transform its human settlements as envisaged by both the NDP and B2B in order for it to be socially and economically integrated and environmentally sustainable within the Spatial Vision.

These plans are especially important as it is the strategic priorities that should inform the Municipalities actions and allocation of resources. The B2B especially emphasises the output and impact of these plans.

Step 3: Input Sector Plans

This step refers to the input that is necessary to realise the strategic plans mentioned in Step 2. It is the actual action plans that deal with the infrastructure and services such as:

- Integrated Waste Management Plan
- Integrated Transport Plan
- Integrated Energy Plan
- Integrated Water Services Development Plan

The important aspect of these plans are that they should include specific projects with time frames and budgets (including funding sources).

Step 4: Strategy Support Plans

The strategy support plans is complementary to the input plans and deal specifically with disaster management and a Municipal Infrastructure Investment Framework (MIIF).

Step 5: Financial Strategy/Plan and Institutional Plan

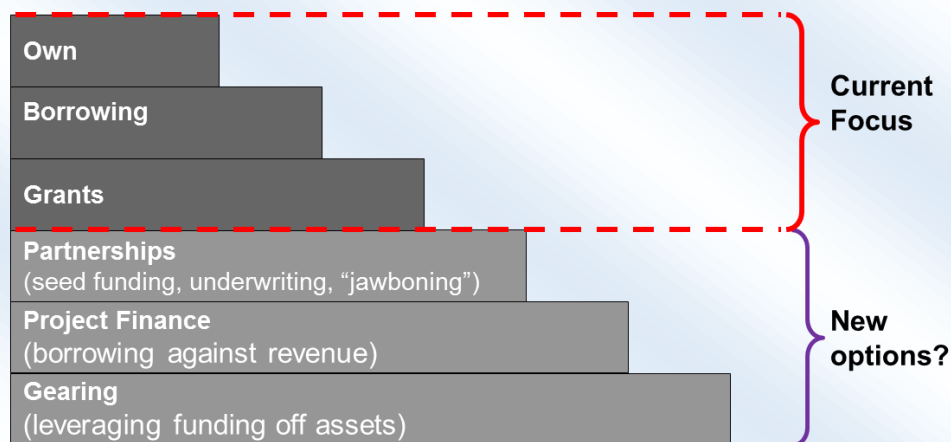
The last step in the sequence of the “logical sector plans” is the resources needed to implement these plans. At this stage the Municipality is aware of what it needs to implement to achieve its goals and objectives and therefore need to allocate the necessary resources, which will include:

- The Financial Strategy/Plan
- The Institutional Plan (Human Resources)

By following the above process SPLM will ensure that it structurally addresses all the issues related to what is envisaged in the NDP and B2B.

As part of the implementation framework of the GDS SPLM also needs to explore new funding alternatives apart from the traditional sources of funding, as illustrated below in order to achieve its development goals.

Figure 11: Alternative Funding Methodologies



Sound financial management is integral to the success of local government. Performance against the following basic indicators will be constantly assessed:

- The audit opinions for the last three to five years.
- Whether the budgets are realistic and based on cash available.
- The percentage revenue collected.
- The extent to which debt is serviced.
- The efficiency and functionality of supply chain management.

CHAPTER 6: MONITORING OF THE IDP AND BUDGET

The IDP's Multi-year Municipal Performance Plan will inform the 2020/21 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 2020/21 will be completed after the public consultation process as priorities may be adjusted due to this process. The SDBIP will be 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.

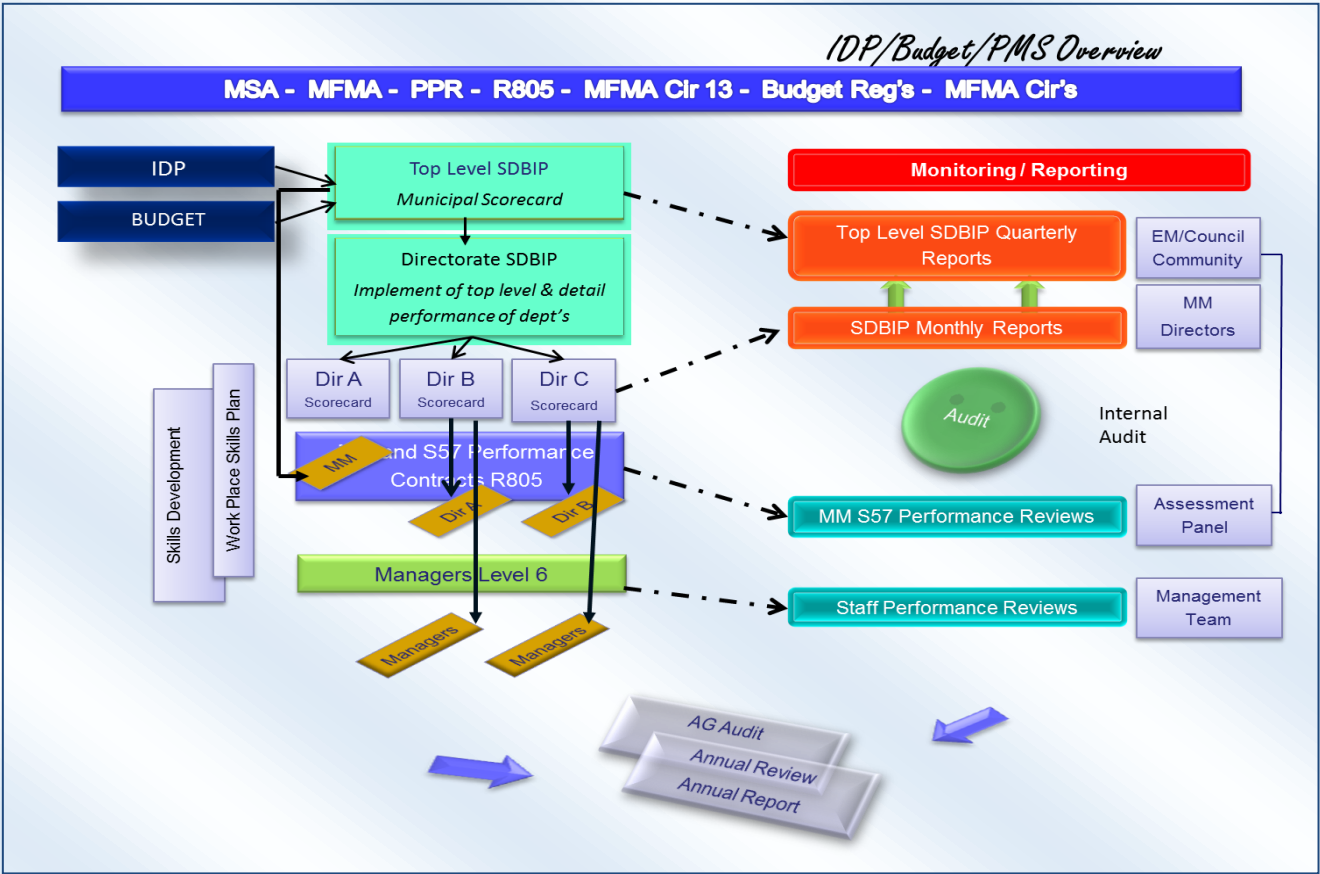
The SDBIP gives effect to the implementation of the IDP and Budget of the Municipality. The IDP Objectives, Key Performance Indicators and Targets aligned to the Budget within each Key Performance Area in the Multi-Year Municipal Performance Plan will then inform the SDBIP for the 2020/21 financial year and breaks it up into quarterly targets.

The "top layer" SDBIP is used as a framework for the Organizational Performance Management System. The implementation of the IDP and Budget is monitored, evaluated, reported and measured through the integrated Performance Management System (PMS) to ensure that the resources available to the Municipality are directed at the delivery of prioritized projects, programs and operations that meet the agreed IDP Objectives. Monitoring, evaluating, measuring and reporting performance will also assist the Municipality:

- To make immediate and appropriate changes in the prioritized delivery process and to adjust resources accordingly;
- Identify and overcome major or systemic blockages in the delivery process and
- Guide future planning on development objectives and resource use.

The PMS process from planning through in-year monitoring and reporting up to the Annual Report is structured as per the figure below:

Figure 12: IDP/Budget/PMS Linkage



ANNEXURE 1 – HIGH LEVEL PROCESS PLAN

IDP AND BUDGET TIME-SCHEDULE FOR PREPARING THE IDP REVIEW 2019/20 AND BUDGET FOR 2020/21 MTREF					
NO	ACTIVITY DESCRIPTION	ORGANISATIONAL RESPONSIBILITY	OUTPUT	LEGISLATIVE REQUIREMENT AND INFORMATION	TIME FRAME
JULY 2019					
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	Done
2	Consideration of the IDP and Budget Process Plan 2020/21 MTREF	MM/CFO/EMT	Process Plan for the 2019/20 IDP Review and Budget for 2020/21 MTREF	MSA 32 of 2000 & MFMA No. 56 of 2003	30 July 2019
3	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 2019
4	Submit 4 th Quarter to: 1. EMT 2. NT/PT 3. EM/IDP Budget Com 4. Submission of Section 52 (d) Report to Council	All	4 th Quarter Report 2018/19	MFMA S52(d)	31 July 2019
AUGUST 2019					
5	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)	1 August
6	Approval of the IDP and Budget Process Plan	Executive Mayor	Executive Mayor endorses the IDP and Budget Process Plan for 2020/21 MTREF	MSA 32 of 2000 & MFMA No. 56 of 2003	7 August 2019
7	Publish MM and 57 Managers Performance Agreements and Plans on Web and submit to CoGHSTA, NT and PT	Corporate Services	Published and submitted performance agreements and plans	MSA and Reg 805	7 August 2019
8	Constituting the IDP/Budget Steering Committee	MM/CFO	Legally constituted IDP/Budget Steering Committee	MFMA s53(1)	30 August 2019
9	Submit Annual Report including Annual Financial Statements and Annual Performance Report to the Audit Committee	MM/CFO	Submission of annual financial statements as per section 126(1) of the MFMA. Draft Annual Performance Report 2018/19 as per section 46 of the MSA.	MFMA Circular 63, Sep 12	31 Aug 2019
10	Approval of the IDP and Budget Process Plan	Executive Mayor	Council approves the IDP and Budget Process Plan 2020/21 MTREF	MSA 32 of 2000 & MFMA No. 56 of 2003	31 Aug 2019
11	Submission of the Financial Statements, Annual Report and Annual Performance Report to the AGSA	MM/CFO	Submission of signed AFS, Draft Annual Report and Final Annual Performance Report to AGSA		31 Aug 2019

**IDP AND BUDGET TIME-SCHEDULE FOR PREPARING THE IDP REVIEW 2019/20 AND
BUDGET FOR 2020/21 MTREF**

NO	ACTIVITY DESCRIPTION	ORGANISATIONAL RESPONSIBILITY	OUTPUT	LEGISLATIVE REQUIREMENT AND INFORMATION	TIME FRAME
12	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 2020/21 will happen	MSA and MFMA	31 Aug 2019
SEPTEMBER 2019					
13	Issue of Budget guidelines (operational budget)	CFO	<p>Issue Circular on operational budget guidelines:</p> <ul style="list-style-type: none"> - Confirm approved organogram - Vacant and funded positions - Maintenance Plans - Review of Long Term Borrowing Contracts and commitments of the next MTREF - Demand for services analysis - Review of Electricity Tariff Structure 	Budget Policy	20 Sept 2019
14	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 2018/19 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 Guidelines</p>	20 Sept 2019
15	Finalise Assessment Report	IDP/BTO	<p>Discuss and agree on Assessment Report to inform planning and budget for the 2020/21 MTREF</p> <p>1. EMT / Manco</p>	MFMA/Budget Regulations and Internal process	20 Sep 2019 27 Sep 2019
16	Councillor Briefing 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 2019-2020 Performance Analysis and future projections</p>	MSA and MFMA	27 Sept 2019

**IDP AND BUDGET TIME-SCHEDULE FOR PREPARING THE IDP REVIEW 2019/20 AND
BUDGET FOR 2020/21 MTREF**

NO	ACTIVITY DESCRIPTION	ORGANISATIONAL RESPONSIBILITY	OUTPUT	LEGISLATIVE REQUIREMENT AND INFORMATION	TIME FRAME
OCTOBER 2019					
17	Finalise Annual Report	EMT	The Annual Report submitted complies with the requirements of Section 121(3) (a-k). Information on pre-determined objectives to be included 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	MSA Circular 63, Sep 2012	18 Oct 2019
18	Municipality submits Annual Report including final annual financial statements and annual performance report to Auditor-General for auditing councils'	CFO/IDP			31 Oct 2019
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 2019 – Dec 2019
20	Prepare and submit 1st Quarter SDBIP Report to EMT, IA, PAC, Executive Mayor (Mayco) and Council	IDP/BTO	1st Quarter Report 2019/20 submitted	MFMA and MFMA Cir 15	18 Oct 2019 (EMT) 1. 22 Oct 2019 (IA&PAC) 2. 25 Oct 2019 (EM) 3. 6 Nov 2019 (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. 22 Oct 2019 2. 23 Oct 2019
NOVEMBER 2019					
	2. Extended IDP/Budget/PMS Committee				06 Nov 2019

**IDP AND BUDGET TIME-SCHEDULE FOR PREPARING THE IDP REVIEW 2019/20 AND
BUDGET FOR 2020/21 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 2020/21 MTREF Draft Budget completed	Internal process	Week of 04, 11 and 18 Nov 2019 (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 2018/19 and Management Report Final AR and Management Report	MFMA	15 Nov 2019 29 Nov 2019
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 2019 to Jan 2020
JANUARY 2020					
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.	22 Jan 2020
26	Finalise Mid-year Budget and Performance Assessment Report 2019/20 and submit to: 1. EMT 2. BSC 3. Mayor 4. NT and PT 5. Council	IDP/BTO	Mid-year Report with recommendations informing Adj Budget/SDBIP Targets	MFMA s72	29 Jan 2020 1. 16 Jan 2020 2. 23 Jan 2020 3. 23 Jan 2020 4. 29 Jan 2020 5. 29 Jan 2020
FEBRUARY 2020					
27	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 2020 (Oversight)

**IDP AND BUDGET TIME-SCHEDULE FOR PREPARING THE IDP REVIEW 2019/20 AND
BUDGET FOR 2020/21 MTREF**

NO	ACTIVITY DESCRIPTION	ORGANISATIONAL RESPONSIBILITY	OUTPUT	LEGISLATIVE REQUIREMENT AND INFORMATION	TIME FRAME
28	Planning sessions with: 1. Extended IDP/Budget/PMS Committee 2. Informal Council meeting	Mayco Councillors EMT Manco	Present first draft IDP 2020/21 priorities linked to Budget allocations	Internal process	1. 03 Feb 2020 2. 05 Feb 2020
29	NT Mid-term visit	EMT	Sec 71 and 72 Reports Qtr 2 Performance Report 2019/20 Audited AFS 2018/19 Audit Report MFMA Sec 32 Report Risk Management Issues	NT Prescribed	Between 11-15 Feb 2020
30	Adjustment Budget 1. EMT 2. BSC 3. Council	MM/CFO	Tabling of Adjustment Budget 2019/20 MTREF	MFMA Sec 28	1. 17 Feb 2020 2. 24 Feb 2020 3. 26 Feb 2020
31	Conduct 2018/2019 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 2020
32	Note National/Provincial Government Budget for incorporation	IDP/BTO	Ensure what is contained in National and provincial Budgets for incorporation in local budget	MFMA	25 Feb – 18 Mar 2020
33	Draft reviewed 5-year Capital Project Schedule aligned with IDP Strategic Objectives and KPA's for prioritisation purposes – including Ward allocations submitted to EMT	IDP/Budget Office	Draft 5-year Capital Programme 2020/21 aligned to IDP Key Priority Issues including Ward priorities	Internal Process	Jan 14 – 11 Mar 2020
34	Draft Operating Budget submitted to EMT	Directorates/BTO/ IDP	Draft 3-year Operational Budget aligned to IDP Key Priority Issues	Internal Process	04 Mar 2020
MARCH 2020					
35	Conduct Mid-year 2019/20 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 2020
34	1. Council adopts Oversight report. 2. Oversight report is made public. 3. Oversight report is submitted to Legislators, Treasuries and	Council CFO	The entire process, including oversight reporting and submission to provincial legislators is completed in December and not in March the following year.	MSA Circular 63, Sep 2012	25 Mar 2020 (SCM)

IDP AND BUDGET TIME-SCHEDULE FOR PREPARING THE IDP REVIEW 2019/20 AND BUDGET FOR 2020/21 MTREF

NO	ACTIVITY DESCRIPTION	ORGANISATIONAL RESPONSIBILITY	OUTPUT	LEGISLATIVE REQUIREMENT AND INFORMATION	TIME FRAME
	CoGHSTA				
35	Present and discuss draft IDP and Budget with: 1. Mayco/relevant committees 2. BSC 3. Informal Council Meeting 4. Special Council Meeting	EMT/Mayco/Budget Steering Committee	Present, discuss and receive input from the different structures	Internal process	1. 10 – 14 Mar 2020 2. MAYCO 18 Mar 2020 3. Informal Council 24 Mar 2020 4. SCM 25 Mar 2020
36	Table draft IDP and Budget 2020/21 to Council for public consultation	IDP/BTO/Council	Council to approve IDP and Budget for public consultation purposes	MSA and MFMA	31 Mar 2020 (Tabling)
37	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 2020
APRIL 2020					
38	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 2020 (Public Participation)
39	Confirm National and Provincial DoRA allocations and adjust draft budget	BTO	Ensure that DoRA allocations are included in the Budget	MFMA/DoRA	April 2020
40	Submit 3 rd Quarter SDBIP 2019/20 Performance Report to Mayco/Council	IDP/BTO/Mayco/Council	3 rd Quarter report submitted		April 2020
41	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 2020/21	MSA and MFMA	April 2020
42	Discuss adjusted IDP, Budget and SDBIP with Mayco	IDP/BTO	Inform Mayco of input received from public consultation in IDP/Budget/SDBIP	Internal process	28 April 2020
43	National Treasury Benchmarking Exercise	EMT/NT	NT's analysis of SPLM's IDP and Budget 2019/20 benchmarked against 21 secondary cities to improve IDP and Budget processes and products	MFMA	April 2020
MAY 2020					
44	Finalise IDP/Budget and SDBIP documentation for final submission to Council	EMT	Finalise IDP, Budget and SDBIP 2020/21 documentation for final submission to Council	MSA and MFMA	06 May 2020
45	Present final IDP and Budget to BSC, Mayco and Council	EM/MM/CFO	Present final IDP/Budget/SDBIP 2020/21 to Mayco and informal Council before submission to Council for adoption	Internal process	BSC 13 May 2020 MAYCO 19 May 2020 Informal Council Meeting 26 May 2020

**IDP AND BUDGET TIME-SCHEDULE FOR PREPARING THE IDP REVIEW 2019/20 AND
BUDGET FOR 2020/21 MTREF**

NO	ACTIVITY DESCRIPTION	ORGANISATIONAL RESPONSIBILITY	OUTPUT	LEGISLATIVE REQUIREMENT AND INFORMATION	TIME FRAME
					SCM 27 May 2020
46	Council adopt IDP, Budget and "Top Layer" SDBIP by resolution, setting taxes and tariffs, approving changes to the IDP and budget related policies, approve measurable performance objectives for revenue by source and expenditure by vote before the start of the financial year	EM/MM/CFO	Council adopted IDP/Budget and SDBIP 2020/21	MFMA	24 May 2020
JUNE 2020					
47	Notification of approved 2019/20 IDP review and Budget 2020/21 MTREF to public	BTO/IDP	Notify public of adopted budget	MFMA	June 2020
48	Submit final 2020/21 SDBIP to Executive Mayor for approval, submit to Council for Notification and Make public	IDP	Executive Mayor approved SDBIP and published SDBIP	MFMA	16 June 2020
49	Final Preparations for the implementation of mSCOA Version 6.4 (locked NT version)	BTO	mSCOA compliance	mSCOA Regulations	26 June 2020

ANNEXURE 2 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

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			

ANNEXURE 3 WARD PRIORITIES

Ward	Clr	Roads and Storm water	Housing	Community Services	Parks	Electricity	Water & Sanitation	Urban Planning
1	Petunia Francis	Paving of untarred roads in Old Roodepan	Upgrade municipal flats	Community hall	Upgrade Sida Park	Electrification of Begonia and provision of High mast lights	Upgrade Camelia and Eagle street pump station including rising main and outfall	
2	L Mohamed	Paving of Weaver, Finch, Seeduif, Papegaai, Dikkop, Nightingale, Hoopoe, Parakiet and Pluto Streets		Extension of current clinic or building of another clinic as 4 wards visits clinic on daily basis Upgrading of multi-purpose hall	Upgrading of park with swings, planting of trees) in Albatross Str currently being used as a dumping site	High mast light at Mahala Park	Replacement of water meters. Replacement of sewer mains. Communal water and sanitation services level 1. Installation of water and sanitation services for 55 sites. Replacement of sewer main in Spreeu and Seeduif Street Maintenance of Sewerage system in Eagle Str (RDP houses)	
3	CB Lewis	Resurface all tar roads in ward 3. Paving in Homevale ext., Porpoise, Pilchard, Sardine, Barracuda, Salmon, Anchovy, Sole Close, Bass Close, Hake Close, Gold Fish Close, Mackerel, Haddock, Whiting, Garrick Bream Str in Homelite, Marthenay Paving of Bream, Cyntrex Proman, Pilchard, Porpoise, Sardine, Barracuda, Anchovy, Salmon, Bream Drive, Whiting, Haddock and Mackerel Str in Homelite Upgrade gravel roads in Homevale shacks Upgrade all storm water drains. Clean all canals in Ward Pave all the gravel roads in Homevale Extension (20, 21, 22, 24)	Rectify Homevale Ext houses and Homevalley houses Provision for disable houses Provision for houses in Homevalley shacks Build a paypoint and one stop centre, Buildt houses in all open spaces, build youth centre, build houses in open spaces	Build in door sport facility, multi-purpose recreation ahl, recycle projects in wards, regular removal of dumps, rubble, etc pavements, open areas, parks, build playground and stadium, build car wash	Upgrade of parks and build public swimming pool Recreational park next to Roodepan roads and Homevalley ext. Upgrade soccer field Homevalley, 11th Str, 18th Str, Sandshark Str playgrounds, Baracuda in open space Build park in Homevale and Homevalley Put up hockey fields Volley Ball pitch erect, Gym Park	Provision of high mast lights Electrification of Homevalley shacks, high mass, Sardine 2nd Street. Homevalley shacks, between Homevalley and Roodepan Road, 21st Street Replace all faulty transformers Upgrade house lights and street lights in Homevalley and Homelite	Replacement of water meters. Replacement of sewer mains. Communal water and sanitation services level 1. Installation of water and sanitation services for 55 sites. Replace all water pipes in ward.	Survey of 350 sites for informal housing Rezoning and subdivision empty erven Fully surveyed serviced erven for development and serving for housing formal and high income group due to influx of industrial workers for next year onwards thus boosting the municipality's revenue
4	TH Mpanza	Uplifting of paving in Chris Hani Park (last street facing Waterloo Str Paving of roads in Peme, Botsang and Boikanyo Str and all streets in Santa Zone 2 and Otto Str Upgrading of s/w drainage system between Peme and Botsang Str Rehabilitation of retention dam between Peme and Botsang Str.	Provision of housing in Ramorwa and Witdam	Sickbay at old age home in Seochoareng Str Community Hall open space in Botsang Str	2 Parks Mphela and Tholo Str	Electrification of Ramorwa	Upgrade of Gogga outfall sewer main Communal services for water and sanitation Household water and sanitation connections for informal areas	
5	M Mohapi	Paving of street in Vaalbos 1, Mathibe Old Vergenoeg, Mathibe extension (Madalane shacks) Baba Gopane, Madiba	Provision of housing in Fluffy Park			Electrification of Fluffy Park	Provision of basic water services in Fluffy Park Upgrading of toilets in Thusano Unit	
6	D T Setholo	Ramora & Blikkies dorp sloop, gully to be closed and s/w pipes to be installed Themba Sloop, gully to be closed and s/w pipes to be installed Upgrade s/w next to Solly's store, Maphutha Str opposite Deke Str, Boitsanape, Motlhaba and Masakhane Clinic Roads to be paved: Tshwene, Mathibe, Kgarebe, mmutla, Tlou Singel, Tshwene, Goitseone, Selebogo, Pulane, Moeti, Themba 1 & 2 Mokake, Cwaedi, Mcheta, Basadi, Ngobeni, Msekang, Matsebe, Tshipo, Maiteko, Legaga, Mmoledi, Str no name next to Solly's Store, Tihabanelo, Kgalalelo, Tsholofelo, Mochudi & Lekuku, Tau Streets Speed bumps in Thutlo, Stamper, Deke, Goitseman, Seleki and Moheta Str	Audit to be conducted to establish damage done to slab houses Infil & Old cracked Vergenoeg houses 6116, 6118, 6107, 6112 Maphuta Str, 6002 Seleki Str, 6566, 6573, 6913 Deke Str, 7031, 7032 Mathibe Str, 7033, 7056, 7057 Stamper Str	Need for a community hall for public gatherings site next to boikhutsong community creche	Recreational facility in Mathibe Str, Thutlo Str park to be upgraded	High Mast light Seleki Str in front of Tikke Bar at Erf 4004 to eliminate high crime	Sewerage overflowing in Maphuta Str constantly giving problems	
7	JG Diphahe	Paving of entire Ubuntu, Malebe, Gaborone, Melesi, Kgopisho, Mojanaga, Maputle, Amakhuzane Streets and April Str connecting to Ramatshela Str. Upgrade minor roads connecting April to Ramatshela. Upgrade minor streets connecting Kesiamang to Moraladi. Paving of Solly Legodi. Construct Vehicular bridge connecting Solly Legodi & Dunston (Over the lined canal)	Solly Legodi cracked houses, disaster houses throughout ward. Solly Legodi 1 house without electricity since the day it was built Provision of housing in Riemvasmaak	Cleaning of Ramatshela Cemetery Provision of more bulk refuse bins and no dumping signs	Five April Park (Bambanani Park) no caretaker, park in bad state	Provision of electricity in Riemvasmaak High Mast Lights	No toilets at Riemvasmaak Provision of communal water and sanitation services in Riemvasmaak. Upgrade of Gogga outfall sewer main. 7 houses in Solly Legodi that still needs to be build still uses bucket system Sewer manholes to be lifted in Solly Legodi and Ubuntu/Danston	New Area Riemvasmaak still informal settlement no development only taps
8	Charles Ngoma	Pedestrian walkway from Schmidtsdrift Rd to Freedom Rd Cleaning of s/w canal in Silson, Armstrong and Freedom Rd Resurfacing of Limpopo and Swanson Rd and patching of potholes Paving of Thesele, Thomas Morebudi, Peacock, Gans, Morubisi, Gaka, Kalkoen, Eshley Mothelesi and Nxumalo Extension, John Daka, Donkerhoek and 7de Laan	Provision of housing in Madiba Park and Donkerhoek Ext Maintenance of poorly constructed RDP houses with dangerous building problems in Donkerhoek		Upgrade of parks in Armstron Rd and Donkerhoek Gurp Park	Provision of electricity and High Mast Lights	Provision of basic water and sanitation services	

Ward	Clr	Roads and Storm water	Housing	Community Services	Parks	Electricity	Water & Sanitation	Urban Planning
9	DM Swazi	Paving of roads, Boitumelo, Mosamo, Chou, Solani, Mokonyama, Hlongwane, Lilian Mantsane, Jenkins Mothibedi, Maokeng Str	Provision of FLISP housing in Retswelele		Fencing and greening (grass) for parks, Real Madrid soccer ground	Provision of electricity in Retswelele	Provision of water services in Retswelele	

Ward	Clr	Roads and Storm water	Housing	Community Services	Parks	Electricity	Water & Sanitation	Urban Planning
10	JT Gomba	<p>Paving/Upgrading of roads Dinokwane, Moagi & Molema Str (Unit 3) Obakeng, Moretele, Phetolo, Tladi Str, Sekate, Tlhapi, and Bothale Str (Unit 1)</p> <p>Erection of speed bumps : Phajane, Modise, Ditake, Nkgare, Street no name between Phajane shops, Tetlanyou Secondary school, Mongale, Moagi, Lethaku, Molema Unit 3, Gwele, Fish Crescent, Siwisa, Simino, Madibane, Leqwabe and Sontlaba Str Unit 2, Obakeng Str Unit 1</p> <p>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</p>	Provision of housing		Upgrade of Tommy Morebudi Sports facility	<p>Solar Geysers to be installed</p> <p>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</p> <p>Provision of electricity to shack currently at Tshwaragano shacks</p>	Provision of basic services in Tshwaragano shacks, pipe replacement programme Nobengula	
11	IM Mojakwe	<p>(Agisanang) Paving in Molemo, Letsatsi T-junction, Bhokuzulu T-junction next to post office and Thokoza Str.</p> <p>(Vergenoeg) paving at T-junction Magoda and Mondile. Provision of side pavement at T-junction Hagos & Mashakane Str</p> <p>(Arena) Paving of Elizabeth Manko and France Lebona Str.</p> <p>Paving of all streets in the hostels</p>	<p>Agisang (Katima Molelo) residents extension of 2 rooms and asbestos</p> <p>15862 Elizabeth 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</p> <p>Geysers are cracking roofs and all RDP houses must be renovated</p> <p>Removal of asbestos</p> <p>Greater Vergenoeg houses are cracked</p> <p>Arena Residents want houses to be renovated, new toilets.</p> <p>Residents that were removed from Num 2 and relocated to the hostels due to s/w problems are requesting houses</p> <p>Refurbishment of hostels into CRU's</p>	<p>Job for youth</p> <p>Playground at Stranger Nkosi open space</p> <p>Cleaning of graveyard</p> <p>Cleaning of all sections in ward 11</p> <p>House next to park at hostel to be cleaned as it is used for smoking drugs.</p> <p>Youth in ward 11 need employment/jobs to be taught business skills, learnerships and interships</p>	<p>Cleaning of parks</p> <p>Upgrading of Agisanang Park</p>	<p>Provision of high mast light at hall next to Mondile creche</p> <p>Residents are unhappy with new installation of electricity want the old electricity box</p>	<p>15895 Mojakwe Str, meter box leakage</p> <p>Replacement of water pipes in Agisanang</p> <p>(Arena) Removal of zinc toilets.</p>	<p>Agisanang open space behind bar/Post Office next to Molemo Str for houses to be built. Use of Open space next to Agisanang creche for building of creche.</p> <p>(Vergenoeg) Open space between Stranger and Mondile Str needed for building of community hall and library</p> <p>Open space in middle of hostels, needed for building of RDP houses.</p>
12	LL Mocwagole	<p>Unit 1 - Paving of roads (Mashilo, Magonare, vicinity at Peme Office and car wash), Witdam streets</p> <p>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</p> <p>Unit 3 - Tyala- Kekane Str same</p> <p>Unit 4 - Hulana str all internal streets Phakedi Str</p> <p>Unit 5 - Hulana Str internal streets to Montshiwa Rd, Street name signs for all units in Chromodech Road</p> <p>Unit 4 & 5 S/w slope at Phakedi, Phillip Mphiwa to be cleaned up and restructured with tunnels for flow and safety of families</p>	<p>Unit 4 - Dilapidated house in Phillip Mphiwa next to Faima Church should be renovated for Ward 12 consultation house causes rapes and robberies</p>	<p>Unit 1 - Magonare big tree church side open area for small park for relaxation and gathering purposes</p> <p>Unit 2 - Building of libraryNext to African Church in Kwnobanthu</p> <p>Unit 4 & 5 Cutting of trees which causes a lot of rapes and robbery at Phillip Mphiwa down Phakedi Str</p> <p>Develop food garden for the (jojo) community and create jobs at open space next to Salvation Creche at Nkoane Str</p>	<p>Unit 4 & 5 Upgrading of park in Phillip Mphiwa down to Phakedi Str</p>	Maintenance needed at all units		
13	MK Molatudi	<p>Paving of ext 6, Sesing 2, Maji, Methodist Str (next to St James Church), Methodist Str (in White City next to Methodist Church), Ncakani laan, Masiza, Maleka, Zone 2, China Square, Sesedi Str, Santa Santa, Seochoareng Str (behind Cashbuild), Potholes Zone 2</p> <p>Upgrade storm water canal at Greater No 2, Zone 2, Chris Hani Park, Palweni, Malunna, Mndiakontla, Sol Plaatje</p> <p>Speed bumps in Riet Str, Phakedi Str</p> <p>Infrastructure Mahala Park, Santa Santa</p>	Santa Centre and Zone 2		<p>Social centre park needs to be cleaned and revamped</p> <p>Galeshewe Stadium needs to be paved in the front entrance</p>	<p>Zone 2, electricity boxes needs to be transferred from shacks into the houses</p> <p>Street lights in Long Str</p> <p>Electricity Santa Centre</p>	Provision of basic services to Santa Centre & Zone 2 shacks	

Ward	Clr	Roads and Storm water	Housing	Community Services	Parks	Electricity	Water & Sanitation	Urban Planning
14	H Pieterse	<p>Squarehill Park (Aster, Malfa, Carnation, Marigold, Cosmos and Verbena Str - maintenance)</p> <p>Florianville (Beechwood and Acacia Rd deteriorated due to overgrown water channel, resurfacing of Maple, Deodar, Cedar, Beech, Ash, Almond, Bloubos and Ganna Rd)</p> <p>Mint Village / Moghul Park (Potholes - Peach, Plum, Pear, Mango, Grape, Mandarin Str)</p> <p>Colville (Potholes - Omega and Margaret Rd)</p> <p>Homestead (Lynch, Harmse, Dawson, Varrie and Rabia Str - resurfacing)</p> <p>Northview (Edith, Riverton, Sussex, Neethling, Homestead, Association and Natasha Str - resurfacing)</p> <p>Access/ connecting roads Church Rd pavement to small for wheelchairs, road breaking up, Community Rd kerbing to be installed and regular cleaning of s/w canals, Karee/Cypress Rd - road breaking up and kerbing to be installed, Recreation Road from 4 way stop past Florianville and Square Hill Park to main road Barkly Rd to be resurfaced. Trees on pavement at William Pescod High school must be trimmed. Community Rd kerbing is breaking up to be replaced and cleaning of s/w drains. Karee/Cypress Rd Road is breaking up due to rainfalls. Homes are 1 m from edge of road, kerbing to be installed.</p> <p>Recreation Rd From 4 way stop where Church Rd ends past Florianville and Squarehill Park main road Barkly Rd needs resurfacing. Road from Almond Rd to Pine Rd needs resurfacing and kerbing. Speed bumpkps (half-shaped roundels) to be placed near c/o NG Church to avoid speeding.</p> <p>All roads that have speed bumpkps must be replaced with half-shaped roundels as existing speed bumps contributes to deterioration of roads as water stands in front and behind speed bumps.</p> <p>Stormwater Florianville, Colville, Ashburnham, Utility and Squarehill Park are surrounded by s/w channels which are poorly maintained. All earth/sand channels to be replaced with concrete lined channels, would save costs in the long term.</p>		<p>Cleaning of suburbs: Squarehill Park (pavement around Lords Park in Aster Rd, around church c/o Marigold and Dahlia Ave, Behind Petunia Rd from Recreation between Apostolic & Baptist churches, Area Opposite Kemo Motel up to 4 way crossing in Church Rd, Area at Civic Centre, Judy Scott Library, Clinic & SPM Utility Payment office, pavement of Davidson Str)</p> <p>Florianville (Area opposite Baptist, Methodist Church up to 4 way stop at Karee Road, Area opposite Dr Wolfsons Creche in Recreation Rd up to Cypress Rd behind Endeavor Primary school, area between Baptist Church c/o Recreation Rd & Apostolic Church c/o Petunia Str, behind Squarehill Park, water furrow sloop in Recreation Rd in front of Hostel, behind Beefwood running through to Mimosa Rd, area next to St Barnabas Church in Community Rd)</p> <p>Ashburnham (area between Resthaven Old Age Home and Moghul Park, side of Bradley Str thorn tree and shrubs, Ripon Str overgrown, trees in Church Rd side of Helen Bishop Home & William Pescod High School to be trimmed)</p> <p>Utility (Donald Str at cul-de-sac with Loop Str, pavements overgrown, Pavement of Loop Str opposite homes overgrown)</p> <p>Moghul Park (Rutherford Str next to train line overgrown, area at Lime Street, Mandarin Str up to power station, cul-de-sac of Fig Str near bridge)</p> <p>Mint Village (Next to Old Transvaal Rd Primary School in Pear Rd, Open veld behind houses of Peach Rd)</p> <p>Colville (No open veld exist as it is occupied by housing)</p> <p>Cyril Crescent (Park in Carl Str & Cyril Crescent and area bordering Progress Primary School)</p>				Formal settlement - area has to subjected to a general engineering survey for an IDP faculty. Land had been pegged and allocated to shack residents with erven numbers for approval of MPAC committees.
Ward 14				<p>Northview (Area from Varrie Rd into Natasha Str by Old Cader Brickworks up to Lutheran Church in Natasha Str, open veld allocated informally as a park regular brush cutting, Baptist Church leading to the sewage treatment facility, opposite side of Rhona Close up to 50 m from corner of last house, open area between Constance Rd and Barkly Rd on either side of Edith Road, pavements of Dpt of Education opposite Northview in Constance Rd and Barkly Rd)</p> <p>New Homestead opposite Shoprite/Santa Centre (Open veld 30 m from boundary of College Road embarked from St Pauls Rd opposite Dept of Education to 50m from last house in road. Area between New Homestead and AR Abass Stadium next to Santa Centre rubbish are dumped by informal settlements. Island between Hugo & Orange Str overgrown.</p> <p>Gemdene (Buffer area Ruby St & Barkly Rd regular maintenance overgrown.</p>				
15	M Keetile	Roads & S/w drainage for Phutanang & Phomolong, (Frank Chikane, M Goniwe, Winnie Jansen, Johannes Lekotla, Mocumi Maropong, Gwagwa Sidewalks and bicycle lanes in John Daka	Phomolong FLISP and low cost			Phomolong electrification	Provision of reticulation	
16	BJ Stout	Paving of Gugulethu, Nelson Moitsi, Mthengi, Paving of streets in Tswelolang	Snakepark & Promise Land. Provision of housing in Tswelolang	New Homestead (opposite Shoprite/Santa Centre (Open veld about 30 m from boundary of College Rd, from St Pauls Rd opposite Education Dpt up to 50 m from last house, area between New Homestead and AR Abass Stadium where inf settlement opposite the road next to Santa Centre, Island between Hugh & Oranoe Str overgrown)		Complete Snake Park electrification	Provision of basic services Snake Park & Promise land	

Ward	Clr	Roads and Storm water	Housing	Community Services	Parks	Electricity	Water & Sanitation	Urban Planning
17	I Petoro	<p>Unit 1 Club 2000 (Road in Peace/Khutsanong to be fixed, potholes to be patched, no s/w intakes in Tidimalo, Kakaretso, Khutsanong)</p> <p>Unit 2 Paving of Nche, Julia, Chabagae, Gala Motheo, Gloria Mathebula, Tebogo Masen, Rebecca Motlwaeng, Bunny Mamba, Captain Matsi, Molete, Motthanke, Convention, Vancini, Mac Seao, Patric Mothelesi, Peace, Thutsanong. Paving of Lathi Mabilo, Albert Luthuli, Manne Dipico, Edward Moeng, King Senare, Forest View, Trisano.</p> <p>Extension of Morris Lenyibi Main road too small for 2 cars, Patches to be repaired, no intakes)</p> <p>S/w drain in Patric Mothelesi to be cleaned and closed, no s/w intakes in Molete, Matshidiso, Convention, Vanani, Mac Sebao, Patric Mothelesi, Motthanke, Nobengula Main road to assist retention dam).</p> <p>Bridge to be built over s/w canal</p> <p>Extension of Morris Lenyibi Main road too small for 2 cars, Patches to be repaired, no intakes)</p> <p>John Mampe II (Patching of Albert Lethuli , short street in John Mampe II, Kagiso, Phakamile Mabija, Manne Dipico , Lathi Mabilo to be paved, no s/w intakes in John Daka 2)</p> <p>Ipeleng (No s/w intakes Chris Marais, Masisi, Man Zana, potholes to be patched)</p>	<p>Unit 1, Club 2000 (cracked houses, roofs)</p> <p>Unit 2 (cracked houses and leaking roofs to be repaired)</p> <p>Unit 3 (cracked and leaking roofs to be repaired)</p> <p>Kagiso (36 cracked houses built by Mulan Construction to be rectified, other cracked houses and leaking roofs to be repaired)</p> <p>Provision of housing in King Sengari</p>	<p>Gemdene (Buffer Area Ruby Str & Barkly Rd)</p> <p>Unit 2 (Close ground facility to be fixed has been vandalised, community hall, cleaning of veld)</p> <p>Kaghisso (School, library, clinic near ground in John Mampe, Kagiso, Tlhageng)</p> <p>Ipeleng (Netball, basket ball fields to be provided)</p>	<p>Unit 1 Club 2000 (Trees to be cutted in Peace Str and cleaning of ground)</p> <p>Unit 2 (Park to be upgraded, security 24 hours, trees to be cutted in Kulla, Chabagae, Convention Str)</p> <p>Kaghisso (Park and fencing to be upgraded, rubbish drums in Gala Motheo, Tlhageng Unit, as well as at park)</p> <p>John Mampe II (John Daka 2 and Kagiso Parks and fencing to be upgraded)</p> <p>Ipeleng (rubbish drum at Ipeleng Park and park and fencing to be upgraded)</p>	<p>Unit 1 - Club 2000 Refurbishment of all high mast lights</p> <p>(3 street lights in every str, Khutsanang, Kakaretso/Tidimalo/Peace when high mast is off street lights must serve as back up)</p> <p>Unit 2 - (3 Str lights in every streets, Molete, Motthanke, Matshidiso, Patric Mothelesi, Convention, Vanani, Mac Sebao)</p> <p>Unit 2 (High mast light in Molete and at close ground to be fixed)</p> <p>Unit 3 (3 street lights Gabriel, Tirisano, Edward Moeng, King Senare, Tshidisanang)</p> <p>Kaghisso (3 street lights as back up in Rebecca Motlwaeng, Gloria Mathebula, bunny Mamba, Morris Lenyibi, Gala Motheo, Captain Matsie, Tebogo Masena.)</p> <p>John Mampe II (3 street lights in John Daka, Mampe, Manne Dipico, Albert Lethuli, Phakamile Mabija for back up)</p> <p>Ipeleng (High mast light at Ipeleng Park)</p>	<p>Unit 2 (Zink toilets Convention, Julia, Chabagae, Patric Mothelesi, Molete, Motthanke, Matshidiso, Vanani, Mac Sebao Str)</p> <p>Unit 1, 2, 3 (Zink toilets to be built with bricks, Khutsanong, Tidimalo, Kakaretso, Peace, Convention, Julia, Chabagae, Patric Mothelesi, Molete, Motthanke, Matshidiso, Vanani, Mac Sebao, Nobengula Rd)</p> <p>Unit 3 (King Senare, Phidisanang, Tirisano, Gabriel, Baremedi, Forest View,</p> <p>Kagiso (Zink toilets to be built with bricks Gala Motheo, Morris Lenyibi, Rebecca Motlwaeng, Bunny Mamba, Captain Matsie, George Molaolwa, Gloria Mathebula, Tebogo Maseng)</p> <p>Pipe replacement on sewer mains with an option of upgrading top structures. Point repairs on sewer mains in Kagiso, basic services for Kinn Sennari.</p>	
18	R van Wyk	<p>S/w system in whole ward (foculs also in Nxumalo as system is in back of yards)</p> <p>More speed bumps to be erected</p> <p>Paving of streets Malat Str, Nxumalo cul-de-sac</p>	<p>Renovation of Heritage Houses (mud houses)</p> <p>Mlimba Str shacks + 7.</p> <p>Block brick houses in Greater No 2 and some houses in Nxumalo cracking because of poor workmanship</p> <p>Registration of Greater No 2 for the title deeds</p> <p>Infill houses</p>	<p>Development of small village - LED (Mayibuye Precinct Robert Sobukwe office)</p> <p>Unemployment and lack of skills program for young people</p> <p>Lack of library in this cluster ward</p>		<p>Service and upgrade of electricrty transformers</p> <p>Mlimba Str Shacks</p>	<p>Provision of services Mlimba Str shacks</p>	Over population double packing of families
19	IA Lekoma	Klaas Moncho and Moroka Str to be paved. Paving of Sello Phiri, Snyman Rankane Str, Peter Thabile, Thabo Moyo. Resurfacing/paving of outstanding portion of Mampunye Str	Upgrading Kammerkies (72 houses) asbestos roofs incl leaking roofs, fixing of falling mud houses, cracked/sub-standard houses SAKA	Revamp of old age home	Upgrading of parks		Toilets Lathi Mabilo Park (SAKA)	
20	C Pearce	<p>All main roads to be resurfaced and rehabilitated. Upgrade all main earth s/w cables</p> <p>All roads in CBD to be maintained</p> <p>Resealing of roads in West End, Kimberley North and Utility</p> <p>Patching of roads in other units in Ward 20.</p> <p>Visible street names</p> <p>S/w drains in West End, Utility and CBD, especially at Bin Hole</p>	<p>Replace broken windows at 3 flats in New Park (Tiffany, Holland and Newton Courts). Maintenance as required at flats</p>	<p>Regular removal of dumped rubble in public spaces</p> <p>CBD, thorough cleaning in West End, Utility and New Park</p> <p>Making our CBD safe and installing working CCTV cameras</p>	Soccer field and parks in West End	Lighting in CBD and suburbs	Sewer diversion at flats, replacing pipes for water mains. Repairing sanitation probles at Tiffany, Holland and Newton Courts. Major sanitation problem at Tower Villas - Albertynshof	
21	W van Rooyen	<p>Rehabilitation and resealing of Hull Str.</p> <p>Upgrade s/w management system in Hull Str and Diamantveld Primary School.</p> <p>Automize and upgrade s/w management at subways</p>	Upgrading of Flamingo Court				Pipe replacement for water mains	
22	N Maditse	<p>Paving of roads, Woodburn, Idutywa, Soga, Lemonwood, Ironwood, Denomthuli, Liphuku, Mokoalane, Thompsen, Magugu, Bonbani, Mohosh, Sneezewood and Witpad Streets</p> <p>Extension of s/w canal in Greenpoint</p> <p>Maintenance of roads in Southridge and cleaning of s/w drains (Landbou Rd, Britten Close, Smart and Beddome Str - serious need)</p>	Provision of housing in Greenpoint	Elektra Park - no service delivery	<p>Upgrading of sports ground</p> <p>Development of parks in Southridge</p>	Greenpoint, investigation into lighting levels	Provision of basic services in Greenpoint, Point repairs on sewer reticulation	Land for new cemetery

Ward	Clr	Roads and Storm water	Housing	Community Services	Parks	Electricity	Water & Sanitation	Urban Planning
		Elektra Park (Paving of streets)						

Ward	Clr	Roads and Storm water	Housing	Community Services	Parks	Electricity	Water & Sanitation	Urban Planning
23	J Vorster	Taxi parking bays, move taxi's to industrial area Linking of s/w pipes Visible street names						
24	Sharon Steyn	All main roads to be resurfaced and rehabilitated. Upgrade all main earth s/w cables All roads in CBD to be maintained Resealing of roads in Carters Glen, Rhodesdene, Lindene and Hadison Park Partching of roads in other units in Ward 24 Visible street names S/w drains in the whole Ward 24 especially in Selous Ave as well as the others in the Ward				Street lights in Ward 24 to be replaced	Upgrading of sewerage pump station - New Hillcrest and Carters Glen Replace missing Sewerage drain covers	
25	O Fourie		Upgrading of flats, Krisant, Hercules, Jonker, and Eureka Courts	Provision of bulk refuse bins at municipal flats Bulk refuse bins at Diamond Park		Highmast ligths Diamond Park	Replace main water line in Dalham Rd, Broadway from Carrington Rd up to Old Cape Town Rd Replace waterline in Central Rd from Carrington Rd up to Old Free State Rd at Phoenix Hotel	
26	BJ Makhamba	Construction of V-drains: Shuping, Mokotoi, Moremi, Ratanang, Zepe Str Paving : Motsweding, Moremi, Shuping, Zepe, Kgabang, Morometssi, Kutlwano, Goolam Akharwaray, Ratanang, Matlhaku Zone, Pakes Dikgetsi Str S/w Management for Ritchie, R Paving sidewalk from Ritchie to Modderiver	Rietvale informal settlement Rebuilding of Old Phelindaba houses in 3 phases Repairing rooftops of Ikageng houses	Revamp community hall, pave and lights outside, 100 chairs, 8 tables. Stone guard doors and replace old door	Stadium and swimming pool	Electrification of informal settlements	Upgrade of bulk water infrastructure, replacement and upgrade of water pipes incl installation of bulk meters, provision of basic water services informal areas	
27	N Hammer	Paving of Fraser Moleketi and other bus & taxi routes, Seeduif, John Humphres, Van Riebeeck and Venus Str. Speed bumps for Opperman, Van Riebeeck, Stokroos, Pelikaan Str. Underground s/w drains to river	Riemvasmaak Moving of app 30 in Suiderkruis & Kleindam Str (fountain flooding), Houses to be developed for Rietvale, Houses for app 1000 houses.	Cleaning of illegal dumping sites. Purchase of refuse removal truck, Upgrading and maintenance of community hall (Paving and parking area)	Soccer and netball pitch develop, 3 Parks for Rietvale, Swimming Pool	Electrification of informal settlements	Upgrade of bulk water infrastructure, replacement and upgrade of water pipes incl installation of bulk meters, provision of basic water services in Riemvasmaak	Surveying 220 informal structures, 750 erven including complimenting facilities such as business, creche, government office, etc
28	H Japhta	Upgrade of s/w in St Luke Rd and s/w sloop c/o Pine and Farm Roads Resurfacing of St Luke, Epsolom and St James Str. Paving of Beta, Gamma, Cecelia, Agatha roads. Repair potholes and cleaning of s/w inlets 10 streets (Maple to Soutbos Str) Paving for pedestrians in Main Rd, St Pauls, Recreation, Pine, Farm and Community Rd Removal of mining dumps in Colville/Floors area to make way for development of houses	Community Road Settlement	Building of community hall (500 people)		Electrification of Colville and bulk upgrade	Provision of basic services in Community Rd	
29	B Springbok	Paving and resurfacing of streets	Transfer of houses from municipality to owners. Provision of houses in Ivory Park			Electrification of Ivory Park	Provision of basic water services. Upgrading of sewer system in Riverton	
30	GP Kock	Completion of main s/w pipeline. Rehabilitation of Lerato Park main road. Paving of streets in Jacksonville with s/w system.	Lerato Park	Lerato Park shacks (sequence and services) Community Hall, Clinic Jacksonville (Indigents, clinic)	Park in Lerato Park and Jacksonville	Electrification of Jacksonville	Upgrade of pump stations. Bulk linking services. Upgrading of sewer outfall main	
31	John Keme	Upgrading of s/w drain system in Soul City. Resurfacing of roads. Paving of street (One street in Soul City, Ngwenyama, Ixcelishe)	Provision of FLISP housing in Nobengula Str. Provision of housing in Kutlwanong			Electrification of Kutlwanong	Upgrading of sewer pump station. Provision of basic water services. Upgrading of toilet top structure.	
32	F Banda	Paving o Frank Chikane and Gerald Sekoto, Zef Motopheng, Ellen Khuzwayo Str. Upgrading and management of s/w discharge point	Provision of housing at Frans Farm			Electrification of Platfontein	Pipe replacement programme (sewer) with an option of upgrading top structures. Investigate alternate waterborne sewer system for Platfontein	
33	K M Sebegu	Paving of Kgatlane, Legodi and George Joseph Str Paving of Chris Hani 2 Streets Street names						

SECTION 5:

SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN



Sol Plaatje Local Municipality: Service Delivery and Budget Implementation Plan (2020/21)

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 fourth to be prepared for the IDP covering the next five years (2017 – 2022). The Sol Plaatje Municipality has prepared its 2020/21 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 2020/21 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 2020/21 SDBIP will be informed by the Multi-year Municipal Performance Plan which serves as the “top layer” of the SDBIP and contains the consolidated service delivery targets and in-year deadlines. This is illustrated by the diagramme below:

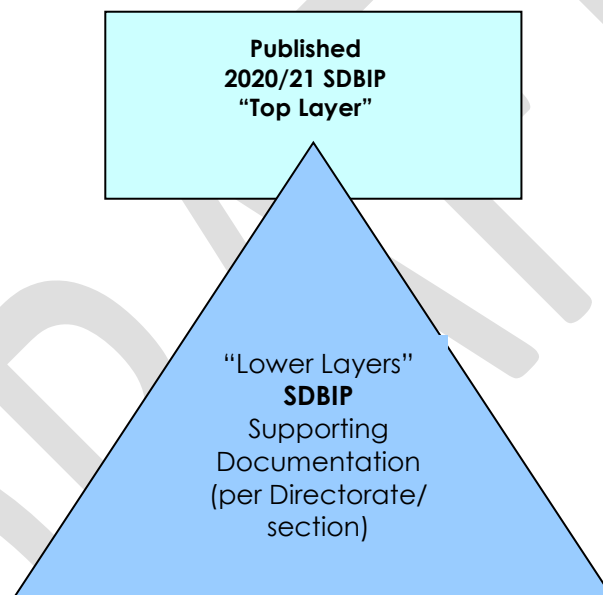


Figure 1: SDBIP Components

Once the “top layer” SDBIP is set, senior management will develop the “lower layers” of detail supporting the SDBIP. These are the actual activities linked to resources (financial, equipment and human) to actually achieve the consolidated service delivery targets within the approved budget amounts on time.

The detail of the departmental SDBIP's will be used by senior managers to hold middle level and lower level managers accountable to contribute to the municipal targets.

The following components forms part of the “top layer” SDBIP:

- **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**

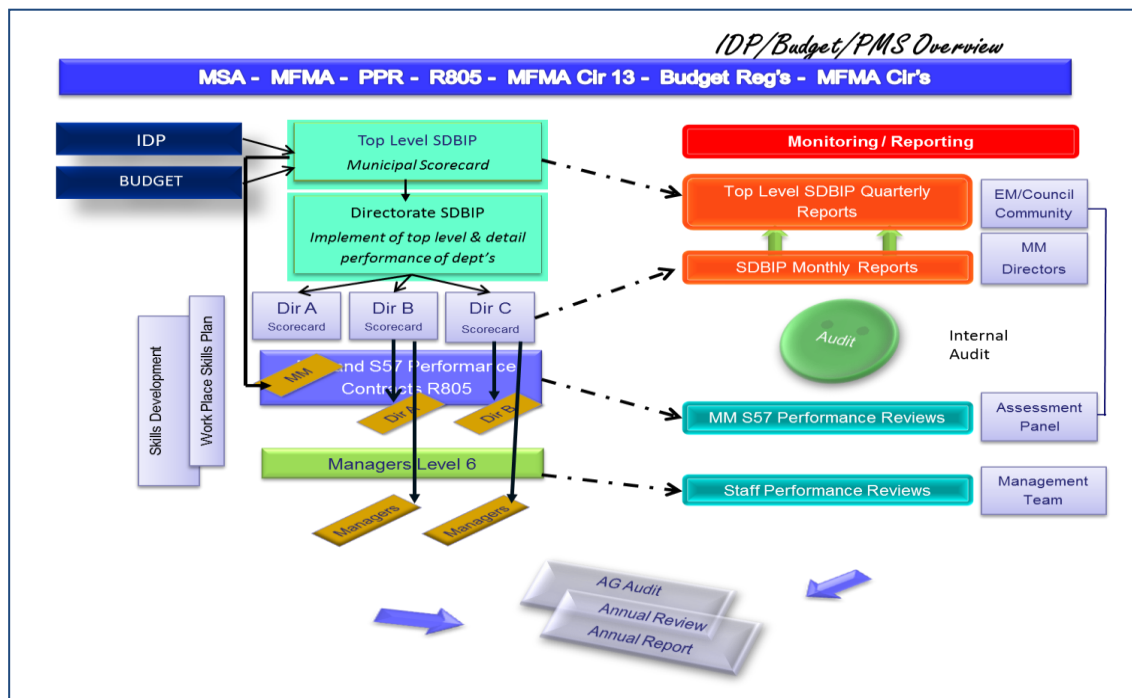
While the first two components indicate projections of budgeted amounts for revenue and expenditure, this component requires non-financial measurable key performance indicators and service delivery targets (including reduction of backlogs). The focus here is on outputs and outcomes, and not so much on 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 third 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.

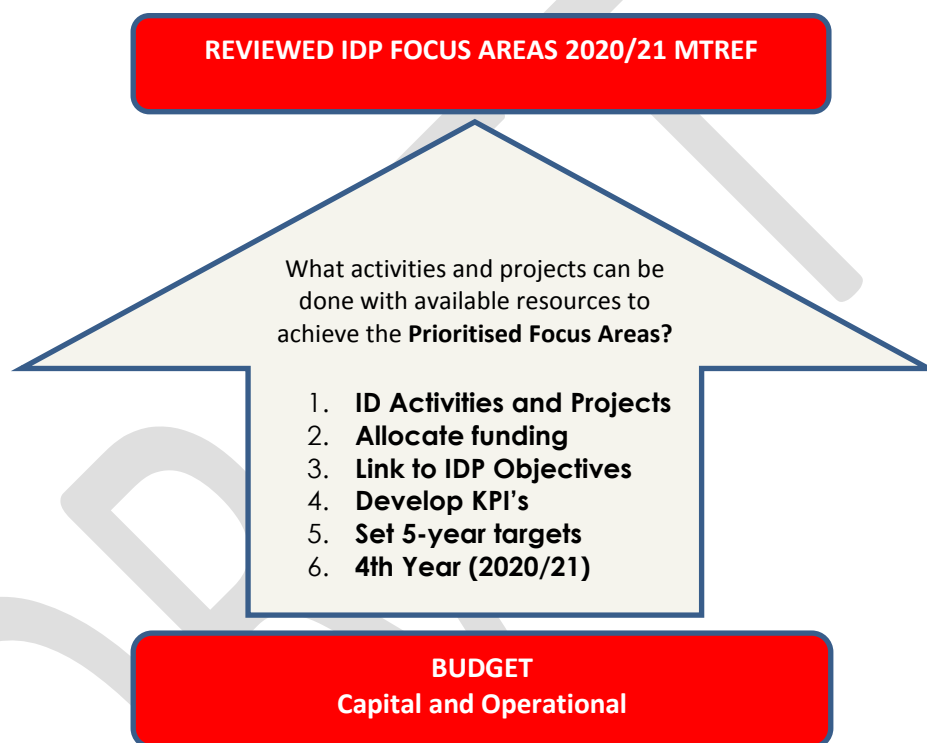
The budget, both capital and operational, addresses the strategic development agenda of the Municipality as per the IDP. During the present IDP review and considering the present IDP implementation progress it was found that SPM has achieved both financial and administrative stability and that emphasis 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 2020/21 MTRF – and also aligns to the National Development Plan and Back to Basics Programme:



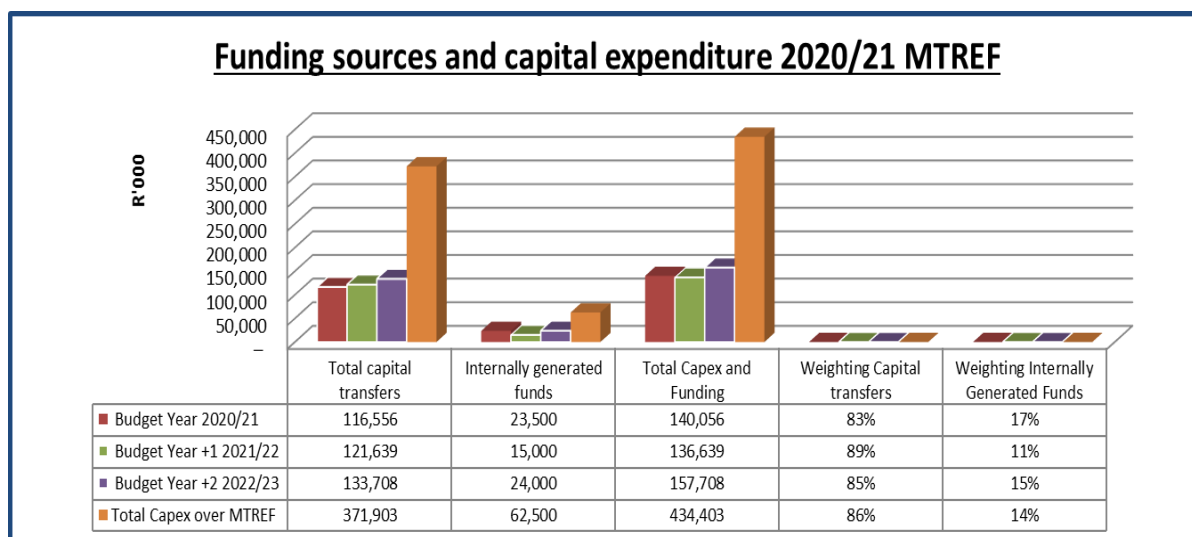
- **An Infrastructure led growth path in the local economy to ensure sustainable development**
- **Concentrate on the Municipality's core functions, namely to improve the efficiency of its service delivery to households who need it most**
- **Ensure financial sustainability**
- **Improve the effectiveness 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 2020/21 MTREF Funding Plan

The chart below indicate the funding plan to fund the IDP Priorities for the 2020/21 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 2020/21 MTREF.

Table 1: Revenue by Source for the 2020/21 MTREF

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

Description	Ref	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1						
Revenue By Source							
Property rates	2	578,654	558,654	558,654	584,108	628,700	672,297
Service charges - electricity revenue	2	763,527	701,052	701,052	766,232	808,855	869,669
Service charges - water revenue	2	286,042	269,832	269,832	278,626	297,205	316,742
Service charges - sanitation revenue	2	69,517	65,866	65,866	71,175	74,941	78,301
Service charges - refuse revenue	2	53,898	51,048	51,048	53,984	57,827	62,078
Rental of facilities and equipment		11,810	11,810	11,810	12,440	13,186	13,912
Interest earned - external investments		15,000	7,500	7,500	10,000	13,000	15,000
Interest earned - outstanding debtors		137,940	147,940	147,940	154,000	154,042	148,815
Dividends received		-	-	-	-	-	-
Fines, penalties and forfeits		26,805	35,305	35,305	33,345	35,346	37,290
Licences and permits		4,764	4,764	4,764	6,100	6,405	6,757
Agency services		-	-	-	-	-	-
Transfers and subsidies		230,509	229,959	229,959	224,542	239,418	257,397
Other revenue	2	25,146	17,827	17,827	18,008	19,074	20,119
Gains		-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		2,203,612	2,101,557	2,101,557	2,212,561	2,348,000	2,498,378



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 R23 500 000 is available for the 2020/21 financial year and the total own funds that can be allocated to the CRR over the next 2 years amounts to R39 000 000 based on the table below.

Table 2: Own revenue utilised for funding of capital expenditure

Description	Current Year 2019/20			Medium Term Revenue and Expenditure Framework		
R thousand	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Funded by:						
Internally generated funds	27 000	17 500	17 500	23 500	15 000	24 000
Total Capital Funding	184 285	189 636	189 636	140 056	136 639	157 708

o Conditional Grants

Funding is availed from National and Provincial government for service delivery projects with prescribed conditions attached to it, which inter alia means that the funding cannot be used for any other purpose, except for the approved projects as pertained in the business plan submitted.

The following grants as per table below were gazetted:

Table 3: Transfers and Grants receipts



NC091 Sol Plaatje - Supporting Table SA18 Transfers and grant receipts						
Description	Ref	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework	
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22
R thousand						
RECEIPTS:	1, 2					
Operating Transfers and Grants						
National Government:		202 709	198 959	198 959	216 542	230 938
Local Government Equitable Share						
Equitable Share		189 151	189 151	189 151	205 072	222 738
Expanded Public Works Programme Integrated Grant		3 608	3 608	3 608	4 170	–
Infrastructure Skills Development Grant		6 500	4 500	4 500	5 000	5 500
Local Government Financial Management Grant		1 700	1 700	1 700	1 700	1 700
Municipal Disaster Recovery Grant		–	–	–	–	–
Municipal Disaster Relief Grant		–	–	–	–	–
Municipal Human Settlement Capacity Grant [Schedule 5B]		–	–	–	–	–
Municipal Infrastructure Grant		–	–	–	–	–
Municipal Systems Improvement Grant		1 750	–	–	600	1 000
Water Services Operating Subsidy Grant [Schedule 5B]		–	–	–	–	–
Provincial Government:		27 800	27 800	27 800	8 000	8 480
Capacity Building		–	–	–	–	–
Expanded Public Works Programme		–	–	–	–	–
Health		–	–	–	–	–
Libraries; Archives and Museums		7 800	7 800	7 800	8 000	8 480
Khotso Pula Nala		20 000	20 000	20 000	–	–
District Municipality:		–	3 200	3 200	–	–
14/15: AWARENESS PROGRAMMES		–	–	–	–	–
Frances Baard District Municipality		–	3 200	3 200	–	–
IT Related Projects		–	–	–	–	–
Public Safety		–	–	–	–	–
Other grant providers:		–	–	–	–	–
Higher Education SA (HESA)		–	–	–	–	–
MIG ops		–	–	–	–	–
Other grant providers:		–	–	–	–	–
Total Operating Transfers and Grants	5	230 509	229 959	229 959	224 542	239 418
Capital Transfers and Grants						
National Government:		157 285	170 136	170 136	116 556	121 639
EEDSM Energy Efficiency Demand Side Mngment		–	–	–	–	–
Integrated National Electrification Programme Grant		35 998	24 498	24 498	19 658	23 000
Municipal Infrastructure Grant		51 287	53 039	53 039	50 955	53 639
DWS ACIP Funding		–	–	–	–	–
Neighbourhood Development Partnership Grant		40 000	78 299	78 299	20 000	30 000
Regional Bulk Infrastructure Grant		–	–	–	–	–
Water Services Infrastructure Grant		30 000	14 300	14 300	25 943	15 000
Provincial Government:		–	–	–	–	–
Capacity Building		–	–	–	–	–
Libraries; Archives and Museums		–	–	–	–	–
Department of Water Affairs		–	–	–	–	–
COGHSTA		–	–	–	–	–
DSAC		–	–	–	–	–
DHLG (GURP)		–	–	–	–	–
District Municipality:		–	2 000	2 000	–	–
Frances Baard District Municipality		–	2 000	2 000	–	–
Other grant providers:		–	–	–	–	–
Total Capital Transfers and Grants	5	157 285	172 136	172 136	116 556	121 639
TOTAL RECEIPTS OF TRANSFERS & GRANTS		387 794	402 095	402 095	341 098	361 057



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	5 000 000	Upgrade 1.8 km of sewer reticulation pipe in Galeshewe (Wards to be determined)
IUDG	5 000 000	Upgrade 2 km of of water reticulation pipe in Galeshewe (Wards to be determined)
IUDG	26 455 000	Lerato Park Bulk Sewer infrastructure
		Complete the Installation of the electrical and mechanical components at Lerato Park pump stations (Eagle Str and Lerato Park)
IUDG	1 000 000	Planning and Survey of 1200 erven in Ritchie, erf 454
IUDG	13 500 000	Upgrade gravel roads in Galeshewe
IUDG		Complete construction at Homevale Fire Station (Depending on approval of roll-over funding – no CRR funding)
Sub Total	50 955 000	
NDPG	20 000 000	Upgrade of Storm water channels in Galeshewe (Wards to be determined)
Sub Total	20 000 000	
WSIG	5 943 000	Reconstruction of 320 aged zinc toilets in Kagisho, Kutlwanong and Phomolong (Wards 15, 17)
WSIG	20 000 000	New Sewer outfall mains for Carters Glen new sewer pump station
Sub Total	25 943 000	
INEP	12 150 000	Electrification of 675 households (Wards to be determined)
INEP	1 500 000	Renewal of Hadison Park 66/11kv S/S
INEP	6 008 000	Bulk Electrification for Lerato Park
Sub Total	19 658 000	
CRR	2 000 000	Fleet Replacement
CRR	2 000 000	Replacement of computer equipment
CRR	2 000 000	Replacement of furniture and office equipment
CRR	3 000 000	Replacement of water meters
CRR	3 000 000	Replacement of prepaid meters
CRR	3 000 000	Herlear 11KV circuit breakers
CRR	8 500 000	Reconstruction of aged zinc toilets
Sub Total	23 500 000	
Total	140 056 000	



The biggest project on the capital program is for the Development in Lerato Park in the amount of R26 455 m to complete the bulk sewer infrastructure and the installation of the electrical and mechanical components at the pump station in Eagle Street and in Lerato Park. This project is funded through the IUDG Grant. R6 m was also allocated through INEP to complete 50% of the construction work for the bulk electrification.

The second biggest project is the Galeshewe Storm Water Upgrade which 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 total allocation from the Neighborhood Development Partnership Grant (NDPG) from National Treasury is R20 for 2020/21 and R60 m 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.

An allocation through Water Services Infrastructure Grant (WSIG) in the amount of R20 m for 2020/21 and over the MTREF R25 m is the construction of new sewer outfall mains for Carters Glen new sewer pump station.

Paving of roads in Galeshewe received an allocation of R13.5 m and R51 328 m over the MTREF funding through IUDG. As a result of paving being far more cost effective than tarring, over 20 kilometres will be paved.

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 R12 150 m has been earmarked for the electrification of 675 households funded by Integrated National Electrification Program (INEP).

The project for the reconstruction of 320 aged zinc toilets is partly funded through Council's own funding (Capital Replacement Reserve – CRR) with an amount of R8.5 m and also through WSIG with an allocation of R5.9 m for 2020/21. The total funding for this project for 2020/21 is thus R13,5 m. The allocation from WSIG over the MTREF amounts to R15.9 m.

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 2020/21 MTREF

**Table 5: Capital Funding Sources for the 2020/21 MTREF**

Vote Description	Ref	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1							
Funded by:								
National Government		157 285	170 136	170 136	76 588	116 556	121 639	133 708
Provincial Government		–	–	–	–	–	–	–
District Municipality		–	2 000	2 000	813	–	–	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)								
Transfers recognised - capital	4	157 285	172 136	172 136	77 401	116 556	121 639	133 708
Borrowing	6							
Internally generated funds		27 000	17 500	17 500	7 634	23 500	15 000	24 000
Total Capital Funding	7	184 285	189 636	189 636	85 035	140 056	136 639	157 708

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 2020/21 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 2020/21 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)

3.1 The 2020/21 MTREF Budget

Table below indicates the alignment of the revenue budget with the Strategic Objectives of the IDP for the 2020/21 MTREF period.

Table 6: Revenue Budget aligned to IDP Strategic Objectives

NC091 Sol Plaatje - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)									
Strategic Objective	Goal	Goal Code	Ref	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand				Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Marketing the municipality as premier destination for tourism and investment	A		310 907	310 787	310 787	303 395	315 687	325 840
MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT				596 060	579 310	579 310	603 759	649 773	693 862
MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION				10 176	5 677	5 677	6 177	6 748	7 316
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT				1 277 609	1 197 923	1 197 923	1 291 435	1 367 523	1 462 623
LOCAL ECONOMIC DEVELOPMENT				8 860	7 860	7 860	7 796	8 270	8 737
Allocations to other priorities			2						
Total Revenue (excluding capital transfers and contributions)			1	2 203 612	2 101 557	2 101 557	2 212 561	2 348 000	2 498 378

The municipality's expenditure for the 2020/21 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 2020/21 financial year.

Table 7: Monthly Revenue and Expenditure Targets per Source for the 2020/21 Financial Year

SPLM Draft Service Delivery and Budget Implementation Plan – 2020/21



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

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand																
Revenue By Source																
Property rates		48 676	48 676	48 676	48 676	48 676	48 676	48 676	48 676	48 676	48 676	48 676	48 676	584 108	628 700	672 297
Service charges - electricity revenue		63 853	63 853	63 853	63 853	63 853	63 853	63 853	63 853	63 853	63 853	63 853	63 853	766 232	808 855	869 669
Service charges - water revenue		23 219	23 219	23 219	23 219	23 219	23 219	23 219	23 219	23 219	23 219	23 219	23 219	278 626	297 205	316 742
Service charges - sanitation revenue		5 931	5 931	5 931	5 931	5 931	5 931	5 931	5 931	5 931	5 931	5 931	5 931	71 175	74 941	78 301
Service charges - refuse revenue		4 499	4 499	4 499	4 499	4 499	4 499	4 499	4 499	4 499	4 499	4 499	4 499	53 984	57 827	62 078
Rental of facilities and equipment		1 037	1 037	1 037	1 037	1 037	1 037	1 037	1 037	1 037	1 037	1 037	1 037	12 440	13 186	13 912
Interest earned - external investments		833	833	833	833	833	833	833	833	833	833	833	833	10 000	13 000	15 000
Interest earned - outstanding debtors		12 833	12 833	12 833	12 833	12 833	12 833	12 833	12 833	12 833	12 833	12 833	12 833	154 000	154 042	148 815
Dividends received		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits		2 779	2 779	2 779	2 779	2 779	2 779	2 779	2 779	2 779	2 779	2 779	2 779	33 345	35 346	37 290
Licences and permits		508	508	508	508	508	508	508	508	508	508	508	508	6 100	6 405	6 757
Agency services		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Transfers and subsidies		18 712	18 712	18 712	18 712	18 712	18 712	18 712	18 712	18 712	18 712	18 712	18 712	224 542	239 418	257 397
Other revenue		1 501	1 501	1 501	1 501	1 501	1 501	1 501	1 501	1 501	1 501	1 501	1 501	18 008	19 074	20 119
Gains		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and contributions)		184 380	184 380	184 380	184 380	184 380	184 380	184 380	184 380	184 380	184 380	184 380	184 380	2 212 561	2 348 000	2 498 378
Expenditure By Type																
Employee related costs		67 857	67 857	67 857	67 857	67 857	67 857	67 857	67 857	67 857	67 857	67 857	67 857	814 281	868 721	917 868
Remuneration of councillors		2 752	2 752	2 752	2 752	2 752	2 752	2 752	2 752	2 752	2 752	2 752	2 752	33 023	35 169	37 280
Debt impairment		20 750	20 750	20 750	20 750	20 750	20 750	20 750	20 750	20 750	20 750	20 750	20 750	249 000	264 200	276 816
Depreciation & asset impairment		6 129	6 129	6 129	6 129	6 129	6 129	6 129	6 129	6 129	6 129	6 129	6 129	73 550	78 738	83 673
Finance charges		1 962	1 962	1 962	1 962	1 962	1 962	1 962	1 962	1 962	1 962	1 962	1 962	23 542	22 342	20 989
Bulk purchases		56 042	56 042	56 042	56 042	56 042	56 042	56 042	56 042	56 042	56 042	56 042	56 042	672 500	712 750	772 190
Other materials		13 786	13 786	13 786	13 786	13 786	13 786	13 786	13 786	13 786	13 786	13 786	13 786	165 426	173 890	185 590
Contracted services		3 746	3 746	3 746	3 746	3 746	3 746	3 746	3 746	3 746	3 746	3 746	3 746	44 948	47 553	50 082
Transfers and subsidies		505	505	505	505	505	505	505	505	505	505	505	505	6 060	6 188	6 414
Other expenditure		9 225	9 225	9 225	9 225	9 225	9 225	9 225	9 225	9 225	9 225	9 225	9 225	110 697	117 715	120 389
Losses		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Expenditure		182 753	182 753	182 753	182 753	182 753	182 753	182 753	182 753	182 753	182 753	182 753	182 753	2 193 028	2 327 266	2 471 291
Surplus/(Deficit)		1 627	1 627	1 627	1 627	1 627	1 627	1 627	1 627	1 627	1 627	1 627	1 637	19 534	20 734	27 087
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		9 713	9 713	9 713	9 713	9 713	9 713	9 713	9 713	9 713	9 713	9 713	9 713	116 556	121 639	133 708
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		11 340	11 340	11 340	11 340	11 340	11 340	11 340	11 340	11 340	11 340	11 340	11 350	136 090	142 373	160 795
Taxation		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Attributable to minorities		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Share of surplus/ (deficit) of associate		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit)	1	11 340	11 340	11 340	11 340	11 340	11 340	11 340	11 340	11 340	11 340	11 340	11 350	136 090	142 373	160 795



Table 8 below indicate the capital contribution to the IDP Objectives for the 2020/21 MTREF.

Table 8: Capital Contribution to the IDP Objectives

NC091 Sol Plaatje - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)									
Strategic Objective	Goal	Goal Code	Ref	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
				Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
GOOD GOVERNANCE AND PUBLIC PARTICIPATION				82 105	120 756	120 756	40 500	64 639	77 760
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT				102 180	68 880	68 880	99 556	72 000	79 948
Allocations to other priorities			3						
Total Capital Expenditure			1	184 285	189 636	189 636	140 056	136 639	157 708

**Table 9: Monthly Capital Expenditure per Municipal Vote: 2020/21**

NC091 Sol Plaatje - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)																
Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Multi-year expenditure to be appropriated	1															
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		3 375	3 375	3 375	3 375	3 375	3 375	3 375	3 375	3 375	3 375	3 375	3 375	40 500	64 639	77 760
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		1 704	1 704	1 704	1 704	1 704	1 704	1 704	1 704	1 704	1 704	1 704	1 704	20 443	36 750	43 198
Capital multi-year expenditure sub-total	2	5 079	5 079	5 079	5 079	5 079	5 079	5 079	5 079	5 079	5 079	5 079	5 079	60 943	101 389	120 958
Single-year expenditure to be appropriated																
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		6 593	6 593	6 593	6 593	6 593	6 593	6 593	6 593	6 593	6 593	6 593	6 593	79 113	35 250	36 750
Capital single-year expenditure sub-total	2	6 593	6 593	6 593	6 593	6 593	6 593	6 593	6 593	6 593	6 593	6 593	6 593	79 113	35 250	36 750
Total Capital Expenditure	2	11 671	11 671	11 671	11 671	11 671	11 671	11 671	11 671	11 671	11 671	11 671	11 671	140 056	136 639	157 708

**Table 10 : Capital Project Schedule for 2020/21 per Vote and Ward**

Project Description	2020/21 Medium Term Revenue & Expenditure Framework			Ward Location
	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	
Complete the procurement phase for the 11 KV circuit breakers at Herlear Substation	3 000			21
Hadison Park 66/11 KV Substation	1 500			24
Complete 50% of the Lerato Park bulk electrification project	6 008			30
Electrification of 675 households	12 150	23 000	21 000	To be determined
Replacement of 1550 prepaid meters	3 000	3 000	3 000	All
Complete the construction work for the Homevale Fire station Pending on Roll-over approval – no CRR funding available for FY 2020/21	9 200			3
Repair 80% of faulty electrical and mechanical equipment emergency repairs at Homevale WWTW	9 000			3
Complete 100% upgrade of 2km water reticulation pipe length in Galeshewe	5 000	12 000	11 500	All
Complete 100% upgrade of 1.8 km sewer reticulation pipe length in Galeshewe	5 000	12 000	11 500	To be determined
Replacement of 1500 water meters	3 000	3 000	3 000	All
Complete 70% of of the construction work at the new sewer outfall mains for Carters Glen new sewer pump station	20 000	11 250	13 750	24
Reconstruction of 320 aged zinc toilets in Kagisho, Kutlwanong and Phomolong	5 943	9 700	12 198	15, 17
	8 500 CRR funding			
Complete the construction for the bulk sewer infrastructure for the Lerato Park Development	26 455			30
Complete the installation of electrical and mechanical components in Lerato Park Sewer Pump Stations in Eagle Street and Lerato Park				



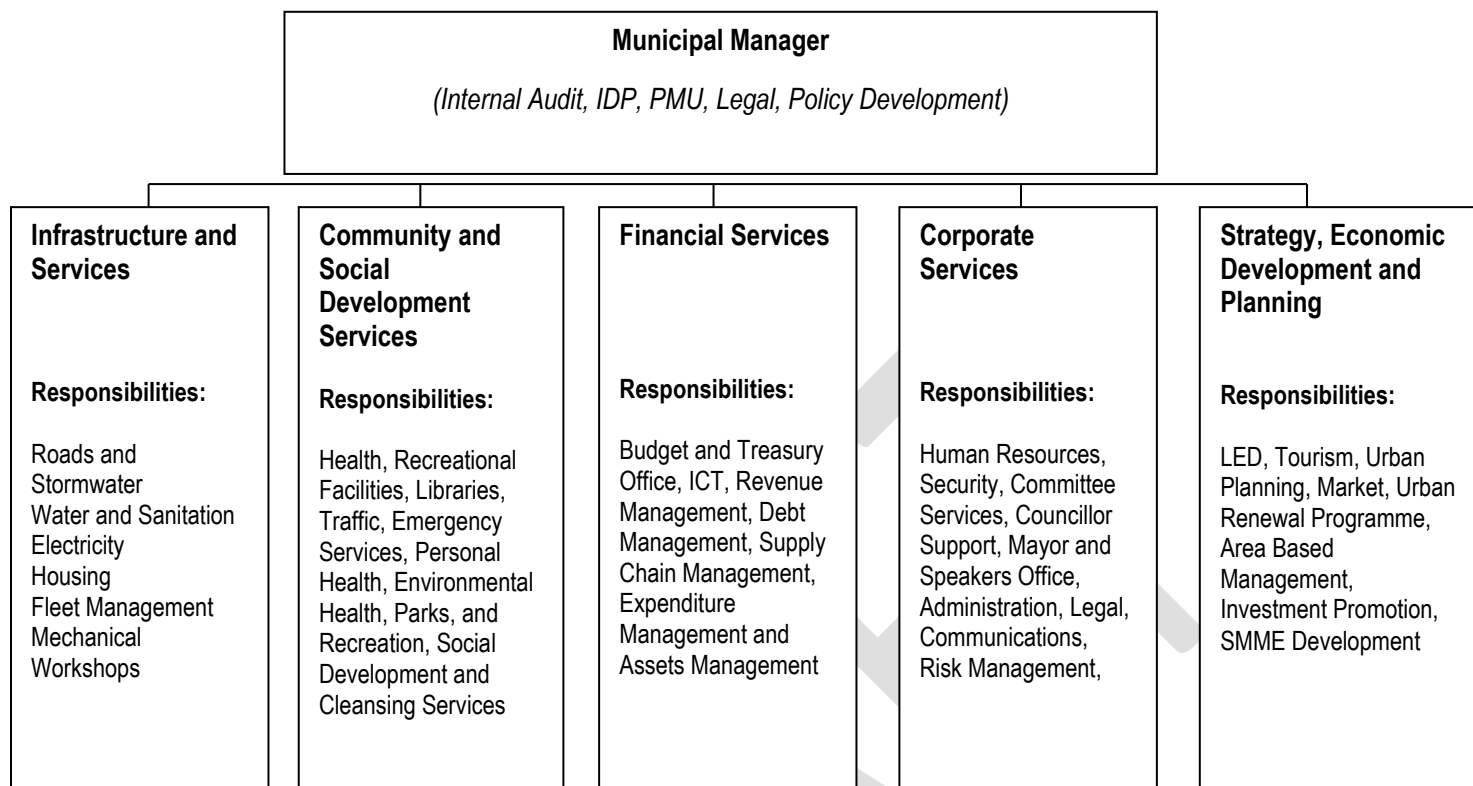
Project Description	2020/21 Medium Term Revenue & Expenditure Framework			Ward Location
	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	
Complete the construction work of Priority 2, Ph 2A for the upgrading of storm water infrastructure in Galeshewe	20 000	30 000	30 071	All
To upgrade 2.5 km of Galeshewe access roads to a paved surface	8 000	11 639	15 689	To be determined
Resealing of various roads	5 500	12 000	12 000	All
Fleet Replacement	2 000	5 000	10 000	All`
Plan and Survey 1200 in Ritchie, erf 454	1 000	2 000	2 000	29
Replacement of furniture and office equipment	2 000	2 000	3 000	All
Replacement of computer equipment	2 000	2 000	3 000	All

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 2020/21 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 2020/21

3.2.3 Service Delivery Quarterly Targets and Performance Indicators per key performance indicators 2020/21 SDBIP (Annexure 2)

Annexure 2 indicates the KPI's and Quarterly Targets for the 2020/21 financial year – the fourth year of the multi-year performance plan.



Annexure 1: 2020/21SDBIP Service Delivery Targets per Key Performance Area

Description	Unit of measurement	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
1. Local Economic Development							
IDP Strategic Objective Inclusive Growth: To establish a competitive economic position that attracts diverse investments, increases economic growth and creates targeted number of jobs. IDP Strategic Objective Spatial Transformation: To transform the spatial structure of the City towards an equitable, inclusive, efficient and compact form consisting of a series of integrated and well connected economic corridors, nodes and attractive mixed-use/mixed-income sustainable human settlements of varying densities							
1.1 To ensure effective spatial planning and development in order to establish a competitive economic position							
To improve the SCM turnaround time to 12 weeks for annual contracts from the closing date to the date of award by June 2021	Average time in weeks to award the tender	12	12	12	12	12	12
To improve the SCM turnaround time to 6 weeks for once off contracts from the closing date to the date of award by June 2021	Average time in weeks to award the tender	6	6	6	6	6	6
Ensuring a response time of 10 weeks for building plan submissions received in the current financial year for buildings or architectural buildings greater than 500 square metre annually	Average response time in weeks to process building plans	10	10	10	10	10	10
Ensuring a response time of 10 weeks for building plan submissions received in the current financial year for buildings or architectural buildings less than 500 sq m annually	Average response time in weeks to process building plans	6	10	10	10	10	10
To process all category 1 land use applications received until 30 April of the current financial year through MPT (Municipal Planning Tribunal) by 30 June 2021 in terms of the SPLUMA by-law (2015)	Percentage of land use applications processed	100%	100%	100%	100%	100%	100%
To process at least 200 buildings plans that were received before 1 July 2020 by the end of the current financial year (30 June 2021)	Number of building plans processed	100	200	200	200	200	200
1.4 To capacitate SMME's and local entrepreneurs							



Description	Unit of measurement	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<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>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)							
Create 400 FTE jobs through EPWP initiatives of the SPM by 30 June 2021	Number of jobs created	300	300	300	400	450	500
2. Basic And Sustainable Service delivery and Infrastructure Development							
IDP Strategic Objective Service Provision: To plan for, install, maintain and operate infrastructure, and provide services more efficiently and on a sustainable basis that adequately supports: transformed spatial structure, economic growth objectives universal access to basic services, differentiated service requirements of households and human settlements and economic activity							
2.1 To ensure sustainable delivery of community services (personal including environmental health, library, emergency and traffic services) to all residents of SPM.							
<i>To complete the construction of the Homevale Fire Station by 30 June 2021 (Depending on the approval of the Roll over funding – No CRR Funding available</i>	Percentage completion as per project progress reports	100%	100%	100%	100%		
<i>To achieve at least 70% compliance with the National Disaster Management Tool by 30 June 2021</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 2.5 km of Galeshewe access roads to a paved surface by 30 June 2021 (Wards to be determined)</i>	Distance of km paved	4.5 km	6.7 km	6.7 km	2.5 km	4 km	5.5 km



Description	Unit of measurement	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
To complete 100% work in the construction of Priority 2, Ph 2A for the upgrading of storm water infrastructure in Galeshewe by 30 June 2021	Percentage completion as per project progress report	100%	60%	60%	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 2021</i>	Percentage of identified fleet items delivered at year end	100%	100%	100%	100%	100%	100%
2.4 To ensure the adequate provision, upgrading and maintenance of electricity services infrastructure							
To complete 100% procurement phase only for the replacement of the 11kV circuit breakers at Herlear Substation by 30 June 2021	Percentage completion of the process as per tender document, appoint letter and minutes	100%	100%	100%	100%	0	0
Complete 50% of the Lerato Park bulk electrification project by 30 June 2021	Percentage completion as per project progress report	100%	100%	100%	50%		
2.5 To ensure the adequate provision, upgrading and maintenance of water and sanitation services infrastructure							
Repair 80% of faulty Electrical and mechanical equipment Emergency repairs at Homevale WWTW by 30 June 2021	Percentage completion as per project progress report	0	0	0	80%	100%	
To complete 100% upgrade of 1.8 km sewer reticulation pipe length in Galeshewe by 30 June 2021	Percentage completion as per project progress report	0	0	0	100%	100%	100%
To complete 100% upgrade of 2 km water reticulation pipe length in Galeshewe by 30 June 2021	Percentage completion as per project progress report	0	0	0	100%	100%	100%
Construction of at least 70% of the new sewer outfall mains for Carters Glen sewer pump station by 30 June 2021	% Completion of the process as per tender document, appointment letter and minutes	10%	10%	10%	70%	100%	100%
Complete the installation of electrical and mechanical components in Lerato Park pump station (Eagle Street and Lerato Park) by 30 June 2021	Percentage completion as per project progress report	0	0	0	100%		
To complete 100% work for the bulk sewer infrastructure for the Lerato Park development by 30 June 2021	Percentage completion as per project progress report	100%	50%	50%	100%		



Description	Unit of measurement	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
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 1500 water meters by 30 June 2021</i>	Number of water meters replaced	2500	2500	2500	1500	1500	1500
To complete the electrification of 675 households by 30 June 2021 (Wards to be determined)	Number of houses connected to electricity network	New	New	New	675	0	0
<i>To replace at least 1500 prepaid electricity meters by 30 June 2021</i>	Number of electricity meters replaced	2500	1550	1550	1550	1550	1550
Decrease electricity losses to 16% by 30 June 2021	Percentage electricity loss	18%	18%	18%	16%	16%	16%
<i>Decrease water losses to 50% by 30 June 2021</i>	Percentage water loss	45%	50%	50%	50%	50%	50%
<i>12 000 Indigent households to receive free basic services (water, electricity, sanitation and waste removal according to national guidelines) by 30 June 2021</i>	Number of indigents per the indigent register	16 800	14 800	14 800	12 000	13 000	15 000
<i>To complete 100% of the reconstruction work of 320 aged sink toilets in Kagisho, Kutlwanong and Phomolong by 30 June 2021</i>	Percentage completion as per project progress reports	100%	10%	10%	100%	100%	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 98% Blue Drop Status on quality compliance is achieved by 30 June 2021	% Compliance of Water Quality	97%	97%	97%	98%	98%	98%
To ensure through effective monitoring that a 60% Green Drop Status on effluent quality compliance is achieved by 30 June 2021	% Compliance of Effluent Quality	90%	60%	60%	60%	60%	60%
3. Municipal Institutional Development and Transformation							



Description	Unit of measurement	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
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 2021 : 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 2021</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 2021</i>	% compliance to the EAP	72%	72%	72%	72%	72%	72%
3.3 To ensure continuous maintenance and replacement of furniture, office and computer equipment and create a secure environment within the municipality							
<i>To ensure that the ICT Strategic Plan vision to connect, collaborate and communicate with employees, council and the community of Kimberley is released by 30 June 2021</i>	Number of ICT Projects successfully completed	100%	100%	100%	100%	100%	100%
3.4 To provide a basis for sustainable municipal performance improvement							
<i>Monitor the implementation of the Integrated Performance Management Policy by conducting at least one review meeting annually</i>	Minutes of meeting conducted. Item on policy review tabled to Council	1	1	1	1	1	1
<i>Submit quarterly organisational performance reports to the Executive Mayor by the 20th of the month following the end of each Quarter for 2020/21</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



Description	Unit of measurement	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<i>Co-ordinate bi-annual performance assessments of the municipal manager and managers reporting directly to the municipal manager by 30 June 2021</i>	Number of assessments conducted	2	2	2	2	2	2
<i>Submit the final IDP document for adoption to Council by 31 May annually</i>	Tabled IDP for Council adoption	1	1	1	1	1	1
<i>Submit the final SDBIP to the Executive Mayor by 30 June annually</i>	SDBIP approved by Executive Mayor	1	1	1	1	1	1
4. Municipal Financial Viability and Management							
IDP Strategic Objective Governance: To enhance the capacity of the state and its citizens to work together to achieve spatial and social integration. To lead, direct and manage spatial growth of the City robustly, enhance revenue generation and improve operational efficiency.							
4.1 Enhance revenue through leveraging alternate sources of funding and identifying new revenue streams							
<i>Improve revenue enhancement by ensuring a collection rate of 85% after debt write off by 30 June 2021</i>	Collection rate	89.4%	89.4%	89.4%	85%	87%	90%
4.2 Promote sound financial management and financial sustainability of Sol Plaatje Municipality through prudent fiscal management							
<i>To spend at least 85% of the Capital Budget (including VAT) on capital projects identified in the IDP by 30 June 2021</i>	Percentage capital spending	95%	95%	95%	85%	87%	90%
<i>To spend at least 92% of the Operational Budget annually (30 June)</i>	Percentage operational spending	95%	95%	95%	92%	92%	92%
<i>Maintain the debt coverage ratio of at least 2:1 against net assets of the municipality by 30 June 2021</i>	Debt coverage ratio	2.1	2.1	2.1	2.1	2.1	2.1
<i>Reduce net debtor days to 300 days by 30 June 2021</i>	Net debtor days	200	200	200	300	250	200
<i>Maintain the cost coverage ratio of at least 1 month (annually)</i>	Cost coverage ratio	3	3	3	1	2	3
<i>Ensure that the actual spending on employee related costs does not exceed 37% of the total expenditure by 30 June 2021</i>	Employee cost as a percentage of total operating cost	32%	32%	32%	37%	35%	33%
5. Good Governance and Public Participation							



Description	Unit of measurement	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
IDP Strategic Objective Governance: To enhance the capacity of the state and its citizens to work together to achieve spatial and social integration. To lead, direct and manage spatial growth of the City robustly, enhance revenue generation and improve operational efficiency.							
5.1 To ensure an improved audit opinion through compliance with all relevant regulations, continuous assessment of risk and internal controls							
<i>Internal audit to perform an assessment of the internal control environment and other risk areas within the municipality and issue at least 10 internal audit reports to the audit committee during the financial year</i>	Number of internal audit reports completed	10	10	10	10	10	10
<i>To implement an effective and efficient Supply Chain Management System by ensuring that successful appeals is not more than 5% of tenders awarded by 30 June 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: 2020/21 SDBIP Service Delivery Quarterly Targets per Key Performance Area

Description	Unit of measurement	Budget Year 2020/21	Quarterly targets 2020/21			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
1. Local Economic Development						
IDP Strategic Objective Inclusive Growth: To establish a competitive economic position that attracts diverse investments, increases economic growth and creates targeted number of jobs. IDP Strategic Objective Spatial Transformation: To transform the spatial structure of the City towards an equitable, inclusive, efficient and compact form consisting of a series of integrated and well connected economic corridors, nodes and attractive mixed-use/mixed-income sustainable human settlements of varying densities						
1.1 To ensure effective spatial planning and development in order to establish a competitive economic position						
To improve the SCM turnaround time to 12 weeks for annual contracts from the closing date to the date of award by June 2021	Average time in weeks to award the tender	12	12	12	12	12
To improve the SCM turnaround time to 6 weeks for once off contracts from the closing date to the date of award by June 2021	Average time in weeks to award the tender	6	6	6	6	6
Ensuring a response time of 10 weeks for building plan submissions received in the current financial year for buildings or architectural buildings greater than 500 square metre annually	Average response time in weeks to process building plans	10	10	10	10	10
Ensuring a response time of 10 weeks for building plan submissions received in the current financial year for buildings or architectural buildings less than 500 sq m annually	Average response time in weeks to process building plans	10	10	10	10	10
To process all category 1 land use applications received until 30 April of the current financial year through MPT (Municipal Planning Tribunal) by 30 June 2021 in terms of the SPLUMA by-law (2015)	Percentage of land use applications processed	100%	0	0	0	100%
To process at least 200 buildings plans that were received before 1 July 2020 by the end of the current financial year (30 June 2021)	Number of building plans processed	200	0	0	0	200
1.4 To capacitate SMME's and local entrepreneurs						



Description	Unit of measurement	Budget Year 2020/21	Quarterly targets 2020/21			
			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>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)						
Create 400 FTE jobs through EPWP initiatives of the SPM by 30 June 2021	Number of jobs created	400	50	150	250	400
2. Basic And Sustainable Service delivery and Infrastructure Development						
IDP Strategic Objective Service Provision: To plan for, install, maintain and operate infrastructure, and provide services more efficiently and on a sustainable basis that adequately supports: transformed spatial structure, economic growth objectives universal access to basic services, differentiated service requirements of households and human settlements and economic activity						
2.1 To ensure sustainable delivery of community services (personal including environmental health, library, emergency and traffic services) to all residents of SPM.						
<i>To complete the construction of the Homevale Fire Station by 30 June 2021 (Depending on the approval of the Roll over funding – No CRR Funding available)</i>	Percentage completion as per project progress reports	100%	60%	72%	85%	100%
<i>To achieve at least 70% compliance with the National Disaster Management Tool by 30 June 2021</i>	% compliance with the National Disaster management Tool	70%	0	0	0	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 2.5 km of Galeshewe access roads to a paved surface by 30 June 2021 (Wards to be determined)</i>	Distance of km paved	2.5 km	0	1 km	0	1.5



Description	Unit of measurement	Budget Year 2020/21	Quarterly targets 2020/21			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
To complete 100% work in the construction of Priority 2, Ph 2A for the upgrading of storm water infrastructure in Galeshewe by 30 June 2021	Percentage completion as per project progress report	100%	0	80%	0	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 2021	Percentage of identified fleet items delivered at year end		100%	100%	100%	
2.4 To ensure the adequate provision, upgrading and maintenance of electricity services infrastructure						
To complete 100% procurement phase only for the replacement of the 11kV circuit breakers at Herlear Substation by 30 June 2021	Percentage completion of the process as per tender document, appoint letter and minutes		100%	100%	100%	
Complete 50% of the Lerato Park bulk electrification project by 30 June 2021	Percentage completion as per project progress report		100%	100%	100%	
2.5 To ensure the adequate provision, upgrading and maintenance of water and sanitation services infrastructure						
Repair 80% of faulty Electrical and mechanical equipment Emergency repairs at Homevale WWTW by 30 June 2021	Percentage completion as per project progress report		0	0	0	
To complete 100% upgrade of 1.8 km sewer reticulation pipe length in Galeshewe by 30 June 2021	Percentage completion as per project progress report		0	0	0	
To complete 100% upgrade of 2 km water reticulation pipe length in Galeshewe by 30 June 2021	Percentage completion as per project progress report		0	0	0	
Construction of at least 70% of the new sewer outfall mains for Carters Glen sewer pump station by 30 June 2021	% Completion of the process as per tender document, appointment letter and minutes		10%	10%	10%	
Complete the installation of electrical and mechanical components in Lerato Park pump station (Eagle Street and Lerato Park) by 30 June 2021	Percentage completion as per project progress report		0	0	0	
To complete 100% work for the bulk sewer infrastructure for the Lerato Park development by 30 June 2021	Percentage completion as per project progress report		100%	50%	50%	



Description	Unit of measurement	Budget Year 2020/21	Quarterly targets 2020/21			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
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 1500 water meters by 30 June 2021</i>	Number of water meters replaced		2500	2500	2500	
To complete the electrification of 675 households by 30 June 2021 (Wards to be determined)	Number of houses connected to electricity network		New	New	New	
<i>To replace at least 1500 prepaid electricity meters by 30 June 2021</i>	Number of electricity meters replaced		2500	1550	1550	
Decrease electricity losses to 16% by 30 June 2021	Percentage electricity loss		18%	18%	18%	
<i>Decrease water losses to 50% by 30 June 2021</i>	Percentage water loss		45%	50%	50%	
<i>12 000 Indigent households to receive free basic services (water, electricity, sanitation and waste removal according to national guidelines) by 30 June 2021</i>	Number of indigents per the indigent register		16 800	14 800	14 800	
<i>To complete 100% of the reconstruction work of 320 aged sink toilets in Kagisho, Kutlwanong and Phomolong by 30 June 2021</i>	Percentage completion as per project progress reports		100%	10%	10%	
2.7 To ensure management of the quality of the drinking water and waste water through compliance with the applicable legislation						
To ensure through effective monitoring that a 98% Blue Drop Status on quality compliance is achieved by 30 June 2021	% Compliance of Water Quality		97%	97%	97%	
To ensure through effective monitoring that a 60% Green Drop Status on effluent quality compliance is achieved by 30 June 2021	% Compliance of Effluent Quality		90%	60%	60%	
3. Municipal Institutional Development and Transformation						



Description	Unit of measurement	Budget Year 2020/21	Quarterly targets 2020/21			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
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 2021 : 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 2021</i>	Record of review and recommendations made and review performed	100%	0	0	0	100%
<i>Monitor the implementation of the Human Resource Management Plan through conducting at least one review meeting annually</i>	Number of review meetings held	1	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 2021</i>	% compliance to the EAP	72%	0	0	0	72%
3.3 To ensure continuous maintenance and replacement of furniture, office and computer equipment and create a secure environment within the municipality						
<i>To ensure that the ICT Strategic Plan vision to connect, collaborate and communicate with employees, council and the community of Kimberley is released by 30 June 2021</i>	Number of ICT Projects successfully completed	100%	25%	50%	75%	100%
3.4 To provide a basis for sustainable municipal performance improvement						
<i>Monitor the implementation of the Integrated Performance Management Policy by conducting at least one review meeting annually</i>	Minutes of meeting conducted. Item on policy review tabled to Council	1	1	0	0	0
<i>Submit quarterly organisational performance reports to the Executive Mayor by the 20th of the month following the end of each Quarter for 2020/21</i>	No of Reports submitted	4	1	1	1	1



Description	Unit of measurement	Budget Year 2020/21	Quarterly targets 2020/21			
			Quarter 1	Quarter 2	Quarter 3	Quarter 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	1	1	1
<i>Co-ordinate bi-annual performance assessments of the municipal manager and managers reporting directly to the municipal manager by 30 June 2021</i>	Number of assessments conducted	2	1	0	1	0
<i>Submit the final IDP document for adoption to Council by 31 May annually</i>	Tabled IDP for Council adoption	1	0	0	0	1
<i>Submit the final SDBIP to the Executive Mayor by 30 June annually</i>	SDBIP approved by Executive Mayor	1	0	0	0	1
4. Municipal Financial Viability and Management						
IDP Strategic Objective Governance: To enhance the capacity of the state and its citizens to work together to achieve spatial and social integration. To lead, direct and manage spatial growth of the City robustly, enhance revenue generation and improve operational efficiency.						
4.1 Enhance revenue through leveraging alternate sources of funding and identifying new revenue streams						
<i>Improve revenue enhancement by ensuring a collection rate of 85% after debt write off by 30 June 2021</i>	Collection rate	85%	85%	85%	85%	85%
4.2 Promote sound financial management and financial sustainability of Sol Plaatje Municipality through prudent fiscal management						
<i>To spend at least 85% of the Capital Budget (including VAT) on capital projects identified in the IDP by 30 June 2021</i>	Percentage capital spending	85%	85%	85%	85%	85%
<i>To spend at least 92% of the Operational Budget annually (30 June)</i>	Percentage operational spending	92%	92%	92%	92%	92%
<i>Maintain the debt coverage ratio of at least 2:1 against net assets of the municipality by 30 June 2021</i>	Debt coverage ratio	2.1	2.1	2.1	2.1	2.1
<i>Reduce net debtor days to 300 days by 30 June 2021</i>	Net debtor days	300	300	300	300	300
<i>Maintain the cost coverage ratio of at least 1 month (annually)</i>	Cost coverage ratio	1	1	1	1	1
<i>Ensure that the actual spending on employee related costs does not exceed 37% of the total expenditure by 30 June 2021</i>	Employee cost as a percentage of total operating cost	37%	37%	37%	37%	37%



Description	Unit of measurement	Budget Year 2020/21	Quarterly targets 2020/21			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
5. Good Governance and Public Participation						
IDP Strategic Objective Governance: To enhance the capacity of the state and its citizens to work together to achieve spatial and social integration. To lead, direct and manage spatial growth of the City robustly, enhance revenue generation and improve operational efficiency.						
5.1 To ensure an improved audit opinion through compliance with all relevant regulations, continuous assessment of risk and internal controls						
Internal audit to perform an assessment of the internal control environment and other risk areas within the municipality and issue at least 10 internal audit reports to the audit committee during the financial year	Number of internal audit reports completed	10	3	2	2	3
To implement an effective and efficient Supply Chain Management System by ensuring that successful appeals is not more than 5% of tenders awarded by 30 June 2020	Percentage successful appeals	5%	5%	5%	5%	5%
Submit an Audit Action Plan to the Municipal Manager to address issues raised by the Auditor General by 31 January annually	Audit action plan submitted	0	0	0	1	0
To report quarterly on the progress of risk mitigation to the Accounting officer and Executive Management Team (EMT)	Quarterly reports on strategic risk register	4	1	1	1	1
Submit an Annual Report on risk management maturity level of SPM to NT by 30 June each year.	Maturity Report submitted	1	0	0	0	1
5.3 To promote community participation and communication						
To communicate to the public (established residential areas) by issuing monthly newsletters	Number of newsletters issued.	12	12	12	12	12
To respond to all media enquires and issue media statements within 24 hours after an occurrence	Response times after and event has occurred	24h	24h	24h	24h	24h

SECTION 6:

**BUDGET
RELATED
POLICIES
OVERVIEW
AND
AMENDMENTS**



SOL PLAATJE MUNICIPALITY

ANNEXURE : BUDGET RELATED POLICIES

List of Budget related policies	Explanation numbers	Approved	Resolution Number	Reviewed
Policy Asset Management	1	28-May-14	C125/05/14	March 2020
Policy Cash Management & Investment	1 and 2	07-Apr-05	CR22	March 2020
Policy Customer Services Credit Control Debt Collection	1	31-May-18	C38/05/18	March 2020
Policy Indigent	1	28-May-14	C121/05/14	March 2020
Policy Internal Audit	1	17-Nov-05		March 2020
Policy Property Rates	1	27-May-15	C100/05/15	March 2020
Policy Risk Management	1	17-Nov-05	CR500	March 2020
Policy Supply Chain Management	1 and 2	04-Nov-14	C265/11/14	March 2020
Tariff Policy on Property Rates	1 and 2	31-May-18	C38/05/18	March 2020
Tariff Policy on Electricity	1	31-May-18	C38/05/18	March 2020
Tariff Policy on Water	1	31-May-18	C38/05/18	March 2020
Tariff Policy on Sanitation	1	31-May-18	C38/05/18	March 2020
Tariff Policy on Refuse Removal/Solid Waste	1	31-May-18	C38/05/18	March 2020
Policy Debt Write-off	1	28-May-14	C125/05/14	March 2020
Policy Regarding Audit Committees	1	17-Nov-05	CR500	March 2020
Disposal of Moveable Assets Policy	1	27-May-15	C100/05/15	March 2020
Policy Borrowing	1	28-May-14	C125/05/14	March 2020
Policy Irregular, fruitless and wasteful expenditure	1 and 2	28-May-14	C125/05/14	March 2020
Budget Implementation and Management Policy (Budget policy)	1	27-May-15	C100/05/15	March 2020
Funding and Reserves policy	1	25-May-16	C148/05/16	March 2020
Policy Short and Long term borrowing	1	19-Apr-11	C150/11	March 2020
Financial Management and Revenue Enhancement Strategy policy	1	27-May-15	C100/05/15	March 2020
Policy related to long-term financial planning	1	27-May-15	C100/05/15	March 2020
Consumer Deposit Policy	1	31-May-17	C60/05/17	March 2020
Free Basic Services Policy	1	31-May-17	C60/05/17	March 2020
Sol Plaatje Materiality and Significance Framework	1	31-May-18	C38/05/18	March 2020
Contracts Policy	1 and 2	31-May-17	C60/05/17	March 2020
SSEG PV Policy	1	31-May-17	C60/05/17	March 2020
Bulk Infrastructure Contribution Policy	1	31-May-17	C60/05/17	March 2020
Water Restrictions Policy	1	31-May-17	C60/05/17	March 2020
Infrastructure investment and capital projects policy (included in Budget policy)	1	28-May-14	C125/05/14	March 2020

Explanation numbers

1. These policies are accessible on the Sol Plaatje website: www.solplaatje.org.za.

2. Policy to be approved with budget process 2020/21.

SOL PLAATJE LOCAL MUNICIPALITY



CASH MANAGEMENT AND INVESTMENT POLICY

For adoption with the tabled Budget: 2020/21 MTREF

Date:

Council Resolution:

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1. Legal compliance

The Minister, acting with the concurrence of the cabinet member responsible for local government, may prescribe a framework within which municipalities must conduct their cash management and investments, and invest money not immediately required.

A municipality must establish an appropriate and effective cash management and investment policy in accordance with any framework that may be prescribed.

The municipality shall at all times manage its banking arrangements and investments and conduct its cash management and investment policy in compliance with the provisions of and any further prescriptions made by the Minister of Finance in terms of the Municipal Finance Management Act No. 56 of 2003 and the Municipal Investment Regulations (MIR).

In this policy, unless the context indicated otherwise, a word or expression to which a meaning has been assigned in the MFMA, has the same meaning as in the Act.

2. Objective of the policy

The primary aim is to ensure the preservation and safety of investments. The need for investment diversification and the liquidity needs of the municipality.

The council of the municipality is the trustee of the public revenues, which it collects, and it therefore has an obligation to the community to ensure that the municipality's cash resources are managed effectively and efficiently. The council has a responsibility to invest these public revenues knowledgeably and judiciously, and must be able to account fully to the community in regard to such investments.

The cash management and investment policy of the municipality is therefore aimed at gaining the optimal return on investments, without incurring undue risks, during those periods when cash revenues are not needed for capital or operational purposes. The effectiveness of the cash management and investment policy is dependent on the accuracy of the municipality's cash management programme, which must identify the amounts surplus to the municipality's needs, as well as the time when and period for which such revenues are surplus and available to be invested.

3. Effective cash management

3.1 Cash Collection

All monies due to the municipality must be collected and paid into the municipality's primary bank account, as soon as possible, either on or before the due date or immediately after the due date. All cash receipts must be reconciled and banked on a daily basis. Receipts or allocations received via Electronic Funds Transfers must be investigated, reconciled and allocated timeously.

The accounting officer of a municipality must administer all the municipality's bank accounts, including a bank account referred to in section 12 or 48(2)(d) of the MFMA; is accountable to the municipal council for the municipality's bank accounts; and must enforce compliance with sections 7, 8 and 11 of the MFMA.

The accounting officer may delegate the duties referred to in subsection (1) (c) to the municipality's Chief financial officer only.

The unremitting support of and commitment to the municipality's credit control policy, both by the council and the municipality's officials, is an integral part of proper cash collections, and by approving the present policy the council pledges itself to such support and commitment.

The accounting officer of the municipality is responsible for the management of the revenue of the municipality.

The accounting officer, must, among other things, take all reasonable steps to ensure that all money received is promptly deposited in accordance with the requirements of the present Act into the municipality's primary and other bank accounts.

The accounting officer must also ensure that all revenue received by the municipality, including revenue received by any collecting agent on its behalf, is reconciled on at least a weekly basis.

The accounting officer must take all reasonable steps to ensure that any funds collected by the municipality on behalf of another organ of state are transferred to that organ of state at least on a weekly basis, and that such funds are not used for purposes of the municipality.

3.2 Payments to Creditors

The Chief Financial Officer shall ensure as per section 65(2)(e) of the MFMA, that all money owing by the municipality be paid within 30 days of receiving the relevant invoice or statement, unless prescribed otherwise for certain categories of expenditure. This rule shall be departed from only where there are financial incentives for the municipality to effect earlier payment, and any such departure shall be approved by the Chief Financial Officer before any payment is made.

In the case of small, micro and medium enterprises, where such a policy may cause financial hardship to the contractor, payment may be effected at the conclusion of the month during which the service is rendered or within fourteen days of the date of such service being rendered, whichever is the later. Any such early payment shall be approved by the Chief Financial Officer before any payment is made.

Notwithstanding the foregoing policy directives, the Chief Financial Officer shall make full use of any extended terms of payment offered by suppliers and not settle any accounts earlier than such extended due date, except if the Chief Financial Officer determines that there are financial incentives for the municipality to do so.

The accounting officer of the municipality is responsible for the management of the expenditure of the municipality.

The accounting officer must take all reasonable steps to ensure, among other things, that payments made by the municipality are made direct to the person to whom they are due, unless agreed otherwise for reasons as may be prescribed, and either electronically or by way of non-transferable cheques, provided that cash payments and payments by way of cash cheques may be made for exceptional reasons only, and only up to a prescribed limit.

The accounting officer must further ensure that the municipality's available working capital is managed effectively and economically in terms of the prescribed cash management and investment framework.

3.3 Cash Management Programme

The Chief Financial Officer shall prepare an annual estimate of the municipality's cash flows divided into calendar months, and shall update this estimate on a daily basis. The estimate shall indicate when and for what periods and amounts surplus revenues may be invested, when and for what amounts investments will have to be liquidated, and when, if applicable either long-term or short-term debt must be incurred. Executive Directors shall in this regard furnish the Chief Financial Officer with all such information as is required, timeously and in the format indicated.

The Chief Financial Officer shall report to the finance committee on a monthly basis and/or to a council meeting when required. Such a report shall indicate any movements in respect of the municipality's investments, together with appropriate details of the investments concerned.

4. Investment ethics

The Chief Financial Officer shall be responsible for investing the surplus revenues of the municipality, and shall manage such investments in consultation with the Accounting officer and in compliance with any policy directives formulated by the council and prescriptions made by the Minister of Finance.

Investments by the municipality:

- (a) Must be made with such judgment and care, under the prevailing circumstances, as a person of prudence, discretion and intelligence would exercise in the management of that person's own affairs
- (b) May not be made for speculation and exposing the municipality to undue risk but must be a genuine investment, and
- (c) Must in the first instance be made with primary regard being to the probable safety of the investment, in the second instance to the liquidity needs of the municipality and lastly to the probable income derived from the investment.

5. Investment principles

5.1 Portfolio diversification and limiting exposure

Where large sums of money are available for investment, the Chief Financial Officer shall ensure that the municipality takes all reasonable and prudent steps consistent with its cash management and investment policy and according to the standard of care prescribed in regulation 5 of the MIR to diversify its investment portfolio across institutions, types of investment and investment maturities in order to limit the risk exposure of the municipality. The municipality shall ensure that as far as practically possible that twenty five percent or more of its investments is not held by one financial institution, however this threshold excludes the current account of the municipality.

5.2 Credit requirements and risk and return

Although the objective of the Chief Financial Officer in making investments on behalf of the municipality shall always be to obtain the best interest rate on offer, this consideration must be tempered by the degree of risk involved in regard to both the financial institution and the investment instrument concerned. No investment shall be made with an institution where the degree of risk is perceived to be higher than the average risk associated with investment institutions.

The municipality must take all reasonable and prudent steps consistent with its cash management and investment policy and according to the standard of care set out in regulation 5 of the MIR, to ensure that it places its investments with credit-worthy institutions. Therefore, the municipality must regularly monitor its investment portfolio; and when appropriate liquidate an investment that no longer has the minimum acceptable credit rating as specified in its cash management and investment policy. Prescribe notice periods as per the investment schedule must be adhered to, to avoid the municipality incurring unnecessary fees/penalties that could have been avoided if reasonable care has been exercised.

5.3 Miscellaneous provisions

The responsibility and risk arising from any investment transaction vests in the municipality. All investments made by the municipality must be in the name of the municipality. The municipality may not borrow money for the purpose of investment.

6. Payment of Commission

No fee, commission or other reward may be paid to a councillor or official of a municipality or to a spouse or close family member of such councillor or official in respect of any investment made or referred by a municipality.

If an investee pays any fee, commission or other reward to an investment manager in respect of any investment made by a municipality, both the investee and the investment manager must declare such payment to the council of the municipality by way of a certificate disclosing full details of the payment

7. Reporting requirements

The accounting officer of a municipality or municipal entity must within 10 working days of the end of each month, as part of the section 71 report required by the Act, submit to the mayor of the municipality a report describing in accordance with generally recognised accounting practice the investment portfolio of the municipality as at the end of the month. Supporting table SC (5) of the monthly C-schedule will be utilized for this purpose as per the Municipal Budget and Reporting Regulations (MBRR)

The report must set out at least -

- The market value of each investment as at the beginning of the reporting period;
- any changes to the investment portfolio during the reporting period;
- the market value of each investment as at the end of the reporting period; and
- fully accrued interest and yield for the reporting period.

In terms of S13(4) of the MFMA, a bank, insurance company or other financial institution which at the end of a financial year holds, or at any time during a financial year held, an investment for a municipality, must, within 30 days after the end of that financial year, notify the Auditor-General, in writing, of that investment, including the opening and closing balances of that investment in that financial year; and promptly disclose information regarding the investment when so requested by the National Treasury or the Auditor-General.

8. Permitted investments

A municipality may invest funds only in any of the following investment types:

- (a) securities issued by the national government;
- (b) listed corporate bonds with an investment grade rating from a nationally or internationally recognised credit rating agency;
- (c) deposits with banks registered in terms of the Banks Act, 1990 (Act No. 94 of 1990);
- (d) deposits with the Public Investment Commissioners as contemplated by the Public Investment Commissioners Act, 1984 (Act No. 45 of 1984);
- (e) deposits with the Corporation for Public Deposits as contemplated by the Corporation for Public Deposits Act, 1984 (Act No. 46 of 1984);
- (f) banker's acceptance certificates or negotiable certificates of deposit of banks registered in terms of the Banks Act, 1990;
- (g) guaranteed endowment policies with the intention of establishing a sinking fund;
- (h) repurchase agreements with banks registered in terms of the Banks Act, 1990;
- (i) municipal bonds issued by a municipality; and
- (j) any other investment type as the Minister may identify by regulation in terms of section 168 of the Act, in consultation with the Financial Services Board.

9. Procedures for the invitation and selection of competitive offers

In accordance of section 110(1)(d) of the MFMA, before making any investments, the Chief Financial Officer, shall obtain quotations from at least three or more credit-worthy financial institutions.

Given the volatility of the money market, the Chief Financial Officer shall, whenever necessary, request quotations telephonically, and shall record in an appropriate register the name of the institution, the name of the person contacted, and the relevant terms and rates offered by such institution, as well as any other information which may be relevant (for example, whether the interest is payable monthly or only on maturity, and so forth).

Once the best investment terms have been identified, written confirmation of the telephonic quotation must be immediately obtained (by facsimile, email or any other expedient means).

Any monies paid over to the investing institution in terms of the agreed, shall be paid over only to such institution itself and not to any agent or third party. Once the investment has been made, the Chief Financial Officer shall ensure that the municipality receives a properly documented receipt or certificate for such investment, issued by the institution concerned in the name of the municipality.

10. Restriction on Tenure of Investments

No investment with a tenure exceeding twelve months shall be made without the approval of the executive mayor or the executive committee, as the case may be.

11. Control over investments

The Chief Financial Officer shall ensure that proper records are kept of all investments made by the municipality. Such records shall indicate the date on which the investment is made, the institution with which the monies are invested, the amount of the investment, the interest rate applicable, and the maturity date. If the investment is liquidated at a date other than the maturity date, such date shall be indicated.

All movements in investment accounts must be reflected in the general ledger of the municipality.

The Chief Financial Officer shall ensure that all interest and capital properly due to the municipality are timeously received, and shall take appropriate steps or cause such appropriate steps to be taken if interest or capital is not fully or timeously received.

The Chief Financial Officer shall ensure that all investment documents and certificates are properly secured in a fireproof safe with segregated control over the access to such safe, or are otherwise lodged for safekeeping with the municipality's bankers or attorneys.

12. Investments denominated in foreign currencies

Investments denominated in foreign currencies are prohibited and the municipality may make an investment only if the investment is denominated in Rand and is not indexed to, or affected by, fluctuations in the value of the Rand against any foreign currency.

13. Banking arrangements

The Accounting officer is responsible for the management of the municipality's bank accounts, but may delegate this function to the Chief Financial Officer. The Chief Financial Officer is authorised at all times to sign cheques or release funds and any other documentation associated with the management of such accounts. The Accounting officer, in consultation with the Chief Financial Officer, is authorised to appoint two or more additional signatories or releasers in respect of such accounts, and to amend such appointments from time to time. The list of new signatories or releasers shall be approved by the Finance Committee as and when the case may be.

Unless there are compelling reasons to do otherwise, all the municipality's bank accounts shall be maintained with the same banking institution to ensure pooling of balances for purposes of determining the best interest payable to the municipality.

Tenders may be invited if the Accounting officer, in consultation with the Chief Financial Officer, is of the opinion that the banking services offered by the municipality's current bankers are materially defective, or not cost-effective, and the executive mayor, agrees to the invitation of such banking services tenders through a competitive bidding process.

14. Raising of short-term and long-term debt

The Accounting officer is responsible for the raising of debt, but may delegate this function to the Chief Financial Officer, who shall then manage this responsibility in consultation with the accounting officer. All debt shall be raised in strict compliance with the requirements of the Municipal Finance Management Act 2003, and only with the prior approval of the council.

14.1 Conditions applicable to both short and long-term debt

Conditions applying to both short-term and long-term debt as per section 47 of the MFMA, the municipality may incur debt only if the debt is denominated in Rand and is not indexed to, or affected by, fluctuations in the value of the Rand against any foreign currency; and section 48(3) of the Act has been complied with, if security is to be provided by the municipality.

14.2 Short-term debt

As per section 45(1) of the MFMA, short-term debt may be incurred, only when necessary to bridge shortfalls within a financial year during which the debt is incurred, in expectation of specific and realistic anticipated income to be received within that financial year; or capital needs within a financial year, to be repaid from specific funds to be received from enforceable allocations or long-term debt commitments.

The council may approve a short-term debt transaction individually, or may approve an agreement with a lender for a short-term credit facility to be accessed as and when required, including a line of credit or bank overdraft facility, provided that the credit limit must be specified in the resolution of the

council; the terms of the agreement, including the credit limit, may be changed only by a resolution of the council; and if the council approves a credit facility limited to emergency use, the accounting officer must notify the council in writing as soon as practicable of the amount, duration and cost of any debt incurred in terms of such a credit facility, as well as the options available for repaying such debt.

The municipality must pay off short-term debt within the financial year in which it is incurred, and may not renew or refinance short-term debt, whether its own debt or that of any municipal entity, where such renewal or refinancing will have the effect of extending the short-term debt into a new financial year.

14.3 Long-term debt

A municipality may incur long-term debt only in accordance with and subject to any applicable provisions of the MFMA, and only for the purpose of capital expenditure on property, plant or equipment of the approved annual budget or adjustments budget, to be used for the purpose of achieving the objects of local government as set out in Section 152 of the Constitution; or refinancing existing long-term debt subject to the requirements of Section 46(5).

15. Interest on investments

The interest accrued on all the municipality's investments shall, in compliance with the requirements of Generally Recognised Accounting Practice, be recorded in the first instance in the municipality's primary bank account and recognised as Interest Earned - External Investments in the Statement of Financial Performance as Revenue from exchange transactions.

16. Opening of bank accounts

Every municipality must open and maintain at least one bank account. This bank account must be in the name of the municipality, and all monies received by the municipality must be paid into this bank account promptly and in accordance with any requirements that may be prescribed.

A municipality may not open a bank account:

- otherwise than in the name of the municipality;
- abroad; or
- with an institution not registered as a bank in terms of the Banks Act 1990.

Money may be withdrawn from the municipality's bank account only in accordance with the requirements of Section 11 of the MFMA.

17. Primary bank account

Every municipality must have a primary bank account, and if the municipality has only one bank account that account is its primary bank account. If the municipality has more than one bank account, it must designate one of those bank accounts as its primary bank account.

The following must be paid into the municipality's primary account:

- all allocations to the municipality;
- all income received by the municipality on its investments;
- all income received by the municipality in connection with its interest in any municipal entity;
- all money collected by a municipal entity or other external mechanism on behalf of the municipality, and;
- any other monies as may be prescribed.

The accounting officer of the municipality must submit to the national treasury, the provincial treasury and the Auditor-General, in writing, the name of the bank where the primary bank account of the municipality is held, and the type and number of the account. If the municipality wants to change its primary bank account, it may do so only after the accounting officer has informed the national treasury and the Auditor-General, in writing, at least 30 days before effecting such change.

18. Submission of bank account details

The accounting officer of the municipality must submit to the national treasury, relevant provincial treasury and to the Auditor-General, in writing, within 90 days after the municipality has opened a new bank account, the name of the bank where the account has been opened, and the type and number of the account; and annually, before the start of each financial year, the name of each bank where the municipality holds a bank account, and the type and number of each account.

19. Control of municipal bank accounts

The accounting officer of the municipality must administer the entire municipality's bank accounts, is accountable to the municipal council for the municipality's bank accounts, and must enforce compliance with Sections 7, 8 and 11 of the MFMA. The accounting officer may delegate the duties referred to above only to the municipality's Chief Financial Officer.

20. Withdrawals from municipal bank accounts

Only the accounting officer or the Chief Financial Officer of the municipality (where this power has been appropriately delegated), or any other senior financial official of the municipality acting on the written authority of the Accounting officer, may withdraw money or authorise the withdrawal of money from any of the municipality's bank accounts. Such withdrawals may be made only to:

- defray expenditure appropriated in terms of an approved budget;
- defray expenditure authorised in terms of Section 26(4) (this Section deals with situations in which the budget was not timeously approved, and the province has been compelled to intervene);
- defray unforeseeable and unavoidable expenditure authorised in terms of Section 29(1);
- in the case of a bank account opened in terms of Section 12, make payments from the account in accordance with Section 12(4);
- pay over to a person or organ of state money received by the municipality on behalf of such person or organ of state, including money collected by the municipality on behalf of such person or organ of state by agreement, or any insurance or other payments received by the municipality for such person or organ of state;
- refund money incorrectly paid into a bank account;
- refund guarantees, sureties and security deposits;
- make investments for cash management purposes in accordance with Section 13;
- defray increased expenditure in terms of Section 31; or
- for such other purposes as may be prescribed.

(Note that Section 11(1) of the MFMA, does not expressly provide for the withdrawal of monies to pay creditors, where the relevant obligations arose in terms of the previous budget; to repay loans; or to repay consumer deposits).

Any authorisation to a senior financial official to withdraw money or to authorise the withdrawal of money from a bank account must be in accordance with the framework as may be prescribed. The accounting officer may not authorise any official other than the Chief Financial Officer to withdraw money or to authorise the withdrawal of money from the municipality's primary bank account if the municipality has a primary bank account which is separate from its other bank accounts.

21. Relief, charitable, trust or other funds

No political structure or office bearer of the municipality may set up a relief, charitable, trust or other fund of whatever description, except in the name of the municipality. Only the municipal manager may be the accounting officer of any such fund.

A municipality may open a separate bank account in the name of the municipality for the purpose of such relief, charitable, trust or other fund. Money received by the municipality for the purpose of such fund must be paid into the bank account of the municipality, or if a separate bank account has been opened for such fund, into that account.

Money in a separate account opened for such fund may be withdrawn from the account without appropriation in terms of the approved budget, but only by or on the written authority of the accounting officer, acting in accordance with decisions of the council, and for the purposes for which, and subject to any conditions on which, the fund was established or the money in the fund was donated.

22. Contents of annual budgets and supporting documents

As per section 17(1)(a) of the MFMA, an annual budget of a municipality must be a schedule in the prescribed format as per the MBRR and must be accompanied by the following documents:

A projection of cash flows for the budget year by revenue source, broken down per month, and particulars of the municipality's investments.

23. Publication of annual budgets

As per section 22(a) of the MFMA , the accounting officer must make public, immediately after a draft annual budget is tabled, the budget itself and all the prescribed supporting documents, and invite comments from the local community in connection with such budget and documents.

24. National and provincial allocations to municipalities

In order to provide predictability and certainty about the sources and levels of intergovernmental funding for municipalities, the accounting officer of a national or provincial department and the accounting authority of a national or provincial public entity responsible for the transfer of any proposed allocations to a municipality, must by no later than 20 January of each year notify the national treasury or the relevant provincial treasury as may be appropriate, of all proposed allocations and the projected amounts of those allocations to be transferred to each municipality during each of the next 3 financial years.

The Minister or the MEC responsible for finance in the province must, when tabling the national annual budget in the national assembly or the provincial annual budget in the provincial legislature, make public particulars of any allocations due to each municipality in terms of that budget, including the amount to be transferred to the municipality during each of the next 3 financial years.

25. Promotion of co-operative government by municipalities

In order to enable municipalities to include allocations from other municipalities in their budgets and to plan effectively for the spending of such allocations, the accounting officer of every municipality responsible for the transfer of any allocation to another municipality, must, by no later than 120 days before the start of its budget year, notify the receiving municipality of the projected amount of any allocation proposed to be transferred to that municipality during each of the next 3 financial years.

26. Stores administration

The Chief Financial Officer shall be responsible for the proper administration of all stores. If sub-stores are established under the control of any executive director, such executive director shall be similarly responsible for the proper administration of such sub-store, and in doing so shall comply with the any legislative requirement and policies as determined from time to time by the Chief

Financial Officer. No sub-store may be established without the prior written consent of the Chief Financial Officer. All users must submit authorised requisitions in the prescribed format as determined from time to time by the Chief Financial Officer prior to the issue of any such goods or store items.

27. Contract management

Within such general buying and related procedures as the Chief Financial Officer shall from time to time determine, and further within the confines of any relevant legislation and of such rules and procedures as may be determined by the executive mayor or the finance committee, as the case may be:

- all buying contracts shall be administered by the Chief Financial Officer, and all payments relating to such contracts shall be authorised by the Chief Financial Officer or the executive director or a departmental head designated by him or her; and
- all other contracts, including building, engineering and other civil contracts shall be administered by the executive director or a departmental head designated by him or her, and all payments relating to such contracts shall be authorised by such an executive director in accordance with the provisions of Section 28 below. The executive director (or a departmental head) concerned shall ensure that all payment certificates in regard to contracts are properly examined and are correct in all respects - before being submitted to the Chief Financial Officer for payment.

28. Payments

All payments, other than petty cash disbursements, shall be made through the municipality's primary bank account. Petty cash reimbursements or replenishments must be made through the municipality's primary bank account.

The Chief Financial Officer shall draw all cheques or release funds on this account, and shall, in consultation with the accounting officer and with due regard to the council's policy on banking and investments, determine the rules and procedures relating to the signing of cheques or releasing of funds, and from time to time jointly with the accounting officer decide on appropriate signatories or releasers.

All requests for payments of whatever nature shall be submitted on payment vouchers, the format of which shall be determined by the Chief Financial Officer. Such vouchers shall be authorised in terms of such rules and procedures as are determined from time to time by the Chief Financial Officer.

The sourcing of quotations be centralised to Supply chain management. All users must submit authorised requisitions in the prescribed format as determined from time to time by the Chief Financial Officer for procurement of goods and services from external service providers. One quotation may be attached to such authorised requisitions, as necessary to ensure that Demand management obtain additional quotations for the correct goods and services. Orders must be issued to the successful service provider prior to goods being delivered or services being rendered.

The maximum amount and nature of petty cash disbursements, where not covered by the general buying procedures, shall be in line with the municipality's Supply chain management policy. No cash float shall be operated without the authority of the Chief Financial Officer, who may prescribe such procedures relevant to the management of such float as are considered necessary.

The Executive Director: Corporate service shall be responsible for the determination of all salaries and remuneration benefits to employees as prescribed by the Basic conditions of employment act and applicable collective agreement, whilst the Chief Financial Officer shall be responsible for making payments in accordance with the instructions so received from Human Resources and loaded onto the current Payroll system being utilised by the municipality. Councillor's allowances shall be determined and paid in accordance with the Upper Limits Gazette on the remuneration of public office bearers and municipal councillors. Payments shall be made upon approval for the implementation of the upper limits gazette by the MEC for Local Government in the province.

29. Revenue and cash collection

Every Executive Director responsible for revenue collection, shall be responsible for the collection of all moneys falling within the ambit and area of his or her designated functions.

The Chief Financial Officer shall ensure that all revenues are properly accounted for.

The collection of all arrear revenues and the control of arrear accounts shall be co-ordinated by the Chief Financial Officer in terms of any policies determined by the council. If it is clear that any revenues are not recovered or likely to be recovered after the necessary steps have been taken, the Chief Financial Officer shall report the matter adequately and timeously to the finance committee.

The Chief Financial Officer shall ensure that adequate provision is maintained to cover the writing off of irrecoverable revenues, having due regard to the council's policy on rates and tariffs.

30. Scope of application

This policy is applicable to Sol Plaatje Local Municipality and all its officials and councillors

31. Approval

The cash management and investment policy has been approved by Council.

SOL PLAATJE LOCAL MANAGEMENT



CONTRACT PERFORMANCE MANAGEMENT POLICY

Approved by Council: 16 May 2019

Resolution: C43/05/19

**SUPPLY CHAIN MANAGEMENT POLICY REVIEW AND ADOPTION
PROCESS**

Adoption and Review	Council Resolution Date	Council Resolution number
Original adoption	16 May 2019	C43/05/19
Reviewed and amended	May 2020	
Reviewed and amended		
Reviewed and amended		
Reviewed and amended		
Reviewed and amended		
Reviewed and amended		
Reviewed and amended		
Reviewed and amended		
Reviewed and amended		
Reviewed and amended		

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 **CONTRACT PERFORMANCE MANAGEMENT POLICY** of the Sol Plaatje Municipality

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CONTRACT PERFORMANCE 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 (in relation to a duty)	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

5.3.7 A contract or agreement procured through the Supply Chain Management System of the Municipality must:

5.3.7.1 be in writing;

5.3.7.2 stipulate the terms and conditions of the contract or agreement, which must provide for:

5.3.7.3 the termination of the contract or agreement in the case of non- or underperformance;

- dispute resolution mechanisms to settle disputes between the parties;
- 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;
- the municipality's liability and indemnity exposure;
- Vis Major; and
- 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.

6 CONTRACT PERFORMANCE MANAGEMENT

6.1 MANAGEMENT OF CONTRACTS

6.1.1 The Accounting Officer and delegated officials must take all reasonable steps to:

6.1.1.1 Ensure that a contract or agreement procured through the supply chain management policy of the municipality is properly enforced;

6.1.1.2 Monitor on a monthly basis the performance of the contractor under the contract or agreement.

6.1.1.3 Administrate the contract with the necessary competencies and delegations, ensuring effective management of contracts.

6.1.2 The PMU Manager/IDP Manager must ensure that Contract Champions (Line / Project Managers) submit suppliers' performance reports to the SCM Contract Performance Manager within **5 business days** after the end of each month.

6.1.3 The SCM Contract Performance Manager submits a consolidated suppliers' performance report to the Chief Financial Officer within **10 business days** after the end of each month for purposes of Section 116 (2)(b) of the Act.

6.1.4 The SCM Contract Performance Manager submits a consolidated suppliers' performance report on the performance of contracts or agreements for purposes of Section 116 (2)(d), to the CFO and Accounting Officer within **15 business days** of the end of each quarter.

6.2 BASIS FOR BINDING THE MUNICIPALITY IN A CONTRACT

- 6.2.1 The Supply Chain Management Policy of the municipality gives guidance for procurement of goods and services as per various thresholds determined by the monetary value. The policy stipulates that procurement of goods and services up to R30 000.00 inclusive of VAT shall be done through written quotations evaluated based on price only, preferably from the service providers registered on the SPM database
- 6.2.2 The level of complexity of contract will depend on the nature of services, quality and other special conditions of delivery.
- 6.2.3 Where the above supply chain processes could not be fulfilled, an authorized deviation by the Municipal Manager also leads to a binding agreement.
- 6.2.4 It is based on the above approaches that an official of the municipality may enter into a binding agreement between the municipality and the service provider.
- 6.2.5 Appointment of a service provider without following the above procedures may lead to invalid contracts, and the official involved may be held responsible for financial misconduct and be subjected to Disciplinary action, and the resultant expenditure will be irregular and may be recovered from such official.
- 6.2.6 Local Government Supply Chain Management Regulations permits the Accounting Officer to ratify minor non-compliances from SCM Policy by Bid Committees and Officials

6.3 CONTRACT LIFECYCLE MANAGEMENT

Contract Lifecycle is a back to back process of acquisition to the award of contract. The cycle further entails execution, closure and handover of the project to the relevant official representing the municipality.

The Municipality recognizes the following steps in contract lifecycle management as elaborated below:

6.3.1 **Contract requisitioning** – this is the first action of defining the purpose and request

6.3.1.1 **Authorizing** – this involves the development of the contract documentation, version control and validation. Legal experts or suitably experience Officials must be involved in authoring the contract.

6.3.1.2 **Negotiation** – the ability to analyse the versions of contracts and the relevant attachments as influenced by the discussions between the parties to the contract. The Accounting Officer may appoint an Official to assist in the negotiations or may make use of external experts depending on the complexity of the service and contract.

6.3.1.3 **Approval**- routing the contract document and the necessary attachments for review and approval. The Project Manager must approve the draft contract prior to the final version being submitted to the Accounting Officer or his delegate for signature.

6.3.1.4 **Execution** – the process of allowing the contracted service provider to perform duties as outlined in the contract document. The Project Manager must ensure that the performance by the other party is not delayed or impeded in any way where it is within the Municipality's control.

6.3.1.5 **Obligations management** – involves that deliverables are always being met and maintain compliance. The Project Manager must ensure that all deliverables are quality assessed and controlled.

6.3.1.6 **Contract amendment** – process of keeping track of original terms in addition to current obligations to deliver on the contract. Where any such amendment is proposed, the Project Manager must prepare a report and motivation

accompanying such proposal for the approval of the Contract Owner and the furtherance of complying with clause 4.4.

6.3.1.7 **Audit and reporting** – access to the entire contract for audit tracking, reporting and easy integration with other systems. It is the responsibility of the Project Manager to ensure that a comprehensive file to auditing standards are kept in a safe place and that access to such file is available by authorised personnel.

6.3.1.8 **Renewal** – contract extensions after the expiry dates. The Project Manager must advise the Contract Owner in good time regarding the renewal clauses and the financial implications thereof.

6.4 AMENDMENT OF CONTRACTS

6.4.1 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.

6.4.2 In terms of Section 116(3) of the MFMA, (56 of 2003), amendments (in compliance with SCM procedures), may only be made after the initial has been signed.

6.4.2.1 The reasons for the proposed amendment have been tabled to council; and

6.4.2.2 the local community has been given reasonable notice of the intention to amend the contract or agreement; and

6.4.2.3. has been invited to submit representations to the municipality.

6.4.3 Amendments of contracts where the expansion or variation is not more than

(NT Circular 62):

6.4.3.1 20% (construction related goods, services and/or infrastructure projects),
and

6.4.3.2 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.

6.4.4 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.

6.4.5 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.

6.4.6 No agreement to amend or vary a contract shall be valid and of any force unless
such agreement to amend or vary is entered in writing and signed by the
contracting parties.

6.4.7 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).

6.5 PROCEDURES FOR CONTRACT AMENDMENT

Contract amendment may include change in some elements of scope of work as a result of unforeseen circumstances, change in area of work, or change in the number of units or materials for the benefit of the organization.

6.5.1 The Contracts Champions (Line Managers) shall prepare a report to The Contract Owner (Municipal Manager/Executive Director) motivating the need for contract amendment or adjustment.

The Motivation will be prepared in a prescribed format with the following Information as mandatory:

- (a) Current project in brief
- (b) Project status
- (c) Contractor performance is summary
- (d) Project Funding and expenditure to date
- (e) Proposed amendment (scope, area, associated costs, funding)
- (f) Reason for amendment contrary to inviting bids for the new scope
- (g) Benefits arising from the amendment
- (h) Cost implication and funding of such costs

6.5.2 The Head of the Supply Chain Management Division must provide their Written professional opinion of the compliance with the Supply Chain Management Policy as well as the Municipal Finance Management Act. The Executive Director in whose purview the contract resides and for whom the amendment report has been prepared shall submit the completed report under their signature to the Chief Financial Officer.

6.5.3 The CFO will then in turn solicit the approval of such from the Municipal Manager upon the CFO's satisfaction that the report is complete and sufficiently substantiated.

6.5.3.1 Should the Municipal Manager support the proposed amendment the CFO shall prepare an item for the Municipal Council using the motivation provided by the Contracts Champions (Line Managers) / Project Manager and Executive Director initially. The Head of SCM shall facilitate the notification to the public with regards to the amendment and receive any objections or comments.

- 6.5.3.2 Once the comments are received, the Head of SCM and the CFO will advise the Municipal Manager and the Executive Director concerned.
- 6.5.3.3 Contract amendment shall require signing of the addendum to the original Contract by all parties to the contract. It should however be noted that amendments should be made in line with the allocated budget as per the approved budget for the project/service. If the amendment requires additional funding, the above process can only resume once funds are confirmed in respect of the work to be done.
- 6.5.3.4 For MIG funded projects, confirmation must be obtained from the PMU Office with regards to approved funding on the project and procedures for Budget Maintenance must be fulfilled prior to taking the recommended steps for Contract Amendment.

6.6 CONTRACT VARIATION

- 6.6.1 Contract variation refers to the variation of actual work that needs to be done or the methodology, approach or resources planned to be used in the execution of the project.
- 6.6.2 Contract variation shall be initiated by the appointed contractor after demonstrating the benefits of varying the original contract bills of quantity or other inputs used in the implementation of the contract agreement.
- 6.6.3. Issues of quality, subsequent maintenance costs and materials and the completion period must be considered prior to agreeing with the variation.
- 6.6.4. The process shall entail a request letter from the contractor to the Project Manager, and the request shall entail cost and benefits of the variation, financial implications, advantages of the variation and the impact or implications on quality of the product/service at the end of the day.
- 6.6.5 The variation must be considered by the Contract Owner (Line Manager) concerned, and once agreed upon, the Contract Variation Agreements shall be signed by all parties concerned. The Technical Director/ Manager shall inform the Chief Financial Officer to assess the impact of the variation on the project for Assets Management and SCM purposes and information.
- Where contract variation requires additional funding, not exceeding 20% of the contract value, which is within the approved budget for current

and subsequent year for that line item or project, reference will be made to Accounting Officer's guidelines for implementing Supply Chain Management Regulation. The request shall be approved by the Accounting Officer on recommendation of the Chief Financial Officer.

6.6.6 PROCEDURES FOR CONTRACT VARIATION

Activity	Responsible person
The contractor or service provider shall propose variation order to the Project Manager responsible and overseeing the contractor, with a full cost-benefit analysis, financial implications, future maintenance costs and availability of parts/materials	Contractor/Service provider
The Project Manager shall consider the request and present such to the Technical Director/ Manager responsible to obtain concurrence	Project Manager / Line Manager
The concurrence shall be presented to the Budget and Treasury Office (CFO) with all the inputs received thus far for recommendation to approve to the Accounting Officer	Executive Director /CFO
The Technical Director/Manager and CFO shall submit the variation to the Accounting Officer for approval	Executive Director /CFO
The Service Provider shall be informed of the acceptance of the variation and all necessary documents shall be signed and filed	Project Manager / Line Manager
The Accounting Officer shall submit the approved contract variation order to municipal council for noting	Municipal Manager

6.7 CONTRACT CONTINGENCIES

6.7.1 A contingency clause is a provision in the contract that requires a specific event or action to take place for a contract to be considered valid. A contingency clause should clearly outline what the condition is, how the condition is to be fulfilled and which party is responsible for it.

6.7.2 In construction contracts, contingencies are those unforeseen conditions experienced during contract execution. These conditions need to be dealt with to enable the contractor to proceed with executing the scope of work as per the agreement.

6.7.3 The contingency is brought to the attention of the Project Manager responsible for that work, and upon assessment agree that the circumstances are indeed a contingency. A recommendation to proceed with work aimed at resolving the contingency shall be made by the Project Manager and approved by the relevant Technical Director/Manager.

6.7.4 The approval shall be in writing, and once signed off by all parties, it shall be communicated to the Chief Financial Officer to ensure that the correct budget/line item is used for the processing of invoices against the contingency budget as per the signed agreement.

6.7.5 Contingency fees are normally set at a percentage not exceeding 10% of the project costs as per the bidding document.

6.7.6 Where contingencies are expected to exceed 10% or the contract terms conditions, the CFO must be notified so as to provide professional advice on the process which must be followed in this regard.

6.8 CONTRACT BUDGET ADJUSTMENT

6.8.1 Projects whose costs are not time bound like consultancy services and similar advisory services executed through use of human resources to execute and budgeted for in the capital budget, can only be adjusted by way of council resolution, through an adjustment budget or through adhering to MFMA Section 29 – Unforeseen and unavoidable expenditure.

6.8.2. A differentiation should be made between project budgets overrun or over-expenditure and additional funding required as a result of contract value as per the winning bid price offer. In cases of projects funded under capital budget, the following process must be followed:

Where the amount that the project is awarded for exceeds the budget - Capital	
Confirmation of funding of project	Chief Financial Officer
Successful bidder price exceeds the budget	Negotiate scope reduction to align award amount with available funds
Successful bidder price exceeds the budget	An award can only be made once there is confirmation that the quoted price is fully funded in either current year's budget, or will be funded through an adjustment budget or in the following year's budget.
Where the project is overspending	
Oversee project implementation against project plan which is addendum to the Service Level Agreement entered into	Project Manager / Line Manager
Monitor claims against BoQ or project costing as per MBD3.1	Project Manager / Line Manager
Query any claims that exceed BoQ as per tender documents upon receipt of invoices	Project Manager / Line Manager
Obtain clarification from Contractor/Consultants on claims/quote variations, and the impact of the variation on entire project budget/costs	Project Manager / Line Manager
If clarification is satisfactory, report in writing to Budget and Treasury Office (CFO) the implications of the variances	Executive Director
Approval of invoice for payment	CFO
Perform project budget forecast	Executive Director and CFO
Advise CFO on projections and for noting for budget adjustment	Executive Director

7. **MAINTENANCE AND CONTRACT ADMINISTRATION**

Technical Contract administration is the function of the Project Manager and shall be overseen by the Technical Director/Manager responsible. SCM Contract administration includes the following activities and responsibilities:

Contract Initiation	Through SCM Processes
Negotiations	Including PMU, Line Manager, SCM Practitioner (BAC), BTO Officials and CFO
Appointment of Contractor/Service Provider	Municipal Manager
SLA Meetings with Legal Section	Project Manager and SCM Contracts Management
Contractor Invoices	Project Manager, Technical Director/Manager, Expenditure Section and SCM Contracts Management
Contractor Performance Reporting	Project Manager, Technical Director/Manager and SCM Contracts Management
Contract Amendment/Variation/Contingencies	Project Manager, Technical Director/Manager, CFO, Municipal Manager and SCM Contracts Management
Termination of contract	Executive Technical Manager/Head of SCM, CFO, Municipal Manager and SCM Contracts Management
Project Close-Out	Project Manager, Assets Management, IDP, PMU Manager and SCM Contracts Management

- 7.1 Contract administration includes all administrative/technical duties associated with a contract once it is adjudicated and implemented.
- 7.2 No rights in terms of an awarded contract will accrue before the SCM appeal period and/or appeal has been finalised.
- 7.3 The contract should be signed by all parties concerned (The relevant SCM official should also ensure that the suppliers have the delegated powers to sign and amend the contractual agreement).
- 7.4 The contract will only be enforceable after all the signatures of the relevant parties are documented.
- 7.5 A signed service level agreement (if applicable) must be compiled and signed which will incorporate all the relevant sections of the tender documentation.
- 7.6 All once-off purchases shall have a specified end delivery date.
- 7.7 Processing of payments procedures for civil contracts,
- 7.7.1 all invoices shall be delivered directly to the Engineer/Project Manager responsible together with the Consultant report detailing the BOQ used during the period the invoice applies.
 - 7.7.2 After satisfying themselves with the contents of the invoice, the Consultant Report, and an Engineers/Project Managers Certificate shall be completed accordingly within the department.
 - 7.7.3 Upon completion of the Engineers/Projects Managers Certificate, a voucher for payment shall be completed and presented to the Budget and Treasury Office (BTO) to confirm the vote number and that the contractor is being paid as per the Bid Adjudication Minutes.
 - 7.7.4 After payment is finalized by Expenditure, details of payment must be forwarded to SCM Contracts Management for performance compliancy

7.7.5. These documents shall be prepared in triplicate (white, blue, yellow) with all signatories on all documents.

- All vouchers shall be signed by the Engineer/Project Manager or Divisional Head and approved by Executive Director, which must first be submitted to Supply Chain Management (Acquisition Manager) for verification of validity of the contract and status of suppliers' company profile (CSD) requirements and Municipal Rates & Services.
- All payment documents shall be forwarded to the Expenditure Division by Supply Chain Management (Acquisition Manager) for processing.

7.7.6 All queries regarding the payment shall be directed to the Engineer (Line Manager) responsible for the function.

- The Expenditure Section shall complete the payment reference number on the voucher and forward yellow copy to Assets Management Unit (AMU) (for use in capitalization and unbundling of assets).
- AMU shall liaise with BTO for the completion of commitments and grants registers.
- The Expenditure Section shall update the Civil Contracts Register and ensure that the Engineers (Line Manager) certificates per project (Tender Number), follow a chronological order and that the line item used is consistent throughout the project execution and payment period, and
- a copy of the Civil Contracts Register be forwarded to SCM Contracts Management **monthly before the 15th of the following month** for reporting purposes to the Chief Financial Officer.
- Virements on the capital budget shall be done by the Chief Financial Officer in line with Council resolutions.

8. CONTRACTOR PERFORMANCE REPORTING

8.1 PROJECT SCORECARD/CHART

It is imperative that upon signing the Contract and Service Level Agreement that a project scorecard/chart is completed as well.

The project scorecard/chart shall indicate the following;

- Key Performance Area
- Key Strategic Objective
- Key Performance Indicator
- Key Activities and milestones
- Project performance evaluation scorecard
- Project Plan
- Project deliverables

The above shall be used to appraise the project progress as well as the contractor. The scorecard/chart shall be submitted with all payment's documents. The Expenditure Section shall forward the project scorecard/chart to Head of SCM and SCM Contracts Management for the purposes of compiling project performance and contractor performance reports.

The Head of SCM shall submit to the CFO, monthly a consolidated project and contractor performance report. The CFO may further interact with the Technical Director/Managers on any matters requiring their attention as per the report submitted by Head of SCM. The Project Manager shall include this report when report on Performance Management System monthly and shall be part of the project file.

8.2 CLOSING OF CONTRACT AND PROJECT SIGN OFF

Once the terms and conditions of the contract had been fulfilled, the Project Engineer / Consultant will prepare a project completion certificate with the following details;

- 8.2.1 Date of commencement of the project
- 8.2.2 Project costs
 - 8.2.2.1 list of all invoices submitted and the value of each
 - 8.2.2.2 proof of all invoices submitted
- 8.2.3 Retention fees held and the release date of such
- 8.2.4 Project successes and challenges
- 8.2.5 List of all variations amounts and summary of details
- 8.2.6 BOQ of materials used
- 8.2.7 Any warranties certificates guarantee and Standard Operating Manual where necessary.
- 8.2.8 Confirmation of the satisfactory completion of all obligations by the other party per the contract.

All the above shall be part of the project certificate/chart. The project certificate/chart shall be submitted to the Assets Management Unit for unbundling of work in progress, capitalization and

Copy of the project certificate/chart be submitted to SCM Contracts Management for CPM compliancy

8.3 OCCUPATIONAL HEALTH AND SAFETY (OHS) COMPLIANCE

Reference should be made to the **Generic occupational health and safety specification for construction work contracts** which will be provided to all service providers upon appointment by the municipality.

This health and safety specification in respect of a construction work contract:

- a) Provides the overarching framework within which the contractor is required to demonstrate compliance with certain requirements for occupation health and safety established by the Occupational Health and Safety Act of 1993 during construction;
- b) Establishes the manner in which the contractor is to manage the risk of health and safety incidents during the construction stage; and

- c) Establishes the manner in which the employer's health and safety agent will interact with the contractor.

8.4 REPORTING OF UNDER-PERFORMANCE AND REMEDIAL ACTION

During monthly reporting, the Project Manager is expected to report any concerns of performance, quality and communication from the service provider's side to PMU, the Technical Director/Manager, Legal Section and SCM Contracts Management. In the scorecard, indication must also be made of achievement of timelines and staying within the budget without compromising quality.

8.4.1 The Project Manager may recommend to the Technical Director/Manager and with motivation, to terminate the contract for various reasons.

8.4.2 The Technical Director/Manager will in turn consult with the Legal Section.

Notwithstanding the above, prior to any legal action in whatever way, it is the Policy of the Municipality to always consider the impact to the community and the interests of the municipality, of any action it may take when invoking any legal or other remedies against a party in breach of such contract.

8.4.3 A letter to terminate a contract shall be issued only on instruction by the Contract Owner and through the legal section after having complied with any provisions contained for the remedy of breach and taking cognizance of repercussions and costs after consultation with the CFO.

8.4.4 All the team members involved in these discussions must firstly consider any remedial action to prevent or avoid termination or litigation. The Municipal Manager may serve as Dispute Resolution Mechanism in such cases where the relationship is breaking down or performance is beyond tolerance and impacts on project execution and financials associated with the project.

8.4.5 Final approval report to be submitted to SCM Contracts Management

9. BLACKLISTING OF SERVICE PROVIDERS

Bidders or contractors shall be reported to National Treasury for blacklisting under the following circumstances;

- Failure to disclose honestly, the relationship of the company, its shareholders, owners, and/or directors with any organs of state.
- False CIDB or fraudulent CIDB Certificates.
- False or fraudulent tax clearance certificates
- False or fraudulent municipal accounts
- Termination of contracts due to breach of contract

9.1. As soon as one of the above instances is found, the Chief Financial officer shall communicate with the service provider/contractor affected to confirm the information obtained against such.

9.2 Once the finding is confirmed, a report from the Project Manager responsible for that contract or service level agreement must be obtained with regards to the project status.

9.3 The service provider may be requested to finish the project as soon as it is practical and vacate the site with immediate effect.

9.4 Such service provider will also be blacklisted using the municipality internal blacklist register controlled by the Head of SCM and the Bid Committees shall be informed of the Blacklisted Bidders to avoid making further awards to the company in future.

9.5 A bidder reconstituted and bearing another name shall for the purposes of this register also be considered an undesirable bidder where the service providers consist of substantially the same components (including human resources and directors or owners) which gave rise to the blacklisting of first instance.

9.6 Only the BEC, BAC and Legal Services shall have access to this report. The register shall be signed off by Head of Legal Services in the municipality.

9.7 Final approval report to be submitted to SCM Contracts Management

9.8 The blacklist register shall have the following information:

- Name of the Bidder/Company, including the Trading As name
- Company registration details
- VAT Number
- Tender reference number
- Copy of MBD4
- Report proving false declaration
- Copy of letter sent to the Bidder and their response if any
- Letter of notice of blacklisting

10. ROLES AND RESPONSIBILITIES OF OFFICIALS:

10.1 Head of Supply Chain Management Division or his/her delegate:

10.1.1 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.

10.1.2 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:

10.1.2.1 Identification and classification of contracts for management purposes in terms of the SCM processes;

10.1.2.2. Recognition, measurement and disclosure;

10.1.2.3. Oversight of contract management as is provided for in this policy;

10.1.2.4. Document and information management;

10.1.2.5. Relationship management

10.1.2.6. Performance management;

10.1.2.7. Contract risk management.

10.2 CONTRACT CHAMPION MANAGEMENT (LINE MANAGERS)

10.2.1 The Contract Champion (Line Managers) is responsible for the following activities:

- 10.2.1.1 Ensuring that all the necessary legal formalities in entering into the contract are adhered to
- 10.2.1.2. Ensuring that purchase orders are processed on the financial procurement system in accordance with the pricing schedule;
- 10.2.1.3. Maintaining adequate records (paper and/or electronic) in enough detail on an appropriate contract file to provide an audit trail;
- 10.2.1.4. Inform the Asset Management section and the Expenditure Department of the location of newly procured assets for asset register and insurance purposes; and
- 10.2.1.5. Where appropriate, in terms of Council's Delegations, authorise invoices due for payment.
- 10.2.1.6. To take appropriate action in consultation with the Contract Owner (Municipal Manager/Executive Directors), Legal section and the SCM Contract Performance Manager, where a contractor is underperforming or is in default or breach of the contract.
- 10.2.1.7. Ensure performance of suppliers is managed appropriately to the terms and conditions of the contract.

10.3 CONTRACT OWNER (MUNICIPAL MANAGER/EXECUTIVE DIRECTORS)

10.3.1 The Contract Owner (Municipal Manager/Executive Directors) is responsible for ensuring that Contract Champions (Line Managers) are assigned to all contracts.

10.3.2 The Contract Champion (Line Manager) is ultimately responsible for management of the activities.

11. RECORD KEEPING

- 11.1 Proper records regarding all aspects of the contract must be maintained and kept in accordance with relevant legislation.
- 11.2 All communication related to contracts/tender must be linked to the master document tender number on the electronic procurement system of the Municipality, by the relevant official.
- 11.3 Safe custody of all contract documents must be enforced by all relevant users.
- 11.4 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.
- 11.5 The original signed contract must be sent to the records department (by the SCM Contract Management office) for safekeeping and storage.
- 11.6 The Records Department is responsible for the administration of archived contract documentation.

12. PROJECT IMPLEMENTATION COMPLIANCY/REQUIREMENTS

12.1 Project Management Unit (PMU)Office

12.1.1.The Project Management Unit oversees project implementation, grant expenditure and related reporting to the transferring department. The Unit is more concerned about qualitative reporting on the project as such, project designs, materials usage, and site meetings are coordinated with the PMU.

12.1.2.The PMU is the custodian of layout plans/designs of projects (civil/town planning/engineering).

12.1.3.Minutes of site meetings/briefing sessions (compiled by Line Manager) must be submitted to PMU for comments which may be useful in future meetings, bringing management's perspective on contractor performance, quality and timelines concerned.

12.1.4 Final approval report by PMU Manager to be submitted to SCM Contracts Management

12.1.5 The Project Management Unit (PMU) must conduct quarterly meetings with relative Contracts Champions (Line Managers), IDP section and the SCM Contract Performance Management

12.2. INTERNAL AUDIT

12.2.1.The Internal Audit Unit is responsible for assurance audit in as far as performance management and internal controls are concerned. The section is responsible to test the level of compliance with regards to this policy and may inspect project files and test completeness in as far as documents and reporting is concerned. Part of the assurance

12.2.2.Procedures is to check the validity of contracts and the level of risk exposure of the municipality and how the contract mitigates this risk.

12.2.3. MFMA Circulars also guides that the Municipal Manager may request the Internal Audit to validate the capability of the service provider in executing a project by testing its functionality, experience as well as financial resource strength necessary.

12.2.4. As part of auditing performance, the Internal Audit Section may assess the adherence to the PID or PIP and make recommendations to management.

12.3. EMPLOYER'S HEALTH AND SAFETY AGENT OR HIS/HER DELEGATE

12.3.1. Audit the contractor's compliance with the requirements of the Generic occupational health and safety specification for construction work contracts prior to the commencement of any physical construction activities on the site;

12.3.2. Accept or reject the contractor's health and safety plans, giving reasons for rejecting such plans;

12.3.3. Monitor the effective implementation of all safety plans;

12.3.4. Conduct periodic and random audits on the health and safety file to establish compliance with the requirements of this specification;

12.3.5. Visit the site at regular intervals to conduct site inspections, and based upon such visits issue, wherever necessary, Improvement Notices, Contravention Notices and Prohibition Notices, to the contractor or any of the contractor's subcontractors with a copy to the contract

13. 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.

13.1 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.

14. CONTRACT PRICE ESCALATIONS:

14.1 An appropriate contract price adjustment formula or specified terms of escalation must be specified in the bid documents.

14.2 Escalation notification must be in writing and presented before the implementation date thereof.

14.3 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.

14.4 No contract price escalation for consulting services shall be allowed.

15. 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).

15.1 MUNICIPALITY'S PERFORMANCE:

15.1.1 The municipality is required to pay creditors within 30 days of receiving all relevant invoice statements.

15.1.2 The municipality is also required to create a favourable environment to receive services and goods without preventing the supplier to perform their duties.

15.1.3 All parties involved must perform according to the terms and conditions of the relevant contract, while the contract is alive.

15.2 SUPPLIER PERFORMANCE:

15.2.1 **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).

15.2.2 **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.

15.2.3 **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.

15.2.4 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**.

15.2.5 **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 Contract Champion (Line Manager)
3. The assessment must be completed in the contract management system.
4. The 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 Contract Champion (Line Manager) must provide a copy of the assessment to the Service Provider and SCM Contract Performance Management at the end of each quarterly assessment period and on completion or termination of the contract due to non-performance by the Legal Department

7. Supply Chain Management Unit, Contract Performance Management will review the quarterly Service Provider assessments **within 20 days** after the end of each quarter and submit a summary report to the Accounting Officer / 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:** (SEE SECT 8.4)
 - a) The Municipality will facilitate support interventions to service providers in the identified areas of under-performance.
 - 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 Contract Champion (Line Managers). Corrective action should be documented in writing within the Contract Management System and copies be submitted to the Legal Section and SCM Contracts Management
 - d) The records of the support interventions must be documented by the Contract Champion (Line Mangers), signed by both parties and appropriately filed in the Contract Management System and copies submitted to the Legal Section and SCM Contracts Management for audit purposes.

16. REVIEW OF CONTRACTS

16.1 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.

16.2 In terms of section 4.5.6 of the National Treasury Contract Management Guide (2010) the Contract Owner (Municipal Manager/Executive Directors) or Contract Champion (Line Managers) must regardless of whether a contract is being closed or renewed, a review process report should be undertaken to various levels of detail depending on the classification of the contract and be submitted to SCM Contracts Management.

This review report will focus on performance under the contract and consider at least the following:

- actual quantities, prices, total values vs. budgeted quantities, prices, total values;
- actual timeliness of delivery under the contract vs. contracted timeframes;
- actual service levels or specifications of goods and services vs. those contracted;
- review of procurement or sales methods;
- future budgets;
- change supplier, buyer or other stakeholder;
- outsourcing opportunities; and
- risk strategies.

16.3 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. The renewed period of a contract can only occur once after the expiry of the contract date **with 3 months**.

17. 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**;
- d) Reviewed on a yearly basis

SOL PLAATJE MUNICIPALITY



SUPPLY CHAIN MANAGEMENT POLICY

Final Version 1.0 of March 2019

Reviewed by Council in March 2020

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	CR500
Reviewed and amended	8 February 2006	C26
Reviewed and amended	17 February 2010	C75/10
Reviewed and amended	02 March 2011	C85/11
Reviewed and amended	29 August 2012	C214/12
Reviewed and amended	07 August 2013	C175/08/13
Reviewed and amended	04 November 2014	C265/11/14
Reviewed and amended	24 February 2016	C68/2/16
Reviewed and amended	31 May 2018	C38/05/18
Reviewed and amended	12 March 2019	C31/04/19
Reviewed and amended		

Council resolves in terms of section 111 of the Local Government Municipal Finance Management Act (No. 56 of 2003), to adopt the following proposal as the Supply Chain Management Policy of the **Sol Plaatje Municipality**.

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Definitions

In this Policy, unless the context otherwise indicates, a word or expression to which a meaning has been assigned in the Municipal Finance Management Act and relevant Regulations has the same meaning as in the Act and relevant Regulations, and

“black people” is a generic term which means Africans, Coloureds and Indians as defined in the Broad-Based Black Empowerment Act (No. 53 of 2003);

“black designated groups” " has the meaning assigned to it in the codes of good practice issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act. In the context of this policy it shall therefore mean black people; women; people with disabilities; or small enterprises, as defined in section 1 of the National Small Enterprise Act, 1996 2.11. (Act No. 102 of 1996);

“contract” " means the agreement that results from the acceptance of a bid by an organ of state **“competitive bidding process”** means a competitive bidding process referred to in paragraph 12 (1) (d) of this Policy;

“competitive bid” means a bid in terms of a competitive bidding process;

"designated sector" means a sector, sub-sector or industry or product designated in terms of section 8(1)(a) of Preferential Procurement Regulations of 2017;

"EME" means an exempted micro enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

“emergency procurement” emergency cases are cases where immediate action is necessary in order to avoid dangerous or risky situation (life threatening) or misery such as floods or fires. **“exceptional/urgent Cases”** exceptional cases are cases where early delivery is of critical importance and the invitation of competitive bids is either impossible or impractical. However, a lack of proper planning should not be constituted as an urgent case subject to the approval of the Accounting Officer. The nature of the urgency and the details of the justifiable procurement must be recorded.

“final award”, in relation to bids or quotations submitted for a contract, means the final decision on which bid or quote to accept;

“formal written price quotation” means quotations referred to in paragraph 12 (1) (c) of this Policy;

“in the service of the state” means to be –

- (a) a member of –
 - (i) any municipal council;
 - (ii) any provincial legislature; or
 - (iii) the National Assembly or the National Council of Provinces;
- (b) a member of the board of directors of any municipal entity;
- (c) an official of any municipality or municipal entity;

- (d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);
- (e) a member of the accounting authority of any national or provincial public entity; or
- (f) an employee of Parliament or a provincial legislature;

"Irregular expenditure" means expenditure , other than unauthorized expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation

"long term contract" means a contract with a duration period exceeding one year;

"list of accredited prospective providers" means the list of accredited prospective providers which the municipality must keep in terms of paragraph 14 of this policy;

"other applicable legislation" means any other legislation applicable to municipal supply chain management, including –

- (a) the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000);
- (b) the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003); and
- (c) the Construction Industry Development Board Act, 2000 (Act No.38 of 2000);

"military veteran" has the meaning assigned to it in section 1 of the Military Veterans Act, 2011 (Act No. 18 of 2011)

"QSE" means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

"rural area" means- a sparsely populated area in which people farm or depend on natural resources, including villages and small towns that are dispersed through the area; or an area including a large settlement which depends on migratory labour and remittances and government social grants for survival, and may have a traditional land tenure system; **"Sub-contracting"** means the primary contractor assigning or leasing or making out work to, or employing another person or contractor to support such primary contractor in the execution of part of the project in terms of the contract.

"Treasury guidelines" means any guidelines on supply chain management issued by the Minister in terms of section 168 of the Act;

"the Act" means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);

"the Regulations" means the Local Government: Municipal Finance Management Act, 2003, Municipal Supply Chain Management Regulations published by Government Notice 868 of 2005; **"township"** means an urban living area that any time from the late 19th century until 27 April 1994, was reserved for black people, including areas developed for historically disadvantaged individuals post 27 April 1994;

“written or verbal quotations” means quotations referred to in paragraph 12(1)(b) of this Policy.

“municipality” means the Sol Plaatje Local Municipality.

“Accounting Officer” in relation to Sol Plaatje Municipality, means the Accounting Officer referred to in Section 60 of the Municipal Finance Management Act, No. 56 of 2003, in relation to a municipal entity, means the official referred to in section 93, and includes a person acting as the Accounting Officer.

“municipal entity” has the meaning assigned to it by section 1 of the Municipal Systems Act, 2000.

“SPLM” means the Sol Plaatje Local Municipality

“sole provider” means a provider of specialized or exclusive goods/services who has a sole distribution/patent/manufacturing rights and copyrights.

“accredited agent” means a provider who is authorized to deliver certain goods/services and can be trading in a specific area, however an accredited agent is not a sole provider.

“accredited” means goods/services that are officially recognized, are generally accepted or having a guaranteed quality.

“youth” has the meaning assigned to it in section 1 of the National Youth Development Agency Act, 2008 (Act No. 54 of 2008).

CHAPTER 1

IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT POLICY

2. Supply chain management policy

- (1) All relevant role players in the supply chain management system of the Sol Plaatje Municipality must implement this Policy in a way that –
 - (a) gives effect to –
 - (i) section 217 of the Constitution; and
 - (ii) Part 1 of Chapter 11 and other applicable provisions of the Act;
 - (b) is fair, equitable, transparent, competitive and cost effective;
 - (c) complies with –
 - (i) Chapter 2 of the Regulations Framework; and
 - (ii) any minimum norms and standards that may be prescribed in terms of section 168 of the Act;
 - (d) is consistent with other applicable legislation;
 - (e) does not undermine the objective for uniformity in supply chain management systems between organs of state in all spheres; and
 - (f) is consistent with national economic policy concerning the promotion of investments and doing business with the public sector.
- (2) This Policy applies when the municipality:
 - (a) procures goods, services or infrastructure deliveries;
 - (b) disposes goods no longer needed;
 - (c) selects contractors to provide assistance in the provision of municipal services otherwise than in circumstances where Chapter 8 of the Municipal Systems Act applies; or
 - (d) selects external mechanisms referred to in section 80 (1) (b) of the Municipal Systems Act for the provision of municipal services in circumstances contemplated in section 83 of that Act.
- (3) This Policy, except where provided otherwise, does not apply in respect of the procurement of goods and services contemplated in section 110(2) of the Act, including –
 - (a) water from the Department of Water Affairs or a public entity, another municipality or a municipal entity; and
 - (b) electricity from Eskom or another public entity, another municipality or a municipal entity.

3. Amendment of the supply chain management policy

- (1) The Accounting Officer must –
 - (a) at least annually review the implementation of this Policy; and
 - (b) when the Accounting Officer considers it necessary, submit proposals for the amendment of this Policy to council.
- (2) If the Accounting Officer submits proposed amendments to council that differs from the model policy issued by the National Treasury, the Accounting Officer must –
 - (a) ensure that such proposed amendments comply with the Regulations, chapter 2; and
 - (b) report any deviation from the model policy to the National Treasury and the relevant provincial treasury.
- (3) When amending this supply chain management policy, the municipality must take account of the needs for uniformity in supply chain practices, procedures and forms between organs of state in all spheres, particularly to promote accessibility of supply chain management systems for small businesses must be taken into account.

4. Delegation of supply chain management powers and duties

- (1) The council hereby delegates all powers and duties to the Accounting Officer which are necessary to enable the Accounting Officer –
 - (a) to discharge the supply chain management responsibilities conferred on Accounting Officers in terms of –
 - (i) Chapter 8 or 10 of the Act; and
 - (ii) this Policy;
 - (b) to maximize administrative and operational efficiency in the implementation of this Policy;
 - (c) to enforce reasonable cost-effective measures for the prevention of fraud, corruption, favoritism and unfair and irregular practices in the implementation of this Policy; and
 - (d) to comply with his or her responsibilities in terms of section 115 and other applicable provisions of the Act.
- (2) Sections 79 and 106 of the Act apply to the sub-delegation of powers and duties delegated to an Accounting Officer in terms of subparagraph (1).
- (3) The Accounting Officer may not sub-delegate any supply chain management powers or duties to a person who is not an official of the municipality or to a committee which is not exclusively composed of officials of the municipality;

- (4) This paragraph may not be read as permitting an official to whom the power to make final awards has been delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in paragraph 26 of this Policy.

5. Sub-delegations

- (1) The Accounting Officer may in terms of section 79 or 106 of the Municipal Finance Management Act and sections 4 and 5 of the Supply Chain Management Regulations as well as the Delegation Register of the municipality sub-delegate any supply chain management powers and duties, including those delegated to the Accounting Officer in terms of this Policy, but any such sub-delegation must be consistent with sub-paragraph (2) of this paragraph and paragraph 4 of this Policy.
- (2) The power to make a final award –
- (a) above R10 000 000 (VAT included) may not be sub-delegated by the Accounting Officer.
 - (b) above R200 000 (VAT included) but not exceeding R10 000 000 (VAT included) must be sub-delegated to the bid adjudication committee.
 - (c) above R30 000 (VAT included) but not exceeding R200 000 (VAT included) may be procured by inviting formal written quotations from as many possible service providers on the list of accredited prospective service providers by the supply chain unit, must be done in accordance with Preferential Procurement Regulations of 2011 and final evaluations and must be approved by head of supply chain management, or his/her delegate. The chief financial officer must be provided monthly with a list of all procurements.
 - (d) above R10,000 (VAT included) but not exceeding R30,000 (VAT included) may be procured by inviting formal written quotations from at least 3 (three) prospective service providers. All quotations invited must be recorded and approved by the head of supply chain management, or his/her delegate.
 - (e) above R2,000 (VAT included) but not exceeding R10,000 (VAT included) may be procured by inviting verbal or written quotations from at least 3 (three) prospective service providers.
- (3) The bid adjudication committee to which the power to make final awards has been sub-delegated in accordance with subparagraph (2) must within **five days** after each award submit to the Accounting Officer, a written report containing particulars of each final award made by such official or committee during that month, including–
- (a) the amount of the award;
 - (b) the name of the person to whom the award was made; and
 - (c) the reason why the award was made to that person.
- (4) A written report referred to in subparagraph 3 must be submitted –
- (a) to the Accounting Officer, in the case of an award by –
-

- (i) the chief financial officer; or a senior manager or delegate.
 - (ii) a bid adjudication committee of which the chief financial officer or a senior manager is a member; or
- (5) Subparagraphs (3) and (4) of this policy do not apply to procurements out of petty cash. This paragraph may not be interpreted as permitting an official to whom the power to make final awards has been sub-delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in paragraph 26 of this Policy.
- (6) No supply chain management decision-making powers may be delegated to an advisor or consultant.

6. Oversight role of council

- (1) The council reserves its right to maintain oversight over the implementation of this Policy.
- (2) For the purposes of such oversight the Accounting Officer must –
 - (a) (i) within 30 days of the end of each financial year, submit a report on the implementation of this Policy and the supply chain management policy of any municipal entity under the sole or shared control of the municipality, to the council of the municipality; and
 - (ii) Whenever there are serious and material problems in the implementation of this Policy, immediately submit a report to council.
- (3) The Accounting Officer must, within 10 days of the end of each quarter, submit a report on the implementation of the supply chain management policy to the Executive Mayor.
- (4) The reports must be made public in accordance with section 21A of the Municipal Systems Act.
- (5) For the purposes of oversight in accordance with MFMA Circular 77 the Accounting Officer must: –
 - (a) within **30 days of the end of each financial year**, submit a report on the implementation of this Policy and the equivalent policy to the council;
 - (b) whenever there are serious and material problems in the implementation of this Policy, immediately submit a report to the council;
 - (c) within **10 days of the end of each quarter**, submit a report on the implementation of the Policy to the Executive Mayor; and
 - (d) make the reports public in accordance with section 21A of the Municipal Systems Act Of 2000.

7. Supply chain management unit

- (1) A supply chain management unit is hereby established to implement this Policy.
- (2) The supply chain management unit operates under the direct supervision of the Chief Financial Officer or an official to whom this duty has been delegated in terms of section 82 of the Act.

8. Training of supply chain management officials

The Accounting Officer and all other officials of the municipality involved in the implementation of the SCM Policy must meet the prescribed competency levels in terms of the National Treasury Competency Regulations-

- (i) The municipality must provide opportunities and resources for training of officials preferred to meet the relevant prescribed supply chain management competency levels.
- (ii) That National and Provincial Treasury or any other accredited body may assist the municipality in the training of officials in meeting the relevant prescribed supply chain management competency levels.

CHAPTER 2

SUPPLY CHAIN MANAGEMENT SYSTEM

9. Format of supply chain management System

This Policy provides systems for –

- (i) demand management;
- (ii) acquisition management;
- (iii) logistics management;
- (iv) asset/disposal management;
- (v) risk management; and
- (vi) performance management.

Part 1: Demand management

10. System of demand management

- (1) The Accounting Officer must establish and implement an effective system of demand management in order to ensure that the resources required by **the municipality** support its operational commitments and its strategic goals outlined in the Integrated Development Plan.
- (2) The demand management system must –
 - (a) include timely planning and management processes through the proper implementation of the consolidated procurement plan as well as the Quotation Procurement Request Plan to ensure that all goods and services required by the municipality are quantified, budgeted for and timely and effectively delivered at the right locations and at the critical delivery dates, and are of the appropriate quality and quantity at a fair cost;
 - (b) take into account any benefits of economies of scale that may be derived in the case of acquisitions of a repetitive nature; and
 - (c) provide for the compilation of the required specifications to ensure that its needs are met.
 - (d) Must undertake appropriate industry analysis and research to ensure that innovations and technological benefits are maximized.

Part 2: Acquisition management

11. System of acquisition management

- (1) The Accounting Officer must implement the system of acquisition management set out in this Part in order to ensure –
 - (a) that goods and services are procured by the municipality in accordance with authorized processes only;
 - (b) that expenditure on goods and services is incurred in terms of an approved budget in terms of section 15 of the Act;
 - (c) that the threshold values for the different procurement processes are complied with;
 - (d) that bid documentation, evaluation and adjudication criteria, and general conditions of a contract are in accordance with any applicable legislation; and
 - (e) that any Treasury guidelines on acquisition management are properly taken into account.
- (2) When procuring goods or services contemplated in section 110(2) of the Act, the Accounting Officer must inform council and must be made public that such goods or services are procured otherwise than through the municipality supply chain management system, including -
 - (a) the kind of goods or services; and
 - (b) the name of the supplier.

12. Range of procurement processes

- (1) Goods and services may only be procured by way of –
 - (a) petty cash purchases as determined by Section 12(1)(a) of the Regulations, up to a transaction value of R2 000 (VAT included) per case but physical cash expenditure limited to R200 (VAT inclusive) per case as determined by the Accounting Officer in terms of Section 12(2)(a) of the Regulation and Section 12(2)(i) of the Policy.
 - (b) written or verbal quotations for procurements of a transaction value over R2 000 up to R10 000 (VAT included);
 - (c) formal written price quotations for procurements of a transaction value over R10 000 up to R200 000 (VAT included); and
 - (d) a competitive bidding process for–
 - (i) procurements above a transaction value of R200 000 (VAT included); and
 - (ii) the procurement of long term contracts (Referred to in section 5) .
- (3) Goods or services may not deliberately be split into parts or items of a lesser value merely to avoid complying with the requirements of the policy. When determining transaction values, a requirement for goods or services consisting of different parts or items must as far as possible be treated and dealt with as a single transaction.

13. General preconditions for consideration of written quotations or bids

- (1) A written quotation or bid may not be considered unless the provider who submitted the quotation or bid –
- (a) has furnished the municipality with that provider's –
 - (i) full name;
 - (ii) identification number or company or other registration number;
 - (iii) tax reference number and VAT registration number, if any; and
 - (iv) Original valid tax clearance certificate and Tax Compliance Status (TCS) pin certificate from the South African Revenue Services.
 - (v) check in respect of the recommended bidder whether municipal rates and taxes and municipal service charges are not in arrears;
 - (vi) Current compliant CSD registration certificate; and
 - (vii) Original BBBEE certificate accredited by SANAS or an original certified Sworn Affidavit for EME'S
 - (b) Requirements for construction and engineering related bids should be awarded according to CIDB Regulations;
 - (c) And has indicated –
 - (i) whether he or she is in the service of the state, or has been in the service of the state in the previous twelve months;
 - (ii) if the provider is not a natural person, whether any of its directors, managers, principal shareholders or stakeholder is in the service of the state, or has been in the service of the state in the previous twelve months; a spouse, child or parent of the provider or of a director, manager, shareholder or stakeholder referred to in subparagraph (ii) is in the service of the state, or has been in the service of the state in the previous twelve months.
- (iii) Any person or service provider who fails to disclose his or her employment status with organs of state, his or her contract will be terminated immediately, the service provider shall be deregistered and shall not be allowed to bid for a period not less than three years and shall be reported to National Treasury for blacklisting.

14. Lists of accredited prospective providers

- (1) The Accounting Officer must –
- (a) keep a list of accredited prospective providers of goods and services that must be used for the procurement requirements through written or verbal quotations and formal written price quotations; and
 - (b) at least once a year through newspapers commonly circulating locally, the website and any other appropriate ways, invite prospective providers of goods or services to apply for evaluation and listing as accredited prospective bidders.
 - (c) specify the minimum listing criteria for accredited prospective providers:
 - (i) physical trading address,
 - (ii) ownership and HDI status,
 - (iii) goods/ services provide a valid updated tax certificate from SARS, or any other means as may be guided or regulated by National Treasury and SARS in this regard.
 - (iv) The municipality shall accept the SARS Tax Compliance Status (TCS) pin-code for tax status validation and for bidders to qualify, a green tax status is acceptable to confirm this information.
 - (v) references of services provided,
 - (vi) municipal accounts up to date.
 - (vii) Any other criteria that may be added.
 - (d) disallow the listing of any prospective provider whose name appears on the National Treasury's database as a person prohibited from doing business with the public sector, in accordance with the MFMA Circular 46 (as amended from time to time).
- (2) The list must be updated at least quarterly to include any additional prospective providers and any new commodities or types of services. Prospective providers must be allowed to submit applications for listing at any time.
- (3) The list must be compiled per commodity and per type of service.
- (4) In the case where the supplier database is maintained by a government department, in this case, National Treasury, through the Central Supplier Database, the municipality shall keep records of service providers at the level of detail that will ensure minimum compliance requirements in as far as status of the municipal account, declaration of interest, relatedness to people in service of state.

15. Petty cash purchases

- (1) The conditions for the procurement of goods by means of petty cash purchases referred to in paragraph 12 (1) (a) of this Policy, are as follows –
- (a) Council determines the terms on which a manager may delegate responsibility for petty cash to an official reporting to the manager; petty cash threshold to be delegated per month is R2000 per case;
 - (b) Council determines the maximum number of petty cash purchases or the maximum amounts per month for each manager; threshold per month is R2000 in total per case;
 - (c) a monthly reconciliation report from the acquisition manager must be provided to the chief financial officer, including –
 - (i) the total amount of petty cash purchases for that month; and
 - (ii) receipts and appropriate documents for each purchase.
 - (d) insert any other conditions determined by the council.

16. Written or verbal quotations

- (1) The conditions for the procurement of goods or services through written or verbal quotations, are as follows:
- (a) that quotations must be obtained from at least three different service providers preferably from, but not limited to, service providers whose names appear on the list of accredited prospective service providers of the municipality, provided that if quotations are obtained from service providers who are not listed, such service providers must meet the listing criteria set out in paragraph 14(1)(b) and (c) of this Policy and be registered on the CSD;
 - (b) where no suitable accredited service providers are available from the list, quotations may be obtained from other possible service providers not on the list, provided that such service providers meet the listing criteria set out in paragraph 14(1)(b) and (c) of this Policy and be registered on the CSD;
 - (c) quotations must be invited on a rotation basis;
 - (d) to the extent feasible, providers must be requested to submit such quotations in writing;
 - (e) if it is not possible to obtain at least three quotations, the reasons must be recorded and reported quarterly to the Accounting Officer or another official designated by the Accounting Officer;
 - (f) the Accounting Officer must record the names of the potential providers requested to provide such quotations with their quoted prices; and
 - (f) if a quotation was submitted verbally, the order may be placed only against written confirmation by the selected provider.

17. Formal written price quotations

- (1) The conditions for the procurement of goods or services through formal written price quotations are as follows:
 - (a) A central supply chain management unit will obtain in writing quotations from at least three different service providers whose names appear on the list of accredited prospective providers of the municipality;
 - (b) that quotations must be obtained from at least three different providers preferably from, but not limited to, providers whose names appear on the list of accredited prospective providers of the municipality, provided that if quotations are obtained from providers who are not listed, such providers must meet the listing criteria set out in paragraph 14(1)(b) and (c) of this Policy, be registered on CSD and SPM financial system as an approved service provider;
 - (c) if it is not possible to obtain at least three quotations, the reasons must be recorded and approved by the relevant senior manager, in the absence of whom must be a senior official or an official designated by the Municipal Manager
 - (d) the head of Supply Chain Management must record the names of the potential providers and their written quotations.
- (2) A designated official referred to in subparagraph (1) (c) must within three days of the end of each month report to the chief financial officer on any approvals given during that month by that official in terms of that subparagraph.

18. The procedure for the procurement of goods or services through written or verbal quotations or formal written price quotations, is as follows:

- (a) When using the list of accredited prospective service providers the Accounting Officer must promote ongoing competition amongst providers by inviting providers to submit quotations on a rotation basis;
- (b) All requirements in excess of R30 000 (VAT included) that are to be procured by means of formal written price quotations must, in addition to the requirements of paragraph 17, be advertised for at least seven (7) **calendar** days on the website and an official notice board of the municipality; evaluation will be on 80:20 point system where 80 points is for price and 20 points for BBBEE status level as per the Preferential Procurement Regulations of 2017.
- (c) Offers received must be evaluated on a comparative basis taking into account only unconditional discounts;
- (d) the Accounting Officer or chief financial officer must on a monthly basis be notified in writing of all written or verbal quotations and formal written price quotations accepted by an official acting in terms of a sub-delegation;
- (e) A cooling off period of 30 calendar days be applied on all re-advertised procurement through formal written quotations

- (f) 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;
- (g) 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

- (h) After approval of a bid, the Accounting Officer or an official delegated by the Accounting Officer must enter into a written agreement prior to the implementation thereof.
- (i) Proper record keeping;
 - (i) Original / legal copies of written contracts agreements should be kept in a secure place for reference purposes.

21. Bid documentation for competitive bids

- (1) In addition to regulation 13 the criteria to which bid documentation for a competitive bidding process must –
 - (a) take into account –
 - (i) the general conditions of contract and any special conditions of contract, if specified;
 - (ii) any Treasury guidelines on bid documentation; and
 - (iii) the requirements of the Construction Industry Development Board, in the case of a bid relating to construction, upgrading or refurbishment of buildings or infrastructure;
 - (b) include the preference points system to be used, as contemplated in the Preferential Procurement Regulations of 2017 and evaluation and adjudication criteria, including any criteria required by other applicable legislation;
 - (c) compel bidders to declare any conflict of interest they may have in the transaction for which the bid is submitted;
 - (d) if the value of the transaction is expected to exceed R10 million (VAT included), require bidders to furnish–
 - (i) if the bidder is required by law to prepare annual financial statements for auditing, their audited annual financial statements –
 - (aa) for the past three years; or
 - (bb) since their establishment if established during the past three years;
 - (ii) a certificate signed by the bidder certifying that the bidder has no undisputed commitments for municipal services towards a municipality or other service provider in respect of which payment is overdue for more than 30 days;
 - (iii) particulars of any contracts awarded to the bidder by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract;
 - (iv) a statement indicating whether any portion of the goods or services are expected to be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality or municipal entity is expected to be transferred out of the Republic; and

- (e) stipulate that disputes must be settled by means of mutual consultation, mediation (with or without legal representation), or, when unsuccessful, in a South African court of law. The Accounting Officer reserves the right to stipulate that such a dispute to be settled utilizing a court of law within the Sol Plaatje municipal district.

22. Public invitation for competitive bids

- (1) Timely notification of bidding opportunities is essential in competitive bidding. Bids should be advertised for a minimum period of thirty (30) calendar days (above R10 million or longer than twelve (12) months) before closure in at least the Government Tender Bulletin, e-Tender Publication, CIDB i-Tender system for construction-related tenders, and in any other appropriate media that the *Accounting Officer shall* deem it necessary to ensure greater exposure to potential bidders except in urgent cases when bids may be advertised for such shorter periods as the *Accounting Officer* may determine.
- (2) The shortened tender period cannot be less than fourteen (14) calendar days (less than R10 million and a maximum of 12 months). The *relevant section* will bear the responsibility for advertising costs. The *department* will maintain a list of responses to the advertisement. The related pre-qualification or bidding document should be available on the publication date of the advertisement.
- (3) The procedure for the invitation of competitive bids is as follows:
 - (a) Any invitation to prospective providers to submit bids must be by means of a public advertisement in newspapers commonly circulating locally, the website of the municipality **or** any other appropriate ways which may include the Government Tender Bulletin.
 - (b) The information contained in a public advertisement, must include –
 - (i) the closure date for the submission of bids, which may not be less than thirty (30) calendar days in the case of transactions over R10 million (VAT included), or which are of a long-term nature, or fourteen (14) calendar days in any other case, from the date on which the advertisement is placed in a newspaper, subject to subparagraph 2.;
 - (ii) a statement that bids may only be submitted on the bid documentation provided by the municipality; and
 - (iii) date, time and venue of any proposed site meetings or briefing sessions.;

- (4) The Accounting Officer may determine a closure date for the submission of bids which is less than the thirty (30) or fourteen (14) calendar days requirement, but only if such shorter period can be justified on the grounds of urgency or emergency or any exceptional case where it is impractical or impossible to follow the official procurement process, not less than seven (7) calendar days.
- (5) Bids submitted must be sealed; the envelope must contain the bid number and closing date.
- (6) Where bids are requested in electronic format, such bids must be supplemented by sealed hard copies.

23. Procedure for Handling, opening and recording of bids

The time for the bid opening should be the same as the deadline for receipt of bids, or promptly thereafter and should be announced, together with the place for bid opening, in the invitation to bid. To standardize the closing of bids, bids should close at 11:00.

All bids must be opened in public at the stipulated time and place, if practical. Notwithstanding the number and volume of the bids received, bidders or their representatives should be allowed to be present at the bid opening meeting at 12:00.

The names of the bidders and if practical, the total price of each bid and of any alternative bids, should be read aloud.

Immediate after opening a current CSD report for proof of compliancy to SARS be printed by SCM officials

The procedures for the handling, opening and recording of bids, are as follows:

- (a) Bids–
 - (i) must be opened only in public;
 - (ii) must be opened at the same time and as soon as possible after the period for the submission of bids has expired; and
 - (iii) received after the closing time should be recorded and but not be considered and returned unopened immediately.
- (b) Any bidder or member of the public has the right to request that the names of the bidders who submitted bids in time must be read out and, only for construction bids each bidder's total bidding price will be read out as well;
- (c) No information, except the provisions in subparagraph (b), relating to the bid should be disclosed to bidders or other persons until the successful bidder is notified of the award; and
- (d) The Accounting Officer must –
 - (i) record in a register all bids received in time;
 - (ii) make the register available for public inspection; and
 - (iv) publish the entries in the register and the bid results on the website of the municipality.

24. Two-stage bidding process

- (1) A two-stage bidding process is allowed for –
 - (a) large complex projects;
 - (b) projects where it may be undesirable to prepare complete detailed technical specifications; or
 - (c) long term projects with a duration period exceeding three years.
- (2) In the first stage technical proposals on conceptual design or performance specifications should be invited, subject to technical as well as commercial clarifications and adjustments.
- (3) In the second stage final technical proposals and priced bids should be invited.

25. Negotiations with preferred bidders

- (1) The Accounting Officer may, in terms of this Supply Chain Management Policy negotiate the final terms of a contract with bidders identified through a competitive bidding process as preferred bidders, provide that such negotiation –
 - (a) does not allow any preferred bidder a second or unfair opportunity
 - (b) is not to the detriment of any other bidder; and
 - (c) does not lead to a higher price than the bid as submitted.
- (2) Minutes of such negotiations must be kept for record purposes.

26. Committee system for competitive bids

- (1) A committee system for competitive bids shall consist of the following committees:
 - (a) a bid specification committee;
 - (b) a bid evaluation committee; and
 - (c) a bid adjudication committee;
- (2) The Accounting Officer appoints the members of each committee, taking into account section 117 of the Act; and cannot be sub-delegated except for the CFO in the adjudication committee who can appoint a sub-delegate
 - (a) All members of the three committees are appointed for 2 years and may be re-appointed for another 2 years and must declare their financial interest, sign the SCM code of conduct, and also declare business interest(s). Technical experts must, if the Municipality has such an expert, form part of the bidding process.
- (2) Members of all the bid committees are jointly responsible for the decisions made by the committees in which they serve.
- (3) A neutral or independent observer, appointed by the Accounting Officer, must attend or oversee a committee when this is appropriate for ensuring fairness and promoting transparency. Such an observer must ensure there is no conflict of interest and should not participate in any government procurement processes.

- (4) The committee system must be consistent with –
 - (a) paragraph 27, 28 and 29 of this Policy; and
 - (b) any other applicable legislation.
- (5) The Accounting Officer may apply the committee system to formal written price quotations.
- (6) Quorum: The Bid Committees cannot undertake business without a quorum present, consisting of half plus one of its total members with voting powers (rounded to the nearest whole number).

27. Bid specification and Procurement documentation committees

- (1) A bid specification committee must compile the specifications for the procurement of goods or services and a procurement documentation committee for infrastructure delivery in accordance with MFMA Circular 77 by the municipality.
- (2) Specifications –
 - (a) must be drafted in an unbiased manner to allow all potential suppliers to offer their goods, services and infrastructure;
 - (b) must take account of any accepted standards such as those issued by Standards South Africa, the International Standards Organization, or an authority accredited or recognized by the South African National Accreditation System with which the equipment or material or workmanship should comply;
 - (c) must, where possible, be described in terms of performance required rather than in terms of descriptive characteristics for design;
 - (d) may not create trade barriers in contract requirements in the forms of specifications, plans, drawings, designs, testing and test methods, packaging, marking or labelling of conformity certification;
 - (e) may not make reference to any particular trade mark, name, patent, design, type, specific origin or producer unless there is no other sufficiently precise or intelligible way of describing the characteristics of the work, in which case such reference must be accompanied by the word “equivalent”;
 - (f) must indicate the pre-qualification criteria for preferential procurement as set out in the Preferential Procurement Regulations 2017; and
 - (g) must be approved by the Accounting Officer or may be delegated to the specification committee prior to publication of the invitation for bids in terms of paragraph 22 of this Policy.
- (7) A bid specification committee must be composed of three (3) 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 (Line Manager) 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 three 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.
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29. Bid evaluation and Evaluation committees

- (1) A bid evaluation committee for goods and services must –
- (a) evaluate bids in accordance with –
 - (i) the specifications for a specific procurement; and
 - (ii) the point system must be set out in the supply chain management policy of municipality in terms of regulation 27(2) (f) and as prescribed in terms of the Preferential Procurement Policy Framework Act.
 - (b) evaluate each bidder's ability to execute the contract;
 - (c) check in respect of the recommended bidder whether municipal rates and taxes and municipal service charges are not in arrears, and;
 - (d) submit to the adjudication committee a report and recommendations regarding the award of the bid or any other related matter.
- (2) An evaluation committee for infrastructure must review and compile the evaluation reports by verifying the following: -
- (a) the capability and capacity of the bidders;
 - (b) tax and municipal rates compliance status;
 - (c) the compulsory declaration has been completed;
 - (d) the tenderer is not listed in the National Treasury's Register for tender Defaulters or list of restricted suppliers.
 - (e) An original B-BBEE certificates credited by SANAS, or certified copy thereof OR
 - (f) An original certified B-BBEE sworn affidavit for EME's
- (3) A bid evaluation committee for goods and services must as far as possible be composed of-
- a) Five (5) 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 five (5) members. The chairperson shall be an employee of the municipality with required skills. Other members shall include a SCM practitioner and three (3) officials from the department requiring Infrastructure delivery.

30. Validity period

- (1)(a) Bidders should be required to submit bids valid for a period not exceeding **ninety (90) days**. This period should be sufficient to enable the bid committees to complete the comparison and evaluation of bids, review the recommendation and - ward the contract. For construction related tenders, the validity period shall generally not exceed ninety (90) days and in exceptional circumstances, it may be extended beyond the ninety days to hundred and **twenty (120) days** due to the verification of supporting documents and complexity of the tender document.
- (b) An extension of bid validity, if justified in exceptional circumstances, should be requested in writing from all bidders before the expiration date. The extension should not exceed thirty (30) days to complete the evaluation, obtain the necessary approvals and award the contract.
- (c) In the case of fixed price contracts, requests for second and subsequent extensions should be permissible only if the request for extension provides for an appropriate adjustment mechanism of the quoted price to reflect changes of inputs for the contract over the period of extension. Bidders should have the right to refuse such an extension without forfeiting their bid security, but those who are willing to extend the validity of their bids should be required to provide a suitable extension of bid security, if applicable.

REVIEW OF CONTRACTS

- (2) (a) In terms of section 116 (1) of the MFMA, a contract or agreement procured through the Supply Chain Management system must have a periodic **review once every three years** in the case of a contract or agreement that are longer than three years.
- (b) Extension period of a contract could only be extended **once by 3 months**
- (c) The Contract Owner (Municipal Manager/Executive Directors) or Contract Champion (Line Managers) must conduct, as appropriate, within 3 months after the expiry of contracts, post contract reviews.

31. Evaluation of bids based on functionality as a criterion

In general, the need to invite bids based on functionality as a criterion depends on the nature of the required commodity or service considering quality, reliability, viability and durability of a service and the bidder's technical capacity and ability to execute a contract.

When the municipality invites a bid that will also be evaluated based on functionality as a criterion, the *Accounting Officer or the Bid Specifications Committee* must clearly specify the following aspects in the bid documents:

a) Evaluation criteria for measuring functionality

The evaluation criterion may include criteria such as the consultant's relevant experience for the assignment, the quality of the methodology; the qualifications of key personnel; transfer of knowledge, etc.

b) Weight of each criterion

The weight allocated to each criterion should not be generic but should be determined separately for each bid on a case by case basis.

c) Applicable value

The applicable values that will be utilized when scoring each criterion should be objective. As a guide, values ranging from 1 being poor, 2 being average, 3 being good, 4 being very good and 5 being excellent, may be utilized.

d) Minimum qualifying score for functionality

The minimum qualifying score that must be obtained for functionality in order for a bid to be considered should not be generic. It should be determined separately for each bid or on a case by case basis. The minimum qualifying score must not be prescribed so low that it may jeopardize the quality of the service required nor so high that it may be restrictive to the extent that it jeopardizes the fairness of the SCM system.

The evaluation criteria for measuring functionality must be objective. The tender documents must specify-

- The evaluation criteria for measuring functionality;
- The points for each criteria and, if any, each sub-criterion; and
- The minimum qualifying score for functionality.
- The minimum qualifying score for functionality for a tender to be considered further-

Points scored for functionality must be rounded off to the nearest two decimal places. A tender that fails to obtain the minimum qualifying score for functionality as indicated in the tender documents is not an acceptable tender.

Each tender that obtained the minimum qualifying score for functionality must be evaluated further in terms of price and the preference point system and any objective criteria envisaged in section 11 of Preferential Procurement Regulation of 2017.

32. Unsolicited proposals

An unsolicited proposal *or* concept means any proposal or concept received by an institution

Outside its normal procurement process. An unsolicited bid is mainly or is expected to be submission that must be innovative, unique and provided by a sole supplier.

The municipality is not obliged to consider an unsolicited proposal but may consider such a proposal only if it meets the following requirements:

- a. A comprehensive and relevant project feasibility study has established a clear business case; and
- b. The product or service involves an innovative design; or
- c. The product or service involves an innovative approach to project development and management; or
- d. The product or service presents a new and cost-effective method of service delivery.

The *Accounting Officer must* reject the unsolicited proposal if the proposal relates to known institutional requirements that can, within reasonable and practicable limits, be acquired by conventional competitive bidding methods. The following are example of unsolicited bids that may be rejected by the Accounting Officer or Delegate;

- a. Relates to products or services which are generally available;
- b. Does not fall within the institution's powers and functions;
- c. Has not been submitted by a duly authorized representative of the proponent; or
- d. Contravenes the provisions of any law.

If the *Accounting Officer or Delegate* decides to reject the unsolicited proposal, he or she must:

- a. Notify the authorized representative of the proponent by registered post that the municipality has rejected the unsolicited proposal;
- b. Ensure that the *municipality or user department* does not make use of any of the intellectual property or proprietary data in the unsolicited proposal; and
- c. Return to the proponent by registered mail all documents received in the unsolicited proposal including any copies of these documents.

If the *Accounting Officer* decides to consider the unsolicited proposal, he or she must send a registered letter to the proponent confirming the decision to consider the unsolicited proposal. If the unsolicited proposal agreement is concluded, the user department must prepare, and issue bid documents.

33. Bid adjudication and tender committees

- (1) A bid adjudication committee for goods and services must –
 - (a) consider the report and recommendations of the bid evaluation committee; and
 - (b) either –
 - (i) depending on its delegations, make a final award or a recommendation to the Accounting Officer to make the final award; or
 - (ii) make another recommendation to the Accounting Officer on how to proceed with the relevant procurement.
- (2) A bid adjudication committee for goods and services is appointed for period determined by the Accounting Officer and must consist of at least four senior managers of the municipality which must include –
 - (a) the chief financial officer or, if the chief financial officer is not available, another manager in the budget and treasury office reporting directly to the chief financial officer and designated by the chief financial officer; and
 - (b) at least one senior supply chain management practitioner who is an official of the municipality; and any other 3 senior managers.
 - (c) a technical expert in the relevant field who is an official of the Municipality if such a person is available;
- (3) Outside technical experts must form part of the adjudication process; they must leave the meeting after advice has been given. Only the standing committee members can be involved in final deliberations and recommendations for final approval.
- (4) The Accounting Officer must appoint the chairperson of the committee. If the chairperson is absent from a meeting, the members of the committee who are present must elect one of them to preside at the meeting.
- (5) Neither a member of a bid evaluation committee, nor an advisor or person assisting the evaluation committee, may be a member of a bid adjudication committee.

- (6) (a) If the bid adjudication committee decides to award a bid other than the one recommended by the bid evaluation committee, the bid adjudication committee must prior to awarding the bid –
 - (i) check in respect of the preferred bidder whether that bidder's municipal rates and taxes and municipal service charges are not in arrears, and;
 - (ii) notify the Accounting Officer.
- (b) The Accounting Officer may –
 - (i) after due consideration of the reasons for the deviation, ratify or reject the decision of the bid adjudication committee referred to in paragraph (a); and
 - (ii) if the decision of the bid adjudication committee is rejected, refer the decision of the adjudication committee back to that committee for reconsideration.
- (7) The Accounting Officer may at any stage of a bidding process, refer any recommendation made by the evaluation committee or the adjudication committee back to that committee for reconsideration of the recommendation.
- (8) The Accounting Officer must comply with section 114 of the Act within 10 working days.
- (9) For the purposes of continuity and not to delay meetings the Accounting Officer may also appoint any official to temporarily replace members that are absent from meetings due to illness, leave, etc. The Accounting Officer may also decide whether or not such an official will have the same powers as committee members.
- (10) A tender committee for Infrastructure delivery must: -
 - (a) consider the report and recommendations of the evaluation committee and:
 - (i) verify that the procurement process which was followed complies with the provisions of this document;
 - (ii) confirm that the report is complete and addresses all considerations necessary to make a recommendation;
 - (iii) confirm the validity and reasonableness of reasons provided for the elimination of tenderers;
 - (iv) consider commercial risks and identify any risks that have been overlooked or fall outside of the scope of the report which warrant investigation prior to taking a final decision; and
 - (b) refer the report back to the evaluation committee for their reconsideration or make an award of a tender with or without conditions. If the value is under R10 000 000. If above R10 000 000, make recommendation to the Accounting Officer.
- (11) The tender committee shall consider proposals regarding the cancellation, amendment, extension or transfer of contracts that have been awarded.
- (12) The tender committee shall consider the merits of an unsolicited offer and make a recommendation Accounting Officer.

- (13) The tender committee shall report to the Accounting Officer any recommendation made to award a contract to a tenderer other than the tenderer recommended by the evaluation committee giving reasons for making such a recommendation.
- (14) The tender committee shall not make a recommendation for an award of a contract or order if the recommended tenderer or framework contractor has :
 - (i) made a misrepresentation or submitted false documents in competing for the contract or order; or
 - (ii) been convicted of a corrupt or fraudulent act in competing for any contract during the past five years
- (15) The Tender committee may on justifiable grounds and after following due process, disregard the submission of any tenderer if that tenderer or any of its directors, members or trustees or partners has abused the delivery management system or has committed fraud, corruption or any other improper conduct in relation to such system. The National Treasury and the provincial treasury shall be informed where such tenderers are disregarded.
- (16) The Tender committee shall comprise of the same persons as for the bid adjudication committee and will deal with tenders both for general goods and services and for infrastructure.

34. Procurement of banking services

- (1) A contract for the provision of banking services –
 - (a) must be procured through competitive bids;
 - (b) must be consistent with section 7 or 85 of the Act; and
 - (c) may not be for a period of more than five years at a time.
- (2) The process for procuring a contract for banking services must commence at least nine months before the end of an existing contract.
- (3) The closure date for the submission of bids may not be less than sixty (60) calendar days from the date on which the advertisement is placed in a newspaper in terms of paragraph 22(1). Bids must be restricted to banks registered in terms of the Banks Act, 1990 (Act No. 94 of 1990).

35. Procurement of IT related goods or services

- (1) The Accounting Officer may request the State Information Technology Agency (SITA) to assist with the acquisition of IT related goods or services through a competitive bidding process.
- (2) The parties must enter into a written agreement to regulate the services rendered by, and the payments to be made to, SITA.
- (3) The Accounting Officer must notify SITA together with a motivation of the IT needs of the municipality if –
 - (a) the transaction value of IT related goods or services required by the municipality in any financial year will exceed R50 million (VAT included); or

- (b) the transaction value of a contract to be procured by the municipality whether for one or more years exceeds R50 million (VAT included).
- (4) If SITA comments on the submission and the municipality disagree with such comments, the comments and the reasons for rejecting or not following such comments must be submitted to the council, the National Treasury, the relevant provincial treasury and the Auditor General.

36. Procurement of goods and services under contracts secured by other organs of state

- (1) The Accounting Officer may procure goods or services for the municipality under a contract secured by another organ of state, but only if –
 - (a) the contract has been secured by that other organ of state by means of a competitive bidding process applicable to that organ of state;
 - (b) the municipality has no reason to believe that such contract was not validly procured;
 - (c) there are demonstrable discounts or benefits for the municipality to do so; and
 - (d) that other organ of state and the provider have consented to such procurement in writing.
- (2) Subparagraphs (1)(c) and (d) do not apply if –
 - (a) a municipal entity procures goods or services through a contract secured by its parent municipality; or
 - (b) a municipality procures goods or services through a contract secured by a municipal entity of which it is the parent municipality.

37. Procurement of goods necessitating special safety arrangements

- (1) The acquisition and storage of goods in bulk (other than water), which necessitate special safety arrangements, including gasses and fuel, must be restricted where ever possible.
- (2) Where the storage of goods in bulk is justified, such justification must be based on sound reasons, including the total cost of ownership and cost advantages for the municipality.

38. Local Production and Content

- (1) The municipality must where the Department of Trade and Industry in consultation with National Treasury assigned designated sectors, sub-sectors or industries or products for local production and content advertise the invitation to tender with a specific condition that only locally produced goods or locally manufactured goods with a stipulated minimum threshold for local production and content will be considered.
- (2) The threshold referred to in paragraph (1) must be in accordance with the standards determined by the Department of Trade and Industry in consultation with National Treasury.
- (3) A tender that fails to meet the minimum stipulated threshold for local content and production is an unacceptable tender.

39. Compulsory subcontracting

1) For bids above R30 million, the municipality will apply a compulsory subcontracting to advance designated groups, unless it is impractical to do so. The Bid Specification Committee will report any deviation from this requirement to the Accounting Officer or his designate, being the Chief Financial Officer.

2) If the municipality applies the subcontracting as contemplated in subsection (30.1), the municipality must advertise the tender with a specific tendering condition that the successful tenderer must subcontract a minimum of 30% of the value of the contract to-

- i. an EME or QSE;
- ii. an EME or QSE which is at least 51% owned by black people;
- iii. an EME or QSE which is at least 51% owned by black people who are youth;
- iv. an EME or QSE which is at least 51% owned by black people who are women;
- v. an EME or QSE which is at least 51% owned by black people with disabilities;
- vi. an EME or QSE which is 51% owned by black people living in rural or underdeveloped areas or townships ;
- vii. a cooperative which is at least 51% owned by black people;
- viii. an EME or QSE which is at least 51% owned by black people who are military veterans; or
- ix. more than one of the categories referred to in paragraphs (a) to (h).

3) The *municipality* will make available the list of all suppliers registered on a database approved by the National Treasury to provide the required goods or services in respect of the applicable designated groups from which the tenderer must select a supplier sub-contracting after award of tender.

4) A person awarded a contract may only enter into a subcontracting arrangement with the approval of the municipality.

5) A person awarded a contract in relation to a designated sector, may not subcontract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold:

6) A person awarded a contract may not subcontract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level of Contributor than the person concerned unless the contract is subcontracted to an EME that has the capability and ability to execute the subcontract

40. Appointment of consultants

Clarification of specific provisions within the MCCR (MFMA Circular 97 – Cost Containment Policy)

Use of Consultants

Regulation 5 provides for municipalities and municipal entities' use of consultants. It should be made clear that the MCCR do not prohibit the use of consultants, but require municipalities and municipal entities, before procuring the services of a consultant, to assess the need thereof against the available internal capacity for the specific services required. Failure to undertake the latter assessment will result in the expenditure incurred being classified as irregular expenditure.

- (1) The Accounting Officer may procure consulting services provided that National Treasury guidelines in respect of consulting services are taken into account when such procurements are made.
 - (2). Consultancy services must be procured through competitive bidding or by deviating by using a roster system in accordance with the Supply Chain Management Regulations, section 36 which provides that if is impractical to invite competitive bids, the Municipality will procure the required goods or services by other means using a roster system, provided that the reasons for deviating from inviting competitive bids must be recorded and approved by the Accounting Officer and must be reported to Council. Such a roster system provides that where services are required on a recurring basis, a panel of consultants/list of approved service providers for the rendering of these services may be established.
 - (3) The Municipality may utilize a roster system to procure consultancy services with a value up to five (R5) million for projects inclusive of professional fees. For all consultancy services not listed, competitive bidding procedures will prevail subject to the following provisions:
 - (a) the value of the contract exceeds R200 000 (VAT included); or
 - (b) the duration period of the contract exceeds one year.
- (3.1) **Category's for registration will be as follows:**
- (i) For projects up to R1 000 000 (incl)
 - (ii) For projects from R1 000 000 – R2 000 000 (incl)
 - (iii) For projects from R2 000 000 – R3 000 000 (incl)
 - (iv) For projects from R3 000 000 – R5 000 000 (incl)
- (3.2) An annual roster will be compiled of consultants within various professional categories and three quotations will be obtained per project on a rotational basis.
- (a) To compile a roster, advertisements will be placed annually in the local newspapers, Government Tender Bulletin and the website inviting enterprises to register.

- (b) Potential service providers must provide the following details to register,
 - (i) Composition of firm in terms of shareholding,
 - (ii) Staff complement,
 - (iii) Representation of expertise in respect of disciplines required and Curriculum Vitae's (CV),
 - (iv) National/ international acceptability of expertise in the various professions,
 - (v) Experience as reflected in the projects already dealt with and financial value,
 - (vi) Proof of financial viability of the firm
 - (vii) Valid SARS certificate, TCS Certificate, and
 - (viii) A fee structure, as regulated by a professional body.

(3.3) Types of consultancy services that will be procured on a roster system:

(a) Construction related projects:

- (i) Town Planners
- (ii) Land Surveyors
- (iii) Environmental Consultants
- (iv) Civil Engineers
- (v) Architects
- (vi) Quantity Surveyors
- (vii) Electrical Engineers
- (viii) Mechanical Engineers
- (ix) Project Management Specialists
- Fee structure charged as approved by professional bodies.

(b) Audit and Financial services

- (i) Auditors and Internal Auditors
- (ii) Accountants and Accounting Services.
- Fee structure charged as approved by the Auditor-General.

(c) Other professional services

- (i) Specialist in Economic Development and Planning
- (ii) Skills Development
- (iii) Strategist
- (iv) Research Consultants
- (v) Policy Development Specialists.
- Fee structure charged as approved by DPSA Guide on hourly fee rates for consultants, annually published January and July.

Website: <http://www.dpsa.gov.za/>

https://www.saica.co.za/portals/0/documents/Circular_01_2018_Guideline_on_AGSA_Fees.pdf

www.dpsa.gov.za/dpsa2g/consultant_fees.asp

Projects/sdi/consultants.htm

(4) For projects exceeding five million (VAT incl) consultancy services must be procured through competitive bids.

- (5) In addition to any requirements prescribed by this policy for competitive bids or roster listing bidders must furnish the municipality with particulars of –
 - (a) all consultancy services provided to an organ of state in the last five years; and
 - (b) any similar consultancy services provided to an organ of state in the last five years
- (6) The Accounting Officer must ensure that copyright in any document produced, and the patent rights or ownership in any plant, machinery, thing, system or process designed or devised, by a consultant in the course of the consultancy service is vested in the municipality.
- (7) In categories where there is limited service providers registered and services offered are not satisfactory, normal supply chain management acquisitioning procedures will be followed.

41. Conflict of interest

- 1) Consultants are required to provide professional, objective and impartial advice and at all times hold the client's interest's paramount, without any consideration for future work and strictly avoid conflicts with other assignments or their own corporate interests. Consultants should not be hired for any assignment that would conflict with their prior obligations to other clients, or that may place them in a position of not being able to carry out the assignment in the best interest of the State. Without limitation on the generality of this rule, consultants will not be hired under the following circumstances:
- 2) A firm, which has been engaged by the *Accounting Officer* to provide goods or works for a project and any of its affiliates, should be disqualified from providing consulting services for the same project. Similarly, a firm hired to provide consulting services for the preparation or implementation of a project and any of its affiliates, should be disqualified from subsequently providing goods or works or services related to the initial assignment (other than a continuation of the firm's earlier consulting services) for the same project, unless the various firms (consultants, contractors, or suppliers) are performing the contractor's obligations under a turnkey or design-and-build contract;
- 3) Consultants or any of their affiliates should not be hired for any assignment which, by its nature, may conflict with another assignment of the consultants. As an example, consultants hired to prepare an engineering design for an infrastructure project should not be engaged to prepare an independent environmental assessment for the same project, and consultants assisting a client in the privatization of public assets should not purchase, nor advise purchasers of such assets.
- 4) If the assignment includes an important component for training or transfer of skills, the Terms of Reference (TOR) should indicate the objectives, nature, scope and goals of the training programme, including details of trainers and trainees, skills to be transferred, time-frames and monitoring and evaluation arrangements. The cost for the training should be included in the consultant's contract and in the budget for the assignment

42. Deviation from, and ratification of minor breaches of, procurement processes

- (1) The Accounting Officer may –
 - (a) dispense with the official procurement processes established by this Policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only –
 - (i) in an emergency;
 - (ii) if such goods or services are produced or available from a single provider only;
 - (iii) for the acquisition of special works of art or historical objects where specifications are difficult to compile;
 - (v) acquisition of animals for zoos; or
 - (v) in any other exceptional case where it is impractical or impossible to follow the official procurement processes; and
 - (b) ratify any minor breaches of the procurement processes by official or committee acting in terms of delegated powers or duties which are purely of a technical nature.
- (2) The Accounting Officer must record the reasons for any deviations in terms of subparagraphs (1)(a) and (b) of this policy and report them to the next meeting of the council and include as a note to the annual financial statements.
- (3) Subparagraph (2) does not apply to the procurement of goods and services contemplated in paragraph 11(2) of this policy.
- (4) If an accredited agent must be used to perform maintenance services for equipment or vehicles as part of its guarantee or warranty or to obtain genuine parts, a list of such procurements for amounts above R2000.00 must be supplied monthly to the Accounting Officer for information purposes. The type of service, cost, and reason for using one supplier only must be stated.

43. Unsolicited bids

- (1) In accordance with section 113 of the Act the municipality is not obliged to consider unsolicited bids received outside a normal bidding process.
- (2) If an Accounting Officer decides in terms of section 113(2) of the Act to consider an unsolicited bid, only if –
 - (a) the product or service offered in terms of the bid is a demonstrably or proven unique innovative concept;
 - (b) the product or service will be exceptionally beneficial to, or have exceptional cost advantages for the municipality;
 - (c) the person who made the bid is the sole provider of the product or services for the municipality; and
 - (d) the reasons for not going through the normal bidding processes are found to be sound by the Accounting Officer.
- (3) Where the Accounting Officer decides to consider an unsolicited bid that complies with subparagraph (2) of this policy, the decision must be made public in accordance with section 21A of the Municipal Systems Act, together with –
 - (a) its reasons as to why the bid should not be open to other competitors;
 - (b) an explanation of the potential benefits if the unsolicited bid were accepted; and
 - (c) an invitation to the public or other potential suppliers to submit their comments within 30 days of the notice.
- (4) Once the Accounting Officer has received written comments, it must submit such comments to the National Treasury and the relevant provincial treasury.
- (5) The adjudication committee must consider the unsolicited bid and may award the bid or make a recommendation to the Accounting Officer, depending on its delegations.
- (6) A meeting of the adjudication committee to consider an unsolicited bid must be open to the public.
- (7) When considering the matter, the adjudication committee must take into account –
 - (a) any comments submitted by the public; and
 - (b) any written comments and recommendations of the National Treasury or the relevant provincial treasury.
- (8) If any recommendations of the National Treasury or provincial treasury are rejected or not followed, the Accounting Officer must submit to the Auditor General, the relevant provincial treasury and the National Treasury the reasons for rejecting or not following those recommendations.
- (9) Such submission must be made within seven days (7) after the decision on the award of the unsolicited bid is taken, but no contract committing the municipality to the bid may be entered into or signed within 30 days of the submission.

44. Combating of abuse of supply chain management system

- (1) The Accounting Officer must–
- (a) take all reasonable steps to prevent abuse of the supply chain management system;
 - (b) investigate any allegations against an official or other role player of fraud, corruption, favouritism, unfair or irregular practices or failure to comply with this Policy, and when justified –
 - (i) take appropriate steps against such official or other role player; or
 - (ii) report any alleged criminal conduct to the South African Police Service;
 - (c) check the National Treasury’s database prior to awarding any contract to ensure that no recommended bidder, or any of its directors, is listed as a person prohibited from doing business with the public sector;
 - (d) reject any bid from a bidder–
 - (i) if any municipal rates and taxes or municipal service charges owed by that bidder or any of its directors to the municipality, or to any other municipality or municipal entity, are in arrears for more than three months; or
 - (ii) who during the last five years has failed to perform satisfactorily on a previous contract with the municipality or any other organ of state after written notice was given to that bidder that performance was unsatisfactory;
 - (e) reject a recommendation for the award of a contract if the recommended bidder, or any of its directors, has committed a corrupt or fraudulent act in competing for the particular contract;
 - (f) cancel a contract awarded to a person if –
 - (i) the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract; or
 - (ii) an official or other role player committed any corrupt or fraudulent act during the bidding process or the execution of the contract that benefited that person; and
 - (g) reject the bid of any bidder if that bidder or any of its directors –
 - (i) has abused the supply chain management system of the municipality or has committed any improper conduct in relation to such system;
 - (ii) has been convicted for fraud or corruption during the past five years;
 - (v) has wilfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or has been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)

The Accounting Officer must inform the National Treasury and relevant provincial treasury in writing of any actions taken in terms of subparagraphs (1)(b)(ii), (e) or (f) of this policy

Part 3: Logistics, Disposal, Risk and Performance Management

45. Logistics management

- (1) The Accounting Officer must establish and implement an effective system of logistics management, which must include –
 - (a) the monitoring of spending patterns on types or classes of goods and services incorporating, where practical, the coding of items to ensure that each item has a unique number;
 - (b) the setting of inventory levels that includes minimum and maximum levels and lead times wherever goods are placed in stock;
 - (c) the placing of manual or electronic orders for all acquisitions including those from petty cash;
 - (d) before payment is approved, certification by the responsible officer that the goods and services are received or rendered on time and is in accordance with the order, the general conditions of contract and specifications where applicable and that the price charged is as quoted in terms of a contract;
 - (e) appropriate standards of internal control and warehouse management to ensure that goods placed in stores are secure and only used for the purpose for which they were purchased;
 - (f) regular checking to ensure that all assets including official vehicles are properly managed, appropriately maintained and only used for official purposes; and
 - (g) monitoring and review of the supply vendor performance to ensure compliance with specifications and contract conditions for particular goods or services.
 - (h) the maintenance and administration of term contracts is co-managed with acquisition management for general goods/ services.

46. Disposal management

- (1) The criteria for the disposal or letting of assets, including unserviceable, redundant or obsolete assets are subject to sections 14 and 90 of the Act.
 - (a) Two separate disposal committees may be appointed by the Accounting Officer for the disposal of movable and immovable capital assets for a period so determined by the Accounting Officer.
 - (b) For movable capital assets, the composition would be consistent with the Asset Management Policy;
 - (c) Before disposal of immovable assets refer to section 14 of the MFMA and the Municipal Asset Transfer Regulations (no. R.878);

- (d) Such a disposal committee are advisory committees to the Municipal Manager on the disposal of capital assets and do not replace any of the bidding committees.

(2) (a) Assets may be disposed of by –

- (i) transferring the asset to another organ of state in terms of a provision of the Act enabling the transfer of assets;
- (ii) transferring the asset to another organ of state at market related value or, when appropriate, free of charge;
- (iii) selling the asset; or
- (iv) destroying the asset.

(b) The Accounting Officer must ensure that –

- (i) immovable property may be sold only at market related prices except when the public interest or the plight of the poor demands otherwise in accordance with section 14 of the MFMA;
- (ii) movable assets may be sold either by way of written price quotations, a competitive bidding process, auction or at market related prices, whichever is the most advantageous to the municipality;
- (vi) in the case of disposable computer equipment, the provincial department of education must first be approached to indicate within 30 calendar days whether any local schools are interested in the equipment; and
- (iv) in the case of disposable firearms, National Conventional Arms Control Committee has approved any sale or donation of fire arms to any person or institution within or outside the Republic; provided that

(c) (i) immovable property is let at market related rates except when the public interest or the plight of the poor demands otherwise; and

- (ii) all fees, charges, rates, tariffs, scales of fees or other charges relating to the letting of immovable property are annually reviewed; and

(d) (i) ensure that where assets are traded in for other assets, the highest possible trade-in price is negotiated.

(3) **Competitive bids: The sale and letting of assets**

- (a) The sale and letting of assets above a transaction value of R200 000 (VAT included) and long-term contracts may only be procured through a competitive bidding process, subject to paragraph 11(2) of this Policy.

- (b) The sale and letting of assets above an estimated transaction value of R200 000 (VAT included), may not be deliberately split into parts or items of lesser value

merely for the sake of selling or letting such assets otherwise than through a competitive bidding process.

- (c) The preference point systems prescribed in the PPPFA and the Preferential Procurement Regulations, 2011 are not applicable to the sale and letting of assets.
- (d) In instances where assets are sold or leased by means of advertised complete bids or written price quotations or by auctions the award must be made to the highest bidder.

47 Risk management

- (1) SCM will develop its own risk management strategy that will be aligned with the organizational wide policy and updated annually.
- (2) Risk management must include –
 - (a) the identification of risks on a case-by-case basis;
 - (b) the allocation of risks to the party best suited to manage such risks;
 - (c) acceptance of the cost of the risk where the cost of transferring the risk is greater than that of retaining it;
 - (d) the management of risks in a pro-active manner and the provision of adequate cover for residual risks; and
 - (e) the assignment of relative risks to the contracting parties through clear and unambiguous contract documentation.

48. Performance management

- (1) The Accounting Officer must establish and implement an internal monitoring system in order to determine, on the basis of a retrospective analysis, whether the authorised supply chain management processes were followed and whether the objectives of this Policy were achieved. It will be aligned with the organizational wide policy.

Part 4: Other matters

49. Prohibition on awards to persons whose tax matters are not in order

- (1) No award above R15 000 may be made in terms of this Policy to a person whose tax matters have not been declared by the South African Revenue Service to be in order.
- (2) Before making an award to a person the Accounting Officer must first check with SARS whether that person's tax matters are in order.
- (3) If SARS does not respond within 7 calendar days such person's tax matters may for purposes of subparagraph (1) be presumed to be in order.
- (4) No award will be made in terms of this policy to a person who's municipal rates, taxes and service fees are not paid-up or arrangements have been made with the relevant Municipality to paid-up arrears.

50. Prohibition on awards to persons in the service of the state

- (1) Irrespective of the procurement process followed, no award may be made to a person in terms of this Policy –
 - (a) who is in the service of the state;
 - (b) if that person is not a natural person, of which any director, manager, principal shareholder or stakeholder is a person in the service of the state; or
 - (c) a person who is an advisor or consultant contracted with the municipality.
- (2) Any person or service provider who fails to disclose his or her employment status with organs of state, his or her contract will be terminated immediately, the service provider shall be deregistered and shall not be allowed to bid for a period not less than three years and shall be reported to National Treasury for blacklisting.

51. Awards to close family members of persons in the service of the state

- (1) The Accounting Officer must ensure that the notes to the annual financial statements disclose particulars of any award of more than R2000 (incl. VAT) to a person who is a spouse, child or parent of a person in the service of the state, or has been in the service of the state in the previous twelve months, including –
 - (a) the name of that person;
 - (b) the capacity in which that person is in the service of the state; and
 - (c) the amount of the award.

52. Ethical standards

- (1) A code of ethical standards as set out in the “*SPLM’s code of conduct for supply chain management practitioners and other role players involved in supply chain management*” is attached as annexure c in order to promote –
- (a) mutual trust and respect; and
 - (b) an environment where business can be conducted with integrity and in a fair and reasonable manner.
- (2) A breach of the code of ethics must be dealt with as follows -
- (a) in the case of an employee, in terms of the disciplinary procedures of the municipality envisaged in section 67(1)(h) of the Municipal Systems Act;
 - (b) in the case a role player who is not an employee, through other appropriate means in recognition of the severity of the breach.
 - (c) In all cases, financial misconduct must be dealt with in terms of chapter 15 of the Act.
- (3) All committee members and SCM practitioners may be vetted by the National Intelligence Agency (N.I.A).
- (4) A “Confidential” financial declaration of interest form may be completed by all Bid Adjudication members and submitted to the Accounting Officer annually.
- (5) A cooling off period for former employees and councillors will apply: they will be prohibited for a period of 12 months after leaving the municipal services to participate in any SCM activities e.g. rendering goods /services or consulting services to the Municipality or its entity if established.

53. Inducements, rewards, gifts and favours to municipalities and other role players

- (1) No person who is a provider or prospective provider of goods or services, or a recipient or prospective recipient of goods disposed or to be disposed of may either directly or through a representative or intermediary promise, offer or grant –
- (a) any inducement or reward to the municipality for or in connection with the award of a contract; or
 - (b) any reward, gift, favour or hospitality to –
 - (i) any official; or
 - (ii) any other role player involved in the implementation of this Policy.
- (2) The Accounting Officer must promptly report any alleged contravention of subparagraph (1) to the National Treasury for considering whether the offending person, and any representative or intermediary through which such person is alleged to have acted, should be listed in the National Treasury’s database of persons prohibited from doing business with the public sector.
- (3) Subparagraph (1) does not apply to gifts less than R350 in value.
-

- (4) All supply chain practitioners and bid committee members must disclose annually rewards, gifts and favours to the Accounting Officer or his delegate who will maintain a Gift Register.
- (5) The Accounting Officer will disclose any such gifts and or favours annually to the Executive Mayor.

54. Sponsorships

- (1) The Accounting Officer must promptly disclose to the National Treasury and the relevant provincial treasury any sponsorship promised, offered or granted, whether directly or through a representative or intermediary, by any person who is –
 - (a) a provider or prospective provider of goods or services; or
 - (b) a recipient or prospective recipient of goods disposed or to be disposed.

55. Objections and complaints

- (1) Persons aggrieved by decisions or actions taken in the implementation of this supply chain management system, may lodge within fourteen (14) calendar days of the decision or action, a written objection or complaint against the decision or action to the Accounting Officer, on the prescribed grievance forms.

56. Resolution of disputes, objections, complaints and queries

- (1) The Accounting Officer must appoint an independent and impartial person, not directly involved in the supply chain management processes –
 - (a) to assist in the resolution of disputes between the municipality and other persons regarding -
 - (i) any decisions or actions taken in the implementation of the supply chain management system; or
 - (ii) any matter arising from a contract awarded in the course of the supply chain management system; or
 - (c) to deal with objections, complaints or queries regarding any such decisions or actions or any matters arising from such contract.
- (2) The Accounting Officer, or another official designated by the Accounting Officer, is responsible for assisting the appointed person to perform his or her functions effectively. A complaints register must be implemented and maintained per annum.
- (3) The person appointed must –
 - (a) strive to resolve promptly all disputes, objections, complaints or queries received; and
 - (b) submit monthly reports to the Accounting Officer on all disputes, objections, complaints or queries received, attended to or resolved.

- (4) A dispute, objection, complaint or query may be referred to the relevant provincial treasury if –
 - (a) the dispute, objection, complaint or query is not resolved within 60 days; or
 - (b) no response is forthcoming within 60 days.
- (5) If the provincial treasury does not or cannot resolve the matter, the dispute, objection, complaint or query may be referred to the National Treasury for resolution.
- (6) This paragraph must not be read as affecting a person's rights to approach a court at any time.
- (7) Publish bid results on Municipal website e.g. company name, price, brand name.

57. Contracts Providing for compensation based on turnover

- (1) If a service provider acts on behalf of a municipality to provide any service or act as a collector of fees, service charges or taxes and the compensation payable to the service provider is fixed as an agreed percentage of turnover for the service or the amount collected, the contract between the service provider and the municipality must stipulate –
 - (a) a cap on the compensation payable to the service provider; and
 - (b) that such compensation must be performance based.

58. Promotion of Environmentally Friendly Procurement

- (1) The Municipality commits itself to environmentally friendly procurement when procuring goods and services, including, but not limited to:
 - (a) the incorporation of energy efficiency measures when procuring electrical supplies such as bulbs, globes etc.
 - (b) the adoption of an integrated waste management strategy such as investigating recycling options and the handling of hazardous substances.
 - (c) compliance with green building guidelines and standards (SANS).
 - (d) sourcing and using resources that are renewable as far as possible.
 - (e) consider the extent of pollution of using the type, quantity and energy of materials procured.
 - (f) source vehicles and equipment that are more energy efficient and produce less pollution.

59. Cost containment measures

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 MUNICIPALITY



Unauthorised, irregular and fruitless and wasteful expenditure Policy

For adoption with the tabled Budget: 2020/21 MTREF

Date:

Council Resolution:

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1. DEFINITIONS

In this Policy, unless the context otherwise indicates, a word or expression to which a meaning has been assigned in the Act has the same meaning as in the Act.

“financial statements”, in relation to municipality or municipal entity, means statements consisting of at least—

- (a) a statement of financial position;
- (b) a statement of financial performance;
- (c) a cash-flow statement;
- (d) any other statements that may be prescribed; and
- (e) any notes to these statements;

“financial year” means a year ending on 30 June;

“municipality” means Sol Plaatje Local Municipality (SPLM)

Municipal Public Accounts Committee (MPAC) –is a committee of the municipal council, appointed in accordance with section 79 of the Structures Act and a council committee contemplated in section 32(2)(a)(ii) of the Act to investigate the recoverability of any unauthorised, irregular and fruitless and wasteful expenditure

“the Act” means the Municipal Finance Management Act, 2003 (Act No. 56 of 2003)

“municipal council” or **“council”** means the council of a municipality referred to in section 18 of the Municipal Structures Act;

“fruitless and wasteful expenditure” means expenditure that was made in vain and would have been avoided had reasonable care been exercised;

“irregular expenditure”, in relation to a municipality or municipal entity, means

- (a) expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of this Act, and which has not been condoned in terms of section 170;
- (b) expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of the Municipal Systems Act, and which has not been condoned in terms of that Act;
- (c) expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the Public Office-Bearers Act, 1998 (Act No. 20 of 1998); or
- (d) expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of the supply chain management policy of the municipality or entity or any of the municipality's by-laws giving effect to such policy, and which has not been condoned in terms of such policy or by-law,

but excludes expenditure by a municipality which falls within the definition of “unauthorised expenditure”;

“Official” means any person employed by the Sol Plaatje Local Municipality, be it in the capacity as a permanent official, temporary official, intern or contracted employee (in terms of Section 57 of the Municipal

Systems Act, Act 32 of 2000 or any other form of employment contract);

“overspending”

- (a) in relation to the budget of a municipality, means causing the operational or capital expenditure incurred by the municipality during a financial year to exceed the total amount appropriated in that year’s budget for its operational or capital expenditure, as the case may be;
- (b) in relation to a vote, means causing expenditure under the vote to exceed the amount appropriated for that vote; or
- (c) in relation to expenditure under section 26, means causing expenditure under that section to exceed the limits allowed in subsection (5) of that section;

UIF&W Expenditure, acronym for Unauthorised, Irregular and Fruitless and wasteful Expenditure

“unauthorised expenditure”, in relation to a municipality, means any expenditure incurred by a municipality otherwise than in accordance with section 15 or 11(3), and includes—

- (a) overspending of the total amount appropriated in the municipality’s approved budget;
- (b) overspending of the total amount appropriated for a vote in the approved budget;
- (c) expenditure from a vote unrelated to the department or functional area covered by the vote;
- (d) expenditure of money appropriated for a specific purpose, otherwise than for that specific purpose;
- (e) spending of an allocation referred to in paragraph (b), (c) or (d) of the definition of “allocation” otherwise than in accordance with any conditions of the allocation; or
- (f) a grant by the municipality otherwise than in accordance with this Act;

“vote” means—

- (a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and
- (b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.

2. POLICY OBJECTIVE

The objective of this Policy is to provide:

- (a) A regulatory framework on the procedures to be followed when dealing with unauthorised, irregular and fruitless and wasteful expenditure,
- (b) The disclosure of unauthorised, irregular and fruitless and wasteful expenditure in the Annual Financial Statements (AFS)
- (c) Prevent and curb unauthorised, irregular, fruitless and wasteful expenditure;
- (d) Identify and investigate unauthorised, irregular, fruitless and wasteful expenditure;
- (e) Respond appropriately in accordance with the law; and
- (f) To address instances of unauthorised, irregular, fruitless and wasteful expenditure conclusively.
- (g) To improve accountability and consequence management
- (h) To inform officials of the consequences of not complying with the relevant regulatory and legislative requirements

3. LEGISLATIVE FRAMEWORK

This policy is informed and based on the following legislative requirements:

- Municipal Finance Management Act, Act 56 of 2003
- Municipal Systems Act, Act 32 of 2000, and its regulations;
- Public Office-Bearers Act, Act 20 of 1998, and its regulations;
- Municipal Budget and Reporting Regulations (MBRR) GG 32141 of 17 April 2009
- Supply Chain Management Regulations
- Supply Chain Management Policy
- MFMA Circular No 62: Supply Chain Management: Enhancing compliance and accountability
- MFMA Circular 68 dealing with unauthorised, irregular, fruitless and wasteful expenditure
- MFMA Circular No. 76: Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings
- MFMA Circular No 92: Municipal Public Accounts Committee (MPAC)
- Treasury Regulations as they apply to the municipality
- Municipal Public Accounts Committees (MPAC) – Guide and Toolkit
- Standard of Generally Recognised Accounting Practice – GRAP 3

4. SCOPE OF APPLICATION

This policy is applicable to Sol Plaatje Local Municipality and all its officials and councillors.

5. SECTION 32 OF THE MFMA

- (1) Without limiting liability in terms of the common law or other legislation
 - (a) a political office-bearer of a municipality is liable for unauthorised expenditure if that office-bearer knowingly or after having been advised by the accounting officer of the municipality that the expenditure is likely to result in unauthorised expenditure, instructed an official of the municipality to incur the expenditure;
 - (b) the accounting officer is liable for unauthorised expenditure deliberately or negligently incurred by the accounting officer, subject to subsection (3);
 - (c) any political office-bearer or official of a municipality who deliberately or negligently committed, made or authorised an irregular expenditure, is liable for that expenditure; or
 - (d) any political office-bearer or official of a municipality who deliberately or negligently made or authorised a fruitless and wasteful expenditure is liable for that expenditure.
- (2) A municipality must recover unauthorised, irregular or fruitless and wasteful expenditure from the person liable for that expenditure unless the expenditure
 - (a) in the case of unauthorised expenditure, is—
 - (i) authorised in an adjustments budget; or
 - (ii) certified by the municipal council, after investigation by a council committee, as irrecoverable and written off by the council; and
 - (b) in the case of irregular or fruitless and wasteful expenditure, is, after investigation by a council committee, certified by the council as irrecoverable and written off by the council.
- (3) If the accounting officer becomes aware that the council, the mayor or the executive committee

of the municipality, as the case may be, has taken a decision which, if implemented, is likely to result in unauthorised, irregular or fruitless and wasteful expenditure, the accounting officer is not liable for any ensuing unauthorised, irregular or fruitless and wasteful expenditure provided that the accounting officer has informed the council, the mayor or the executive committee, in writing, that the expenditure is likely to be unauthorised, irregular or fruitless and wasteful expenditure.

(4) The accounting officer must promptly inform the mayor, the MEC for local government in the province and the Auditor-General, in writing, of—

- (a) any unauthorised, irregular or fruitless and wasteful expenditure incurred by the municipality;
- (b) whether any person is responsible or under investigation for such unauthorised, irregular or fruitless and wasteful expenditure; and
- (c) the steps that have been taken—
 - (i) to recover or rectify such expenditure; and
 - (ii) to prevent a recurrence of such expenditure.

(5) The writing off in terms of subsection (2) of any unauthorised, irregular or fruitless and wasteful expenditure as irrecoverable, is no excuse in criminal or disciplinary proceedings against a person charged with the commission of an offence or a breach of this Act relating to such unauthorised, irregular or fruitless and wasteful expenditure.

(6) The accounting officer must report to the South African Police Service all cases of alleged—

- (a) irregular expenditure that constitute a criminal offence; and
- (b) theft and fraud and corruption that occurred in the municipality.

(7) The council of a municipality must take all reasonable steps to ensure that all cases referred to in subsection (6) are reported to the South African Police Service if—

- (a) the charge is against the accounting officer; or
- (b) the accounting officer fails to comply with that subsection.

(8) The Minister, acting with the concurrence of the Cabinet member responsible for local government, may regulate the application of this section by regulation in terms of section 168.

6. ROLE OF THE ACCOUNTING OFFICER

The Accounting Officer is responsible, amongst others, for the following –

Exercise all reasonable care to prevent and detect unauthorised, irregular and fruitless and wasteful expenditure and other losses and must for this purpose implement effective, efficient and transparent processes of financial and risk management;

Inform the Executive Mayor, Mayoral Committee and Council (in writing), as the case may be, if a decision is taken which, if implemented, is likely to result in unauthorised, irregular and fruitless and wasteful expenditure;

On discovery of any unauthorised, irregular and fruitless and wasteful expenditure to report promptly (in writing), the particulars of the expenditure to the Executive Mayor; and

Follow the prescribed processes to deal with unauthorised, irregular, fruitless and wasteful expenditure.

7. ROLES AND POWERS OF MPAC

As per the Municipal Public Accounts Committees (MPAC) – Guide and Toolkit these are the roles assigned to MPAC and central to the MPAC oversight are the matters to be dealt with when there are instances of either unauthorised, irregular, fruitless and wasteful expenditure identified.

To review and recommend to Council actions or otherwise relating to the expediting and conclusion of Unauthorised, Irregular Fruitless and Wasteful expenditure in terms of MFMA Sect 32.

To examine appropriate investigation reports, undertaken by others, such as the Internal Audit or Forensic reports, seek clarity from the Accounting Officer and recommend to Council further actions or write off in terms of MFMA Sect 32 (2).

The above to be dealt with consistently with criminal and disciplinary proceedings in terms of. MFMA 32 (5) and MFMA Regulations for Financial Misconduct and Criminal Proceedings issued in terms of MFMA Sect 171-174.

Unforeseen and unavoidable expenditure – MPAC to receive information only on adjustment budget process (s29) to enable it to undertake its (MFMA sect 32) responsibilities

In the case of unauthorised, irregular, fruitless and wasteful expenditure or any matter of financial governance, MPAC has the right to call the accounting officer or other senior staff to provide information or clarity

The MPAC may request the support of both the Audit Committee and the internal audit unit. The Committee shall have permanent referral of documents relating to:

- information relating to compliance in terms of sections 32 and 133 of MFMA;
- information in respect of any disciplinary action taken in terms of the MFMA where it relates to an item that is currently serving or has served before the Committee;

8. PROCESS TO BE FOLLOWED IN CASES OF UIF&W EXPENDITURE

The Manager: Supply Chain Management must record and maintain an Unauthorised, irregular and fruitless and wasteful expenditure Register. The format of the register will be consistent with Annexure A of MFMA Circular 68 issued on 10 May 2013. This register must also be retained for purpose of internal and external audit.

For future development, when capturing orders and/or payments, compulsory fields to be added on the relevant functions on the financial system to enable the generation of a report on Irregular and fruitless and wasteful expenditure of all transactions processed on the financial system.

Deal with impending overspending in terms of the approved Budget and virement Policy of the municipality.

Any unauthorised, irregular or fruitless and wasteful expenditure as defined must be promptly reported to the Chief Financial Officer who will initiate the process of dealing with the unauthorised, irregular or fruitless and wasteful expenditure.

Upon receiving a report of unauthorised, irregular or fruitless and wasteful expenditure, the Chief Financial Officer will advise, in writing, the Municipal Manager and the Chairperson of MPAC.

The MPAC will institute an investigation as contemplated in section 32 of the MFMA, and in particular, determine the following –

- (a) Nature of the non-compliance (i.e. non-compliance with MFMA, MSA, Remuneration of Public Officer Bearer's Act, SCM policy);
- (b) Nature and reason for the unauthorised expenditure, irregular or fruitless and wasteful expenditure;
- (c) Whether the unauthorised, irregular or fruitless and wasteful expenditure was as a result of an instruction given, and if so, by whom. In addition, whether the Accounting Officer or official involved advised that such a decision would result in unauthorised, irregular or fruitless and wasteful expenditure;
- (d) Whether the irregular expenditure result from a minor breach in the procurement policy;
- (e) Whether the municipality suffered a financial loss;
- (f) Whether the Accounting Officer / official / public officer bearer acted deliberately, negligently, or grossly negligently;
- (g) Grounds shown as to why the unauthorised expenditure should be authorised
- (h) Whether the Accounting Officer can condone the non-compliance with the SCM policy as a minor breach;
- (i) Recommend to Council for write-off or recovery
- (j) Whether the non-compliance must be submitted to the National Treasury for condonation; and
- (k) Whether the non-compliance must be submitted to the Minister of Co- operative Governance and Traditional Affairs for condonation

Issues to be considered by council committee as per section 74 of the MBRR

(1) A council committee contemplated in section 32(2)(a)(ii) of the Act to investigate the recoverability of any unauthorised, irregular or fruitless and wasteful expenditure must consider –

- (a) the measures already taken to recover such expenditure;
- (b) the cost of the measures already taken to recover such expenditure;
- (c) the estimated cost and likely benefit of further measures that can be taken to recover such expenditure; and
- (d) submit a motivation explaining its recommendation to the municipal council for a final decision.

(2) The municipal manager must provide all information required by the council committee referred to in sub-regulation (1), and any other information the council committee may require for the purpose of conducting a proper investigation.

9. UNFORESEEN AND UNAVOIDABLE EXPENDITURE

As prescribed in section 29 of the Act

- (1) The mayor of a municipality may in emergency or other exceptional circumstances authorise unforeseeable and unavoidable expenditure for which no provision was made in an approved budget.
- (2) Any such expenditure—
 - (a) must be in accordance with any framework that may be prescribed;
 - (b) may not exceed a prescribed percentage of the approved annual budget;
 - (c) must be reported by the mayor to the municipal council at its next meeting;
 - (d) and must be appropriated in an adjustments budget.
- (3) If such adjustments budget is not passed within 60 days after the expenditure was incurred, the expenditure is unauthorised and section 32 applies

Authorisation of unforeseen and unavoidable expenditure as per Section 71 of the MBRR

- (1) The mayor of a municipality may authorise expenditure in terms of section 29 of the Act only if
 - (a) the expenditure could not have been foreseen at the time the annual budget of the municipality was passed; and
 - (b) the delay that will be caused pending approval of an adjustments budget by the municipal council in terms of section 28(2)(c) of the Act to authorise the expenditure may -
 - (i) result in significant financial loss for the municipality;
 - (ii) cause a disruption or suspension, or a serious threat to the continuation, of a basic municipal service;
 - (iii) lead to loss of life or serious injury or significant damage to property; or
 - (iv) obstruct the municipality from instituting or defending legal proceedings on an urgent basis.
- (2) The mayor of a municipality may not authorise expenditure in terms of section 29 of the Act if the expenditure -
 - (a) was considered by the council, but not approved in the annual budget or an adjustments budget;
 - (b) is required for -
 - (i) price increases of goods or services during the financial year;
 - (ii) new municipal services or functions during the financial year;
 - (iii) the extension of existing municipal services or functions during the financial year;
 - (iv) the appointment of personnel during the financial year; or
 - (v) allocating discretionary appropriations to any vote during the financial year; or
 - (vi) would contravene any existing council policy; or
 - (vii) is intended to ratify irregular or fruitless and wasteful expenditure.

Monetary limits on unforeseen and unavoidable expenditure as per section 72 of the MBRR

The amount of expenditure that a mayor of a municipality may authorise in terms of section 29 of the Act is limited to –

- (a) R15 million in the case of a municipality with approved total revenue in its current annual budget greater than R500 million

10. DISCLOSURE OF UIF&W EXPENDITURE

As per MFMA section 125(2)(d), the notes to the financial statements of a municipality must include particulars of:

- (i) any material losses and any material irregular or fruitless and wasteful expenditures, including in the case of a municipality, any material unauthorised expenditure, that occurred during the financial year, and whether these are recoverable;
- (ii) any criminal or disciplinary steps taken as a result of such losses or such unauthorised, irregular or fruitless and wasteful expenditures; and
- (iii) any material losses recovered or written off

11. QUANTIFYING IRREGULAR AND FRUITLESS & WASTEFUL EXPENDITURE

The municipality must quantify the total amount of irregular and fruitless and wasteful expenditure unless it is impractical to do so. In terms of GRAP 3, applying a requirement as impracticable is when the municipality cannot apply it after making every reasonable effort to do so. Insufficient time cannot be used as a justification for impracticability.

The municipality's exercise of quantifying the irregular and fruitless and wasteful expenditure must focus on the year under review.

However, if the non-compliance was identified on a multi-year contract that was identified in prior years, the irregular expenditure on that specific contract must be quantified from inception of the contract. Furthermore, if the municipality was qualified on the completeness of irregular and fruitless and wasteful expenditure in the prior year(s), the municipality's exercise of quantifying the full extent of the irregular and fruitless and wasteful expenditure must date back to the year the qualification was reported, in order to ensure that the qualification is sufficiently addressed.

A municipality may only disclose impracticability after making every reasonable effort to quantify the full extent of the irregular and fruitless and wasteful expenditure.

12. RECOVERY OF UIF&W EXPENDITURE

All instances of unauthorised expenditure must be recovered from the liable official or political office-bearer, unless the unauthorised expenditure has been dealt with in terms of the approved Budget and virement Policy of the municipality that allows the accounting officer to make limited shifts of funds, or authorised in an adjustments budget in terms of section 32(2)(a)(i) of the MFMA or certified as irrecoverable by the council after an investigation by a council committee in terms of section 32(2)(a)(ii) of the MFMA.

Once it has been established who is liable for the unauthorised expenditure, the accounting officer must, in writing, request that the liable official or political office-bearer pay the full amount within 30 days or in reasonable instalments via a salary stop order. If the person fails to comply with the request or defaults on any payments, the matter must be handed to the municipality's legal division for the recovery of the debt through the normal debt collection process. Depending on the amount to be recovered and affordability, the minimum recovery period may not extend beyond the termination of employment.

All instances of irregular and fruitless and wasteful expenditure must be recovered from the liable official or political office-bearer, unless the expenditure is certified by the municipal council, after investigation by a council committee, as irrecoverable and written off by the council in terms of section 32(2)(b) of the

MFMA. Once it has been established who is liable for the irregular and fruitless and wasteful expenditure, the accounting officer must in writing request that the liable political office-bearer or official pay the full amount within 30 days or in reasonable instalments via a salary stop order. If the person fails to comply with the request or defaults on any payments, the matter must be recovered through the normal debt collection process of the municipality. Depending on the amount to be recovered and affordability, the minimum recovery period may not extend beyond the termination of employment. The difference is that fruitless and wasteful expenditure can arise in any circumstance and is not dependent on non-compliance with any legislation.

Irregular expenditure resulting from breaches of the Public Office-Bearers Act is an exception in that the irregular expenditure must be recovered from the political office-bearer to whom it was paid, who might not have been responsible for making, permitting or authorising the irregular expenditure.

The municipality can also institute measures to recover money's paid from suppliers of assets, goods or services not received, as may be appropriate.

13. DISCIPLINARY AND CRIMINAL CHARGES FOR UIF&W EXPENDITURE

If, after having followed a proper investigation, the council concludes that the political office-bearer or official responsible for making, permitting or authorising unauthorised, irregular, fruitless and wasteful expenditure did not act in good faith or committed an act of financial misconduct, then the municipality must consider instituting disciplinary action and criminal charges against the liable person/s in terms of chapter 15 of the MFMA read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.

If the action of the person(s) liable falls within the ambit of the above description, then the council, mayor or accounting officer (as may be relevant) must institute disciplinary charges as follows:

(i) Financial misconduct in terms of section 171 of the MFMA read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings: in the case of an official that deliberately or negligently:

- contravened a provision of the MFMA which resulted in unauthorised, irregular, fruitless and wasteful expenditure; or
- made, permitted or authorised an irregular expenditure (due to non-compliance with any of legislation mentioned in the definition of irregular expenditure);

(ii) *Breach of the Code of Conduct for Municipal Staff Members*: in the case of an official whose actions in making, permitting or authorising unauthorised, irregular, fruitless and wasteful expenditure constitute a breach of the Code; and

(iii) *Breach of the Code of Conduct for Councillors*: in the case of a political office-bearer, whose actions in making, permitting or authorising unauthorised, irregular, fruitless and wasteful expenditure constitute a breach of the Code. This would also include instances where a councillor knowingly voted in favour or agreed with a resolution before council that contravened legislation resulting in unauthorised, irregular, fruitless and wasteful expenditure when implemented, or where the political office-bearer improperly interfered in the management or administration of the municipality.

14. RELEVANT AUTHORITY FOR CONDONEMENT OF IRREGULAR EXPENDITURE

In terms of section 32(2)(b), irregular expenditure may only be written-off by Council if, after an investigation by a council committee, the irregular expenditure is certified as irrecoverable.

With reference to (a) as defined, - in terms of section 170 of the MFMA, only the National Treasury may condone non-compliance with a regulation issued in terms of the MFMA or a condition imposed by the Act itself. Municipal Councils therefore have no power in terms of the MFMA to condone any act of non-compliance in terms of the MFMA or any of its Regulations.

With reference to (b) as defined – there is no provision in the Municipal Systems Act that allows for a contravention of the Act to be condoned. Nevertheless, should a municipality wish to request that an act of non-compliance with any provision of the MSA be condoned, then the accounting officer should address the request to the Minister of Co-operative Governance and Traditional Affairs, who is responsible for administering the MSA.

With reference to (c) as defined – there is no provision to allow irregular expenditure resulting from a contravention of the Public Office-Bearers Act to be condoned. This is consistent with section 167(2) of the MFMA, which provides that such irregular expenditure cannot be written-off and must be recovered from the political office-bearer concerned.

With reference to (d) as defined – a council may condone a contravention of the council approved SCM policy or a by-law giving effect to such policy, provided that the contravention, is not also a contravention of the MFMA or the SCM regulations, in which case (a) applies and then only National Treasury can condone a contravention of the SCM regulations.

15. EXAMPLES OF UIF&W EXPENDITURE

The following examples are only guides and are not exhaustive.

Fruitless and wasteful expenditure

Procuring of goods and services that are not beneficial to the municipality.

Costs of goods and services which are in excess of what would have been the case have proper procedures been followed (not obtaining minimum 3 quotes as per the SCM policy thresholds, etc).

Renting of property when sufficient and appropriate unoccupied property is owned by the municipality.

Incurring car rental costs, when internal vehicles are available or when shuttle services are available at a cheaper cost.

Officials travelling to workshops etc, and each making use of their own vehicle or opting for a more expensive mode of travel and/or accommodation

Procuring of devices, machinery and equipment, etc that will not be utilised optimally and technically becomes a “white elephant”.

Employing contract workers when there are adequate permanent staff available to do the work

Exuberant costs on events, entertainment, farewell functions etc.

Incurring penalty and interest costs on late payment of accounts.

Erroneous payments and not taking all reasonable steps to prevent or recover any such payments.

Irregular expenditure

Irregular expenditure incurred as a result of users procuring goods or services by means other than through competitive bids and where reasons for deviating from inviting competitive bids as per SCM Regulation 36 have not been recorded, the deviation criteria not being met and approved by the accounting officer;

Not reporting deviations to Council as per SCM Regulation 36

Irregular expenditure incurred as a result of non-compliance with a requirement of the municipality's delegations of authority;
Irregular expenditure incurred due to it being in contravention of the municipality's supply chain management policy;
Incurring expenditure that is not covered by any internal policy and/or Council resolution
Expenditure paid out to service providers who are in the service of state;
Irregular expenditure incurred as a result of non-compliance with a provision contained in any applicable legislation
Failing to comply with SCM Regulation 32 requirements when "piggybacking" on contracts secured by another organ of state
Extension of expired contracts and failure to follow section 116(3) processes when extending contracts
Extension of scope of work or variation orders resulting in the contract value being exceeded (As per MFMA Circular No 62 Management of expansion or variation of orders against the original contract contracts may be expanded or varied by not more than 20% for construction related goods, services and/or infrastructure projects and 15% for all other goods and/or services of the original value of the contract.
Failure to comply with section 33 of the MFMA (Contracts having future budgetary implications) before entering into a contract of more than 3 years.

Unauthorised expenditure:

Procuring of goods and services that are not budgeted for;
Expenditure not in terms of the conditions of the grant allocation received from another sphere of government;
Overspending of the total amount appropriated in the municipality's approved operational and/or capital budget
Overspending of the total budget per Directorate/Vote
Overspending of expenditure per type or category, for e.g overspending on the Council's total Repairs and maintenance or Employee costs budget

16. APPROVAL

The Unauthorised, irregular and fruitless and wasteful expenditure Policy has been approved by Council

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 may apply for such rebate. Any properties or their owners qualifying for such will receive said rebate from the date of approval of application of such. The responsibility of applying for a rebate rests with the property owner or accountholder.

6.3 **Elements to be considered**

In determining any exemptions, rebates or reductions the Council shall consider:

- 6.3.1 The financial sustainability of the municipality and the cost of services to be provided from the assessment of the rates income.
- 6.3.2 The inability of residential property owners to pass on the burden of rates, as opposed to the ability of the owners of business, commercial, industrial and certain other properties to recover such rates as part of the expenses associated with the goods or service which they produce.
- 6.3.3 The need to accommodate indigents, the disabled, and pensioners.



- 6.3.4 The value of agricultural activities to the local economy coupled with the limited municipal services extended to such activities.
- 6.3.5 The need to preserve the cultural heritage of the local community.
- 6.3.6 The need to encourage the expansion of public service infrastructure.
- 6.3.7 The contribution which property developers (especially in regard to commercial and industrial property development) make towards local economic development, and the continuing need to encourage such development.
- 6.3.8 The number of services provided by the Municipality in a particular area.

6.4 **Budget Year:**

All exemptions, rebates and reductions projected in a financial year must be reflected in the municipality's budget for that year.



6.5 Public service infrastructure

Public service infrastructure is to be valued at market value and where there is insufficient data such properties are to be valued using alternative acceptable valuation methods.

6.6 Local, social and economic development

The municipality may grant rebates to organizations that promote local, social and economic development as referred to in paragraphs 4.2.8 and 18 of this policy.

7. SPECIAL RATING AREAS

The municipality may from time to time, as provided for in Section 22 of the Act, and as to be depicted in its annual budget and by resolution of the Council, determine a certain area within the boundaries of the municipality, as a special rating area.

8. NATURAL AND OTHER DISASTERS

Properties affected by a natural disaster, as defined in terms of the Disaster Management Act 16 of 2015, may qualify for relief by way of a temporary rates rebate. Such relief will be determined by Council from time to time according to its tariffs.

9. CROSS BORDER PROPERTIES

In terms of the Constitution, specifically section 229 (3) and further described in the Local Government: Municipal Fiscal Powers and Functions Act, No 12 of 2007, when two municipalities have the same fiscal powers and functions with regard to the same area, an appropriate division of those powers and functions must be made in terms of national legislation. The division may be made only after taking into account at least the following criteria:-

- (a) The need to comply with sound principles of taxation.
- (b) The powers and functions performed by each municipality.
- (c) The fiscal capacity of each municipality.
- (d) The effectiveness and efficiency of raising taxes, levies and duties.
- (e) Equity.

In addition to the above, the following criteria will apply:

- 9.1 Where the bulk of the property is located within the Sol Plaatje Municipal boundary (i.e. 50% or more), the whole of the property will be deemed to be within the Sol



Plaatje Municipal boundary, will be valued accordingly and will be included in the General Valuation Roll.

9.2 Where the bulk of the property is located outside the Sol Plaatje Municipal boundary (i.e. 51 % or more), the whole of the property will be deemed to be outside the Sol Plaatje Municipal boundary and will be valued and subjected to a 100% rebate on the relevant tariff..

9.3 Where properties are so affected, the relevant adjacent Local Authority and the respective owners will be notified in writing of this condition.

10. DECEASED ESTATES

According to the MPRA as well as section 24 of the Act an “Owner”, in relation to a property referred to in paragraph (a) of the definition of “property”, means a person in whose name ownership of the property is registered; provided that a person mentioned below may for the purposes of this Act be regarded by a municipality as the owner of a property in the following cases:

(ii) “an executor or administrator, in the case of a property in a deceased estate”
Section 24: “A rate levied by a municipality on a property must be paid by the owner of the property”. (Authorised person)

Therefore, an executor or administrator is deemed the owner of the property upon receipt of a letter of authority from the Master of the Court authorising such. 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 2020.



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		
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Annexure E – PRESCRIBED AND POLICY RATES RATIOS

PRESCRIBED RATIOS

These ratios may not be exceeded when determining rates tariffs

Category	Ratio in relation to residential property
Residential Property	1 : 1
Agricultural Property	1 : 0.25
Public Service Infrastructure	1 : 0.25
Public Benefit Organisation Property	1 : 0.25

POLICY RATIOS

These ratios are determined by the Municipality in addition to the prescribed ratios and must be reviewed annually taking into account the criteria set for determining rates tariffs.

Category	Proposed Ratio in relation to residential rate
Residential Property	1
Vacant Residential Property	1.5
Industrial Property	3.2
Vacant Industrial	3.5
Business and Commercial Property	3
Vacant Business and Commercial Property	3.5
Agricultural Property	0.25
Mining Property	22
Public Service Property	4.5
Property Used by Organ of State	4.5
Public Service Infrastructure	0
Private Service Infrastructure	0
Public Benefit Activity Property	0
Private Open Space	1
Place of Worship	0
Land Reform Beneficiary	0
Municipal	0
Independent Schools	0.25
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

THE APPLICATION MUST PLEASE BE COMPLETED IN BLOCK LETTERS

N.B: THE SHADED BLOCKS ARE FOR OFFICE USE ONLY.

I, the undersigned (Names in full) _____

(Identity Number) _____ do hereby apply for a rebate in respect

of the rates levied on account number

for erf number

(Neighbourhood) _____

situated at (Street address) _____

In support of my application, I confirm that: -

1. I am the registered owner of this property. I occupy the dwelling and use it solely for residential purposes.

OR

I am the usufructuary of the property, which is owned by _____

and use the dwelling solely for residential purposes.

2. I am a Male ☐ Female ☐ and was born on

M
M

F
D

Y	Y	Y	Y	M	M	D	D
J	J	J	J	M	M	D	D

3. My total annual income (including that of my spouse) is

R							

4. There are no additional dwelling units erected on this erf being used for income generation.

Yes	No
-----	----

I further make oath/affirm and declare the above particulars to be true and correct.

Date

Y	Y	Y	Y	M	M	D	D
2	0	J	J	M	M	D	D

Applicant's Signature _____

Sworn before me at _____ on this _____ day of _____ 20____

The deponent having declared that he/she knows and understands the contents of this declaration.

(Date)

YY	MM	DD
20	/	/
JJ	MM	DD

 SIGNATURE _____

(Commissioner of Oaths)

CHECKED BY: _____ APPROVED BY: _____



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></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></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></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.

SECTION 7:

BY - LAWS

SOL PLAATJE MUNICIPALITY

ANNEXURE : BUDGET RELATED BYLAWS

List of Budget related Bylaws	Explanation numbers
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	2
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 2020/21

Sol Plaatje Municipality: Property Rates By-Law

In accordance with section 162 of the Constitution of the Republic of South Africa (Act No. 108 of 1996), and section 6 (1) of the Property Rates Act (Act No. 6 of 2004), the Sol Plaatje Municipality has adopted the following Property Rates By-Law, in terms of council resolution **C285/07**, to give effect to the implementation of its Property Rates Policy.

Mr T Mabija

Acting Municipal Manager

BY-LAW

To provide for the implementation and enforcement by the Sol Plaatje Municipality of its Rates Policy and for matters connected therewith.

BE IT ENACTED by the Sol Plaatje Municipality, as follows:-

Definitions

1. In this By-law, unless the context otherwise indicates –

“Municipality” means the Sol Plaatje Municipality; and

“Act” means the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004).

Implementation and enforcement of policies

- 2.** (1) The Municipality must, pursuant to section 6 of the Act, and any national or provincial legislation regulating local government finance, give effect to its Rates Policy drafted and adopted in accordance with section 3 of the Act, by implementing and enforcing such policy.
- (2) Any person, natural or juristic, who lays claim to any rebate, reduction, or exemption under the Rates Policy, must provide the information required and meet the obligations imposed by the Municipality in terms of such policy.

Short title

3. This By-law shall be called the Property Rates By-Law, 2007.

Commencement

4. This By-law shall come into effect on the 1st day of July 2020.

SECTION 8:

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 95
MFMA Circular 96
MFMA Circular 97
MFMA Circular 98
MFMA Circular 99



The Implementation of Part 3 of Chapter 13 of the MFMA

1. Introduction

The aim of this circular is to provide guidance to provinces and municipalities on institutionalising measures relating to the role and conditions on debt relief, and restructuring in terms of Part 3 of Chapter 13 of the MFMA in the event that a municipality is unable to meet its financial commitments.

This will also ensure that the law is implemented in a way that gives effect to its original intent and spirit and is further to the Step-by-Step Guide issued to Provinces when considering intervention measures in terms of the MFMA and section 139 of the Constitution. This circular will also ensure a consistent understanding and application of this aspect of Chapter 13 of the MFMA.

2. Background

The object of the MFMA is to secure sound and sustainable management of the fiscal and financial affairs of municipalities and municipal entities by establishing norms and standards and other requirements for:

- Ensuring transparency, accountability and appropriate lines of responsibility in the fiscal and financial affairs of municipalities and municipal entities;
- The management of revenues, expenditures, assets and liabilities and the handling of financial dealings;
- Budgetary and financial planning processes and the coordination of those processes with the processes of organs of state in other spheres of government;
- Long and short term borrowing to fund municipal projects;
- Alternative service mechanisms and partnerships;
- Supply chain management;
- The handling of financial problems in municipalities; and
- Other financial matters.

Despite the object of the Act, summarised above, many municipalities continue to face financial and sustainability challenges due to poor planning, weak financial management practices, skills challenges, administrative and operational inefficiencies, weak leadership, and need to improve accountability.

Overall poor or non-implementation of administrative systems, procedures, processes, financial controls, poor budgeting techniques, over-spending, an inadequate delegation framework, weaknesses in governance and oversight, together with non-compliance with the relevant legislative framework, contribute to the current state of

affairs in many municipalities and if not addressed, might lead to further deterioration in the financial status and impact negatively on service delivery.

The continued weak forecasting, planning and development of budgets have resulted in unrealistic revenue estimates and weak expenditure management. It is important that provinces and municipalities implement changes to address the weaknesses identified in order for affected municipalities to become financially sustainable. Under collection of revenue and poor management of assets, amongst others, have had a significant impact on the current financial status of many municipalities and on service delivery in those municipalities.

Whilst section 135 of the MFMA places the primary responsibility to avoid, identify and resolve financial problems on the municipality itself, it also requires the municipality to notify the MEC for local government and the MEC for finance in the province if it encounters a serious financial problem or anticipates problems in meeting its financial commitments. Timely assessments of the situation will ensure improved compliance with this notification requirement.

If provincial government becomes aware that there is a serious financial problem in a municipality, section 136 of the MFMA provides for the provincial government to consult the mayor to determine the facts, conduct a thorough assessment of the seriousness of the situation and make a determination whether the situation justifies or requires a possible intervention in terms of section 139 of the Constitution.

Depending on the seriousness of the financial problems, an intervention can be instituted. Interventions in terms of Chapter 13 of the MFMA relate to the resolution of financial problems, which are of such a significant nature that the financial stability and ultimately the integrity, functioning and service delivery sustainability of the municipality may be threatened. If municipalities are in serious or persistent breach of financial commitments, the MFMA provides for mandatory intervention by the provincial executive and, in situations where the provincial executive cannot or does not adequately intervene, the national executive can intervene in municipalities that are experiencing persistent financial problems.

Sections 138 of the MFMA provides the criteria for determining serious financial problems and section 140 provides criteria for determining a serious or persistent material breach of financial commitments. These criteria will assist in determining the type (Discretionary or Mandatory) of interventions that must be instituted.

Section 151 of the MFMA preserves the legal rights of both creditors and the municipality, except as expressly provided in Part 3 of Chapter 13. It is therefore important that creditors and municipalities understand and take note that the MFMA does not limit or affect creditors from exercising their rights, unless and until an application to the High Court is made as provided in Part 3.

3. Debt Relief and Restructuring

Section 152(1) of the MFMA provides that if a municipality is unable to meet its financial commitments, it may apply to the High Court for an order to stay all legal proceedings, for a period not exceeding 90 days, including the execution of legal process by persons claiming money from the municipality or a municipal entity under the sole control of the municipality. This section therefore provides municipalities and

municipal entities with a remedy that will, albeit temporarily, assist with seeking alternative means of addressing or settling its financial commitments, including concluding realistic payment arrangements or initiating other processes to resolve or manage a financial crisis and limit its impact on the citizens and service delivery.

Seeking temporary relief in terms of section 152(1) of the MFMA can also assist in providing a provincial government time to fulfil its constitutional responsibility in terms of section 139 of the Constitution, including allowing other stakeholders to fulfil their individual legislative mandates.

In addition to the above, section 153 of the MFMA provides municipalities with the option to apply to the High Court for an order of extraordinary relief which could; -

- a) Stay, for a period not exceeding 90 days at a time, all legal proceedings, including the execution of legal process, by persons claiming money from the municipality;
- b) Suspend the municipality's financial obligations to creditors, or any portion of those obligations, until the municipality can meet those obligations; or
- c) Terminate the municipality's financial obligations to creditors, and settle claims in accordance with a distribution scheme as provided for in section 155.

The above measures are not to be taken lightly, and can impose significant discomfort on the municipality, read with the conditions for suspension and termination in terms of Sections 154 and 155 of the MFMA. Municipalities are cautioned not to abuse these relief measures, given wider implications and potential unintended consequences for the municipality, creditors and the sector more generally. In particular, suppliers will be reluctant to deal with municipalities with poor credit histories and those who do, may price services higher than they would otherwise do so. A negotiated resolution of debt issues should be the first option.

However, from recent observations relating to financially distressed municipalities it seems that the relief provided for in section 153 of the MFMA has not been sought by municipalities. This could explain why in some instances the judicial processes have progressed to the extent where municipal assets have been attached due to non-implementation of arrangements and court orders taken against municipalities.

It is important that municipalities and municipal entities take note and implement measures available to them by operating consistently with the legal framework. This should assist in understanding rights and obligations when remedies are discussed in instances where it is unable to meet its commitments due to financial sustainability issues or poor liquidity.

It is important that the remedies provided in sections 153 and 154 of the MFMA be understood in context. Section 153(2) very clearly spells out the instances when the relief provided for in section 153(1) may be granted:

- a) The provincial executive has intervened in terms of section 139 of the MFMA and a financial recovery plan to restore the municipality to financial health has been approved for the municipality;
- b) The financial recovery is likely to fail without the protection of such an order;

- c) Section 154 has been complied with, in the case of an application for an order referred to in section 153(1)(b); and
- d) Section 155(1) has been complied with, in the case of an application for an order referred to in section 153(1)(c).

From the above it is clear that the relief provided for in sections 153 and 154 of the MFMA is not automatic, but is dependent on rigorous requirements that have to be met. It is therefore critical that municipalities take note of the remedies they have at their disposal, and that the provincial government note the importance of their decision to invoke section 139 of the Constitution. Each of these steps has a sequence that has to be followed and this becomes important for the successful implementation of Chapter 13 of the MFMA.

Similarly, the relief provided for in section 153(1)(b) is not automatic but dependent heavily on the municipality demonstrating to the court the following in terms of section 154 of the MFMA:

- i. That it cannot currently meet its financial obligations to creditors; and
- ii. That all assets not reasonably necessary to sustain effective administration or to provide the minimum level of basic municipal services have been or are to be liquidated in accordance with the approved financial recovery plan for the benefit of meeting the creditors' claims.

The above will also be applicable when a municipality seeks to invoke the provisions of section 153(1)(c) of the MFMA and section 155 relating to the termination of financial obligations and which provides further measures for the distribution of funds generated from liquidation of assets of the municipality.

The important principle to understand is that the remedies provided in Chapter 13 are not automatic and are largely dependent on the municipality having taken all other possible measures to meet its financial commitments.

This therefore implies that the onus is on the municipality to demonstrate its inability to meet its financial obligations towards its creditors. Greater effort will have to be made by municipal management and councillors to engage and communicate with creditors and key stakeholders, including labour, to assist in getting the municipality back to a sound financial status. Failure to demonstrate compliance with the legislative requirements would likely result in the municipality forfeiting the legal protection that is afforded in terms of Chapter 13 of the MFMA. Municipalities are strongly advised to seek expert legal and accounting advice if they are contemplating an application for relief in terms of Part 3 of the Act.

4. Conclusion

It is understood that the financial management challenges differ between municipalities. However, responsibility for seeking the legal protection provided for in Chapter 13 of the MFMA rests with the municipality itself. This relief is not automatic and depends solely on the ability of municipalities and municipal entities to demonstrate their inability to meet their financial obligations towards creditors, despite

having taken significant and measurable steps to avoid this under a financial recovery plan.

It is requested that the content of this Circular be brought to the attention of the municipal council, board of directors of municipal entities and officials so that they can align their policies and procedures accordingly. This will ensure that they are aware of the provisions of Chapter 13 of the MFMA and the measures available. All comments can be sent to the MFMA helpdesk: mfma@treasury.gov.za.

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TV PILLAY
CHIEF DIRECTOR: MFMA IMPLEMENTATION
01 June 2019



SCM REGULATION 32: PROCUREMENT OF GOODS OR SERVICES UNDER CONTRACTS SECURED BY OTHER ORGANS OF STATE

PURPOSE

The purpose of this Circular is to provide further elaboration to municipalities and municipal entities on the principles captured in regulation 32 of the Municipal Supply Chain Management Regulations 2005 (SCM Regulations) when procuring goods or services from contracts secured by other organs of state.

BACKGROUND

Section 217(1) of the Constitution of the Republic of South Africa Act, 1996 states that:-

“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 fair, equitable, transparent, competitive and cost-effective.

Regulation 32 states that:

“A supply chain management policy may allow the accounting officer to procure goods or services for the municipality or municipal entity 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 or entity has no reason to believe that such contract was not validly procured;
- c) there are demonstrable discounts or benefits for the municipality or entity to do so; and
- d) that other organ of state and the service provider have consented to such procurement in writing.

Sub regulation (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”.

Therefore, a municipality or municipal entity may dispense with the competitive bidding process in terms of regulation 32 of the Municipal SCM Regulations, provided that the municipality or municipal entity complies with the requirements stated above. The goods or services that were procured by the other organ of state are exactly the same in every respect

including the terms and conditions as that required by the municipality or municipal entity. The municipality or municipal entity will rely on the open competitive bidding processes that the other organ of state undertook in appointing the service provider, thereby saving on administrative efforts and costs.

Over the years, there has been an increased use of contracts secured by other organs of state by municipalities and municipal entities. Whilst not prohibited by the SCM Regulations, we have observed an inconsistent application of the requirements as outlined in regulation 32. This has resulted in municipalities and municipal entities incurring irregular expenditure due to the non-compliance with the regulation.

PRINCIPLES UNDERPINNING THE IMPLEMENTATION OF REGULATION 32

Before a municipality or municipal entity decides to become a participant in a contract secured by another organ of state, it must, as part of demand management, conduct a detailed analysis of the goods or services required. When procuring infrastructure, the municipality or municipal entity must also compare for example its topography or other features, to that of the other organ of state in order to ensure that the service provider will be able to deliver at an acceptable standard.

The contract must have been secured by means of a competitive bidding process applicable to that other organ of state and the municipality or entity has no reason to believe that such contract was not validly procured

This means that the municipality or municipal entity that intends to use a contract secured by another organ of state must verify and satisfy itself that the contract was procured through a procurement process that was fair, equitable, transparent, competitive and cost effective consistent with the public sector procurement principles set out in section 217 of the Constitution.

In order to verify this, the municipality or municipal entity must obtain copies of the bid advertisements, bid documents, minutes of evaluation and adjudication committee meetings, and any other relevant documents relating to the contract in order to review whether the other organ of state complied with applicable legislation and policies when it procured the contract. The bid adjudication committee and the internal audit unit of the municipality or the municipal entity that is requesting to procure under the contract secured by the other organ of state must review the obtained documentation from the organ of state, to certify that a competitive bidding process and due process was followed by the other organ of state in concluding the contract. The municipality or municipal entity must maintain confidentiality when processing all documentation, as may be appropriate.

There must be demonstrable discounts or benefits for the municipality or entity to procure goods or services under a contract procured by another organ of state

The municipality or municipal entity must assess the contract terms such as, unit of issue or type of service; delivery lead times and prices; length of contract in line with required goods or service; and undertake a comparative research to determine if this form of procurement is more advantageous than advertising a competitive bid. This must include the determination

of a reasonable price for the required goods or services; taking into consideration that the requesting municipality or municipal entity can only utilise the remaining portion of the contract that has not been utilised by the original contracting organ of state and not create an additional contract.

The value or price of the participating municipality or municipal entity's required goods or services must not exceed the value or price of the original contract.

The decision to participate must be informed by a detailed report that outlines the outcome of the above-mentioned assessment, confirming the legal status of the contract with the other organ of state, reasons for why the municipality or municipal entity could not arrange its own contract through a competitive bidding process; and set out the value the participation will bring to the participating municipality or municipal entity.

The detailed report mentioned above must be submitted to the participating municipality or municipal entity's bid adjudication committee for its consideration and recommendation to the accounting officer or delegated official, in terms of the municipality or municipal entity's delegation policy. Prior to the recommendation of the bid adjudication committee being submitted to the accounting officer or delegated official, it must be submitted to its internal audit unit to provide further assurance that the requirements as outlined in regulation 32 have been complied with, and thereafter submitted to the accounting officer or delegated official for his/her consideration and final approval of the participation.

The other organ of state and the service provider have consented to such procurement in writing

The accounting officer requesting to participate must first obtain written consent from the other organ of state as well as confirmation of the supplier's contractual performance. Once the accounting officer requesting for participation has obtained consent to procure under the contract and confirmation of the supplier's performance from the other organ of state; and has performed all internal due diligence checks, including ensuring compliance with the salient points listed below, may the accounting officer solicit the service provider's written consent.

Failure to obtain this written consent by the accounting officer requesting to procure under the contract secured by another organ of state will be construed as non-compliance with the regulations and associated expenditure being irregular expenditure.

SALIENT REQUIREMENTS APPLICABLE TO REGULATION 32

Over and above the requirements stated in Regulation 32, there are also other salient requirements which must be considered by the participating municipality or municipal entity as well as the organ of state that is approving the procurement under its contract. These include the following:

The contract must be valid

The municipality or municipal entity will not enter into a new contract with the service provider/s but will become a participant in an existing contract. The contract must therefore not have expired, or its validity modified to accommodate the procurement from the contract, and must be legally sound as proven in the motivated report mentioned above. The participating municipality or municipal entity will conclude an addendum to the agreement with the service provider/s that stipulates the duration of the participation agreement, which may not exceed the end date of the original contract.

The duration or variation of the contract

The municipality or municipal entity must confirm the duration of the contract between the service provider/s and the other organ of state and determine the remaining term of the contract. Once this has been confirmed, the municipality or municipal entity must assess whether the remaining period will be sufficient for the service provider/s to deliver on its requirements. In other words, the participating municipality or municipal entity will only be permitted to utilise the contract of the other organ of state for the balance of the remaining period of the contract.

The contract cannot be extended or varied by the participating municipality or municipal entity. It can only be extended by the original contracting parties in line with the contractual terms agreed to in the original contract. Should the contract between the original contracting parties be terminated for any reason before the contract end date, then that termination applies to the municipality or municipal entity participating on the contract as well. The accounting officer consenting to the participation on the contract must therefore inform the participating accounting officer of any contract amendments or variations made to the contract, in writing.

The goods or services must be the same and the quantity may not be increased

The municipality or municipal entity must assess whether the goods or services being provided to the other organ of state are similar to the goods or services required by the municipality or municipal entity. The goods or services required by the participating municipality or municipal entity must be exactly the same as advertised and adjudicated by the other organ of state and may not be increased from the originally contracted quantity. Therefore, the participating municipality or municipal entity will procure the required goods or services under the same scope or specification, terms and conditions as provided for in the original contract.

Contractual arrangements

The shared contract must have the same dispute resolution mechanism to settle contractual disputes, a combined periodic contract management performance review to appraise the shared contract, and to regularly report to the council of the participating municipality or the board of directors of the municipal entity, as may be appropriate, on the management of the contract, service level agreement and the performance of the shared contractor/s.

The exercising of contractual rights, obligations or remedies in terms of the contract must be exclusively dealt with in terms of the dispute resolution mechanism as stipulated in the original contract. Each contractual party must uphold their legal obligations to the contract.

Implications for the organ of state who is the contract owner

The application of regulation 32 in a procurement process effectively means that the accounting officer of the original contracting organ of state is willing to forfeit a portion of its contract that has not already been utilised to the accounting officer who is requesting to procure under that contract. It may also mean that the accounting officer may no longer procure goods or services from that contract anymore as the balance of the contract would have been allocated to the municipality or municipal entity that is requesting to procure under that contract. The accounting officer of the original contracting organ of state undertakes such decision with the knowledge that the original contracting organ of state no longer requires the remaining portion of that contract. The accounting officer of the original contracting organ of state must notify the accounting officer of the municipality or municipal entity that is procuring under the original contract of all changes to the contract.

Panel of consultants/list of approved service providers and framework agreements

Municipalities and municipal entities must not participate on a panel secured by another organ of state as a panel of consultants or a list of service providers or a panel of approved service providers is not a contract. Municipalities or municipal entities may only participate on framework agreements arranged by organs of state, for example, State Information Technology Agency (SITA), the relevant treasury; that are empowered by legislation to arrange such on behalf of other organs of state.

REPORTING

The accounting officer of the participating municipality or municipal entity must utilise the process of reporting as contained in SCM regulation 6, to also include any procurement through SCM regulation 32. The treasuries may request further information in terms of section 74 of the MFMA.

The participating accounting officer must also publish the details of the participation contract award on the municipality or municipal entity's official website in line with section 75 of the MFMA.

CONCLUSION

Municipalities and municipal entities are advised to review their existing SCM policies and effect the necessary amendments where appropriate for approval by the municipal council. .

This circular must be read together with MFMA Circular 62 which provided information to municipalities and municipal entities on demand management and procurement plans. This must also be read with MFMA Circular 80 which outlines some of the principles related to the procurement of goods or services under contracts secured by other organs of state.

Further clarifications or enquiries can be directed to the MFMA helpdesk facility email: mfma@treasury.gov.za

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24 July 2019



Municipal Cost Containment Measures

Purpose

The Local Government: Municipal Cost Containment Regulations (MCCR), were promulgated on 7 June 2019, and came into effect on 1 July 2019. This circular confirms and clarifies the process followed to promulgate the MCCR, provides more information to municipalities and municipal entities to assist with implementation. There were also various engagements with stakeholders, including provincial and municipal officials, since 2016. This Circular replaces MFMA Circular 82.

Sections 62(1)(a) and 95(a) of the Municipal Finance Management Act No. 56 of 2003 (MFMA) stipulates that the accounting officer of a municipality or municipal entity is responsible for managing the financial administration of a municipality and must for this purpose take all reasonable steps to ensure that the resources of the municipality are used effectively, efficiently and economically.

In terms of the legal framework, the key principles being promoted are that elected councils and accounting officers are required to institute appropriate measures to ensure that the limited resources and public funds are prudently utilised to ensure value for money is achieved. This will necessitate council policies to be aligned with the spirit and intent of the regulations, promoting the concept of cost vs benefits at all levels in the municipality and municipal entities, and to ensure that such savings can be better utilised towards improvements in service delivery.

This circular will assist municipalities and municipal entities to implement cost containment measures in an effort to address the impact of the country's economic challenges and to promote growth, address unemployment and equality, amongst others, consistent with the MCCR.

Background

The national government has been aware of the need to contain costs and Cabinet resolved that all spheres of government, including municipalities and municipal entities must implement measures to contain operational costs and eliminate all non-essential expenditure. These can then be re-prioritised to address service delivery backlogs.

In the 2016 State of the Nation Address, cost containment measures were re-emphasised. It was highlighted that excessive and wasteful expenditure has to be reduced, and that increased action be taken to manage unnecessary expenditure.

In implementing the above, the Minister of Finance also announced cost containment measures in his budget speech on 24 February 2016, and urged Mayors of

municipalities to exercise and oversee the elimination of wasteful expenditure in government. SALGA supported the call for cost containment measures to be implemented in municipalities as per the Budget Forum engagements and commitments. Additionally, before promulgation, various engagements with stakeholders were held, matters discussed at coordination forums, regional provincial engagements, comments were received and considered, and the MCCR were submitted and tabled for Parliamentary processes on 5 March 2019. After promulgation, further engagements were held between Minister of Finance and SALGA where the matters were clarified and the effective date confirmed.

As an urgent measure, accounting officers are requested to share the MCCR and its own policies with all officials and councillors. This is to be followed by a thorough revision and updating of municipal policies to be consistent with the MCCR. Moreover, in-year monitoring and reporting can then be institutionalised. The progress and completion of this process, including tabling of the revised policies are to be finalised by 30 September 2019. This will allow for full implementation.

Municipalities and municipal entities are advised to also refer to MFMA Budget Circular No. 70 and other relevant Circulars on the elimination of non-priority spending. (<http://mfma.treasury.gov.za/Circulars/Pages/default.aspx>).

Municipal Cost Containment Regulations, 2019

The National Treasury first published the draft MCCR for public comment on 16 February 2018, with the closing date being 31 March 2018. Comments were received, from the Department of Cooperative Governance and Traditional Affairs, SALGA, municipalities and other stakeholders. After extensive consultation and consideration of all comments received, the MCCR were finalised and promulgated on 7 June 2019 in the Government Gazette, with the effective date being 1 July 2019.

Discussions with the Office of the Auditor-General has resulted in agreement on a transition period from 1 July to 30 September 2019 to allow municipalities and municipal entities to adopt their policies, before these measures will be subjected to audit. In doing so, the spirit and intent of the MCCR must be upheld, therefore no contracts can be entered into from 1 July that can be interpreted as non-compliant with the measures in the MCCR.

Municipalities and municipal entities must disclose cost containment measures in their in-year budget reports, and annual costs savings in their annual reports. These reports must be submitted to Council for review and resolution. This measure is to enhance transparency and local accountability. The MCCR therefore provide a framework that is consistent with the provisions of the MFMA and other government pronouncements.

The effective implementation of the MCCR is the responsibility of the municipal council, board of directors of municipal entities, municipal accounting officer and accounting officers of municipal entities. It is also intended to ensure that municipalities and municipal entities achieve value for money in utilising public resources to deliver municipal services. The MCCR applies to all officials and councillors.

Municipal cost containment policy

The MCCR do not apply retrospectively, therefore will not impact on contracts concluded before 1 July 2019. If municipalities and municipal entities decide to extend current contracts, such contracts must be aligned with the principles outlined in the MCCR and SCM regulations.

Regulation 4(1) of the MCCR requires municipalities and municipal entities to either develop or review their cost containment policies. The MCCR require municipalities to adopt the cost containment policies as part of their budget related policies. Cognisance has been taken of the fact that the 2019/20 financial year budget process has been completed and therefore new or revised cost containment policies must be adopted by 30 September 2019, as part of its updated budget related policies.

Some municipalities and municipal entities already have cost containment policies in place. These must be reviewed to bring them in line with the MCCR. Other municipalities and municipal entities have different aspects of the cost containment measures captured in different council approved policies. In this instance such policies may be consolidated into one policy or reference can be made to the different policies in one single consolidated policy. As an interim measure for those municipalities and municipal entities that do not have cost containment policies in place, the accounting officers must issue communication to officials and councillors on the cost containment measures to be implemented, in line with the MCCR, until such time that a cost containment policy is adopted by the municipal council or board of directors, as the case may be. The above approach has been discussed with the Office of the Auditor-General.

Clarification of specific provisions within the MCCR

Use of Consultants

Regulation 5 provides for municipalities and municipal entities' use of consultants. It should be made clear that the MCCR do not prohibit the use of consultants, but require municipalities and municipal entities, before procuring the services of a consultant, to assess the need thereof against the available internal capacity for the specific services required. The assessment process should be addressed in Council policy. Failure to undertake the latter assessment will result in the expenditure incurred being classified as irregular expenditure.

This regulation also requires the municipality and municipal entity to consider the remuneration guidelines currently in place in order to determine and adopt a fair and reasonable remuneration framework for contracts. Therefore, the MCCR should not be interpreted to mean that municipalities and municipal entities must remunerate consultants based on the rates regulated but to use this as part of the remuneration framework to be approved by the accounting officer. It is always advisable to negotiate lower rates than the maximum.

Some useful links regarding rates follow, this is not exhaustive, as there may be different rates for different professions, for example, engineers' contracts may relate to time, cost and rates, etc.

www.dpsa.gov.za/dpsa2g/consultant_fees.asp

https://www.saica.co.za/portals/0/documents/Circular_01_2018_Guideline_on_AGS_A_Fees.pdf

Monitoring of performance against contracts must also ensure skills are transferred to municipal officials, which forms an integral part of the contract or arrangements arising from such contracts. Skills may be transferred through the provision of workshops or on the job training.

Municipalities and municipal entities may use the information on cost containment measures and the consultancy reduction plan issued by the National Treasury for PFMA institutions and customise it for its own internal use. These documents can be accessed using the following link:

<http://www.treasury.gov.za/legislation/pfma/guidelines/default.aspx>

Vehicles used for political office -bearers

Regulation 6 introduces an expenditure ceiling for the procurement of vehicles for qualifying public office bearers. This is aligned to the notices issued in terms of the Public Office Bearers Act by the Minister of Cooperative Governance and Traditional Affairs whereby the latter Act provides for an allowance for the procurement of vehicles and the MCCR now specify the expenditure ceiling when the allowance is utilised. This is consistent with the MFMA, the management of expenditure and internal controls. Council policy must give effect to these measures.

As part of demand management, municipalities must first conduct market research, taking into account the national government transversal contract and must use the transversal contract mechanism to procure vehicles in order to realise the actual cost savings already negotiated under the contract if this is the cheaper option after all associated costs have been taken into account. The most cost effective option should be utilised. Municipal fleet should also be considered in this regard because more often than not, the municipal fleet specifications would be aligned for the specific municipal terrain.

It has become common practice for municipalities to purchase vehicles for public office bearers when a new incumbent takes office. The regulation requires municipalities to first assess the state of the current vehicle(s) that was used by the previous incumbent before purchasing a new vehicle for a public office bearer. The costs mentioned in the regulation represents total costs, including financing charges. The same ceiling applies when the municipality policy allows for rentals or leasing arrangements.

Travel and Subsistence

Regulation 7 provides the context, where viable, and does not oblige the use of public or alternative modes of transport for public office bearers, but rather requires municipalities to ensure that expenditure in this regard is reasonable and balanced against the service delivery needs and priorities of the municipality or municipal entity. This will also address the challenges faced in rural areas. The principle of prudent use of public funds as well as obtaining value for money must feature in council policies. Security and other related needs of public office bearers can be considered in council

policy, however when it comes to transport, these must not be the determining factors. The service delivery needs of the community and issues of budgetary constraints must always have a higher weighting than any other factors.

A municipality may hire a vehicle that is higher than the Group B class outlined in regulation 7(6), but only where this is required for a particular terrain or to cater for the special needs of an official or when the number of officials attending a specific event necessitate a higher class vehicle. However, this must be done with the prior approval of the accounting officer. Therefore, in determining the appropriate mode of transport to enable the performance of duties, municipalities should apply the factors mentioned in the regulation. However, these factors are not exhaustive and the cost containment policy of the municipality and municipal entity may include other factors including safety considerations.

The MCCR require municipalities and municipal entities to first consider their own fleet, where viable, prior to hiring of vehicles. The use of shuttle services, if the cost of such a service is below the cost of hiring a vehicle, and other options can be considered. Therefore, accounting officers must encourage officials and councillors to make use the most cost effective option so as to reduce travel costs. Council policy can permit employees to accept up-graded group of hired vehicles if such an up-grade is offered with no extra charge or at a lower charge than a Group B vehicle. Vehicle travel claims by employees of municipalities and municipal entities must be restricted to the actual distance travelled in excess of the normal distance from the employee's residence to his or her place of work or as may be negotiated using a motor vehicle allowance scheme. The principle of cost containment and savings should inform council's policies.

The National Treasury, on behalf of all three spheres of government, has negotiated improved upfront discounts for flights as well as discounted accommodation rates. Therefore, municipalities and municipal entities are requested to utilise these agreements to assist in implementing their respective cost containment measures, unless you can negotiate lower air travel rates or utilise other service providers that offer lower rates.

The intention with this specific measure is to ensure that institutions actually realise the discounts which have been negotiated at National Government level. These thresholds will contribute towards institutions achieving cost savings on their travel and accommodation budgets.

All rates offered to Government as of 1 April 2016 will be net and non-commissionable. This will include the informal accommodation market e.g. Guest Houses and Bed & Breakfast establishments.

In the spirit of transparency, the Office of the Chief Procurement Officer is taking a firm position on rebates, overrides or any volume driven target incentives being paid by suppliers to Travel Management Companies (TMC). As of 1 April 2016, these payments and the practice of overrides are to discontinue for Government business. The National Treasury has issued the National Travel Policy framework which can be used for municipalities and municipal entities. This framework can be accessed using the following link:

<http://www.treasury.gov.za/legislation/pfma/TreasuryInstruction/AccountGeneral.aspx>

Air Travel

- The National Treasury has negotiated with South African Airways (SAA) and Comair/British Airways (BA) for upfront discounted air fares for government employees, including councillors, travelling domestically for official purpose. These Domestic Air Travel Fares will be regularly reviewed by the National Treasury (These rates are not applicable for International Air Travel).
- For SAA, the discounts range from 5% (L class) up to 30% (Y Class) for Economy Class tickets; and 10% (D Class) up to 26% (C Class) for Business Class tickets. Please note that business class is not encouraged, however where a single flight exceeds 5 hours, consideration may be applied.
- For BA the discounts range from 10% (O, Q class) up to 25% (Y Class) for Economy Class tickets; and 20% (J Class) for Business Class tickets. Please note that business class is not encouraged, however where a single flight exceeds 5 hours, consideration may be applied.
- The premise of “Best Fare on the Day” should be implemented making full use of the negotiated Government Corporate Agreements with SAA and BA Comair. Quotations are to be obtained from at least SAA and BA Comair before issue. Municipalities and municipal entities must also request quotations from other Low Cost Carriers. Please note that all discounted rates are subject to class availability.
- In order to make full use of the corporate discount with SAA and BA, municipalities and municipal entities must instruct their appointed TMCs or persons making their bookings for domestic airline tickets, to book against the relevant deal codes as detailed in Annexure B.
- Corporate agreements with SAA and BA/Comair will be made available to TMCs that are currently contracted to Government. Should the municipal TMC have not been contacted by the full service carrier representative, they are to inform National Treasury with the agent’s name; physical address, contact name, email address and IATA number. Upon receipt of the information, the representatives of the full service carriers will ensure that the TMC is given access to the deal code. The TMC must have an authenticated IATA number.
- Accounting officers of municipalities and municipal entities are advised to include a clause in their respective documents that travel agencies are only permitted to make booking arrangements on behalf of municipalities and municipal entities in line with the MCCR, 2019 read together with this Circular. Current arrangements need to be updated and amended to reflect these changes.
- Disabled persons can be accommodated in economy class, however, in extremely exceptional and rare cases an Accounting Officer may approve, with evidence, other than economy class air travel.

Domestic Accommodation

Regulation 8 requires municipalities and municipal entities to only book accommodation where the return trip exceeds 500 kilometres. There may be circumstances that such limitations may be impractical. For example, in instances where attendance is required over a number of days, or there is a risk to the health of the official or councillor and cost vs benefit considerations can warrant such expenditure. The council policy must address the practicalities around travelling in and out from meeting venues each day or the circumstances that pose risk to health

of the official or councillor, consistent with the cost containment principles of prudent use of public funds. The municipal cost containment policy may allow for exceptions in such instances, and approval of the Accounting Officer or delegated official would be required.

National Treasury has established maximum allowable rates for domestic accommodation. When sourcing accommodation for officials, municipalities and municipal *entities* should find options that are equal to or lower than the rates in Table 1, as contained in Annexure A to this Circular, depending on the allowable star grading and the band. Competition and cost effectiveness must remain a key principle.

Credit Cards

Regulation 9 prohibits the issuance of credit cards to municipal officials or public office bearers. A bank, or any other institution, may not issue credit cards or debit cards linked to a bank account of a municipality or a municipal entity to any councillors, entity board members, municipal or entity officials or any other person. The issuing and use of such cards for official purposes:

- contravenes section 11 and 85 of the MFMA as there is no way of ensuring that all purchases made on the card are in accordance with the items listed in the sections or as prescribed;
- contravenes section 167 of the MFMA which provides that any bursary, loan, advance or other benefit paid to a municipal councillor otherwise than in accordance with the provisions of the Remuneration of Public Office Bearers Act constitutes irregular expenditure;
- contravene section 15 of the MFMA by incurring expenditure not authorised in an approved budget;
- non-compliance with section 164 of the MFMA which provides that no municipality or municipal entity may make loans to councillors or officials of the municipality, directors or officials of the entity or members of the public;
- non-compliance with the supply chain management regulations; and
- undermine efforts to safeguard municipal funds, combat fraud and corruption, as well as other irregular practices.

While the use of petrol cards or garage cards for municipal vehicles is permitted, it must be utilised in accordance with an appropriate policy and related procedures to avoid misuse thereof. Cost containment measures should be applied in managing and planning trips.

Where officials or councillors incur expenses in relation to official municipal activities, they can use their personal credit cards or cash, and request reimbursement from the municipality in accordance with the relevant municipal policy and processes. Alternatively, the municipality should make arrangements with the service provider that the expenditure be settled directly by the municipality.

Sponsorships, events and catering

Regulation 10 requires municipalities and municipal entities to only incur catering expenses in instances where meetings, conferences, workshops, courses, forums, recruitment interviews, and proceedings of council exceed five hours. The regulation

therefore does not prohibit the incurrence of catering expenses, however, the duration of the meeting will be the determining factor.

The regulation also prohibits municipalities and municipal entities from incurring expenditure on alcoholic beverages, unless such expense is recovered from the sale of such beverages. This practice has previously been abused. Municipalities and municipal entities must be guided by their objectives, including where the purchase of alcoholic beverages is part of the business model, and whether expenditure on alcoholic beverage is in terms of achieving those objectives.

Reference to petty cash in the regulations must be understood to mean limits set in council policies.

Municipalities often incur expenditure on social events, team building exercises, year –end functions, sporting events or budget vote dinners using municipal funds. The regulation does not prohibit these activities but prohibits the funding of such activities using municipal funds or it being funded by any suppliers or sponsors. The regulation must be read together with regulation 38 of the SCM Regulations which deals with the combating of abuse of the SCM system when it comes to suppliers or sponsors.

Communication

Regulation 11 do not prohibit the publication in newspapers as there are legislative provisions which require municipalities and municipal entities to advertise certain processes in newspapers. This include public participation processes.

There are certain geographical areas where internet connectivity is problematic hence the regulation includes the phrase “as far as possible”. The discretion is still with the municipalities and municipal entities taking into account principles of cost containment.

The regulation prohibits the purchase of newspapers unless this is required for professional purposes and where unavailable in electronic format. Therefore, municipalities and municipal entities may purchase newspapers where it is required for professional purposes. It is also noted that officials and councillors possess their own or utilise council equipment to assess information. These additional tools available to access information can be accommodated in council policies.

Conferences, meetings and study tours

Regulation 12 provides a framework within which municipalities and municipal entities must manage the attendance of conferences, events hosted by professional bodies or non-governmental institutions and study tours by municipal officials and public office bearers. It requires the municipality and municipal entity to be guided by the official's or public office bearer's role and responsibilities and must also determine whether the conference, event or study tour will address the relevant skills gaps in the institution. The number of officials or public office bearers that may attend a conference, event or study tour must be limited to three. The municipality must also be guided by its operational requirements in approving the attendance.

The benchmark cost for attendance of conferences is currently two thousand five hundred rand R2 500.

Other related expenditure items

Regulation 13 addresses measures that aims to encourage the reduction and excessive spending on office furniture and equipment and other items. It prohibits the use of municipal funds for electioneering, printing of brochures, limits spend on tools of trade but is aligned to what is provided for in the Public Office Bearers Act and Notices issued in terms thereof. For example, municipal policies can address the requirements during election period as municipal officials are required to support the IEC with its mandate. On security matters, the regulations provide for an assessment to be undertaken before the provision of security measures for qualifying public office bearers can be approved. It also requires motivations to be submitted before overtime is approved or for all unplanned overtime. Municipalities and municipal entities are encouraged to ensure that proper processes are followed when dismissing and suspending officials, to minimise unnecessary legal costs. Once, more we repeat that the spirit, intent and principle of the MCCR must be applied and addressed in council policy,

Enforcement of cost containment measures

The non-adherence to the provisions of the MCCR will be an act of financial misconduct as defined in section 171 and 172 of the MFMA and municipalities and municipal entities will have to implement the provisions of the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.

Municipalities and municipal entities are required to revised their policies and delegations. Where practical considerations are required to be addressed, these should be included in municipal/entities' policies. Municipalities are reminded that the National and Provincial Treasuries annually conducts municipal budget benchmark engagements with municipalities during which all budgets will be assessed against the cost containment measures outlined in the MCCR.

Municipalities and municipal entities are required to utilise existing reporting requirements, to report internally and externally on cost saving measures. This include reporting such savings in the Annual Report. Refer to Annexure D for a template on quarterly reporting and the annual report.

Municipalities must also ensure that there is consistency between its own policies as the parent municipality and that of its entities.

It is also requested that the measures implemented are captured in quarterly reports submitted to the Municipal Public Accounts Committee and Mayor for review and recommendations to Council on additional measures to be taken.

The contents of this Circular have been shared with the office of the Auditor-General for their application, scrutiny and assessment.

Conclusion

It is important that the accounting officer ensures that the content of this Circular is brought to the attention of the Municipal Council, the board of directors and all other relevant officials within municipalities and municipal entities. It is recommended that:

- Municipalities and municipal entities review other finance related policies to ensure consistency with the MCCR and this Circular;
- Municipalities and municipal entities must create appropriate internal control measures, delegations and oversight mechanisms to monitor and implement cost containment measures consistent with the MCCR;
- Implementation of the cost containment measures as contained in the MCCR will assist in ensuring that the sections 62 and 167 of the MFMA are complied with to ensure that reasonable steps are taken for public resources to be used effectively, efficiently, economically, transparently and in the best interests of the local community.

Municipalities and municipal entities must refer to Annexure A, B and C for further information on rates for accommodation, table of quotes for flights, the contract options available under the current transversal contract.

Any queries on the cost containment measures should be directed to the respective National or Provincial Treasury official or MFMA helpdesk, email mfma@treasury.gov.za

Contact




Post	Private Bag X115, Pretoria 0001
Phone	012 315 5850
Fax	012 315 5230
Email – General	mfma@treasury.gov.za
Website	www.treasury.gov.za/mfma

TV PILLAY
CHIEF DIRECTOR: MFMA IMPLEMENTATION
31 July 2019

Annexure A

Table 1: Rates set for Domestic Hotel Accommodation

Voucher Includes	BAND 1	BAND 2	BAND 3
	Room Only Tourism Levy VAT	Bed & Breakfast Tourism Levy VAT	Dinner, Bed and Breakfast Tourism Levy VAT 2 x soft Drinks at Dinner
Graded Hotel, Boutique Hotel, Lodge or Resort			
	BAND 1	BAND 2	BAND 3
1 Star	R 590	R 730	R 855
2 Star	R 920	R 1 050	R 1 230
3 Star	R 1 120	R 1 230	R 1 400
4 Star	R 1 275	R 1 380	R 1 550
5 Star	R 2 140	R 2 250	R 2 500
Bed & Breakfast, Country House or Guest house			
	BAND 1	BAND 2	BAND 3
1 Star	R 3350	R 495	R 630
2 Star	R 510	R 670	R 830
3 Star	R 920	R 1 080	R 1 230
4 Star	R 1 020	R 1 180	R 1 330
5 Star	R 1 225	R 1 385	R 1 530
Self-Catering*			
	BAND 1	BAND 2	BAND 3
1 Star	R 590		
2 Star	R 920		
3 Star	R 1 120		
4 Star	R 1 275		
5 Star	R 1 475		
Meals**			
	BAND 1	BAND 2	BAND 3
Breakfast	R 110	R -	R -
Lunch	R 160	R 160	R 160
Dinner	R 180	R 180	R -
Total	R 4500	R 340	R 160

Accommodation costs are assumed to be inclusive of Parking and Wi-Fi (if available), and exclusive of Laundry expenses.

*Including Exclusive and Shared Facilities. Exclusive facilities offer travellers a sole occupancy unit consisting of one or more bedrooms and self-contained public areas e.g. kitchen, dining area and lounge.

Shared Facilities consisting of one or more bedrooms and self-contained shared public areas e.g. kitchen, dining area and lounge.

**Maximum amounts that can be claimed for meals. The claim for the actual amounts must be supported by a receipt.

- If a negotiated rate for a specific star grading is equivalent to or lower than the rate for the lower star grading, the official may be accommodated in the establishment with the higher star grading. This means that an official may be

accommodated at a four-star establishment if the rate at the four-star establishment is the same as or lower than a three-star establishment.

- Where there is an alternative star grading indicated in **Table 1** (i.e. 4/5 or 3/4), the maximum allowable rate of the lower star grading will be the benchmark. The higher star grading can only be booked if:
 - a. the higher star graded facility is the only available option due to location and availability; or
 - b. the municipality or municipal entity has negotiated lower rates with the higher star graded facility.

Annexure B: BA/COMAIR and SAA Deal Codes per Municipality

Municipalities and municipal entities should use the following codes when requesting quotes from BA/COMAIR.

MUNICIPALITIES	
NAME	DEAL CODE
EASTERN CAPE	
Alfred Nzo District Municipality Matatiele, Mbizana, Ntabankulu and uMzimvubu	1020907
Amathole District Municipality Amahlathi, Mquma, Ngqushwa, Raymond Mhlaba, Mbashe and Great Kei,	1020906
Buffalo City Metropolitan Municipality	1020901
Chris Hani District Municipality Emalahleni, Engcobo, Intsika, Inxuba, Sakhisizwe and Enoch Mgijima	1020908
Joe Gqabi District Municipality Elundini, Walter Sisulu and Senqu	1020909
Nelson Mandela Bay Metropolitan Municipality	1020899
OR Tambo District Municipality Ingquza Hill, King Sabata Dalindyebo, Mhlontlo, Nyandeni and Port St Johns	1020903
Sarah Baartman District Municipality Dr Beyers Naudé, Blue Crane Route, Makana, Ndlambe, Sundays River Valley, Kouga and Kou-kamma	1020921
FREE STATE	
Fezile Dabi District Municipality Mafube, Moqhaka, Metsimaholo and Ngwathe	1020922
Lejweleputswa District Municipality Masilonyana, Matjhabeng, Nala, Tokologo and Tswelopele	1020923
Mangaung Metropolitan	1020923
Thabo Mafutsanyana District Dihlabeng, Maluti - a- Phofung, Mantsopa, Nketoana, Phumelela and Setsoto	1020924
Xhariep District Kopanong, Letsemeng and Mohokare	1020925
GAUTENG	
City of Johannesburg Metropolitan	1020900
City of Tshwane Metropolitan	1020898
Ekurhuleni Metropolitan	1020904
Sedibeng District Emfuleni, Lesedi and Midvaal	1020926
West Rand District Merafong, Mogale City, Rand West	1020927
KWAZULU-NATAL	
eThekweni Metropolitan	1008810
iLembe District Municipality KwaDukuza, Mandeni, Maphumulo and Ndwedwe	1020929
Harry Gwala District Municipality Greater Kokstad, Uhlebezwe, Umzimkhulu and Dr Nkosazana Dlamini Zuma	1020835
Ugu District Municipality uMdoni, Umzumbe, uMuziwabantu and Ray Nkonyeni	1020836

MUNICIPALITIES	
NAME	DEAL CODE
uMgungundlovu District Municipality KZN uMshwathi, uMngeni, Mpofana, Impendle, Msunduzi, Mkhambathini and Richmond	1020837
uMkhanyakude District Municipality KZN Umhlabyalingana, Jozini, Mtubatuba and Big Five Hlabisa	1020838
uMzinyathi District Municipality KZN Endumeni, Nquthu, Msinga, Umvoti	1020839
uThukela District Municipality Okhahlamba, iNkosi Langalibalele and Alfred Duma	1020840
King Cetshwayo district Municipality uMfolozi, uMhlathuze, uMlalazi, Mthonjaneni and Nkandla	1020841
Zululand District Municipality KZN eDumbe, uPhongolo, Abaqulusi, Nongoma and Ulundi	1020842
LIMPOPO	
Capricon District Municipality Blouberg, Lepelle-Nkumpi, Molemole and Polokwane	1020843
Mopani District Municipality Ba-Phalaborwa, Greater Giyani, Greater Letaba, Greater Tzaneen and Maruleng	1020844
Sekhukhune District Municipality LM Ephraim Mogale, Elias Motsoaledi, Makhuduthamaga and Fetakgomo Tubatse	1020845
Vhembe District Municipality LM Musina, Thulamela, Makhado and Collins Chabane	1020846
Waterberg District Municipality Thabazimbi, Lephalale, Bela Bela, Mogalakwena and Modimolle-Mookgophong	1020847
MPUMALANGA	
Ehlanzeni District Municipality Thaba Chweu, Nkomazi, Bushbuckridge and City of Mbombela	1020902
Gert Sibande District Albert Luthuli, Dipaleseng, Govan Mbeki, Lekwa, Mkhondo, Msukaligwa and Pixley Ka Isaka Seme	1020848
Nkangala District Dr JS Moroka, Emakhazeni, Emalahleni, Steve Tshwete, Thembisile Hani and Victor Khanye	1020849
NORTH WEST	
Bojanala Platinum District Kgetlengrivers, Madibeng, Moretele, Moses Kotane and Rustenburg	1020850
Dr Kenneth Kaunda District Municipality City of Matlosana, Maquassi and JB Marks	1020851
Dr Ruth Segomotsi Mompati District Municipality Greater Taung, Kagisano-Molopo, Lekwa-Teemane, Mamusa and Naledi	1020852
Ngaka Modiri Molema District Municipality Ditsobotla, Mahikeng, Ramotshere, Ratlou and Tswaing	1020853
NORTHERN CAPE	
John Taolo Gaetsewe Ga-Segonyana, Joe Morolong and Gamagara	1020909
Namakwa Hantam, Kamiesberg, Karoo Hoogland, Khai-Ma, Nama Khoi and Richtersveld	1020856

MUNICIPALITIES	
NAME	DEAL CODE
Pixley Ka Seme Emthanjeni, Kareeberg, Renosterberg, Siyancuma, Siyathemba, Thembelihle, Ubuntu and Umsobomvu	1020857
ZF Mgcawu !Kai! Garib, !Kheis, Tsantsabane, Kgatelopele and Dawid Kruiper	1020858
WESTERN CAPE	
Cape Winelands District Municipality Witzenberg, Drakenstein, Stellenbosch, Breede Valley and Langeberg	1020859
Central Karoo District Municipality Beaufort West, Laingsburg and Prince Albert	1020859
City of Cape Town Metro	1008771
Garden Route District Municipality Bitou, George, Hessequa, Kannaland, Kynsna, Mossel Bay and Oudtshoorn	1020861
Overberg District Municipality Cape Agulhas, Overstrand, Swellendam and Theewaterskloof	1020862
West Coast District Municipality Bergrivier, Cederberg, Matzikama, Swartland and Saldanha Bay	1020863

Municipalities and municipal entities not listed above should use the following details to contact BA/Comair to obtain a deal code:

Contact Details

Nangamso Letlape: National Account Manager: Government
Nan.letlape@comair.co.za

Municipalities and municipal entities should use the following deal code when requesting quotations from SAA: CK3828. In order to arrange access to the deal codes, travel management companies servicing municipalities and municipal entities should contact the following SAA representatives:

Contact Details

Eastern Cape: Tracy Mentzel (tracymentzel@flysaa.com)
 Western Cape: Enid Sinequan (enidsinequan@flysaa.com)
 KwaZulu-Natal: Kriba Govender (kribagovender@flysaa.com)
 All other provinces: Mark Steele (marksteele@flysaa.com)

Annexure C: RT15-2016 Mobile Communication Services

1. ONE ACCOUNT

The enterprise bundle account will be in the name of the municipality and no longer in the name of an individual mobile user. Individual mobile user contracts (lines) will be migrated to the enterprise bundle account as follows:

- Vodacom individual mobile user contracts (lines) will be migrated immediately irrespective of their contract period at no penalty.
- Non-Vodacom mobile user contracts (lines) will be left to run their contract periods. On expiry of the contract, they will be ported and migrated to the enterprise bundle account.
- Vodacom may consider buying out existing contracts that are left with less than six (06) months to expiry. These will be on a case-by-case basis.

2. BUNDLE SUBSCRIPTIONS

The enterprise bundle solution is a pool of minutes, data and SMSs consumed by all mobile users in a municipality. A municipality can customise the pool of voice, data and SMSs to meet its mobile requirements. The minimum bundle options available are as follows:

2.1 Enterprise Voice Bundle WITH Hardware Fund

A device with 400 domestic voice minutes, 500 closed user group minutes that allow calls for free to all numbers (all state institutions) participating on RT15, 600MB, and 100 SMSs at a monthly subscription of R463.98 inclusive of VAT.

- The device is managed separately. Vodacom (Pty) Ltd “Vodacom” creates a hardware fund account by allocating R3990 inclusive of VAT per mobile user to create the hardware fund. The municipality will procure any terminal (device) from the hardware fund. The municipality will choose any devices that are fit for its purpose.
- If a municipality allocates devices within the hardware fund limit, there will be no payment to Vodacom. Vodacom Operations and Billing together with the municipality will reconcile the hardware fund.
- If a municipality allocates devices in excess of the hardware fund limit, there will be payment for the excess to Vodacom. The excess can either be paid once-off or it can be paid by amortisation for a certain period as agreed with Vodacom. Vodacom will invoice the municipality once, where there is an agreement to pay the excess once-off. Vodacom will invoice monthly where the agreement is an amortisation payment.

2.2 **Enterprise Voice Bundle WITHOUT a Hardware Fund (SIM only)**

- 400 domestic voice minutes, 500 closed user group minutes that allow calls for free to all numbers (all state institutions) participating on RT15, 600MB, and 100 SMS's at a monthly subscription of R320.84 inclusive of VAT.
- No hardware fund is applicable with this bundle.

2.3 **Enterprise Data Bundle (SIM only)**

- The enterprise data bundle solution is a pool of data consumed by all mobile users in a municipality. A municipality can customise the pool of data to meet its mobile requirements.
- 800MB of data at a monthly subscription of R100.32 inclusive of VAT.
- No hardware fund is applicable with this bundle.

3. **Other services available on RT15**

- Internet of Things (e.g. Any asset management including Smart Metering);
- Enterprise mobility management (Any mobile applications);
- Roaming (Zone 1 are Vodafone Countries where daily access fee is waived and home rates are charged, there are roaming agreements on Zone 2 where daily access fee is reduced by 50%, No Roaming agreement on Zone 3 where SMS charges are reduced by 50%)
- Device security;
- Bulk SMS including USSD;
- APN (Access Point Node);
- Push-to-talk (using a mobile device);
- Value Added Services;
- Insurance for Devices;
- Unified Communications (e.g. Video Conferencing, One-Net etc.); and

All these services come with a commitment by Vodacom of Best Quality network – there is an agreement with Vodacom to ensure coverage on all areas where there is public service rendered. Municipalities must contact the National Treasury where there are coverage requirements.

4. **Contact Details**

- **National Treasury**

For all transversal contract and participation queries, please use the following link to contact the relevant official on transversal contracts.

<http://www.treasury.gov.za/divisions/ocpo/ostb/contracts/Transversal%20Contracting%20Contact%20List%2001%20June%202019.pdf>

- **Vodacom**

All on-boarding queries by participating municipalities should be directed by Administrators to 08217875 and/or Email Address: national.treasury@vodacom.co.za. For all mobile users within a participating municipality the contact number is 0821940.

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

	Cost Containment In-Year Report					
Measures	Budget	Q1	Q2	Q3	Q4	Savings
	R'000	R'000	R'000	R'000	R'000	R'000
Use of consultants						
Vehicles used for political office -bearers						
Travel and subsistence						
Domestic accommodation						
Sponsorships, events and catering						
Communication						
Other related expenditure items						
Total						

Cost Containment Annual Report			
Cost Containment Measure	Budget	Total Expenditure	Savings
	R'000	R'000	R'000
Use of consultants			
Vehicles used for political office -bearers			
Travel and subsistence			
Domestic accommodation			
Sponsorships, events and catering			
Communication			
Other related expenditure items			
Total			



Municipal Budget Circular for the 2020/21 MTREF

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1. Introduction

The purpose of the annual budget circular is to guide municipalities with their compilation of the 2020/21 Medium Term Revenue and Expenditure Framework (MTREF). This circular is linked to the Municipal Budget and Reporting Regulations (MBRR); and strives to support the budget preparation processes of municipalities so that the minimum requirements of the MBRR promulgated in 2009 are achieved.

In 2010, the National Treasury introduced the local government budget and financial reform agenda. Since then several projects to further this agenda have been introduced. The recent 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 the annual budget preparation in accordance with the budget and financial reform agenda and the associated “game changers”.

Municipalities are reminded to refer to the previous annual budget circulars for guidance on budget preparation issues that are not covered in this circular.

2. The South African economy and inflation targets

In the 2019 Medium Term Budget Policy Statement (MTBPS) tabled by the Minister of Finance on 30 October 2019, he stated that, he is tabling the 2019 MTBPS in a difficult global and domestic environment. The global growth forecast for 2019 is the lowest since the 2008 financial crisis, weighed down by mounting trade tensions and political uncertainty. Economic activity in two engines of the world economy, namely China and India, is also slowing this year. Policy makers have taken a number of steps to support growth, but there is a risk that these measures will create new vulnerabilities, as interest rates in advanced economies decline. About a quarter of government bonds in these countries have negative yields.

In South Africa, economic growth has continued to stagnate and weaknesses in the world economy are likely to amplify our own challenges. The discussion paper termed the Economic transformation, inclusive growth, and competitiveness released by the National Treasury has proposed a number of economic reforms that might boost GDP growth over the medium and longer term, and support increased investment and job creation. These measures have been broadly agreed on within government. The next step is to implement the reforms urgently. Nevertheless, the economy has continued to weaken with the economic growth projected to grow at 1.2 per cent in the 2020/21 financial year, while long term estimates have fallen prompting government to review its outer year’s estimates.

In addition to low growth, South Africa’s biggest economic risk is Eskom. Ongoing problems with the utility’s operations continue to disrupt the supply of electricity to households and businesses. Government has allocated significant resources to assist Eskom. With the immediate financial restraints lifted, the focus must be on operational problems and restructuring Eskom into three separate entities. Doing so will mark the beginning of a transition to a competitive, transparent and financially viable electricity sector.

South Africa’s public finances deteriorated over the past decade; a trend that accelerated in recent years as low growth led to large revenue shortfalls. For 10 years, the country has run large budget deficits. This has put us deeply in debt, to the point where interest payments have begun crowding out social and economic spending programmes. This cannot be sustained.

Government proposed a range of expenditure reductions to restore the public finances to a sustainable position, some of which are likely to be painful. We owe it to future generations to ensure that we are good stewards of our country's resources and that they do not have to pay for faults in our decision-making.

The following macro-economic forecasts must be considered when preparing the 2020/21 MTREF municipal budgets.

Table 1: Macroeconomic performance and projections, 2018 - 2022

Fiscal year	2018/19	2019/20	2020/21	2021/22	2022/23
	Actual	Estimate	Forecast		
CPI Inflation	4.7%	4.3%	4.9%	4.8%	4.8%

Source: Medium Term Budget Policy Statement 2019.

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.

3. Key focus areas for the 2020/21 budget process

3.1 Division of Revenue outlook

Municipal governments face multiple pressures over the period ahead with local government expected to expand access to free basic service to poor households, while ensuring that those who can afford to pay for services do so.

The 2020 MTEF includes large reductions in planned transfers to municipalities. The implication of these reductions is that municipalities will be required to reprioritise projects. Larger reductions in grants are mainly affecting urban municipalities which have the capacity to offset the effects of these cuts from their own revenue investments.

A notable revision is that of the Public Transport Network Grant (PTNG) which has funded 13 cities over the past decade, yet only six have launched operations. In the 2020 MTEF, the grant will be allocated only to 10 cities and these cities will be required to reduce their costs and to demonstrate their effectiveness to receive PTNG funding.

3.2 Local government conditional grants and additional allocations

The proposed division of revenue is still biased towards prioritising funding services for poor communities. Allocations to local government subsidise the cost of delivering free basic services to the less fortunate and the poorest of the poor households, and the infrastructure needed to deliver those services, as well as the maintenance of the infrastructure to ensure the sustainable delivery of these services.

The 2019 Medium Term Budget Policy Statement (MTBPS) projects transfers for local government for the 2020 MTREF at R397 billion, of which 62.2 per cent comprise unconditional allocations while the remainder is conditional grant funding. The allocations for local government over the medium term represent 8.6 per cent of non-interest expenditure and a slight decrease from the 8.9 per cent realised in the 2018 budget.

The equitable share and the allocation of the general fuel levy to local government constitutes 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 timeframes, as specified in the annual Division of Revenue Bill. Monies not spent must be returned to the fiscus and requests for roll-overs will only be considered in extenuating circumstances.

The annual Division of Revenue Bill will be published in February 2020 after the budget speech by the Minister of Finance. 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 2019 Division of Revenue Act to compile their 2020/21 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 2019 Division of Revenue Act for 2021/22. The DoRA is available at <http://www.treasury.gov.za/documents/national%20budget/2019/default.aspx>

3.3 Changes to the structure of local government allocations

The local government equitable share formula has been updated to account for projected household growth, inflation and estimated increases in bulk water and electricity costs over the MTEF period.

Large urban municipalities continue to underinvest in infrastructure, primarily because of poor programme and project preparation practices, leading to long delays, higher costs and breakdowns in service delivery. While public and private capital funding is available, these weaknesses translate into low levels of effective demand from the municipalities.

To address these problems, from 2020/21 government will introduce dedicated grant funding for large urban municipalities. Eligible municipalities will receive co-financing on a declining basis over three years. Financing will be conditional on establishing a municipal project preparation fund and an infrastructure delivery management system, and achieving targets for programmes and projects under preparation. Funding for this new facility will be reprioritised from existing allocations to municipalities.

Government is also working with municipalities to increase their revenue raising potential. The Municipal Fiscal Powers and Functions Amendment Bill, which will be tabled shortly, will standardise the regulation of development charges. Development charges are the mechanism by which municipalities recover the capital costs of connecting new developments to infrastructure for water, roads, electricity and other services. Currently, these charges are frequently below cost, so municipalities effectively subsidise the provision of infrastructure to businesses and other developments, reducing their ability to subsidise infrastructure directly for lower-income residents.

The change could increase municipal revenues for capital spending by an estimated R20 billion a year. Several efforts are also under way to improve the effectiveness of transfers to rural municipalities. The possibility of using municipal infrastructure grant funds to buy waste management vehicles, which must be purchased through a contract facilitated by the National Treasury to minimise costs, is being investigated to expand services in rural areas. Funds may be reprioritised between water and sanitation grants to accelerate the completion of regional bulk water schemes.

The Department of Energy will complete an electrification master plan to guide the future allocation of funds between the Eskom, municipal, and non-grid components of the Integrated National Electrification Programme. The Department of Transport will establish a national database for all road traffic and condition data to inform the prioritisation and monitoring of road maintenance across all roads.

3.4 Addressing unfunded budgets in local government

A revised strategy to address municipal financial performance failures has been endorsed by the Budget Council and Budget Forum (the respective intergovernmental forums for provincial and local government finances). This strategy is based on an analysis of performance failures in governance, financial management, institutional capabilities and service delivery. As part of this strategy, municipalities must ensure that their budgets are adequately funded.

The number of councils adopting unfunded budgets, where realistically anticipated revenue is insufficient to cover planned spending sustainably, increased from 74 in 2016/17 to 126 in 2019/20. The National Treasury, alongside provincial treasuries, has provided extensive advice and support to ensure that municipalities plan affordable expenditure and collect all the revenue owed to them. All municipalities are able to table a funded budget. This is easier for transfer-dependent municipalities as they have more predictable revenue and can plan their spending accordingly.

The 126 municipalities with unfunded budgets were required to table special adjustments budgets to align their spending plans with projected revenues and ensure they have plans in place to pay their creditors (including Eskom and the water boards). Those municipalities that did not table funded adjustments budgets by 15 November 2019 had their December 2019 tranche of the local government equitable share withheld as the MFMA requires that a municipality must table a funded budget.

Municipalities who are finding it difficult to table funded and sustainable budgets should contact National or their respective provincial treasury for assistance to reprioritise their budgets.

3.5 Municipal Standard Chart of Accounts (*mSCOA*)

3.2.1 Release of Version 6.4 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 6.4 is released with this circular (see Annexure A). Version 6.4 of the chart will be effective from 2020/21 and must be used to compile the 2020/21 MTREF and is available on the link below:

<http://mfma.treasury.gov.za/RegulationsandGazettes/MunicipalRegulationsOnAStandardChartOfAccountsFinal/Pages/default.aspx>

3.2.2 Budgeting, transacting and reporting in an *mSCOA* environment

The *mSCOA* Regulations¹ prescribes the uniform recording and classification of municipal budget and financial information at a transaction level. All municipalities and municipal entities had to comply with the Regulations by 01 July 2017.

This standard classification framework enforces the link between planning (IDP) and the budget through the project segment and enables annual reporting and performance management linked to strategic service delivery objectives.

By now, all municipalities should:

- Have acquired, upgraded and maintain the hardware, software and licences required to be and remain *mSCOA* compliant;

¹ The Minister of Finance promulgated the Municipal Regulations on a Standard Chart of Accounts in government gazette Notice No. 37577 on 22 April 2014.

- Budget, transact and report on all six (6) legislated *m*SCOA segments and directly on the core financial system and submit the required data strings directly from this system to the Local Government Portal;
- Lock down the budget adopted by Council on the core municipal financial system before submitting the budget (ORGB) data string to the local government portal;
- Closed the core financial system at month-end as required in terms of the MFMA before submitting the monthly data string to the local government portal; and
- Generate regulated Schedules (A, B, C) directly from the core municipal financial systems.

If your municipality has not achieved the above level of implementation as yet, then the implementation of *m*SCOA in your municipality should be accelerated. Towards this end:

- A road map must be provided to the National and respective provincial treasury to indicate how the municipality will become *m*SCOA compliant;
- The municipality's *m*SCOA Project Steering Committee (chaired by the Accounting Officer) must meet at least monthly (if not more often) to track the progress against the road map and take corrective action where required;
- The National Treasury (in the case of non-delegated municipalities) and respective provincial treasury (in the case of delegated municipalities) should be invited to the *m*SCOA Project Steering Committee meeting; and
- Progress against the road map should be presented at the Mid-Year Budget and Performance and Budget Benchmark engagements.

3.2.3 Changing of the Core Financial System

Municipalities are reminded to follow the required due diligence processes in terms of MFMA Circulars No. 80 and 93 and *m*SCOA Circulars No. 5 and 6 when they procure a core financial system.

In addition, if a municipality enters into a contract with a system vendor for the maintenance of the procured system that will impose financial obligations on the municipality beyond the three years covered in the MTREF budget, then the provisions of Section 33 of the MFMA should be adhered to.

Service level agreements (SLA) with system vendors must also be managed properly. Penalties, including the termination of the SLA in cases of persistent non-compliance, should be imposed if the agreed upon milestones are not met by the system vendor. Likewise, if a system vendor has delivered on the services agreed upon in the SLA, then the municipality should pay all money owing to the system vendor within 30 days of receiving the relevant invoice or statement, as per the requirements of Section 65(2)(e) of the MFMA.

The National Treasury will conduct independent audits on all municipal core financial systems in 2020 to determine to what extent these systems comply with the functionality requirements and 15 business processes required in terms of *m*SCOA. These results will also inform the new transversal tender for the procurement of municipal financial and internal control systems in 2021. 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 *m*SCOA 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 MFMA Circulars No. 80 and 93, *m*SCOA Circulars No. 5 and 6 and Section 33 of the MFMA when they procure a core financial system and/or enter into an SLA with a

system vendor. The reports on these matters of internal audit must be tabled to the audit committee and at municipal council for consideration.

3.2.4 Submission of Borrowing Monitoring and Investment Monitoring Data Strings

Chapter 3 of the *mSCOA* Regulations provides that the Minister of Finance may determine minimum business processes and system requirements through issuing a gazette. MFMA Circular No. 80 provided guidance on these requirements for all categories of municipality (A, B and C). The Request for Proposal (RFP) issued on 4 March 2016 for the appointment of service providers for an integrated financial management and internal control system for local government (RT25-2016 published in Tender Bulletin No. 2906), provided further guidance on the requirements applicable to a specific category of municipality.

It should be noted that National Treasury will expand the requirements applicable to categories B and C municipalities in 2020 to include business processes and system functionality relating to investment, borrowing or performance management. The expanded requirements will provide the basis for the new transversal contract for the appointment of service providers for an integrated financial management and internal control system for local government that might be issued in 2021, as well as the minimum business and system requirements that will be gazetted at a future date, as envisaged in the Regulation.

In the interim, categories B and C municipalities that have not procured investment, borrowing or performance management modules, will have to prepare and submit their quarterly Investment Monitoring and Borrowing Monitoring data strings to the Local Government Portal manually.

3.2.5 Cash Flow Reconciliation

The cash flow information presented on Table A7 of Budget Schedule A and Table B7 of Adjustments Budget Schedule B did not reconcile to the corresponding data strings for the past two financial years. One of the contributing factors to this was that there were errors in the linkages in the segment item: asset and liabilities on the Local Government Database. National Treasury has now corrected these linkages in the segment item: asset and liabilities.

It was further noticed that a number of municipalities do not use the movement accounts correctly in the *mSCOA* chart which distorts the figures reported in the cash flow tables. Guidance on the use of movement accounts is provided in **Annexure A**.

4. The revenue budget

Similar to the rest of government, municipalities face a difficult fiscal environment. Even as demand for services rises, weak economic growth has put stress on consumers' ability to pay for services, while transfers from national government are growing more slowly than in the past. Some municipalities have managed these challenges well, but others have fallen into financial distress and face liquidity problems. These include municipalities that are unable to meet their payment obligations to Eskom, water boards and other creditors. There is a need for municipalities to focus on collecting revenues owed to them, and eliminate wasteful and non-core spending. Municipal budgets will be scrutinised to ensure that municipalities adequately provide 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.

Municipalities are reminded that the local government equitable share allocation is mainly to fund the costs of free basic services and to subsidise the administrative costs of the smaller and more rural municipalities. The increasing unemployment and growth in the number of

persons per household means that the revenue foregone in respect of free basic services will likely increase and it will become even more difficult to collect revenue. The household budget will be under pressure and trade-offs will be applied as it may be unaffordable to pay all household expenses with regularity.

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 2020/21** in their budget narratives, and pay careful attention to the differential incidence of tariff increases across all consumer groups. In addition, municipalities should include a detail of their revenue growth assumptions for the different service charges in the budget narrative.

4.1 Maximising the revenue generation of the municipal revenue base

Reference is made to MFMA Circular No. 93, item 3.1. The emphasis is on municipalities to comply with Section 18 of the MFMA and ensure that they fund their 2020/21 MTREF budgets from realistically anticipated revenues to be collected. Municipalities are cautioned against assuming collection rates that are unrealistic and unattainable as this has been identified as a fundamental reason for municipalities not attaining their desired collection rates.

It is therefore essential that municipalities pay attention to reconciling the valuation roll data to that of the billing system to ensure that revenue anticipated from property rates are accurate. Municipalities are encouraged to undertake this exercise as a routine practice. The list of exceptions derived from this reconciliation will 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. In accordance with the MFMA Circular No. 93, municipalities are once more requested to submit the required information to the National Treasury by no later than 7 February 2020.

The above information must be submitted on a CD or USB to the National Treasury, 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

4.2 Setting cost reflective tariffs

Cost reflective tariff setting is a requirement of Section 74(2) of the Municipal Systems Act, 2000 (Act No.32 of 2000) which states that tariffs must “*reflect the costs reasonably associated with rendering the service*”. This is meant to assist municipalities to generate sufficient revenue to fully recover their costs, deliver services to customers sustainably and invest in infrastructure that promotes local economic development.

The starting point for sound tariff setting is a credible budget. A credible budget is one that ensures the funding of all approved items and is anchored in sound, timely and reliable information on expenditure and service delivery (FFC, 2011). Credible budgets are critical for local government to fulfil its mandate to sustainably provide services. **If the budget is not credible then tariffs will not result in financial sustainability even if they are set using a sound methodology.**

A credible expenditure budget reflects the costs necessary to provide a service efficiently and effectively:

- An *effective* budget is one that is adequate to deliver a service of the necessary quality on a sustainable basis.
- An *efficient* budget is one that delivers services at the lowest possible cost.

In many cases, municipal budgets have costs that are bloated in some areas (high governance and administration costs are one commonly cited example) but inadequate in other areas (inadequate allowance for maintenance is an example). This means that a budget may be both ineffective and inefficient. Before embarking on the tariff setting process, a municipality must assess its budget to determine its efficiency and effectiveness. Ideally, a budget should be zero-based, at least periodically. This would typically require an assessment of what infrastructure is in place and what is needed to operate and maintain this infrastructure.

There are several tools and methodologies to support municipalities in setting tariffs. The common observation is that these tools and methodologies are not aligned. This creates confusion on the approach to be applied. Research has further identified that many municipalities set tariffs through an incremental method and not a scientific method. As a result, many municipalities do not recover the cost of providing that service.

Against this background an exercise was undertaken to bring certainty when setting tariffs. A tool and guide has been developed by National Treasury for this purpose and caters for all categories of municipalities. It also assists those municipalities that lack credible data which is the corner stone for setting a proper tariff. The emphasis is on setting tariffs for the four trading services namely water, sanitation, electricity and solid waste. The methodology follows an approach to tariff setting consistent with existing methodologies developed by SALGA, the NERSA Cost of Supply Framework for electricity, and the DWS Norms and Standards for water services.

The National Treasury Municipal Costing Guide is available on the link below on the National Treasury website.

<http://mfma.treasury.gov.za/Guidelines/Documents/Forms/AllItems.aspx?RootFolder=%2fGuidelines%2fDocuments%2fMunicipal%20Costing%20Guide&FolderCTID=0x0120004720FD2D0551AE409361D6CB3E122A08>

Setting cost reflective tariffs is the start to improved budgeting and financial sustainability.

How will reducing Non-Revenue Water and Non-Revenue Electricity bring down the tariffs required?

Many municipalities have very high levels of Non-Revenue Water (NRW), and some also have high levels of Non-Revenue Electricity (NRE). NRW and NRE can be broken down into 'technical' and 'non-technical' losses*.

Technical losses are related to physical losses out of the system. In the case of water, this is

due to pipe bursts and leakages or due to overflows on storage tanks. In the case of electricity, these are due to resistive losses and other similar effects. The cost of real losses sits in the bulk portion of the bulk purchases cost or if a municipality is performing the bulk water function internally, a portion of the costs associated with bulk water treatment and supply. If a municipality reduces its real losses, it will lose less water and electricity from the system and the cost of purchasing water and electricity or treating bulk water will be reduced.

Non-technical losses refer to losses due to theft or to metering inaccuracies. In these cases, there is no physical loss of water or electricity: someone is using the water or electricity and simply not paying for it. Reducing non-technical losses will have no effect on the cost of supplying a service but it will have an effect on the volumes sold. Since the tariff is calculated as the revenue required divided by the volume sold, increasing the volume sold will reduce the tariff required.

Reducing technical losses will thus reduce the tariffs required because the cost of supplying the service will be reduced. Reducing non-technical losses will reduce the tariffs required because the volumes sold will be increased.

Note that the International Water Association (IWA) uses the term 'real losses' and not technical losses, and 'apparent losses' in place of 'non-technical losses'.

4.3 Bulk electricity tariffs

Final electricity bulk price increases for 2020/21 are uncertain at this stage. Although the National Energy Regulator of South Africa (NERSA) has approved a Multi-Year Price Determination (MYPD) for the period from 1 April 2019 to 31 March 2022, Eskom has submitted an urgent application to the courts to revise the bulk tariffs allowed under the MYPD. In their most recent MYPD decision, NERSA allowed for tariff increases of 9.41 per cent in 2019/20, 8.1 per cent in 2020/21 and 5.22 per cent in 2021/22 (for national financial years). However, Eskom disagrees with the way NERSA accounted for the R23 billion per year in fiscal support from government in determining Eskom's allowable revenue for this MYPD period. Eskom has requested that the court to allow revised tariff increases of between 16.6 and 16.72 per cent in 2020/21 and 2021/22. The application has been made on an urgent basis, and a decision could be handed down as soon as early in February 2020.

The difference between municipal and national financial years means that in 2020/21, bulk tariff increases for municipalities will be slightly lower than the figures cited above for increases applicable in the national financial year. NERSA has not yet published guidance on the exact tariffs for the 2020/21 municipal financial year. National Treasury's advice to municipalities is to prepare scenarios for electricity bulk price increases in 2020/21 of between about 7 per cent and 15 per cent (to account for the difference in financial years and the potential outcomes of the court case).

Municipalities should also note that if a court decision is made in February 2020 to allow a higher bulk electricity tariff increase, the decision is likely to be too late for National Treasury to make any changes to the equitable share allocations which will be tabled in the Division of Revenue Bill on 19 February 2020.

4.4 Levying of surcharges

Municipal Surcharges are regulated through the Municipal Fiscal Powers and Functions Act (MFPFA) and Local Government Municipal Systems Act (MSA). Section 8 of the MFPFA gives power to the Minister of Finance to prescribe compulsory national norms and standards for imposing "municipal surcharges". Municipal surcharges are defined as: "a charge in excess of the municipal base tariff that a municipality may impose on fees for a municipal service provided by or on behalf of a municipality, in terms of section 229(1)(a) of the Constitution;".

Section 75A of MSA empowers municipalities to “levy and recover fees, charges or tariffs in respect of any function or service of the municipality”. Municipalities must also adopt and implement a tariff policy on the levying of fees for municipal services in terms of section 74 of the Systems Act. The tariff policy should then guide the exercise of power given under section 75A. In section 74(2)(f) the Act provides that the tariff policy must reflect at least the following principles:

“provision may be made in appropriate circumstances for a surcharge on the tariff for a service;”.

Furthermore, Section 9 of the MFPFA requires a municipality to comply with processes in section 75A (2), (3) and (4) of the Systems Act in levying a surcharge.

In terms of the process, the Minister of Finance determines the norms and standards that municipalities must comply with in the exercise of their powers in terms of section 75A of the Systems Act. Approval for surcharges is done by the municipality in terms of section 75A of the Systems Act but subject to the norms and standards prescribed by the Minister of Finance in terms of the MFPFA.

The Minister of Finance has not yet prescribed the norms and standards (the power to prescribe is discretionary). The absence of norms and standards does not prevent municipalities from including surcharges in their tariffs as the power to impose a surcharge is given in the Municipal Systems Act. However, if a municipality decide to levy a surcharge, an approval is done by the municipal council in terms of section 75A of the Municipal Systems Act which gives power to municipalities to levy and recover fees, charges or tariffs in respect of any function or service of the municipality.

A surcharge is normally treated as part of the tariff. When a municipality determines a base tariff, it can include a surcharge (added as a separate variable). The municipal base tariff and a surcharge (if applicable) collectively becomes the tariff for a municipal service (such as electricity). The collective tariff must be approved by the municipal council and published for public comments in terms of section 75A of the Municipal Systems Act (MSA). It must also be subjected to the prescribed budget processes in terms of the MFMA.

In the case of electricity, NERSA only approves the base tariff. However, the final tariff that is published for public comments in terms of MSA and MFMA should include the surcharge if the municipality opted to levy it and is approved by the municipal council.

5. Funding choices and Budgeting issues

The Circular clearly outlines that, as a result of the economic landscape and weak tariff setting, municipalities are under pressure to generate revenue. The ability of customers to pay for services is declining and this means that less revenue will be collected. Therefore, municipalities must consider the following when compiling their 2020/21 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 per the Cost Containment Regulations that was issued on 07 June 2019;
- 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 promulgated on 30 May 2014.

5.1 Employee related costs

The *Salary and Wage Collective Agreement* for the period 01 July 2018 to 30 June 2021 is still in operation, therefore municipalities need to budget for their employee related costs in line with the multi-year wage agreement, and also ensure the agreement is correctly implemented and applied as per clauses of the agreement.

5.2 Remuneration of councilors

Municipalities are advised to budget for the actual costs approved in accordance with the Government Gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils published annually between December and January by the Department of Cooperative Governance. Any overpayment to councillors contrary to the upper limits as published by the Minister of Cooperative Governance and Traditional Affairs will be irregular expenditure in terms of section 167 of the MFMA and must be recovered from the councillor(s) concerned.

5.3 Budgeting for water under inventory

GRAP 12, paragraph .07 defines inventory as follows:

“Inventories are assets:

- (a) in the form of materials or supplies to be consumed in the production process,*
- (b) in the form of materials or supplies to be consumed or distributed in the rendering of services,*
- (c) held for sale or distribution in the ordinary course of operations, or*
- (d) in the process of production for sale or distribution.”*

In terms of this definition water should be treated as inventory and should be budgeted and accounted for accordingly. Annexure B to MFMA Circular No. 70 (Municipal Budget Circular for the 2014/15 MTREF) included guidance on the treatment of non-revenue water and electricity. To date the National Treasury has allowed municipalities to either budget for bulk purchasing of water as a direct expense in the Statement of Financial Performance as an interim measure or to account for water under inventory.

Municipalities were cautioned in MFMA Circular No. 93 for the 2019/20 MTREF that the A1 Schedule for the 2020/21 MTREF will be amended in line with the prescripts of GRAP 12. The draft amendments to the A1 Schedule to cater for water under inventory in line with GRAP 12 is attached to the budget circular as **Annexure B**. The amendments are circulated for comments and will be implemented with effect from the 2021/22 MTREF.

In terms of the mSCOA definition **“Inventory consumed water”** water stock should be treated as follows:

Water stock must be accounted for as inventory. This will include water purchased and not yet sold at reporting date insofar as it is stored (controlled) in reservoirs and pipes at year end. Water stock also includes any water purification costs incurred for non-purchased water. Pre-purified, non-purchased water should not be capitalised as part of inventory. The cost of water purchased and not yet sold at reporting comprises the purchase price, import duties, and other taxes (other than those subsequently recoverable by the municipalities from the taxing

authorities, such as VAT) and transport, handling and other costs directly attributable to the acquisition of finished goods, materials and services. Importantly, trade discounts, rebates and other similar items are deducted in determining the costs of purchase.

Substantial changes to the A1 schedule were required to accommodate this approach to account for water under inventory.

5.4 Budgeting for debt impairment in mSCOA

Municipalities are incorrectly using the line item for bad debts written-off under the Item Expenditure segment when budgeting for debt impairment. It should be highlighted that bad debts written-off is not the same as debt impairment. Debt impairment is the provision that the municipality makes for non-payment while bad debt written-off is the irrecoverable debts written off during the financial year as approved by Council per type of service. Therefore, municipalities are advised to use impairment loss under the Item Gains and Losses segment for debt impairment. This provides a breakdown for the different categories that can be impaired, for example, trade and other receivables from exchange transactions: water.

6. Conditional Grant Transfers to Municipalities

6.1 Non-compliance of in year monitoring

In terms of Section 74(1) of the Municipal Finance Management Act, 2003 (Act No. 56. of 2003) (MFMA), municipalities must submit to the transferring officers, National and Provincial treasuries documents and monthly grant reports as may be prescribed or required. Furthermore, section 12(2) of the Division of Revenue Act, 2019 (Act No. 16 of 2019) (DoRA) states that the municipality, as part of the report required in terms of section 71 of the MFMA, report on the matters referred to in subsection (4) and submit a copy of that report to the relevant provincial treasury, the National Treasury and the relevant Transferring Officer.

There are municipalities that have not been complying with the reporting requirements as stipulated above. Municipalities are reminded that non-submission of monthly reports translates to non-compliance with the MFMA and DoRA. The National Treasury and Transferring Officer will be implementing stringent measures to municipalities that do not comply with the prescripts. This includes, but is not limited to, the stopping and reallocation of conditional grants funding away from municipalities that are non-compliant. Municipalities are encouraged to comply with the reporting requirements in order to avoid withholding or stopping of an allocation. Reporting for conditional grants will also be extended in future to include the information from National Transferring Officers in the mSCOA format.

In terms of performance reporting on conditional grants, municipalities and Transferring Officers are urged to pay particular attention to the contents of money spent against conditional grants. Government is not realizing full value for money against the substantial investments it makes through grants. While financial reporting has become a routine matter on reporting, output/outcome based reporting has become important and it requires attention by all stakeholders. Workshops must be initiated across all government institutions to ensure value for money on conditional grants.

6.2 Stopping and reallocation in terms of the Division of Revenue Act

National Treasury as part of its in-year monitoring on conditional grants has through the Minister of Finance approved requests from the transferring officers to publish a gazette on stopping and reallocations between grants early in the beginning of the year, 2019/20. The gazette addresses shifting of allocations from underperforming local municipalities to their respective district municipalities, correction of errors against allocations made during the main budget and the conversion of allocations between schedules.

Integrated National Electrification Programme

The Department of Energy (DoE) is stopping and re-allocating funds from the Masilonyana Local Municipality (LM) to Lejweleputswa District Municipality (DM) under the Integrated National Electrification Programme (INEP 5B). The Masilonyana LM and the Lejweleputswa DM have entered into a Memorandum of Understanding wherein it was agreed that the district municipality will implement the electrification project on behalf of the local municipality with the assistance of the Municipal Infrastructure Support Agent (MISA) to verify the work done.

Conversion of allocations

According to Section 21(2)(a) of the 2019 DoRA, National Treasury may, after consultation with the relevant transferring officer, receiving officer and provincial treasury, convert any portion of an allocation listed in Part B of Schedule 5 to one listed in Part B of Schedule 6 if it is satisfied that the conversion shall prevent under-expenditure or improve the level of service delivery in respect of the allocation in question or convert any portion of an allocation listed in Part B of Schedule 6 to one listed in Part B of Schedule 5.

Neighbourhood Development Partnership Grant

The Neighbourhood Development Partnership Programme within the National Treasury is converting funds under the Neighbourhood Development Partnership Grant (NDPG) due to anticipated underspending. The 2019/20 NDPG 5B allocations for West Rand DM and Emfuleni LM will be converted from Part B of Schedule 5 to Part B of Schedule 6.

The Municipal Emergency Housing Grant

An amount of R149.1 million is allocated to Eastern Cape and KwaZulu-Natal municipalities after the Department of Human Settlements (DHS) declared a disaster in municipalities in these provinces. The allocation is done through the Municipal Emergency Housing Grant (MEHG) for the emergency relief to fund the temporary shelters following various disaster incidents namely fire and severe rain that caused damages and affected home owners. Funding for the MEHG remains unallocated in the Division of Revenue Act it only gets allocated upon disaster declaration.

Correction of errors in the Division of Revenue Act

According to Section 16(2) of the 2019 DoRA, for purposes of correcting an error or omission in an allocation or framework published, the National Treasury must on its initiative and after consultation with the relevant transferring officer by notice in the Gazette amend the affected allocation or framework.

The Magareng, Emthanjeni and Prince Albert local municipalities in the Northern Cape and Western Cape province respectively had their 2019/20 MIG erroneously allocated in the Section 16 gazette. The MIG allocation for the Prince Albert LM did not take into account the final sport allocation of R3.6 million which was allocated to the Magareng (R2 million) and the Emthanjeni (R1.6 million) local municipalities.

6.3 Invoice Verification against conditional grant expenditure/ Cost reimbursement

National Treasury has over the past two years introduced a system of monitoring all invoices that are paid by municipalities against the transferred conditional grants. The process involves a team of various stakeholders to be periodically placed in municipalities and facilitate verification on all issued invoices to check whether the work done is compliant to the conditional grant framework. This initiative was necessitated by the extent of unauthorized,

irregular and unrecognized expenditure that was being recorded by municipalities through the Auditor General's report. This process will also reduce and ultimately seek to eliminate the extent of misuse of conditional grant allocations.

A selected number of municipalities are earmarked on an annual basis to be supported through this process and transfers are only made to these municipalities once the team is satisfied after verification of the invoices has taken place. These processes assist against the transfer of funds for projects that are not ready for implementation, but at the same time recognizes municipalities that are spending well and incentivizes them for the good work.

Furthermore, in instances where a local municipality is unable to deliver the current year's projects, this process allows for the funds be rechanneled through their district municipalities as part of the District Development Model launched in November 2019. The District Development Model allows for government to allocate funding to the district for implementation on behalf of the local municipality until such time that capacity is built within the local municipality to implement projects on their own.

A process map for invoice verification/or cost reimbursement is attached as **Annexure C**.

7. Preparation of Municipal Budgets for 2020/21 MTREF

7.1 Schedule A1 version to be used for the 2020/21 MTREF

National Treasury has released Version 6.4 of the Schedule A1 (the Excel Formats) which is aligned to Version 6.4 of the *mSCOA* classification framework and must be used when compiling the 2020/21 MTREF budget. Refer to Annexure B for the changes to this version of the Schedule A1.

ALL municipalities **MUST** prepare their 2020/21 MTREF tabled and adopted budgets using the A1 schedule version 6.4.

It is imperative that all municipalities prepare their 2020/21 MTREF budgets **in their financial systems and that the Schedule A1 be produced directly from their financial system**. Vendors have demonstrated their budget modules to the National Treasury and provincial treasuries. All financial systems have this functionality to assist and prepare budgets and to generate the prescribed Schedule A1 directly from the financial system. Therefore, there is no reason why the 2020/21 MTREF budget must be done manually which has been found to create alignment problems.

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.

Ultimately the aim is to get to a point where all municipalities budget and transact directly in and report from their core financial system. This will result in one version of the '**truth**' where the financial performance reported to Council will not differ from the financial performance information submitted to and published by National and provincial treasuries. This will also reduce the reliance on consultants and system vendors to prepare municipal reports.

The National Treasury has indicated in MFMA Circular No. 93 that in future all A1 Schedules must be submitted in PDF format only. Some vendors have expressed concerns regarding the layout of some of the worksheets and the presentation thereof in PDF. Given the fact that the *mSCOA* classification framework makes it possible to generate the financial data required in the A1 schedule directly from the data strings and to promote the *mSCOA* approach for additional data needed and prescribed in the MBRR from sub-systems, the National Treasury will only accept a prescribed data string containing the supporting data, populated and

uploaded by each municipality (refer to the attachment to this MFMA Budget Circular No 98 on the website for the layout of the data string) from the **2020/21 MTREF**. The publication in the 2020/21 MTREF of non-financial data will be done using the supporting data uploaded from these data strings.

The National Treasury will no longer gather supporting data from the MBRR A1 Schedules, but will expect each municipality to submit the prescribed supporting data strings containing the required data using the LG Upload Portal.

The detail of supporting data strings is available as attachments to this circular.

Version 6.4 of Schedule A1 is available on the following link and is accompanied a comparison between mSCOA vs 6.3 and vs 6.4, highlighting changes made.

<http://mfma.treasury.gov.za/RegulationsandGazettes/MunicipalRegulationsOnAStandardChartOfAccountsFinal/Pages/default.aspx>

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>

7.2 Assistance with the compilation of budgets

If municipalities require advice with the compilation of their respective budgets, specifically the budget documents or Schedule A1, they should direct their enquiries to their respective provincial treasuries or to the following National Treasury officials:

Province	Responsible NT officials	Tel. No.	Email
Eastern Cape	Matjatji Mashoeshoe	012-315 5553	Matjatji.Mashoeshoe@treasury.gov.za
Buffalo City	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
Free State	Cethekile Moshane	012-315 5079	Cethekile.moshane@treasury.gov.za
Gauteng	Kgomotso Baloyi	012-315 5866	Kgomotso.Baloyi@treasury.gov.za
Johannesburg & Tshwane	Kevin Bell	012-315 5725	Kevin.Bell@treasury.gov.za
	Willem Voigt	012-315 5830	WillemCordes.Voigt@treasury.gov.za
KwaZulu-Natal	Kgomotso Baloyi	012-315 5866	Kgomotso.Baloyi@treasury.gov.za
eThekweni	Johan Botha	012-315 5171	Johan.Botha@treasury.gov.za
	Una Rautenbach	012-315 5700	Una.Rautenbach@treasury.gov.za
	Abigail Maila		Abigail.Maila@treasury.gov.za
Limpopo	Willem Voigt	012-315 5830	WillemCordes.Voigt@treasury.gov.za
	Sifiso Mabaso	012-315 5952	Sifiso.Mabaso@treasury.gov.za
Mpumalanga	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
	Musa Mnguni	012 315 5072	Musa.Mnguni@treasury.gov.za
Northern Cape	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
	Phumelele Gulukunqu	012 315 5539	Phumelele.Gulukunqu@treasury.gov.za
North West	Willem Voigt	012-315 5830	WillemCordes.Voigt@treasury.gov.za
	Makgabo Mabotja	012-315 5156	Makgabo.Mabotja@treasury.gov.za
Cape Town	Kgomotso Baloyi	012-315 5866	Kgomotso.Baloyi@treasury.gov.za
George	Willem Voigt &	012-315 5830	WillemCordes.Voigt@treasury.gov.za
	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
Technical issues with Excel formats	Elsabe Rossouw	012-315 5534	lgdataqueries@treasury.gov.za

National and provincial treasuries, will undertake a completeness check on the data string submissions and will analyse the supporting data strings. Where municipalities have not provided complete supporting information, the municipality will be informed and will be required to make the necessary corrections and resubmit the data strings.

7.3 Verification process and period of 2020/21 MTREF budgets

As the mSCOA reporting requirements state that a budget must be locked into the financial system by latest 30 June before the start of the new municipal financial year, in the previous timeframes provided, there was no opportunity to evaluate the adopted budget to be funded and complete BEFORE the start of the municipal financial year. The traditional verification period from July to September can no longer be applied as the municipalities are already transacting against the adopted and locked budget. Amending an unfunded and incomplete budget in an adjusted budget is also not the solution as the National Treasury only considers an adjusted budget in the third and fourth quarter of the financial year for analysis and publication purposes.

The verification period of all municipal budget will therefore be brought forward to the period 31 May to 30 June. In this one-month period, the National and provincial treasuries will be required to evaluate all municipal budgets for completeness and for being fully funded. Any adjustment that need to be made must be done before the start of the municipal financial year on 1 July.

Municipal managers are reminded that the annual budget must be accompanied by a quality certificate and council resolution, as well as a budget locking certificate (in the case of adopted budgets) in accordance with the format specified in Regulation 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 requirements of the Municipal Budget and Reporting Regulations and the Municipal Standard Chart of Accounts 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.***

Municipalities with municipal entities are once again reminded to prepare consolidated budgets and in-year monitoring reports for both the parent municipality and its entity or entities. The following must be compiled:

- An annual budget, adjustments budget and monthly financial reports for the parent municipality in the relevant formats;
- An annual budget, adjustments budget and monthly financial reports for the entity in the relevant formats; and
- A consolidated annual budget, adjustments budget and monthly financial reports for the parent municipality and all its municipal entities in the relevant formats.

The budget and data strings that the municipality submits to National Treasury must be a consolidated budget for the municipality (including entities). The budget of each entity must be submitted on the D schedule.

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.

8. Budget process and submissions for the 2020/21 MTREF

8.1 Submitting budget documentation and schedules for 2020/21 MTREF

To facilitate oversight of compliance with the Municipal Budget and Reporting Regulations, accounting officers are reminded that:

- Section 22(b)(i) of the MFMA requires that, **immediately** after an annual budget is tabled in a municipal council, it must be submitted to the National Treasury and the relevant provincial treasury in electronic formats. If the annual budget is tabled to council on **31 March 2020**, the final date of submission of the electronic budget documents and corresponding mSCOA data strings is **Wednesday, 01 April 2020**.

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 **29 May 2020**, given the new timeframe for the evaluation of the municipal budgets, the adopted budget data strings and documentation must be submitted by the latest **Friday, 12 June 2020**.

Municipalities are no longer expected to submit hard copies of budget related documents to National Treasury from the 2020/21 MTREF.

8.2 Expected submissions for 2020/21 MTREF

- The budget documentation as set out in the Municipal Budget and Reporting Regulations (MBRR). The budget document must include the main Tables (A1 - A10) and the supporting tables in the A1 schedule must be submitted in the prescribed mSCOA data string in the format indicated in an attachment as part of this circular.
- the draft and final service delivery and budget implementation plan in electronic PDF format;
- the draft and final integrated development plan;
- the council resolution for the tabled and adopted budgets;
- signed Quality Certificate as prescribed in the Municipal Budget and Reporting Regulations for the tabled and adopted budgets;
- schedules D specific for the entities; and
- A budget locking certificate immediately at the start of the new municipal financial year on 1 July.

Budget related documents and schedules must be uploaded by approved registered users using the LG Upload Portal at: <https://lguploadportal.treasury.gov.za/>.

Please note that the LG Upload Portal does not have the same size restrictions previously encountered but requires all documents to:

- be in PDF format only; and
- each PDF file must NOT contain multiple document e.g. council resolution and quality certificate within the budget document. Each document type must be identified and uploaded separately.

Any problems experienced in this regard can be addressed with Elsabe Rossouw at Elsabe.Rossouw@treasury.gov.za.

In addition to the above-mentioned budget documentation, metropolitan municipalities must submit the draft Built Environment Performance Plan (BEPP) tabled in council by 31 March 2020 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. (Yasmin to confirm if she still needs hard copies.)

8.3 Retirement of the Budget reform returns (Appendix B)

Municipalities must conclude all reporting for 2018/19 up to restated audit outcomes on the Appendix B (old electronic returns) to lqdatabase@treasury.gov.za before we can retire the returns.

Ensure that each municipality also submit the pre-audit and audited data strings in the *mSCOA* classification framework as data strings and that the figures are aligned to the Appendix B returns. Pre-audit and audited outcomes will only be submitted in the *mSCOA* data strings prescribed from 2019/20 onwards.

8.4 Publications from the *mSCOA* classification framework

The 2019 MTREF and the preliminary Quarter 1 Section 71 results for the 2019/20 financial year that has recently been published, have exposed that the credibility of the *mSCOA* data strings is a concern. At the core of the problem is:

- The incorrect use of the *mSCOA* and municipal accounting practices by municipalities;
- A large number of municipalities are not budgeting, transacting and reporting directly in/from their core financial systems. Instead they prepare their budgets and reports on excel spreadsheet and then import the excel spreadsheets into the system. Often this manipulation of data leads to unauthorised, irregular, fruitful and wasteful (UIFW) expenditure and fraud and corruption as the controls that are built into the core financial systems are not triggered and transactions are processed that should not be processed; and
- Municipalities are not locking their adopted budgets and their financial systems at month-end to ensure prudent financial management. To enforce municipalities to lock their budgets and close their financial system at month-end in 2020/21, the Local Government Database and Reporting System will lock all submission periods within the reporting period at the end of each quarter. The published period will NOT be opened again to ensure consistency between publications. System vendors were also requested to build this functionality into their municipal financial systems.

To improve the credibility of these data string, National and provincial treasuries are analysing the accuracy of the data strings and the use of the six regulated segments. The National Treasury has developed tools to analyse the segment/chart use and trained budget analysts from both National and provincial treasuries on the use thereof.

The data strings are also verified against the Council adopted budget (A1 Schedule), adjustments budget (B Schedule) and monthly performance against the budget (C Schedule) to ensure that these figures reconcile.

Quality improving focus areas for the 2020/21 MTREF:

- Pay specific attention to the funding of the capital budget and expenditure. The total capital expenditure must balance with the total funding used. Currently the expenditure is much higher than the funding reported.
- Opening balances, especially for capital projects, will always be DEFAULT projects as it will remain a system activity governed by council decision. In the current publications, capital expenditure is highly overstated due to incorrect use of opening balances for capital projects and presents a very inflated view of the actual capital expenditure.
- The cash flow data supplied by municipalities is not credible. This is partly due to the different ways in which the vendors treat actual cash collected but also is a result of the National Treasury not giving clear guidance on the procedures and processes to follow to get credible cash flow figures. In this budget circular signals have been given as to the treatments the National Treasury wants all municipalities to follow to get credible figures from the *mSCOA* data strings. The National Treasury will implement these guidelines in March 2020 in time for the receipt of the 2020/21 MTREF budget data strings. It will affect the third and fourth quarter Section 71 publications of 2019/20 as well.
- It is imperative that vendors assist municipalities to populate SA30 / SC30 when submitting cash flow figures. The detail that is required to ring fence functions and to determine actual cash collections are in the mentioned MBRR supporting worksheets and not in A7 / C7 which is a summarised version. When transferring payments made from sub-system to the general ledger, please ensure that these transfers are done using the prescribed 6 segments at the detailed level prescribed in SA30 / SC30.
- Municipalities are not using the FUND, REGION and COSTING segment correctly. In many instances these segments are simply defaulted and hence the true power of the *mSCOA* classification framework cannot be demonstrated.
- The National Treasury is currently developing Municipal Money Phase II. The first step is to interactively show all capital projects municipalities have budgeted for and are reporting on monthly to all citizens. It has become apparent that many municipalities are not using the correct GPS coordinates when reporting on the capital projects. Many are simply using the GPS coordinates of the municipal building or using 0 coordinates. Special attention must be given to the correct location and the proper description of projects as citizens will now be able to drill down and follow what is happening in their own wards.

8.5 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 (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.

Link to all previous circulars

[K:\CD - LGBA\Municipalities\20. Budget Regulations\04. Budget Circulars\2020 MTREF](#)

Contact



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JH Hattingh
Chief Director: Local Government Budget Analysis
06 December 2019

Annexure A – Cash Flow Reconciliation

The following movement accounts should only be used for cash inflow and outflow transactions:

Item Assets:

- *Collections:* Collections received pertaining to a respective account (example is collection on receivables from non-exchange (property rates) and non-exchange (service charges electricity) transactions).
- *Acquisitions:* Purchases of assets and other expenditure.
- *Disposal:* Sale of non-current assets (example land).
- *Earned:* Interest earned on a bank account.

Item Liabilities:

- *Receipts:* Current year receipts on transfer and subsidies.
- *Advances:* Advances taken for the year, example for borrowing.
- *Repayments:* Repayments for the year, example for borrowing.
- *Payments:* Payments made; example defined benefits.
- *Withdrawals:* Payments made, examples are for bulk purchases for electricity and bulk purchases water.

Funding segment

Most municipalities are transacting incorrectly on the funding segment and accordingly overstate the cash balances available per function (example energy sources (electricity), water management (water treatment) etc. for the payment of services.

The “Funding” segment in the financial system identifies the various sources of funding available to municipalities for financing expenditure relating to the operation of the municipality for both capital and operational expenditure.

The intent with the Funding segment is to assist municipalities in the management of available funds to use in running the municipality (working capital), capital expanding, maintenance programmes and operational projects intended for the benefit of the community. **The underlying principle in recording of transactions in this segment is therefore cash based or funds available to utilise.**

The key question in finding the appropriate classification code for this segment is: “against which source of funding is the payment allocated and against which source is revenue received?”

The primary sources of funding for a municipality are property rates, service charges, equitable share and own revenue. Further to these sources of revenue a municipality also spend funds transferred from other sectors within government, namely transfers and subsidies such as appropriated by national and provincial government in terms of the Division of Revenue Act (DORA). A further source of funds available for utilisation is “cash backed reserves” as directed by the municipality’s financial policy on the utilisation of the reserves.

The projects as defined within the Project segment together with the “funding” and “Item” segments provide information on how funds have been spent and on what. The Funding segment’s structure distinguishes between “Operational, Capital and Non-Funding Transactions”.

Operational: Operational revenue provides for funds from all other sources of income such as taxes, service charges, commercial services, transfer and subsidies, etc.

Capital: Funds to finance capital projects.

Non-funding Transactions: This is items that does not relate to a cash transaction.

Examples of non-funding transactions are:

- Billing for services on consumer accounts issued;
- Recording of invoices;
- Depreciation; and
- Debt provision.

Example 1: A municipality has issued a consumer account (billing) to a client for electricity consumption amounting to R100 in Ward X.

The transaction will be recorded as follows:

Segment	Dt	Cr
Project	Default	Default
Function	Function: Energy Sources: Non-core Function: Electricity	Function: Energy Sources: Non-core Function: Electricity
Item	Assets: Current Assets: Trade and other Receivables from Exchange Transactions: Trading Service and Customer Service Debtors: Electricity: Monthly Billing	Revenue: Exchange Revenue: Service Charges: Electricity: Electricity Sales :Domestic Low: Conventional
Funding	Non funding transaction	Non funding transaction
Region	Ward X	Ward X
Costing	Default	Default
Amount	100	100

The monthly billing of a consumer does not relate to any cash inflow, the funding segment therefore a non-funding transaction.

Example 2: The client pays the municipality R100 on the consumer account received.

The transaction will be recorded as follows:

Segment	Dt	Cr
Project	Default	Default
Function	Function: Energy Sources: Non-core Function: Electricity	Function: Energy Sources: Non-core Function: Electricity
Item	Assets: Current Assets: Cash and Cash Equivalents: Cash at Bank: Bank Account: Specify (replace with account description): Deposits	Assets: Current Assets: Trade and other Receivables from Exchange Transactions: Trading Service and Customer Service Debtors: Electricity: Collections
Funding	Fund: Operational: Revenue: General Revenue: Service Charges: Electricity	Fund: Operational: Revenue: General Revenue: Service Charges: Electricity
Region	Ward X	Ward X
Costing	Default	Default
Amount	100	100

The payment received will be recorded as a cash inflow against revenue service charges electricity for the function electricity. The electricity function will now have R100 funding (cash inflow) available for the payment of expenditure.

Example 3: The municipality receives an invoice from Eskom for the usage of electricity amounting to R50.

The transaction will be recorded as follows:

Segment	Dt	Cr
Project	Municipal Running Cost	Municipal Running Cost
Function	Electricity	Electricity
Item	Expenditure: Bulk Purchases: Electricity: ESKOM	Liabilities: Current Liabilities: Trade and Other Payable Exchange Transactions: Electricity Bulk Purchase: Deposits
Funding	Non funding transaction	Non funding transaction
Region	Mun	Mun
Costing	Default	Default
Amount	R50	R50

The recording of an invoice in the financial system does not relate to any cash outflow, no payment has been made, the funding segment therefore is a non-funding transaction.

Example 4: The municipality pay Eskom R50 on the invoice received.

The transaction will be recorded as follows:

Segment	Dt	Cr
Project	Default	Default
Function	Electricity	Electricity
Item	Liabilities: Current Liabilities: Trade and Other Payable Exchange Transactions: Electricity Bulk Purchase: Withdrawals	Assets: Current Assets: Cash and Cash Equivalents: Cash at Bank: Bank Account: Specify (replace with account description):Withdrawals
Funding	Fund: Operational: Revenue: General Revenue: Service Charges: Electricity	Fund: Operational: Revenue: General Revenue: Service Charges: Electricity
Region	Mun	Mun
Costing	Default	Default
Amount	R50	R50

The payment made will be recorded as a cash outflow against revenue service charges electricity for the function electricity. The electricity function will now have a balance of R50 cash available (funding) which is the difference between the cash received of R100 from a consumer on electricity consumption (example 2) and the payment of R50 to Eskom for the usage of electricity (example 4).

The electricity function will have a net balance of R50 positive cash (funding) which reconcile to the net cash in the bank account of R50.

Annexure B – Amendments to the A1 Schedule to cater for water under inventory in line with GRAP 12

Substantial changes to the A1 schedule were required to accommodate the approach to account for water under inventory. The draft adjustment to the A1 Schedule (Excel version) is attached to this published circular with amendments highlighted in light orange. The Excel document has been populated for one financial year to demonstrate the accounting treatment of the proposed changes. These changes are not for implementation during the 2020/21 MTREF but are included in the circular for comments prior to final implementation during the 2021/22 MTREF. The main changes were to Table SA3 that required further changes to some other worksheets as indicated below.

Table SA3

Changes to this table included the addition of water and other inventory items to enable municipalities to fully budget for the acquisition, issuing, adjustment, write-off, transfer and sale of all inventories. This will provide a detail reconciliation for the disclosure of inventory on the Statement of Financial Position (Table A6). This section has been aligned to the mSCOA chart - Item Assets – Inventory and, as it relates to water inventory, also to the IWA Modified Water Balance utilised by the DWS. The layout of the section includes the following inventory items:

- Water (separate item)
- Agricultural, Consumables, Finished Goods, Materials and Supplies (consolidated into one item)
- Work-in-progress (separate item)
- Housing Stock (separate item)
- Land (separate item)

It is important to note that, as a result of these changes, bulk purchasing of water will be processed as a cash transaction in the Statement of Financial Position – Acquisition of Inventory (Table A6). Acquisitions of water stock should include 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.
- Natural sources - Supply from boreholes, springs, fountain if not supplied through the water treatment plant. Value is to be determined by calculating primary and secondary cost components.

Currently the Statement of Financial Performance (Table A4) reflected the bulk purchasing of water as a cash expense. In terms of the change to treating water as inventory the cost of sales (water inventory consumed) is disclosed as a separate non-cash expense included under “Other materials & inventory consumed” on Table A4.

The cost of water losses and any write-down of inventory are expensed as a non-cash entry under “Expenditure by type Losses” on Table A4. When there is clear evidence of an increase in net realisable value of inventory adjustments are accounted for as a non-cash entry under “Revenue by source Gains” on Table A4.

Water Inventory consumed (cost of sales) included under “Other materials & Inventory Consumed” on Table A4 should include the following:

Billed Authorised Consumption

Billed Metered Consumption

- Free Basic Water
- Subsidised Water
- Revenue Water

Billed Unmetered Consumption

- Free Basic Water
- Subsidised Water
- Revenue Water

Un-Billed Authorised Consumption

- Unbilled Metered Consumption
- Unbilled Unmetered Consumption

The above-mentioned amendments to Table SA3 also necessitated adjustments to the following other tables as indicated below:

Table SA1

In order to adequately account for inventory, including water inventory, the following detail calculations were added on Table SA1:

Addition of Other materials & Inventory Consumed

- Inventory Consumed - Water
- Inventory Consumed - Other material
- Other materials

Total Other Material & Inventory Consumed

Bulk purchases: Electricity & Waste Water (previously Electricity & Water - now water changed to "Waste Water")

The change of terminology

- Electricity Bulk Purchases (no change)
- Waste Water Bulk Purchases (previously Water Bulk Purchases now water changed to "Waste Water")

Table A4

The change of terminology:

- Bulk purchases now ***"Bulk purchases: Electricity & Waste Water"***
- Gains on disposal of PPE now ***"Gains"***
- Loss on disposal of PPE now ***"Losses"***
- Other Material changed to ***"Other materials & inventory consumed"***

Table SA 30

The changes of terminology to cash payments by type:

- Bulk purchases - Electricity now changed to ***"Bulk purchases - Electricity & Waste Water"***
- Bulk purchases - Water & Sewer" now changes to ***"Acquisition Inventory - Water & other inventory"***

Annexure C – Process map for invoice verification/cost reimbursement

ACTIVITY	INSTITUTION	INDIVIDUAL
Step 1: Municipality receives invoices from the contractors and consultants	Municipality	Technical Director and PMU Manager
Step 2: Check completeness and all documents included and update the verification list/implementation plan	Municipality	PMU Manager
Step 3: Invoices and verification list submitted to Province (PT, Transport, CoGTA province, DWS, Energy, human settlement and MISA)	Municipality	Technical Director
Step 4: Province coordinates the site verification meeting/s with all stakeholders (Prov CoGTA and Treasury, MISA and municipality)	Province	Provincial selected lead official
Step 5: Municipality arranges with consultants and contractors to be on site and prepares the necessary progress report	Municipality	Technical Director and PMU
Steps 6: Site meeting/s held	(Prov CoGTA/Treasury, MISA and municipality)	Verification Team
Step 7: Transferring National Officer/MISA prepares the verification report and shares with all the verification team members. It recommends the amount to be released to municipality or recommends a refer back	Transferring National Officer/MISA	Transferring National Officer/MISA
Step 8: Verification team (coordinated by Province) to consider the recommendations by Transferring National Officer/MISA and submit recommendations to NT/Sector department	Province	Transferring National Officer/MISA with Provincial Treasury

ACTIVITY	INSTITUTION	INDIVIDUAL
Step 9: Transferring National Office reviews all documentation submitted and: (i) either refer back to Province for corrections; or (ii) submits report to NT	Transferring National Officer	Director: Grant Administration in national department
Step 10: NT evaluates and provides go ahead to Transferring National Officer and confirms amount for the transfer	National Treasury	Municipal Grant Monitoring and Analysis (MGMA) Unit within NT
Step 11: Transferring National Officer prepares sundry payment advise for Finance and confirm the date with NT	Transferring National Officer	Transferring National Officer
Step 12: Finance confirms transfer details with National Treasury (date amount) and loads transfer NT loads transfers on Safety Web	Finance	Finance Grant Administration Unit with NT
Step 13: Transferring National Officer confirms transfer with receiving officer	Finance	FINANCE
Step 14: Municipality effects the payments to contractors and submit Proof of Payment (POP)'s Transferring National Officer	Municipality	Technical Director / CFO
Step 15: Next transfer of funds may be effected once the previous POP has been verified	National Treasury and Transferring National Officer	National Treasury and Transferring National Officer



Municipal Budget Circular for the 2020/21 MTREF

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Introduction

This budget circular is a follow-up to MFMA Circular No. 98 that was issued on 06 December 2019. It aims to provide further guidance to municipalities with the preparation of their 2020/21 Medium Term Revenue and Expenditure Framework (MTREF) budgets and should be read together with the budget circulars that have been issued previously.

The grant allocations as per the 2020 Budget Review and the 2020 Division of Revenue Bill are also key focus areas in this circular.

1. The South African economy and inflation targets

Over the past year, economic growth has been weaker than forecasted and is only expected to reach 0.9 per cent in 2020. The 2020 budget highlights the difficult economic and fiscal choices confronting government over the next several years.

It is projected that revenue to be collected for the 2020/21 financial year will amount to R1.5 trillion which equates to 29.2 per cent of the Gross Domestic Product (GDP), whereas expenditure is projected to be at R1.95 trillion which is equivalent to 36 per cent of GDP. This means that there is a consolidated budget deficit of R370.5 billion or 6.8 per cent of GDP in 2020/21. The gross national debts by the end of 2020/21 is projected to be R3.56 trillion which is 65.6 per cent of GDP.

It is evident that determined action is required to reverse the deterioration of the public finances by narrowing the budget deficit, containing debt and growing the economy faster and in a sustainable manner. Municipalities therefore need to exercise caution when they prepare their 2020/21 MTREF budgets to ensure synergy with national economic and fiscal prudence.

The declining economic growth which might be impacted on further by the Corona virus pandemic and international companies closing down as a result, the deteriorating state of the finances for state-owned entities, continued high unemployment and water and electricity shortages will put pressure on the ability of municipalities to raise revenue. Municipalities are therefore advised to follow a conservative approach when projecting their revenue and to eliminate any waste and unnecessary expenditure. Importantly, municipalities should ensure that they adopt realistic and funded 2020/21 MTREF budgets, collect the debts owed to them and pay their creditors within 30 days of receipt of invoice.

The following macro-economic forecasts must be considered when preparing the 2020/21 MTREF municipal budgets.

Table 1 Macroeconomic performance and projections

	2019	2020	2021	2022
Percentage change	Estimate	Forecast		
Real GDP growth	0.3	0.9	1.3	1.6
CPI inflation	4.1	4.5	4.6	4.6

Source: 2020 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 2020/21 municipal budget process

After budgeting for debt-service costs, the contingency reserve and provisional allocations, 48.2 per cent of the nationally raised funds are allocated to national government, 43 per cent to provinces and 8.8 per cent to local government. This is a reduction from the 9.1 per cent allocated to local government when compared to the 2019/20 financial year.

Local government continue to receive the least share of the division of nationally raised revenue because it has extensive powers to raise its own revenue. On aggregate; the local government sphere raises about 70 per cent of its own revenue. However, municipalities should make every effort to improve the collection rates through improved billing and collection practices. In the present current economic climate, municipalities cannot afford to provide municipal services without recovering the cost of providing these services.

Spending outcomes for 2018/19 varied across the 257 municipalities. Many municipalities adopted unrealistic spending plans. As a result, 211 municipalities underspent their operating budgets and 214 municipalities underspent their capital budgets. This was a slight improvement from the previous year.

Of the R33.6 billion in conditional grants transferred to municipalities in 2018/19, R27.2 billion (80.1 per cent) was spent, compared to 93 per cent spent in 2017/18. This decline was partly due to underspending on drought relief funds allocated in the middle of the financial year.

2.1 Local government grants and municipal revenue strength

The conditional grants to municipalities have been reduced and most conditional grants have been reduced as part of efforts to limit growth in government expenditure and ensure that public debt is sustainable. To manage the effect on services, these reductions take into account:

- Past spending and performance;
- Whether the conditional grant funds salaries, and other related costs; and
- Whether there has been significant real growth in allocations in recent years.

Where possible, the National Treasury has reduced transfers that are more likely to go unspent or to be spent less effectively. Accordingly, grants that have persistently underperformed have been reduced by larger amounts. The largest proportional reduction to local government grants in 2020/21 has been made in respect of the public transport network grant, because only six of the 13 cities receiving the grant have successfully launched public transport systems. The three cities that have shown the least progress, namely Buffalo City, Msunduzi and Mbombela have been suspended from the grant and will not receive allocations in the 2020 MTEF period.

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 thereof 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/2020/default.aspx>

2.1. Changes to local government allocations

2.1.1. Unconditional grants

Over the next three years, above-inflation growth in allocations to the local government equitable share continues, while growth in conditional grants is slower as a result of the reductions announced in the 2020 Budget. The local government Equitable Share continues to receive above inflation increases because it allows municipalities to offer free basic services to indigent residents who cannot afford to pay for services. The total direct allocations to local government grow at an annual average rate of 6.6 per cent over the MTEF period.

2.1.2. Conditional grants

The 2020 Division of Revenue Bill has technical adjustments which were effected through the shifting of funds between different municipal allocations. However, it should be noted that the technical adjustments do not change the total amount allocated to local government. These changes to the grants include the shifting of:

- R400 million in 2020/21 from the municipal infrastructure grant, the water services infrastructure grants and the urban settlements development grant to the indirect regional bulk infrastructure grant to assist in funding the rehabilitation of wastewater treatment infrastructure in the Vaal River System;
- R160 million from the direct *neighbourhood development partnership grant* to the indirect component of the grant over the MTEF period;
- R3 billion that had been indicatively allocated to the new *informal settlement upgrading partnership grant* in 2020/21. This amount is shifted back to the *urban settlements development grant* following the decision to extend the informal settlements window within this grant for another year; and
- R166 million over the 2020 MTEF period from the *municipal infrastructure grant* to the *integrated urban development grant* for the entry of one additional municipality into the grant.

In addition to funds shifted from other local government grants, R250 million has been added to the indirect *regional bulk infrastructure grant* in 2020/21 to assist with addressing pollution in the Vaal River System. These funds were reprioritised from allocations in other spheres of government.

2.2 Response to the Finance and Fiscal Commission (FFC)'s recommendations

The Finance and Fiscal Commission Act, 1997 (Act No. No 99) requires that the FFC tables their recommendations on financial and fiscal matters at least 10 months before the start of each financial year. The FFC tabled its *Submission for the Division of Revenue 2020/21* to Parliament in May 2019. This year's theme is "reprioritising local government finances". The 2020/21 recommendations cover the following areas: local government financing framework, municipal government capacity building, local government sustainability, infrastructure management and efficiency, investment and developmental challenges in the local government sector.

2.2.1 Supplementary revenue sources for local government

The FFC recommended that the Minister of Finance should take steps (including piloting) to add supplementary revenue sources to the list of allowable taxes for different types of municipalities in a differentiated manner. National government supports this recommendation that additional revenue sources to municipalities should be fully explored. In response, various reforms have been prioritised to supplement the revenue sources of municipalities.

These include: amending the Municipal Fiscal Powers and Functions Act, 2007 (Act No. 12 of 2007) to ensure development charges are uniformly regulated and updating the municipal borrowing policy framework to clarify the funding instruments that municipalities are allowed to use to leverage their borrowing including clarifying the role of development finance institutions in this regard.

The Municipal Fiscal Powers and Functions Act already allows municipalities to apply to the Minister of Finance to levy additional taxes such as the tourism levies and fire levies recommended by the FFC. This Act also allows the Minister of Finance to introduce new municipal taxes on his own initiative. Applications from municipalities to implement new revenue sources provide a good mechanism for piloting new revenue sources like these as it ensures that the pilot municipalities are ready and willing to implement the new taxes. To be considered by the Minister of Finance, an application to introduce additional taxes must include the following:

- What the revenue from the proposed new municipal tax will be used for;
- Its compliance with section 229(2)(a) of the Constitution, which requires that municipal taxes do not prejudice national economic policy;
- The tax base, the desired tax rate, people liable for the tax and tax relief measures;
- The tax collecting authority; and
- Particulars of any consultations conducted, including consultations with a provincial government and organised local government and other municipalities where applicable, and the outcomes of these consultations.

2.2.2 Local government infrastructure management and efficiency

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, 1997 (Act No. 97 of 1997). The FFC recommended that the Ministers of Cooperative Governance and Traditional Affairs (CoGTA) and Finance should jointly strengthen the linkage between technical project planning processes and budgeting and foster smooth intergovernmental infrastructure coordination as part of the ongoing local government infrastructure grant reforms.

Government acknowledges the need to consolidate municipal infrastructure grants and to strengthen the linkages between the technical project planning process and the budgeting. The review of local government infrastructure grants has identified consolidation and rationalisation in the number of grants received by each municipality as a key area for reforming the grant system. As the various grants in the system serve different purposes, the consolidation and rationalisation process requires extensive consultation before grants can be merged. As a result, there is no definitive dates set on when the consolidation of grants will take place. However, government is committed to achieving the vision of a differentiated grant system.

2.3 Building capability for infrastructure delivery

The National Treasury continues to expand the tools available for provinces and municipalities to improve spending. Weaknesses in preparing and authorising projects and programmes are one of the main causes of poor performance on infrastructure transfers. The Infrastructure Delivery Management System (IDMS) has assisted provinces to build infrastructure units with qualified staff and institutionalise best practices. In the 2020/21 MTEF, cities will receive grant funding through the *integrated city development grant* to institutionalise an effective system for preparing programmes and projects. Metros will only be eligible for this funding if they:

- Have not had an adverse or disclaimed audit opinion in the last two financial years;

- Have formally adopted the Cities' Infrastructure Delivery and Management System (CIDMS) guidelines;
- Establish a programme and project approval committee to authorise work; and
- Commit to co-financing contributions and budget management arrangements.

National government provides a broad range of capacity-support grants and programmes for local government. These grants and programmes are under review and reforms to improve its effectiveness are likely to be implemented from 2021/22.

2.4 Development Charges reforms

National Treasury continues to explore how municipalities can use a broader package of infrastructure financing sources to meet their developmental mandate. One of these sources is development charges.

A development charge is a once-off charge imposed by a municipality on a land owner as a condition of approving a land development application that will substantially result in increased demand for municipal infrastructure services. These charges are imposed to cover the costs incurred by the municipality when installing new infrastructure or upgrading an existing infrastructure that is required to service the proposed development. It is based on the concept that urban growth and expanded land use creates the need for additional infrastructure services, therefore the developer should pay the incidence costs.

Municipalities have not fully used development charges due to uncertainty surrounding the regulatory frameworks. National Treasury is therefore amending the Municipal Fiscal Powers and Functions Act, 2007 (Act No. 97 of 1997) to incorporate the regulation of development charges. Cabinet has approved the publication of the draft Amendment Bill for public comment. The due date for submitting comments is 31 March 2020.

The draft Bill can be accessed on the National Treasury website at: http://www.treasury.gov.za/legislation/draft_bills/default.aspx.

3. Eskom Bulk Tariff increases

The National Energy Regulator of South Africa (NERSA) is responsible for price determination of the bulk costs for electricity. However, there has not been any determination by NERSA since the impasse around Eskom's application.

While the court case between NERSA and Eskom is still pending, municipalities should use the tariff increases previously (March 2019) approved by the regulator of 8.1 per cent for 2020/21, 5.2 per cent 2021/22 and 8.9 per cent for 2022/23.

4. Budgeting issues

4.1 The wage bill

The 2020 Budget Review highlighted the proposed wage bill reduction for the public service. Similar to national and provincial government, municipalities must ensure that compensation demands are balanced with the broader needs of society. In this context, municipalities should start taking decisive action to address bloated organisational structures and above inflation wage increases.

Wage bill increases are crowding out spending on capital projects for future economic growth and impacts on service delivery.

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.

4.2 Pension fund and SARS contributions

In terms of section 13A of the Pension Funds Act, 1956 (Act No. 24 of 1956), an employer must pay contributions it collected from employees' salaries to the relevant pension fund by the 7th day after the end of the month in respect of which the contributions were payable.

According to the latest annual report by the Pension Fund Adjudicator (PFA), it is especially concerned about non-payment of contributions in the municipal sector, thereby putting members' benefits at risk for extended periods of time. Over and above, there is interest on contributions that an employer is liable to pay if pension fund contributions are not paid over timeously. The Financial Services Laws General Amendment Act, 2013 (Act No. 45 of 2013) makes the employer's failure to pay contributions to a retirement fund a **criminal offence**. The amendment to this Act now provides for personal liability of persons who are entrusted with managing the overall financial affairs of the employer.

Section 65(2)(f) of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) states that the accounting officer must take all reasonable steps to ensure that the municipality complies with its tax, levy, duty, pension, medical aid, audit fees, and their statutory commitments. Section 171(1) of the MFMA provides that the accounting officer commits financial misconduct if that accounting officer fails to comply with a duty imposed by a provision of the Act on the accounting officer of a municipality. In addition, section 173(1)(a)(i) of the MFMA then provides that an accounting officer is guilty an offence if that accounting officer deliberately or in a grossly negligent way amongst other, contravene or fails to comply with the provision of section 65(2)(f) of the MFMA. We will therefore be monitoring whether municipalities are addressing this failure by accounting officers consistent with the legal framework provided for in the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings and take the necessary action where there is failure on the part of municipalities to address this matter.

4.3 Water

Access to clean and potable water is a mandatory imperative in terms of the country's Constitution, the National Water Act, 1998 (Act No. 36 of 1998) and priorities set by the government in the National Development Plan (NDP). Water is also recognised as a fundamental human right and there is no doubt about the important role that water plays in human existence, the environment, economic development and sustainability.

Municipalities should take strategic action to ensure effective water management and resilience to drought, including the security of water supply, environmental degradation, and pollution of resources to achieve economic growth, development and socio-economic priorities in an equitable and sustainable manner.

4.4 Attracting economic investment

Maintaining clean cities underpins economic activity and wellbeing. Investors are not interested in investing in filthy cities. Therefore, municipalities should place emphasis on sensible land use planning and development and building plan control for housing,

commercial, industrial and recreational uses. Investments in waste collection and treatment infrastructure should be made in tandem with industrial and urban developments to minimise pollution to our land and waters.

4.5 Borrowing for multi-year capital projects

In terms of sections 16(3) of the MFMA, money for capital expenditure may be appropriated for a period not exceeding three financial years, provided that a separate appropriation is made for each of those financial years.

Section 19(1) of the MFMA further states that *a municipality may spend money on a capital project only if —*

- (a) the money for the project, excluding the cost of feasibility studies conducted by or on behalf of the municipality, has been appropriated in the capital budget referred to in section 17(2)(b) the project, including the total cost, has been approved by the council;
- (b) section 33 has been complied with, to the extent that that section may be applicable to the project; and
- (c) the sources of funding have been considered, are available and have not been committed *for other purposes*.

Before approving a capital project, the municipal council must consider:

- a) the projected cost covering all financial years until the project is operational; and
- b) the future operational costs and revenue on the project, including municipal tax and tariff implications.

A municipality must adjust the revenue and expenditure estimates in an approved annual budget downwards through an adjustments budget if there is material under-collection of revenue during the current year in terms of section 28(2) of the MFMA. It may also appropriate additional revenues that have become available over and above those anticipated in the annual budget, **but only to revise or accelerate spending programmes already budgeted** for. New capital projects can therefore not be included in the adjustments budget, unless provided for in terms of section 28(2) of the MFMA.

With regard to the shifting of funds between multi-year appropriations, section 31 of the MFMA requires that *when funds for a capital programme are appropriated in terms of section 16(3) for more than one financial year, expenditure for that programme during a financial year may exceed the amount of that year's appropriation for that programme, provided that —*

- (a) *the increase does not exceed 20 per cent of that year's appropriation for the programme;*
- (b) *the increase is funded within the following year's appropriation for that programme;*
- (c) *the municipal manager certifies that -*
 - (i) *actual revenue for the financial year is expected to exceed budgeted revenue; and*
 - (ii) **sufficient funds are available for the increase without incurring further borrowing beyond the annual budget limit;**
- (d) *prior written approval is obtained from the mayor for the increase; and*
- (e) *the documents referred to in paragraphs (c) and (d) are submitted to the relevant provincial treasury and the Auditor-General.*

Considering the above sections of the MFMA, it is clear that section 16(3) allows for a multi-year capital appropriation not exceeding three financial years, while section 31 allows for:

- A maximum increase of 20 per cent in the appropriation for the year provided that it is funded within the following year's appropriation for that programme. By implication it

- must be a multi-year programme and the increase should also fit within the limit of the next year's appropriation;
- Sufficient funds are available for the increase **without incurring further borrowing beyond the approved annual budget limit**. This means that additional revenues should be available in the year that the municipality intends to accelerate the expenditure or that a project saving that was funded from the borrowing that was approved for the current year should be used to prevent borrowing to exceed the annual budget limit; and
 - This further implies that additional revenues should be available and prohibits the use of accumulated cash backed reserves from previous years for the acceleration of the programme.

Section 28(2)(b) prescribes that additional revenues that have become available may be used to revise or accelerate programmes already budgeted for. The same section further indicates that an adjustments budget process will be required to accelerate a capital programme. The municipal manager must provide certification that the additional revenues will be available within the financial year that the programme will be accelerated in terms of section 31 of the MFMA.

The legislation is not clear as to the timeframes for section 31 other than to state that prior written approval should be obtained from the Mayor. A prudent approach would be to include the documentation as part of the adjustments budget process and the dates set out in the Municipal Budget and Reporting Regulations.

This part of the Circular should also be read in conjunction with MFMA Circular No. 58 issued on 14 December 2011.

4.6 Refinancing of existing loans

Section 46(5) of the MFMA allows a municipality to re-financing existing long-term debt, provided that —

- (a) the existing long-term debt was lawfully incurred;
- (b) the re-financing does not extend the term of the debt beyond the useful life of the property, plant or equipment for which the money was originally borrowed;
- (c) the net present value of projected future payments (including principal and interest payments) after re-financing is less than the net present value of projected future payments before re-financing; and
- (d) the discount rate used in projecting net present value referred to in paragraph (c), and any assumptions in connection with the calculations, must be reasonable and in accordance with criteria set out in a framework that may be prescribed.

If the re-financing of an existing loan does not comply with the above requirements, then the municipality should consider going to the market for a new loan that offers more affordable terms and/or negotiate a payment arrangement with the financial institution until the loan can be repaid as per the original terms.

5. Conditional Grant Transfers to Municipalities

This section provides guidance to municipalities with regard to the preparation for the 2019/20 unspent conditional grant and roll-over process and should be referenced against previous annual budget circulars.

5.1 Criteria for the rollover of conditional grant funds

Section 22 of the 2019 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 National Treasury that the unspent allocation is committed to identifiable projects, in which case the funds may be rolled over.

When requesting a rollover in terms of section 22(2) of the 2019 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 2019 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 2021 (attach cash flow projection for the applicable grant).
4. A progress report (also in percentages) on the status of each project's implementation that includes an attached, legible **implementation plan**);
5. The value of the committed project funding, and the conditional allocation from the funding source;
6. Reasons why the grants were not fully spent during the year of original allocation per the DoRA;
7. Rollover of rollovers will not be considered therefore municipalities must not include previous year's unspent conditional grants as rollover request;
8. An indication of the time-period within which the funds are to be spent if the 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, this also includes acting appointments as a result of suspensions of either MM or CFO that are more than 12 months.

If any of the above information is not provided or the application is received by National Treasury (Intergovernmental Relations Division) after 31 August 2020, 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 2019 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 2020;
3. Accurate disclosure of grant performance in the 2019/20 pre-audited Annual Financial Statements, (i.e. correct disclosure of grant receipts and spending in the notes to the AFS); and
4. Cash available in the bank (net position including short term investments) as at 30 June 2020 is equivalent to the amount that is unspent as at the end of the financial year. If the 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 entire 2019/20 allocation to the municipality, in cases whereby the roll over request is more than 50 per cent of the total allocation National Treasury will approve the roll over amount up to 50 per cent of the 2019/20 allocation;
2. Roll Over request of the same grant for the third consecutive time;
3. Funding for projects constituted through Regulation 32 of the Municipal Supply Chain Management Regulations (Gazette No.27636). Projects linked to additional funding and disasters are exempted; and
4. A portion of an allocation where the proof of commitment for the roll over application is linked to invoices that were issued before or on 31 May 2020.

5.2 Unspent conditional grant funds for 2019/20

The process to ensure the return of unspent conditional grants for the 2019/20 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 2020 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 2020. 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 2020.

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 23 October 2020;
- Step 5: National Treasury will communicate the unspent conditional grants amount by 06 November 2020. 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 20 November 2020; and

Step 6: Any unspent conditional grant funds that should have, but has not been repaid to the National Revenue Fund by 20 November 2020, and for which a municipality has not requested a repayment arrangement, will be offset against the municipality's 04 December 2020 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.

6. The Municipal Budget and Reporting Regulations

National Treasury, together with the provincial treasuries, are rolling out training on budgeting and transacting in the *mSCOA* environment to all provinces to improve the credibility of the 2020/21 MTREF budgets.

6.1 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	Matjatji Mashoeshoe	012-315 5553	Matjatji.Mashoeshoe@treasury.gov.za
Free State	Cethekile Moshane	012-315 5079	Cethekile.moshane@treasury.gov.za
Gauteng	Kgomotso Baloyi Kevin Bell	012-315 5866 012-315 5725	Kgomotso.Baloyi@treasury.gov.za Kevin.Bell@treasury.gov.za
KwaZulu-Natal	Kgomotso Baloyi Johan Botha	012-315 5936 012-315 5171	Kgomotso.Baloyi@treasury.gov.za Johan.Botha@treasury.gov.za
Limpopo	Willem Voigt Sifiso Mabaso	012-315 5830 012-315 5952	Willem.Voigt@treasury.gov.za Sifiso.Mabaso@treasury.gov.za
Mpumalanga	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
Northern Cape	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
North West	Willem Voigt Makgabo Mabotja	012-315 5830 012-315 5156	Willem.Voigt@treasury.gov.za Makgabo.Mabotja@treasury.gov.za
Western Cape	Vuyo Mbunge	012-315 5661	Vuyo.Mbunge@treasury.gov.za
Technical issues Local Government Database	Elsabe Rossouw	012-315 5534	lqdataqueries@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 regulation 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.

7. Municipal Chart of Accounts (*mSCOA*)

7.1 Release of Version 6.4.1 of the Chart

Version 6.4.1 was released to include the amendments in conditional grants as per the 2020 DoRA. Version 6.4.1 of the chart will be effective from 2020/21 and must be used to compile the 2020/21 MTREF. It is available on the link below:

[Link to *mSCOA*](#)

7.2 Use of funding segment to populate the cash flow tables

It is critical that municipalities undertake balance sheet and cash flow budgeting to provide accurate cash flow information. The general rule that applies is that the “funding” and “Item” segments must be combined to provide cash flow information on how funds have been spent and on what.

This means that the budget is available at a cash flow level (A1 Schedule Budget Table SA30 and A7) and not when billing is done or when invoices are processed (A1 Schedule Budget Table A4: Statement of Financial Performance). Municipalities must apply the budgeted assumed collection rate to determine the cash flow budgets. Therefore, expenditure can only be processed against items with funding in line with the anticipated cash inflow and not billing. Municipalities should therefore identify the relevant source in the funding segment where revenue is received from and identify the funds to be used when payments are made. Guidance on this was provided in MFMA Circular No. 98.

However, there are still challenges to populate the detail of cash payments by type in the A1 Schedule Budget Table SA30 from Item Liabilities: Current Liabilities: Trade and other payables from exchange transactions as payables and accruals are not broken down by type (e.g. other materials, contracted services etc.). This omission of detail in the *mSCOA* chart will be addressed through chart amendments in version 6.5 of the chart.

As an interim measure the cash flow will be populated as follows:

For Cash Receipts:

The **cash receipts by source** will be populated using Item Assets: Current Assets: Cash and cash equivalents: Cash at bank: Bank account: Deposits in conjunction with the Funding Segment.

For Cash Payments:

The **cash payments** by type will be populated using Item Liabilities: Current Liabilities: Trade and other payables Exchange and Non- Exchange Transactions: Withdrawals in conjunction with the Funding Segment.

The cash payments that are not classified by type, will be grouped together as other payments on table SA30. This will enable population of suppliers and employees on the cash flow (Table A7).

National Treasury will share the linking of A1 Schedule Budget Tables SA30 and A7 to the mSCOA chart items to ensure that the cash flow information is populated correctly with municipalities and system vendors.

7.3 Capital Projects using Internally Generated Funding

Capital Projects in acquiring Assets using Internally Generated Funding must use: Funding: Capital: Transfer from Operational Revenue. This will ensure that table A5 will be populated correctly.

8. Budget process and submissions for the 2020/21 MTREF

8.1 Submitting budget documentation and schedules for 2020/21 MTREF

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 PDF and electronic formats. However, in cases where Council requires amendments to the tabled budget prior to consultation, municipalities should inform the National Treasury and the relevant provincial treasury **immediately** and submit the required budget documents and corresponding mSCOA data strings **within three working days** after the Council meeting.

The approved annual budget must still be submitted to both National Treasury and the relevant provincial treasury **within ten working days** after the council has approved the annual budget.

8.2 Document uploads to the Local Government Upload Portal

Due to the number of queries received on the document upload process using the Local Government Upload Portal, a full guideline will be issued in due course to explain the process and to outline which documents will be required to upload.

Contact



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09 March 2020