MINUTES - METSOTSO - NOTULE

COUNCIL - LEKGOTLA - RAAD

5TH ORDINARY MEETING OF 2024
KOPANO YA BOHLANO, 2024
5DE ALGEMENE VERGADERING VAN 2024

HELD ON
E NENG E TSHWERWE
WAT GEHOU WAS OP

THURSDAY, 23 MAY 2024
KA LABONE, 23 MOTSHEANONG 2024
DONDERDAG, 23 MEI 2024

AT 14:00
KA NAKO 14:00
OM 14:00

IN THE COUNCIL CHAMBERS, 1ST FLOOR, CIVIC CENTRE, MEYERTON
PHAPUSING YA KOPANELO YA MASEPALA, MOKATONG WA PELE, TOROPONG YA MEYERTON
IN DIE RAADSAAL, 1STE VLOER, BURGERSENTRUM, MEYERTON

MIDVAAL LOCAL MUNICIPALITY

MINUTES OF THE 5TH ORDINARY MEETING OF 2024 HELD ON THURSDAY, 23 MAY 2024 AT 14:00 IN THE COUNCIL CHAMBERS

PRESENT

COUNCILLORS:	A.R. McLoughlin	: Speaker
	Ald. P.J. Teixira	: Executive Mayor
	M.I. Motsamai	: Member of the Mayoral Committee
	C.L. Gomes	: Member of the Mayoral Committee
	P.D. Hutcheson-Pretorius	: Member of the Mayoral Committee
	T.M. Modiba	: Member of the Mayoral Committee
	J.G. Viljoen	: Member of the Mayoral Committee
	R.J. Hubbard	: Member of the Mayoral Committee

COUNCILLORS	A.H. Dickinson	B.J. Jordaan	M.C. Mboweni
	M.L. Molakeng	M.C. Kruger	O. Brits
	M-A. Myburgh	M.M. Ndebele	S.M. Hoyane
	G.M. Nkoe	F.W. Peters	Ald. C.G. Pypers
	I.P. Ramushu	L.T.H. Visser	M.A. Maimane
	D.T. Mokhomo	S.M.A. Janse Van Rensburg	

ALSO IN ATTENDANCE

A.M. Groenewald	:	Municipal Manager
T. Mnguni	:	Executive Director: Community Services
K. Mokwena	:	Executive Director: Development and Planning
P. Magodi	:	Executive Director: Engineering Services
E. Lensley	:	Executive Director: Public Safety & Roads
Z. Mhlongo	:	Executive Director: Financial Services
S. Cave	:	Executive Director: Corporate Services
N. Pumani	:	Chief of Staff: Office of the Mayor
B. Tshabalala	:	Deputy Director: Office of the Speaker
A. Welman	:	Assistant Director: Administration
P. Manoto	:	Admin Officer: Committees
E. Gaybba	:	Admin Officer: Committees

C 3304/05/2024
MC A/6322/05/2024

9.A.1 [DP]: FINAL MIDVAAL 2024/2025 INTEGRATED DEVELOPMENT PLAN REVIEW INCLUDING SPATIAL DEVELOPMENT FRAMEWORK

2/9/2

COMPETENCY: COUNCIL

IT WAS UNANIMOUSLY RESOLVED:

That the Final Midvaal 2024/2025 Integrated Development Plan Review and Spatial Development Framework, including all Annexures, be approved.

C 3305/05/2024
MC A/6323/05/2024

9.A.2 [FS]: MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF): 2024/2025 TO 2026/2027 AS REQUIRED BY SECTION 24 OF THE MFMA

5/1/1 2024/2025 – 2026/2027

COMPETENCY: COUNCIL

The Budget Speech on the 2024/2025 to 2026/2027 budget was presented by the MMC for Finance, Ald. P. Hutcheson-Pretorius, whereafter:

IT WAS UNANIMOUSLY RESOLVED:

1. That the Council of Midvaal Local Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) APPROVES AND ADOPTS:

   1.1. The annual budget of the municipality for the financial year 2024/2025 and the multi-year and single-year capital appropriations as set out in the following tables:

      1.1.1. Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table 12 of Annexure “A”;

      1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table 13 of Annexure “A”;

      1.1.3. Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table 14 of Annexure “A”; and

      1.1.4. Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table 15 of Annexure “A”.

   1.2. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:

      1.2.1. Budgeted Financial Position as contained in Table 16 of Annexure “A”;

      1.2.2. Budgeted Cash Flows as contained in Table 17 of Annexure “A”;

      1.2.3. Cash backed reserves and accumulated surplus reconciliation as contained in Table 18 of Annexure “A”;

      1.2.4. Asset management as contained in Table 19 of Annexure “A”; and

      1.2.5. Basic service delivery measurement as contained in Table 20 of Annexure “A”.

2. That the Council of Midvaal Local Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000), APPROVES AND ADOPTS with effect from 1 July 2024, the tariffs as contained in Annexure D:

   2.1. the tariffs, rebates and exemptions for property rates.
   2.2. the tariffs for electricity.
   2.3. the tariffs for the supply of water.
   2.4. the tariffs for sanitation services.
   2.5. the tariffs for solid waste services.

3. That the Council of Midvaal Local Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) APPROVES AND ADOPTS with effect from 1 July 2024 the tariffs for other services, as set out in Annexures "D".

4. To give proper effect to the municipality's annual budget, the Council of Midvaal Local Municipality APPROVES that cash backing is implemented through the utilisation of a portion of the revenue generated from property rates to ensure that all capital reserves and provisions, unspent long-term loans and unspent conditional grants are cash backed as required in terms of the municipality's funding and reserves policy as prescribed by section 8 of the Municipal Budget and Reporting Regulations.

5. That the Council of Midvaal Local Municipality, acting in terms of section 17 of the Municipal Finance Management Act, (Act 56 of 2003) APPROVES AND ADOPTS with effect from 1 July 2024 the following budget-related policies and by-laws for the 2024/2025 financial year:

5.1.	Annexure E	Tariff By-Law
5.2.	Annexure F	Tariff Policy
5.3.	Annexure G	Property Rates By-Law
5.4.	Annexure H	Property Rates Policy
5.5.	Annexure I	Credit Control and Debt Collection By-Law
5.6.	Annexure J	Credit Control and Debt Collection Policy
5.7.	Annexure K	Cash Management Policy
5.8.	Annexure L	Investment Policy
5.9.	Annexure M	Borrowing Policy
5.10.	Annexure N	Budget Funding and Reserves Policy
5.11.	Annexure O	Municipal Supply Chain Management Policy and Procedures
5.12.	Annexure P	Fixed Asset Management Policy
5.13.	Annexure Q	Policy on the Planning and Approval of Capital Projects
5.14.	Annexure R	Indigents Policy
5.15.	Annexure S	Policy related to the provision of free basic electricity
5.16.	Annexure T	Policy related to the provision of free basic water

5.17.	Annexure U	Policy on the Acceptance of Grants, Donations, Sponsorships and Gifts
5.18.	Annexure V	Long-Term Financial Planning Policy
5.19.	Annexure W	Disposal of Assets Policy
5.20.	Annexure X	Budget Implementation and Monitoring Policy
5.21.	Annexure Y	Unauthorised, Irregular, Fruitless and Wasteful Expenditure Policy
5.22.	Annexure Z	Allocation of Unclaimed Credits Policy
5.23.	Annexure AA	Bulk Developer Contributions Policy
5.24.	Annexure AB	Related Party Policy
5.25.	Annexure AC	Cell phone and connectivity allowance Policy
5.26.	Annexure AD	Caucus Budget Policy
5.27.	Annexure AE	Billing Policy
5.28.	Annexure AF	Electricity By-laws
5.29.	Annexure AG	Water By-laws
5.30.	Annexure AH	Supply Chain Management Process Turn-around Policy
5.31.	Annexure AI	EFT Policy
5.32.	Annexure AJ	Policy on Impairment of Receivables
5.33.	Annexure AK	Supply Chain Management Policy for Infrastructure Procurement and delivery management
5.34.	Annexure AL	Contract Management Policy
5.35.	Annexure AM	Fleet Management Policy
5.36.	Annexure AN	Cost Containment Policy
5.37.	Annexure AO	Virement Policy
5.38.	Annexure AP	Allocation of Payment Policy
5.39.	Annexure AQ	Wayleave Policy

6. That in principle approval BE GRANTED for external debt in the form of Hire Purchase agreements (Finance leases) to the value of R23 100 000 to fund the purchase of vehicles as contemplated in the capital budget for the 2024/2025 financial year, subject to compliance with section 46 of the MFMA.

7. That the Council of Midvaal Local Municipality, acting in terms of section 66 of the Local Government: Municipal Systems Act (Act 32 of 2000) APPROVES AND ADOPTS with effect from 1 July 2024 the revised departmental organograms, as set out in Annexures AS.

8. That it be noted that because the electricity tariff increase is subject to confirmation by NERSA any change in tariffs will be effected as required but only reflected on the adjustments budget.

FINAL BUDGET MAY 2024

Medium Term Revenue & Expenditure Framework
2024/2025 – 2026/2027

Table of Contents

PART 1 – ANNUAL BUDGET **2**

1.1 MAYOR'S REPORT 2
1.2 COUNCIL RESOLUTIONS 3
1.3 EXECUTIVE SUMMARY 6
1.4 OPERATING REVENUE FRAMEWORK 10
1.5 OPERATING EXPENDITURE FRAMEWORK 18
1.6 CAPITAL EXPENDITURE 23
1.7 ANNUAL BUDGET TABLES 27

2 PART 2 – SUPPORTING DOCUMENTATION **47**

2.1 OVERVIEW OF THE ANNUAL BUDGET PROCESS 47
2.2 OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH IDP 53
2.3 MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS 55
2.4 OVERVIEW OF BUDGET RELATED-POLICIES 60
2.5 OVERVIEW OF BUDGET ASSUMPTIONS 92
2.6 EXPENDITURE ON GRANTS AND RECONCILIATIONS OF UNSPENT FUNDS 116
2.7 COUNCILLOR AND EMPLOYEE BENEFITS 116
2.8 MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW 116
2.9 ANNUAL BUDGETS AND SDBIPS – INTERNAL DEPARTMENTS 117
2.10 CONTRACTS HAVING FUTURE BUDGETARY IMPLICATIONS 117
2.11 CAPITAL EXPENDITURE DETAILS 117
2.12 LEGISLATION COMPLIANCE STATUS 118
2.13 OTHER SUPPORTING DOCUMENTS 119
2.14 MUNICIPAL MANAGER'S QUALITY CERTIFICATE 120

Abbreviations and Acronyms

BSC	Budget Steering Committee
CBD	Central Business District
CFO	Chief Financial Officer
CPI	Consumer Price Index
CRR	Capital Replacement Reserve
DBSA	Development Bank of South Africa
DoRA	Division of Revenue Act
DWA	Department of Water Affairs
EE	Employment Equity
EEDSM	Energy Efficiency Demand Side Management
EM	Executive Mayor
FBS	Free basic services
GDP	Gross domestic product
GDS	Gauteng Growth and Development Strategy
GFS	Government Financial Statistics
GRAP	General Recognised Accounting Practice
HR	Human Resources
HSRC	Human Science Research Council
IDP	Integrated Development Strategy
IMFO	Institute of Municipal Finance Officers
INEP	Integrated National Electrification Programme
IT	Information Technology
kℓ	kilolitre
km	kilometre
KPA	Key Performance Area
KPI	Key Performance Indicator
kWh	Kilowatt hour
ℓ	litre
LED	Local Economic Development
MEC	Member of the Executive Committee
MFMA	Municipal Financial Management Act
MIG	Municipal Infrastructure Grant
MM	Municipal Manager
MMC	Member of Mayoral Committee
MPRA	Municipal Properties Rates Act
MSA	Municipal Systems Act
MTEF	Medium-term Expenditure Framework
MTREF	Medium-term Revenue and Expenditure Framework
NERSA	National Electricity Regulator South Africa
NGO	Non-Governmental organisations
NKPIs	National Key Performance Indicators
OHS	Occupational Health and Safety
OP	Operational Plan
PBO	Public Benefit Organisations
PHC	Provincial Health Care
PMS	Performance Management System
PPE	Property Plant and Equipment
PPP	Public Private Partnership
SALGA	South African Local Government Association
SAPS	South African Police Service
SDBIP	Service Delivery Budget Implementation Plan
SMME	Small Micro and Medium Enterprises

Part 1 – Annual Budget

1.1 Mayor's Report

Alderman Pat Hutcheson to deliver the budget speech on 23 May 2024 - speech to be circulated under separate cover at the Council meeting.

1.2 Council Resolutions

1. **That** the Council of Midvaal Local Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) **APPROVES AND ADOPTS**:

    1.1. The annual budget of the municipality for the financial year 2024/25 and the multi-year and single-year capital appropriations as set out in the following tables:

    1.1.1. Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table 12 of Annexure A;
    1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table 13 of Annexure A;
    1.1.3. Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table 14 of Annexure A; and
    1.1.4. Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table 15 of Annexure A.

    1.2. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:

    1.2.1. Budgeted Financial Position as contained in Table 16 of Annexure A;
    1.2.2. Budgeted Cash Flows as contained in Table 17 of Annexure A;
    1.2.3. Cash backed reserves and accumulated surplus reconciliation as contained in Table 18 of Annexure A;
    1.2.4. Asset management as contained in Table 19 of Annexure A; and
    1.2.5. Basic service delivery measurement as contained in Table 20 of Annexure A.

2. **That** the Council of Midvaal Local Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) **APPROVES AND ADOPTS** with effect from 1 July 2024 the tariffs as contained in Annexure D:

    2.1. the tariffs, rebates and exemptions for property rates
    2.2. the tariffs for electricity
    2.3. the tariffs for the supply of water
    2.4. the tariffs for sanitation services
    2.5. the tariffs for solid waste services

3. **That** the Council of Midvaal Local Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) **APPROVES AND ADOPTS** with effect from 1 July 2024 the tariffs for other services, as set out in Annexures D.

4. To give proper effect to the municipality's annual budget, the Council of Midvaal Local Municipality **APPROVES** that cash backing is implemented through the utilisation of a portion of the revenue generated from property rates to ensure that all capital reserves and provisions, unspent long-term loans and unspent conditional grants are cash backed as required in terms of the municipality's funding and reserves policy as prescribed by section 8 of the Municipal Budget and Reporting Regulations.

5. **That** the Council of Midvaal Local Municipality, acting in terms of section 17 of the Municipal Finance Management Act, (Act 56 of 2003) **APPROVES AND ADOPTS** with effect from 1 July 2024 the following budget related policies for the 2024/2025 financial year:

    5.1. Tariff By-Law
    5.2. Tariff Policy
    5.3. Property Rates By-Law
    5.4. Property Rates Policy
    5.5. Credit Control and Debt Collection By-Law
    5.6. Credit Control and Debt Collection Policy
    5.7. Cash Management Policy
    5.8. Investment Policy
    5.9. Borrowing Policy
    5.10. Budget Funding and Reserves Policy
    5.11. Municipal Supply Chain Management Policy and Procedures
    5.12. Fixed Asset Management
    5.13. Policy on the Planning and Approval of Capital Projects
    5.14. Indigents Policy
    5.15. Policy related to the provision of free basic electricity
    5.16. Policy related to the provision of free basic water
    5.17. Policy on the Acceptance of Grants, Donations, Sponsorships and Gifts
    5.18. Long Term Financial Planning Policy
    5.19. Disposal of Assets Policy
    5.20. Budget Implementation and Monitoring Policy
    5.21. Unauthorised, Irregular, Fruitless and Wasteful Expenditure Policy
    5.22. Allocation of Unclaimed Credits Policy
    5.23. Bulk Developer Contributions Policy
    5.24. Related Party Policy
    5.25. Cell phone and Connectivity allowance Policy
    5.26. Caucus Budget Policy
    5.27. Billing Policy
    5.28. Electricity By-laws
    5.29. Water By-laws
    5.30. Supply Chain Management Process Turn-around Policy
    5.31. EFT Policy
    5.32. Policy on Impairment of Receivables
    5.33. Supply Chain Management Policy for Infrastructure Procurement and delivery management
    5.34. SCM Contract Management Policy
    5.35. Fleet Management Policy
    5.36. Cost Containment Policy
    5.37. Virement Policy
    5.38. Allocation of Payments Policy
    5.39. Wayleave Policy

6. **That** in principle approval **BE GRANTED** for the taking up on external debt in the form of Hire Purchase (HP) agreements to the value of R23 100 000 to fund the purchase of vehicles as contemplated in the capital budget for the 2024/2025 financial year, subject to compliance with sections 46 and 48 of the MFMA.

7. **That** the Council of Midvaal Local Municipality, acting in terms of section 66 of the Local Government: Municipal Systems Act (Act 32 of 2000) **APPROVES AND ADOPTS** with effect from 1 July 2024 the revised departmental organograms, as set out in Annexures AT.

1.3 Executive Summary

Planning Framework

The Municipal Systems Act, Act 32 of 2000, requires that local government structures prepare Integrated Development Plans (IDP's). The IDP serves as a tool for the facilitation and management of development within the areas of jurisdiction. In conforming to the Act's requirements, the Council of the Midvaal Local Municipality (MLM) has delegated the authority to the Municipal Manager to prepare the IDP.

The aim of the IDP for Midvaal is to present a coherent plan to achieve the vision of the municipality. The intention of this IDP is to link, integrate and co-ordinate development plans for MLM which is aligned with national, provincial and district development plans and planning requirements binding on the municipality in terms of legislation.

Midvaal IDP Key Performance Areas

KPA	Definition
KPA 1: Good Governance & Public Participation	To promote increased participation and improved communication with all key internal and external stakeholders
KPA 2: Safety & Environment	To create a sustainable environment safe from harm
KPA 3: Social & Community Development	To create an environment focused on uplifting the youth, the poor and the most vulnerable
KPA 4: Institutional Transformation	To transform and align the people, processes and systems of the municipality to achieve its objectives
KPA 5: Financial Sustainability	To improve the financial sustainability and capacity of the municipality, whilst adhering to statutory requirements
KPA 6: Physical Infrastructure & Energy Efficiency	To ensure efficient infrastructure and energy supply that will improve the quality of life of the community
KPA 7: Services & Customer Care	To deliver inclusive and excellent services to the community
KPA 8: Economic Growth & Development	To facilitate sustainable economic empowerment for all communities within Midvaal and through the development of partnerships and innovation

Requests for resources not in support of the abovementioned KPA's were only considered in exceptional circumstances.

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

Commitment to cost containment
The Municipality's business and service delivery priorities are reviewed on an annual basis as part of the planning and budgeting process. Where appropriate, funds are transferred from low-

to high-priority programmes so as to maintain sound financial stewardship. A critical review was also undertaken of expenditures on non-core and 'nice to have' items. The Midvaal Local Municipality has adopted a cost containment strategy during 2013 and subsequent to the issuing of MFMA Circular 82, has intensified its cost containment strategy. A cost containment policy has been adopted in line with the Cost Containment Regulations.

Revenue collection and indigents

The Municipality has embarked on implementing a range of revenue collection strategies to optimise the collection of debt owed by consumers. Furthermore, the Municipality is regularly undertaking workshops to register indigents to ensure the poorest of the poor are protected. There has been no change to the threshold of R150 000 property value and less which are deemed as indigent households. In addition, all RDP households are also regarded as deemed indigents.

- Deemed indigent – if the property value is less than R150 000, the household will automatically be declared as indigent and included in the indigent register. If it is found that the household members are either employed by an organ of state, or has a registered business with an income that exceeds R6 000 per month, the indigent status will be revoked.
- Application process – any household with a combined income of less than R6 000 per household per month can apply as indigent, and if approved, will be included in the indigent register
- The Indigent Policy also allows that RDP households where the title deeds have not yet been transferred to the beneficiary but they have already taken occupation of the RDP house, will also qualify as indigents.
  RDP houses in Savanna City qualify as deemed indigents, notwithstanding that the value of these properties exceed R150 000

National Treasury's MFMA Circular No. 126 and 128 was used to guide the compilation of the 2024/25 MTREF.

The main challenges experienced during the compilation of the 2024/25 MTREF can be summarised as follows:

- The main risks to the economic outlook are slowdown in economic growth.
- Electricity disruptions, raw material shortages and rising input costs will continue to limit output in the short to medium term. In contrast, progress on energy reforms poses upside risks to fixed investment and the overall economic outlook.
- Slow implementation of structural reforms continues to weigh on business confidence and private investment.
- Compensation of employees remains a major cost pressure. It remains critical for municipalities to adhere to compensation ceilings, manage headcounts proactively and conduct staff audit to ensure the staff complement is aligned to the approved organogram.
- Aging water, roads and electricity infrastructure;
- The need to reprioritise projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;
- The increased cost of bulk water and electricity (due to tariff increases from Rand Water and Eskom as well as other inflationary and service delivery pressures, including the service cost of increased loan funding);
- Affordability of capital projects.

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

- Revised IDP;
- The 2023/24 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget were adopted as the upper limits for the new baselines for the 2024/25 annual budget;
- Service level standards were used to inform the measurable objectives, targets and development goals;
- Tariff and property rate increases should be affordable. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs;
- The economic challenges will continue to exert pressure on municipal revenue generation and collection levels; hence a conservative approach is taken for revenue projections;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;
- Improved revenue collection, working more efficiently and implementing cost containment measures can offset the trends of service delivery breakdowns.
- The implementation of mSCOA version 6.8.
- CPI projections of 4.9% in 2024/25, 4.6% in 2025/26 and 4.5% in 2026/27.

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

Table 1 Consolidated Overview of the 2024/25– 2026/2027 MTREF

Financial Overview	Adjusted Budget 2023/2024	Budget 2024/2025	Budget 2025/2026	Budget 2026/2027
Total Operating Revenue	1,751,531,487	1,913,804,260	2,048,191,513	2,236,094,217
Total Operating Expenditure	1,733,012,920	1,873,019,955	2,027,620,477	2,217,146,486
Total Capital Expenditure	270,011,744	266,618,087	208,587,999	147,441,957
Total Expenditure	2,003,024,664	2,139,638,042	2,236,208,476	2,364,588,443
Employee Cost	396,778,428	423,721,821	439,885,331	463,633,936
Employee Cost as a % of Opex	22.90%	22.62%	21.69%	20.91%

Note: All figures ***excludes*** provision made for internal revenue and expenditure. Also note that abovementioned figures ***includes*** capital revenue. The attention of the reader is drawn to the fact that capital revenue is not included in all the National Treasury schedules contained in this budget document and that the header will be indicative of whether the revenue figures refer to total operating revenue, or operating revenue exclusive of capital revenue. In terms of GRAP 9, capital revenue is recognised as operating revenue and as such included in total operating revenue.

The operating revenue for 2024/2025 is budgeted at R1 913 804 260, which is an increase of 9.26% from the 2023/2024 adjusted budget.

The revenue budget is based on the following proposed tariff increases:

- Electricity – 12.7%
- Water – 7%
- Sanitation – 6%
- Refuse Collection – 7%
- Assessment Rates – 7%

The water and electricity tariff increases are above the projected inflation targets. Tariffs could not be contained within the targeted inflation limits due to increased cost of the provision of services.

Provision has been made to supply registered indigent households serviced by the Council with 6kl of water free of charge.

The Income Budget has been compiled based on projected billing, however provision has been made for a 90% collection rate through the provision of funds for the impairment of debtors.

The operating expenditure for 2024/2025 is budgeted at R1 873 019 955 (an increase of 8.08% from the 2023/2024 adjusted budget). This includes a provision for salary increases of 5%, increase in repairs and maintenance expenditure of 6.53%, operating cost of 5.78% and contracted services of 11.65%. Bulk purchases have been increased as follows:

Water Purchases from Randwater – 5.9%
Electricity Purchases from Eskom – 12.7%

The capital amount proposed for 2024/25 amounts to R266 618 087.

The capital budget will be funded as follows:

Row Labels	Sum of Proposed Budget 24/25	Sum of Proposed Budget 25/26	Sum of PROPOSED Budget 26/27
DAC	6 800 000	8 000 000	5 600 000
Developers	6 000 000	3 000 000	6 000 000
FFRG	2 200 000		
INEP	29 888 000	16 500 000	17 000 000
Leases	23 100 000	25 550 000	21 400 000
Loans	64 500 000	42 000 000	-
MIG	34 561 087	28 168 999	30 432 957
NDPG	10 000 000	10 000 000	1 000 000
Own Funding	57 670 000	49 850 000	39 500 000
WSIG	30 599 000	21 519 000	22 509 000
Energy Efficiency GRANT		4 000 000	4 000 000
Donation	1 300 000		
Grand Total	**266 618 087**	**208 587 999**	**147 441 957**

Midvaal mainly spends its capital expenditure on infrastructure services and for the 2024/25 financial year 65% of the capital budget is allocated to the Engineering Services department, Roads department.

1.4 Operating Revenue Framework

For Midvaal to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of the municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

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

- National Treasury's guidelines and macroeconomic policy;
- Growth in the municipality and continued economic development;
- Efficient revenue management, which aims to ensure a 90% annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Achievement of full cost recovery of specific user charges especially in relation to trading services (remaining a challenge as a result of the offsetting of depreciation);
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- The municipality's Property Rates Policy in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA) as amended.
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the Municipality.

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

Table 2 Summary of revenue classified by main revenue source

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue											
Exchange Revenue											
Service charges - Electricity	2	388,232	461,979	438,811	601,337	547,484	547,484	410,019	616,262	711,937	822,586
Service charges - Water	2	249,280	214,565	244,870	274,372	275,097	275,097	226,890	294,205	314,641	336,503
Service charges - Waste Water Management	2	49,841	54,450	61,723	58,893	66,988	66,988	55,931	71,008	75,268	79,784
Service charges - Waste Management	2	46,892	55,102	57,490	59,433	61,962	61,962	51,121	66,300	70,941	75,907
Sale of Goods and Rendering of Services		6,453	5,482	8,247	7,273	7,697	7,697	6,864	8,141	8,604	9,092
Agency services											
Interest											
Interest earned from Receivables		13,263	13,009	16,074	17,662	24,072	24,072	19,984	25,252	26,413	27,602
Interest earned from Current and Non Current Assets		17,194	18,248	32,679	21,144	42,144	42,144	36,489	44,209	46,242	48,323
Dividends											
Rent on Land											
Rental from Fixed Assets		1,014	1,098	1,093	1,315	1,095	1,095	1,025	1,161	1,230	1,304
Licence and permits		-	-	-	-	-	-	-	-	-	-
Operational Revenue		3,191	1,641	3,878	3,918	4,522	4,522	1,040	4,751	4,980	5,217
Non-Exchange Revenue											
Property rates	2	253,452	273,314	296,169	321,362	326,734	326,734	268,278	349,605	370,581	392,816
Surcharges and Taxes											
Fines, penalties and forfeits		69,271	68,387	74,543	124,813	80,767	80,767	44,012	83,414	90,750	96,195
Licences or permits											
Transfer and subsidies - Operational		159,071	150,862	172,219	193,221	190,043	190,043	181,687	206,570	214,793	233,262
Interest		6,557	5,509	13,794	10,254	16,396	16,396	13,454	16,396	16,396	16,396
Fuel Levy											
Operational Revenue											
Gains on disposal of Assets		(641)	(70)	-	-	-	-	-	-	-	-
Other Gains		15	55	74	-	-	-	-	-	-	-
Discontinued Operations											
Total Revenue (excluding capital transfers and contributions)		**1,263,085**	**1,323,631**	**1,421,663**	**1,694,996**	**1,645,002**	**1,645,002**	**1,316,794**	**1,787,272**	**1,952,778**	**2,144,987**

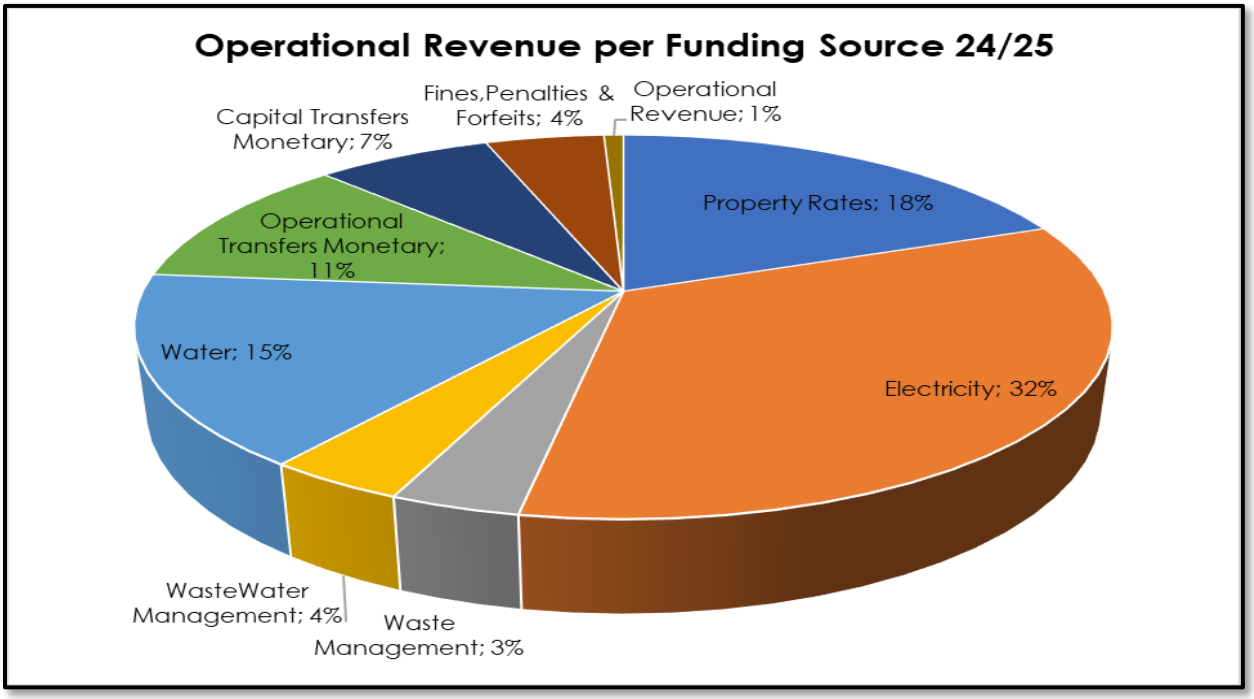


Figure 1: Operating Revenue Distribution for the 2024/25 Financial Year

Table 3 Percentage growth in revenue by main revenue source

Revenue by Source				2024/25 Medium Term Revenue & Expenditure Framework					
Income	Original Budget 2023/2024	Adjusted Budget 2023/2024	%	Budget 2024/2025	%	Budget 2025/2026	%	Budget 2026/2027	%
Property Rates	321,361,621	326,733,520	1.02%	349,604,866	1.07%	370,581,158	1.06%	392,816,028	1.06%
Service Charges Electricity	601,336,775	547,484,257	0.91%	616,262,131	1.13%	711,937,380	1.16%	822,586,084	1.16%
Service Charges Water	274,371,935	275,097,185	1.00%	294,204,749	1.07%	314,640,991	1.07%	336,502,991	1.07%
Service Charges Waste Water	58,893,370	66,988,265	1.14%	71,007,561	1.06%	75,268,015	1.06%	79,784,095	1.06%
Service Charges Waste	59,433,009	61,962,429	1.04%	66,299,799	1.07%	70,940,785	1.07%	75,906,640	1.07%
Rental of facilities & Equipment	1,315,044	1,095,071	0.83%	1,160,775	1.06%	1,230,422	1.06%	1,304,247	1.06%
Interest, Dividends and Rent on land	49,060,202	82,612,045	1.68%	85,856,620	1.04%	89,051,798	1.04%	92,321,298	1.04%
Fines Penalties and Forfeits	124,812,528	80,767,475	0.65%	83,413,524	1.03%	90,750,335	1.09%	96,195,355	1.06%
Transfers and subsidies	193,220,720	190,042,844	0.98%	208,770,289	1.10%	214,793,009	1.03%	233,261,914	1.09%
Other revenue	11,191,209	12,219,234	1.09%	12,891,696	1.06%	13,584,270	1.05%	14,308,665	1.05%
Total Revenue (excl capital transfers)	**1,694,996,413**	**1,645,002,325**	**0.97%**	**1,789,472,010**	**1.09%**	**1,952,778,163**	**1.09%**	**2,144,987,317**	**1.10%**

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

Revenue generated from rates and services charges forms a significant percentage of the revenue basket for the Municipality. Rates and service charge revenues comprise 78% of the total revenue mix and follow the same trend in the outer years.

Other revenue consists of various items such as income received from building plan fees, connection fees, renting out of properties and fines. Departments review the tariffs of these items on an annual basis.

Operating grants and transfers totals R208.8 million in the 2024/25 financial year and increases to R214.8 million by 2025/26. The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:

Table 4 Operating Transfers and Grant Receipts

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		139,894	129,609	149,997	169,226	168,890	168,890	184,188	193,081	208,288
Local Government Equitable Share		133,623	124,899	143,164	160,539	160,539	160,539	172,049	185,364	199,912
Expanded Public Works Programme Integrated Gra		1,708	1,539	2,553	3,768	3,557	3,557	1,619	–	–
Local Government Financial Management Grant		1,550	1,550	1,550	1,550	1,550	1,550	1,800	2,000	2,200
Municipal Disaster Relief Grant		–	–	–	–	–	–	–	–	–
Municipal Infrastructure Grant		1,513	1,621	1,730	1,869	1,744	1,744	6,720	5,717	6,176
Neighbourhood Development Partnership Grant		–	–	–	–	–	–	–	–	–
Water Services Infrastructure Grant		1,500	–	1,000	1,500	1,500	1,500	2,000	–	–
Provincial Government:		13,552	18,033	17,976	19,642	18,072	18,072	19,301	18,631	21,893
Capacity Building and Other Grants		13,552	18,033	17,976	19,642	18,072	18,072	19,301	18,631	21,893
Infrastructure Grant		–	–	–	–	–	–	–	–	–
District Municipality:		3,625	3,220	4,246	4,352	3,081	3,081	3,081	3,081	3,081
Specify (Add grant description)		3,625	3,220	4,246	4,352	3,081	3,081	3,081	3,081	3,081
Other grant providers:		2,000	–	–	–	–	–	–	–	–
Old Mutual		–	–	–	–	–	–	–	–	–
Unspecified		2,000	–	–	–	–	–	–	–	–
Total Operating Transfers and Grants	5	159,071	150,862	172,219	193,221	190,043	190,043	206,570	214,793	233,262

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of the Municipality.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Municipalities are encouraged to keep increases within the lower limit of the 3 to 6 per cent Consumer Price Index (CPI) target band. Tariffs could not be contained within the targeted limits due to increased cost of the provision of services. The increased cost of service delivery, as well as the cost to service loans for infrastructure requires higher than inflation tariff increases. The multi-year tariff increases are also higher than inflation, and the increased number of indigent customers is continuing to place upward pressure on the operating budget.

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilised for the calculation of the CPI consist of items such as food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity and water, petrol, diesel, chemicals, cement etc. The current challenge facing the Municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions. Within this framework the Municipality has undertaken the tariff setting process relating to service charges as follows.

Multi-year tariff increases are proposed as follows:

Table 5 Proposed Tariff Increases

Budget Assumptions	Year 1	Year 2	Year 3
	2024/2025	2025/2026	2026/2027
Property Rates Increase	7,0%	6,0%	6,0%
Refuse Removal Increase	7,0%	7,0%	7,0%
Sanitation Increase	6,0%	6,0%	6,0%
NERSA Increase	12,70%	15,70%	15,70%
Electricity Sales Increase	12,70%	15,7%	15,7%
Rand Water Increase	5,9%	4,9%	4,9%
Water Sales Increase	7,0%	7,0%	7,0%

1.4.1 Property Rates

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process.

National Treasury's MFMA Circular No. 51 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009 and prescribe the rate ratio for the non-residential categories, public service infrastructure and agricultural properties relative to residential properties to be 0.25:1. The implementation of these regulations was done in previous budget processes and the Property Rates Policy of the Municipality has been amended accordingly. Section 8 of the Act, as amended, had to be implemented within 7 years of promulgation, in other words, the municipality had to implement the revised categories before June 2022. The municipality has compiled a new valuation roll which was effective as from 1 July 2018. This valuation roll will be valid until 30 June 2025 and is fully compliant with the revised categories as per Section 8 of the Act. The valuation roll was extended with 2 years. The process is underway to appoint a valuer for the compilation of the valuation roll for the year beginning on 1 July 2025.

The following stipulations in the Property Rates Policy are highlighted:

Exemptions:

- Public Benefit Organisations will be exempt from paying property rates, subject to the property being fully operational as the registered institution.
- Municipal properties will be exempt from property rates.
- Properties on which Public Monuments and Memorials are located will be exempted from property rates.
- Properties located on special nature reserves, national parks or nature reserves within the meaning of the National Environmental Management: Protected Areas Act, 2003 (57 of 2003) or of a national botanical garden within the meaning of the National Environmental Management: Biodiversity Act 2004, (10 of 2004), which are not developed or used for

commercial, business, agricultural or residential purposes will be exempt from paying property rates.

- Properties belonging to a land reform beneficiary or his or her heirs, dependents or spouse will be exempt from paying property rates for the first ten years from the date on which such beneficiary's title was registered in the office of the Registrar of Deeds provided that upon alienation of the property by the land reform beneficiary or his or her heirs, dependents or spouse, property rates shall become payable
- Properties registered in the name of and used primarily as a place of public worship by a religious community, including the official residence registered in the name of that community which is occupied by the office bearer of that community who officiates at services at that place of worship will be exempt from paying property rates.
- Public Service Infrastructure will be exempted from paying property rates.

Reductions:

- All properties categorized as residential properties in order to alleviate the tax burden on all owners of residential property within the municipality. In addition to the impermissible rates of R15 000 described in section 17(1)(h) of the Municipal Property Rates Act a further R135 000 reduction on the market value of a property will be granted. No property rates will therefore be payable on the first R150 000 of the value of residential property.

Rebates:

- Indigent property owners will be exempted from property rates.
- Owners dependent on pensions or social grants: Residential property owners who are over 60 years of age, who are both permanent occupiers and the sole owners of the property concerned whose aggregate household income does not exceed two state pensions per month (R7000) will receive a rebate of 100% of their property rates for the first R1 300 000 of their property value. Residential property owners who are over 60 years of age, who are both permanent occupiers and the sole owners of the property concerned whose aggregate household income does not exceed R8 000 per month will receive a rebate of 50% of their property rates for the first R1 300 000 of their property value (i.e maximum of R1 150 000 after the first R150 000 residential reduction has been applied). Property owners with more than 1 property will not qualify for pensioner rebates. Pensioner rebates will be valid for a period of 12 months from date of approval
- Sports grounds used for amateur sports will receive a rebate of 75% of their property rates (application based, annually).
- Old age institutions registered at the Department of Welfare will receive a rebate of 85% of their property rates (application based, annually).
- Owners of small holdings (with property type as contained in the valuation roll, agricultural holdings / farms) where the usage is indicated as a residential dwelling, will receive a rebate of 50% of their property rates for the first R750 000 of their property value (i.e. maximum of R600 000 after the first R150 000 residential reduction has been applied).
- Owners of Private Schools will receive a 50% rebates of their property rates.

First time owners of Government Flisp Housing who qualified for government subsidy will receive a 75% rebate of their property rates for the first R500 000 of their property value (i.e. maximum of R350 000 after the first R150 000 residential reduction has been applied). Once the Flisp subsidy beneficiary sells the property, the new property owner will not qualify for the rebate unless he / she is also a Flisp subsidy beneficiary.

1.4.2 Sale of Water and Impact of Tariff Increases

South Africa faces similar challenges with regard to water supply as it did with electricity, since demand growth outstrips supply. Consequently, National Treasury is encouraging all municipalities to carefully review the level and structure of their water tariffs to ensure:

- Water tariffs are not fully cost-reflective – excluding the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and
- Water tariffs are designed to encourage efficient and sustainable consumption.

Better maintenance of infrastructure and cost-reflective tariffs will ensure that the supply challenges are managed in future to ensure sustainability. Rand Water has proposed an increase on its bulk tariffs with 5.9% from 1 July 2024, due to the increase of Eskom tariffs and its impact on Randwater. A tariff increase of 7% for MLM customers as from 1 July 2024 for water is proposed.

1.4.3 Sale of Electricity and Impact of Tariff Increases

NERSA has not yet approved an increase in the Eskom bulk electricity tariff to municipalities, and therefore the proposed amount as per Circular 126 of 12.7% was budgeted for. The increase of 12.7% has been included in the budget and will be effective from 1 July 2024.

Registered indigents will be granted 50 kWh per 30-day period free of charge.

1.4.4 Sanitation and Impact of Tariff Increases

A tariff increase of 6% for sanitation from 1 July 2024 is proposed. The main cost drivers for the sanitation service are staff, chemicals and pumps. Free sanitation will be applicable to registered indigents.

1.4.5 Waste Removal and Impact of Tariff Increases

The main cost drivers for the service are the costs associated with the closure of our landfill sites, as well as the costs of compliance, repairs and maintenance on vehicles, increases in general expenditure such as petrol and diesel and the cost of remuneration. A 7% increase in the waste removal tariff is proposed from 1 July 2024.

Table 6 Comparison between property rates and services tariffs for the current year and proposed multi-year

Projected Residential Tariffs	2023/2024	2024/2025	2025/2026
Property rates	0,010783	0,011537843	0,012230
Residential Reduction	150000	150000	150000
Electricity			
Fixed Charge	0	0	0
Electricity - (block 1: 0 - 50 kwh)	1,6239	1,8302	2,1175
Electricity - (block 2: 51 - 350 kwh)	2,0410	2,3002	2,6613
Electricity - (block 3: 351 - 600 kwh)	2,9967	3,3773	3,9076
Electricity - (block 4: > 600 kwh)	3,4866	3,9294	4,5463
Cost Price per kwh	2,0868	2,3518	2,7210
Water			
0-6 indigent households	0	0,00	0
7-12 indigent households	38,43	41,12	44,61
0-12 non indigent households	38,43	41,12	44,61
13 - 20kl	42,35	45,31	49,16
21 - 30kl	47,85	51,20	55,55
31 - 45kl	50,80	54,36	58,98
>45kl	52,77	56,46	61,26
Vaalmarina			
0 - 12kl	33,31	36,89	40,02
13 - 20kl	37,23	41,08	44,58
21 - 30kl	39,31	43,32	47,00
31 - 45kl	44,82	49,20	53,39
45+kl	46,02	50,49	54,78
Cost Price per kl	12,68	13,305495	14,436462
Sewerage			
Residential	294,56	312,23	330,96
Refuse Removal			
Residential	256,82	274,80	294,03
Low Cost Housing	128,41	137,40	147,02

1.4.6 Overall impact of tariff increases on households

The following table and sample accounts shows the overall expected impact of the tariff increases on a large and small household, as well as an indigent household receiving free basic services.

Table 7 MBRR Table SA14 – Household bills current year

Description	Ref	2020/21	2021/22	2022/2023	Current Year 2023/2024			2024/2025 Medium Term Rev Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/2025	Budget Year 2024/2025	Budget Year 2026/2027	Budget Year 2025/2027
Rand/cent								% incr.			
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates		–	436.76	462.97	494.22	494.22	494.22	7.00%	528.82	560.54	594.18
Electricity: Basic levy											
Electricity: Consumption		2,068.36	2,399.00	2,465.09	2,837.32	2,837.32	2,837.32	12.70%	3,197.66	3,603.76	4,169.55
Water: Basic levy											
Water: Consumption		1,015.16	1,076.08	1,170.78	1,278.49	1,278.49	1,278.49	7.00%	1,367.99	1,484.27	1,610.43
Sanitation		245.58	260.31	275.93	294.56	294.56	294.56	6.00%	312.23	330.96	350.82
Refuse removal		213.62	226.44	240.02	256.82	256.82	256.82	7.00%	274.80	291.29	308.76
Other											
sub-total		3,542.72	4,398.59	4,614.79	5,161.41	5,161.41	5,161.41	10.1%	5,681.49	6,270.82	7,033.74
VAT on Services		531.41	594.32	622.77	700.08	700.08	700.08		772.90	856.54	965.93
Total large household bill:		4,074.13	4,992.91	5,237.56	5,861.49	5,861.49	5,861.49	10.1%	6,454.39	7,127.36	7,999.67
% increase/-decrease		–	22.6%	4.9%	11.9%	11.9%	11.9%		10.1%	10.4%	12.2%
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates		–	436.76	462.97	494.22	494.22	494.22	7.00%	528.82	560.54	594.18
Electricity: Basic levy											
Electricity: Consumption		831.61	964.66	993.05	1,143.00	1,143.00	1,143.00	12.70%	1,288.16	1,451.76	1,679.68
Water: Basic levy											
Water: Consumption		825.16	874.68	951.65	1,039.20	1,039.20	1,039.20	7.00%	1,111.95	1,206.46	1,309.01
Sanitation		245.16	260.31	275.93	294.56	294.56	294.56	6.00%	312.23	330.96	350.82
Refuse removal		213.62	226.44	240.02	256.82	256.82	256.82	7.00%	274.80	291.29	308.76
Other		–	–								
sub-total		2,115.55	2,762.85	2,923.62	3,227.80	3,227.80	3,227.80	8.9%	3,515.95	3,841.01	4,242.46
VAT on Services		317.39	348.91	369.10	410.04	410.04	410.04		448.07	492.07	547.24
Total small household bill:		2,432.94	3,111.76	3,292.72	3,637.84	3,637.84	3,637.84	9.0%	3,964.02	4,333.08	4,789.70
% increase/-decrease		–	27.9%	5.8%	10.5%	10.5%	10.5%		9.0%	9.3%	10.5%
		-	-	-0.79							
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates											
Electricity: Basic levy											
Electricity: Consumption		444.63	515.76	521.41	600.14	600.14	600.14	12.70%	676.36	762.26	881.93
Water: Basic levy											
Water: Consumption		452.10	479.24	602.51	657.94	657.94	657.94	7.00%	704.00	763.84	828.76
Sanitation											
Refuse removal											
Other											
sub-total		896.73	995.00	1,123.92	1,258.08	1,258.08	1,258.08	9.7%	1,380.36	1,526.10	1,710.70
VAT on Services		–	149.25	168.59	188.71	188.71	188.71		207.05	228.91	256.60
Total small household bill:		896.73	1,144.25	1,292.51	1,446.80	1,446.80	1,446.80	9.7%	1,587.41	1,755.01	1,967.30
% increase/-decrease		–	27.6%	13.0%	11.9%	–	–		9.7%	10.6%	12.1%

1.5 Operating Expenditure Framework

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

- The asset renewal strategy and the repairs and maintenance plan;
- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;

- The capital programme is aligned to the asset renewal strategy.
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Strict adherences to the principle of no project plan *no budget*. If there is no business plan no funding allocation can be made.

The following table is a high level summary of the 2024/2025 budget and MTREF (classified per main type of operating expenditure):

Table 8 Summary of operating expenditure by standard classification item

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Expenditure											
Employee related costs	2	-	-	-	-	-	-	-	-	-	-
Remuneration of councillors		12,822	12,968	14,364	13,860	14,904	14,904	12,733	15,270	16,049	16,851
Bulk purchases - electricity	2	-	-	-	-	-	-	-	-	-	-
Inventory consumed	8	17,005	21,235	8,761	37,220	32,490	32,490	9,115	34,827	36,926	39,365
Debt impairment	3	75,392	64,731	67,104	169,656	130,573	130,573	37,118	146,245	172,128	201,236
Depreciation and amortisation		-	-	-	-	-	-	-	-	-	-
Interest		17,471	30,123	22,946	24,212	22,212	22,212	8,238	23,767	25,431	27,211
Contracted services		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		45,208	58,514	50,566	6,496	6,496	6,496	6,451	6,814	7,128	7,449
Operational costs		-	-	-	-	-	-	-	-	-	-
Losses on disposal of Assets		2,245	7,739	4,904	-	-	-	6	-	-	-
Other Losses		35	31,095	36,805	47,665	47,665	47,665	40,160	50,001	52,451	55,021
Total Expenditure		**170,178**	**226,405**	**205,450**	**299,110**	**254,340**	**254,340**	**113,819**	**276,924**	**310,112**	**347,133**

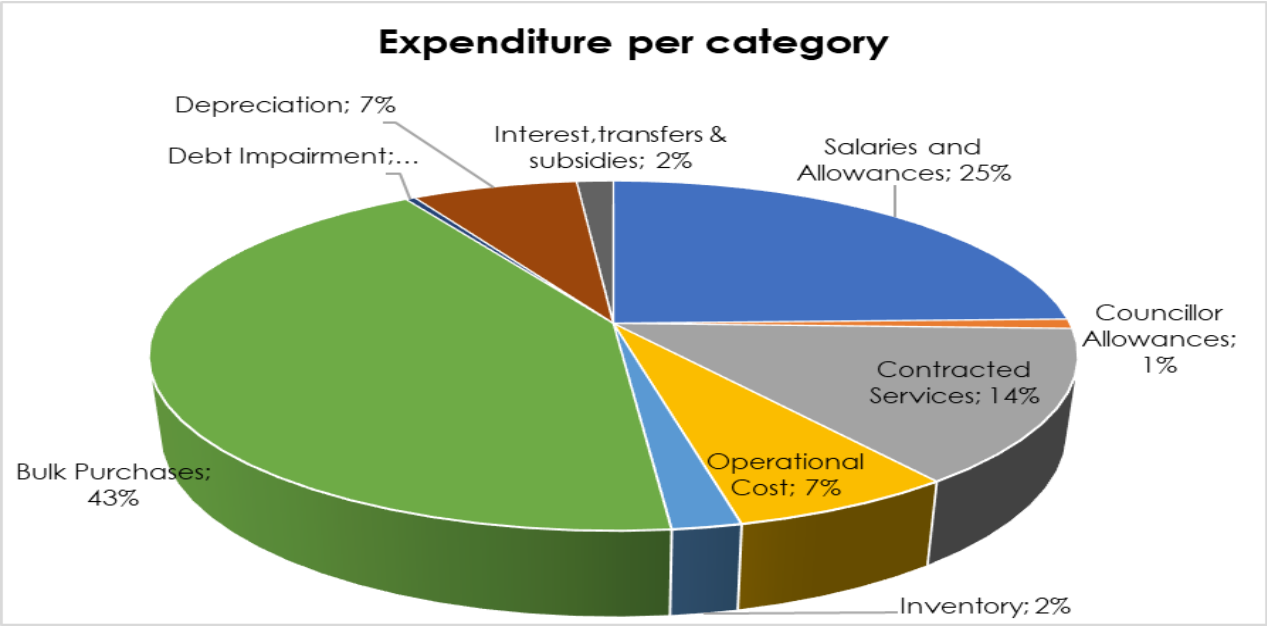


Figure 2 Operating Expenditure Distribution for the 2024/25 Financial Year

The operating expenditure for 2024/2025 is budgeted at R1 873 019 955 (an increase of 8.08% from the 2023/2024 adjusted budget). This includes a provision for salary increases of 5%, increase in repairs and maintenance expenditure of 6.53%, operating cost of 5.78% and contracted services of 11.65%. Bulk purchases have been increased as follows:

Water Purchases from Randwater – 5.9%
Electricity Purchases from Eskom – 12.7%

The budgeted allocation for salaries and allowances for the 2024/25 financial year totals R424 million, which equals 22.62% of the total operating expenditure. When Councillor's remuneration is included, it increases to 23.44% of the total operating expenditure. Salary increases have been factored into this budget at a percentage increase of 5% for municipal staff and 5% for senior managers. In addition, notch increases have been provided. An annual increase of 4.6% and 4.5% (inflationary increase and notches included) has been included in the two outer years of the MTREF. As part of the Municipality's cost reprioritisation and cash management strategy non-critical vacancies have been frozen for the MTREF period.

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the Municipality's budget.

The provision of debt impairment was determined based on an annual collection rate of 90%. In addition, the impairment of traffic fines recognised as revenue in accordance with iGRAP 1 have been provided for. For the 2024/25 financial year this amount equates to R146 million and escalates to R172 million by 2025/26.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R119 million for the 2024/25 financial and equates to 6.34% of the total operating expenditure.

Interest, dividends and rent on land consist primarily of the repayment of interest on long-term borrowing (cost of capital). Finance charges make up 1.27% (R24 million) of operating expenditure. An additional loan of R23.1m is proposed for the 2024/25 financial year.

Bulk purchases are directly informed by the purchase of electricity from Eskom and water from Rand Water. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. The expenditures include distribution losses.

Contracted services have been identified as a cost saving area for the Council. As part of the compilation of the 2024/25 MTREF this expenditure category was critically evaluated and operational efficiencies were enforced. In the 2024/25 financial year, this expenditure category totals R245 million. For the two outer years, growth has been limited CPI to ensure cost reduction over the medium term.

Operational cost comprises of various line items relating to the daily operations of the municipality. This expenditure category has also been identified as an area in which cost savings and efficiencies can be achieved. A progress report dealing with how costs have been curtailed are contained as an Annexure to this budget report.

Aligned to the priority being given to preserving and maintaining the Council's current infrastructure, the MTREF provide for extensive growth in the area of asset maintenance, as informed by the asset renewal strategy and repairs and maintenance plan of the Municipality. In terms of the Municipal Budget and Reporting Regulations and mSCOA, operational repairs and maintenance is not considered a direct expenditure driver but an outcome or project comprising certain other expenditures, such as remuneration, purchases of materials and contracted services.

Repairs and maintenance is a strategic imperative owing to the aging of the Municipality's infrastructure and historic deferred maintenance. The remaining useful lives of assets are reviewed annually as part of the condition assessment performed on the assets. This is done to ensure that there are no unexpected asset failures. The municipality is also ensuring that at least 40% of the capital budget is allocated to the renewal of assets (in addition to the maintenance budget provided for on the operating budget). The municipality is spending 8% of the value of the assets on maintenance as per the NT norm, and continues to increase the budget allocations to maintenance in line with affordability.

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

Table 9 Repairs and maintenance per asset class

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		**88,102**	**114,493**	**142,301**	**164,035**	**170,415**	**170,415**	**169,390**	**177,672**	**186,063**
Roads Infrastructure		15,851	23,392	34,355	41,030	38,418	38,418	35,942	37,691	39,487
Roads										
Road Structures		4,632	10,609	19,500	19,792	21,012	21,012	16,943	17,722	18,519
Road Furniture										
Capital Spares		11,219	12,783	14,855	21,238	17,405	17,405	19,000	19,969	20,967
Electrical Infrastructure		22,334	28,949	34,464	40,005	49,444	49,444	49,855	50,587	52,993
Power Plants		–	–	–	–	5,500	5,500	4,500	4,707	4,919
MV Networks		6,536	9,926	13,142	14,265	20,007	20,007	17,329	20,103	21,008
LV Networks		–	–	–	–	–	–	1,500	–	–
Capital Spares		15,798	19,023	21,321	25,740	23,937	23,937	26,526	25,777	27,066
Water Supply Infrastructure		25,310	29,682	34,494	39,043	38,337	38,337	38,847	42,324	44,356
Dams and Weirs										
Boreholes		–	–	–	650	650	650	682	713	745
Reservoirs										
Pump Stations										
Water Treatment Works		–	–	–	–	2,900	2,900	2,727	2,853	2,981
Bulk Mains										
Distribution		7,139	8,759	13,373	13,915	11,892	11,892	11,139	13,220	13,815
Distribution Points										
PRV Stations										
Capital Spares		18,171	20,923	21,122	24,479	22,895	22,895	24,298	25,538	26,814
Sanitation Infrastructure		22,751	31,258	36,465	42,356	42,717	42,717	43,072	45,209	47,407
Pump Station		3,131	4,274	2,899	3,129	2,829	2,829	2,967	3,104	3,244
Reticulation		–	–	–	–	–	–	–	–	–
Waste Water Treatment Works		9,232	15,465	20,622	23,927	24,824	24,824	24,184	25,372	26,594
Outfall Sewers										
Toilet Facilities										
Capital Spares		10,388	11,519	12,944	15,301	15,065	15,065	15,921	16,733	17,570
Solid Waste Infrastructure		–	–	–	100	100	100	100	100	100
Landfill Sites		–	–	–	100	100	100	100	100	100
Information and Communication Infrastructure		1,857	1,212	2,523	1,500	1,400	1,400	1,574	1,761	1,720
Data Centres		1,857	1,212	2,523	1,500	1,400	1,400	1,574	1,761	1,720
Community Assets		**82**	**1,027**	**2,069**	**3,061**	**3,163**	**3,163**	**2,581**	**2,793**	**2,953**
Community Facilities		82	1,027	2,069	3,061	3,163	3,163	2,581	2,793	2,953
Libraries		53	971	1,935	3,061	3,163	3,163	2,581	2,793	2,953
Cemeteries/Crematoria		30	56	133	–	–	–	–	–	–
Other assets		**965**	**5,667**	**4,486**	**6,610**	**5,739**	**5,739**	**11,211**	**10,603**	**11,215**
Operational Buildings		965	5,667	4,486	6,610	5,739	5,739	11,211	10,603	11,215
Municipal Offices		965	5,667	4,486	6,610	5,739	5,739	11,211	10,603	11,215
Furniture and Office Equipment		166	157	103	374	326	326	376	388	405
Furniture and Office Equipment		166	157	103	374	326	326	376	388	405
Machinery and Equipment		–	–	–	–	13	13	–	–	–
Machinery and Equipment		–	–	–	–	13	13	–	–	–
Transport Assets		9,685	13,199	14,397	17,021	17,886	17,886	18,688	19,211	20,048
Transport Assets		9,685	13,199	14,397	17,021	17,886	17,886	18,688	19,211	20,048
Total Repairs and Maintenance Expenditure	1	**99,001**	**134,543**	**163,356**	**191,100**	**197,542**	**197,542**	**202,246**	**210,667**	**220,685**
R&M as a % of PPE & Investment Property		*123.1%*	*73.1%*	*88.8%*	*97.3%*	*108.3%*	*108.3%*	*108.0%*	*93.2%*	*78.8%*
R&M as % Operating Expenditure		*34.0%*	*38.6%*	*43.4%*	*37.0%*	*38.3%*	*38.3%*	*68.5%*	*37.2%*	*36.6%*

1.5.1 Free Basic Services: Basic Social Services Package

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services, the households are required to either register in terms of the Council's Indigent Policy, or to qualify as deemed indigents as defined in Council's Indigent Policy. Detail relating to free services, cost of free basis services, revenue lost owing to free basic services as well as basic service delivery measurement are contained in Table 25 MBRR A10 (Basic Service Delivery Measurement).

The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act.

The municipality provides free basic services at a higher level than what the National Policies provides for, and the total cost of the social package (all inclusive) are reflected below:

INCOME FOREGONE	Draft Budget 2024/2025	Draft Budget 2025/2026	Draft Budget 2026/2027
P-TWS PROPERTY RATES REBATE PENSIONERS	123,609	131,025	138,887
P-TWS PROPERTY RATES REBATE RESIDENTIAL	49,985,295	52,984,413	56,163,477
P-TWS REVENUE COST OF FREE BASIC W/WATER MANAGEMENT	18,155,680	19,245,021	20,399,722
P-TWS COST OF FREE BASIC WATER 6 KL	5,637,692	6,043,779	6,466,844
P-TWS COST OF FREE BASIC ELEC 50 KWH	3,859,771	4,465,755	5,166,879
P-TWS REVENUE COST OF FREE BASIC WASTE MANAGEMENT	11,080,789	11,856,445	12,686,396
	88,842,836	**94,726,438**	**101,022,205**

This social package is funded from the Equitable Share Grant and uses up the majority of the grant. The equitable share grant for the MTREF are as follows:

2024/2025 R172 049 000
2025/2026 R185 364 000
2026/2027 R199 912 000

The sustainability of the social package will be reviewed in future years and social benefits may be reduced should it no longer be affordable.

The increase in the cost of the free basic services are directly linked to the increase in the expected number of indigents. The number of indigents provided for are as follows:

2024/2025 6 000
2025/2026 7 000
2026/2027 8 000

1.6 Capital expenditure

The capital amount proposed for 2024/25 amounts to R266 618 087.

The capital budget will be funded as follows:

Row Labels	Sum of Proposed Budget 24/25	Sum of Proposed Budget 25/26	Sum of PROPOSED Budget 26/27
DAC	6 800 000	8 000 000	5 600 000
Developers	6 000 000	3 000 000	6 000 000
FFRG	2 200 000		
INEP	29 888 000	16 500 000	17 000 000
Leases	23 100 000	25 550 000	21 400 000
Loans	64 500 000	42 000 000	-
MIG	34 561 087	28 168 999	30 432 957
NDPG	10 000 000	10 000 000	1 000 000
Own Funding	57 670 000	49 850 000	39 500 000
WSIG	30 599 000	21 519 000	22 509 000
Energy Efficiency GRANT		4 000 000	4 000 000
Donation	1 300 000		
Grand Total	**266 618 087**	**208 587 999**	**147 441 957**

Midvaal mainly spends its capital expenditure on infrastructure services and for the 2024/25 financial year (65%) of the capital budget is allocated to the Engineering Services department.

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

Table 10 2024/25 Medium-term capital budget per vote

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Capital expenditure - Vote											
Multi-year expenditure *to be appropriated*	2										
Vote 01 - Executive & Council		77,449	17	2	1,130	165	165	117	–	–	–
Vote 02 - Corporate Services		8,973	6,499	2,298	16,210	13,470	13,470	12,763	4,770	5,100	4,400
Vote 03 - Financial Services		132	956	2,786	17,250	20,374	20,374	11,676	2,000	–	–
Vote 04 - Development & Planning		49	7,676	4,270	10,500	17,051	17,051	14,743	10,000	10,000	5,026
Vote 05 - Health		–	–	–	–	–	–	–	–	–	–
Vote 06 - Community And Social Services		24,373	13,526	11,289	29,738	31,642	31,642	23,672	24,573	22,399	9,350
Vote 07 - Public Safety		4,550	7,375	10,171	7,665	10,466	10,466	6,733	2,000	11,000	–
Vote 08 - Sport And Recreation		–	–	–	–	–	–	–	–	–	–
Vote 09 - Environmental Protection		–	–	–	–	–	–	–	–	–	–
Vote 10 - Waste Water Management		23,704	16,553	10,491	15,650	18,960	18,960	9,716	14,850	11,600	8,000
Vote 11 - Solid Waste Management		15,552	14,935	4,018	16,370	14,415	14,415	4,459	20,000	25,850	21,100
Vote 12 - Roads And Transport		13,775	18,776	34,421	40,298	39,249	39,249	11,957	40,887	34,300	9,450
Vote 13 - Water Services		46,365	47,350	48,425	51,899	49,579	49,579	38,399	51,817	41,839	38,011
Vote 14 - Electrical Services		24,511	30,965	40,594	52,912	51,918	51,918	25,793	31,090	30,500	35,105
Vote 15 - Other		–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	7	**239,433**	**164,627**	**168,766**	**259,622**	**267,290**	**267,290**	**160,027**	**201,987**	**192,588**	**130,442**
Single-year expenditure *to be appropriated*	2										
Vote 01 - Executive & Council		–	–	–	–	–	–	–	–	–	–
Vote 02 - Corporate Services		–	–	–	–	1,007	1,007	506	520	–	–
Vote 03 - Financial Services		–	–	–	–	–	–	–	–	–	–
Vote 04 - Development & Planning		–	–	–	–	–	–	–	4,500	–	–
Vote 05 - Health		–	–	–	–	–	–	–	–	–	–
Vote 06 - Community And Social Services		–	–	–	–	–	–	–	10,296	–	–
Vote 07 - Public Safety		–	–	–	–	200	200	149	2,200	–	–
Vote 08 - Sport And Recreation		–	–	–	–	–	–	–	–	–	–
Vote 09 - Environmental Protection		–	–	–	–	–	–	–	–	–	–
Vote 10 - Waste Water Management		–	–	–	–	340	340	–	9,500	5,000	–
Vote 11 - Solid Waste Management		–	–	–	–	–	–	–	11,700	3,000	10,000
Vote 12 - Roads And Transport		–	–	–	–	–	–	–	3,300	–	–
Vote 13 - Water Services		–	–	–	–	1,175	1,175	–	7,000	8,000	7,000
Vote 14 - Electrical Services		–	–	–	–	–	–	–	15,615	–	–
Vote 15 - Other		–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total		**–**	**–**	**–**	**–**	**2,722**	**2,722**	**656**	**64,631**	**16,000**	**17,000**
Total Capital Expenditure - Vote		**239,433**	**164,627**	**168,766**	**259,622**	**270,012**	**270,012**	**160,682**	**266,618**	**208,588**	**147,442**

The following graph provides a breakdown of the capital budget to be spent per funding source:

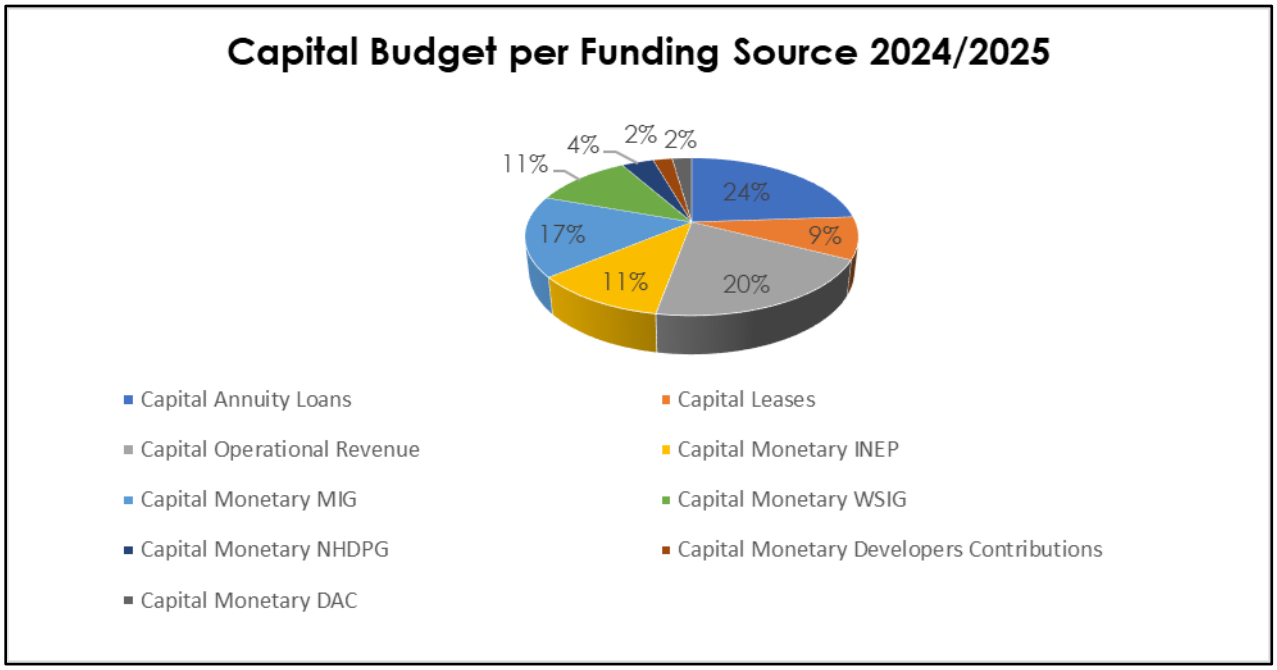


Figure 3 Capital Expenditure per Funding Source for the 2024/2025 financial year

1.6.1 Future operational cost of new infrastructure

The future operational costs and revenues associated with the capital programme have been included in Table 56 MBRR SA35.

Vote Description	Ref	2024/25 Medium Term Revenue & Expenditure Framework			Forecasts			
R thousand		Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Present value
Capital expenditure	1							
Vote 01 - Executive & Council		–	–	–	–	–	–	–
Vote 02 - Corporate Services		5,290	5,100	4,400	–	–	–	–
Vote 03 - Financial Services		2,000	–	–	–	–	–	–
Vote 04 - Development & Planning		14,500	10,000	5,026	–	–	–	–
Vote 05 - Health		–	–	–	–	–	–	–
Vote 06 - Community And Social Services		34,869	22,399	9,350	–	–	–	–
Vote 07 - Public Safety		4,200	11,000	–	–	–	–	–
Vote 08 - Sport And Recreation		–	–	–	–	–	–	–
Vote 09 - Environmental Protection		–	–	–	–	–	–	–
Vote 10 - Waste Water Management		24,350	16,600	8,000	–	–	–	–
Vote 11 - Solid Waste Management		31,700	28,850	31,100	–	–	–	–
Vote 12 - Roads And Transport		44,187	34,300	9,450	–	–	–	–
Vote 13 - Water Services		58,817	49,839	45,011	–	–	–	–
Vote 14 - Electrical Services		46,705	30,500	35,105	–	–	–	–
Vote 15 - Other		–	–	–	–	–	–	–
List entity summary if applicable								
Total Capital Expenditure		**266,618**	**208,588**	**147,442**	**–**	**–**	**–**	**–**
Future operational costs by vote	2							
Vote 01 - Executive & Council								
Vote 02 - Corporate Services								
Vote 03 - Financial Services								
Vote 04 - Development & Planning								
Vote 05 - Health								
Vote 06 - Community And Social Services								
Vote 07 - Public Safety								
Vote 08 - Sport And Recreation								
Vote 09 - Environmental Protection								
Vote 10 - Waste Water Management								
Vote 11 - Solid Waste Management								
Vote 12 - Roads And Transport								
Vote 13 - Water Services								
Vote 14 - Electrical Services								
Vote 15 - Other								
List entity summary if applicable								
Total future operational costs		–	–	–	–	–	–	–

1.7 Annual Budget Tables

The following pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2024/25 budget and MTREF as approved by the Council.

Table 11 MBRR Table A1 – Budget Summary

Description	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Financial Performance										
Property rates	253 452	273 314	296 169	321 362	326 734	326 734	268 278	349 605	370 581	392 816
Service charges	734 246	786 096	802 894	994 035	951 532	951 532	743 962	1 047 774	1 172 787	1 314 780
Investment revenue	17 194	18 248	32 679	21 144	42 144	42 144	36 489	44 209	46 242	48 323
Transfer and subsidies - Operational	159 071	150 862	172 219	193 221	190 043	190 043	181 687	206 570	214 793	233 262
Other own revenue	99 123	95 111	117 702	165 235	134 550	134 550	86 378	139 114	148 374	155 806
Total Revenue (excluding capital transfers and contributions)	1 263 085	1 323 631	1 421 663	1 694 996	1 645 002	1 645 002	1 316 794	1 787 272	1 952 778	2 144 987
Employee costs	298 272	322 148	345 632	433 982	396 391	396 391	303 344	423 722	439 885	463 634
Remuneration of councillors	12 822	12 968	14 364	13 860	14 904	14 904	12 733	15 270	16 049	16 851
Depreciation and amortisation	134 535	127 289	99 105	140 855	115 481	115 481	88 825	118 783	122 369	126 245
Interest	17 471	30 123	22 946	24 212	22 212	22 212	8 238	23 767	25 431	27 211
Inventory consumed and bulk purchases	350 408	494 865	485 922	669 968	665 238	665 238	472 336	722 278	818 136	928 360
Transfers and subsidies	1 212	1 534	1 465	1 500	2 337	2 337	783	2 500	2 500	2 500
Other expenditure	291 484	348 766	376 239	516 657	516 416	516 416	295 081	566 701	603 251	652 345
Total Expenditure	1 106 204	1 337 691	1 345 674	1 801 035	1 732 979	1 732 979	1 181 340	1 873 020	2 027 620	2 217 146
Surplus/(Deficit)	156 881	(14 060)	75 989	(106 038)	(87 976)	(87 976)	135 454	(85 748)	(74 842)	(72 159)
Transfers and subsidies - capital (monetary allocations)	184 315	96 481	98 947	101 140	106 529	106 529	75 553	125 232	95 413	91 107
Transfers and subsidies - capital (in-kind)	–	–	10 191	–	–	–	–	1 300	–	–
	341 196	82 421	185 127	(4 899)	18 553	18 553	211 007	40 784	20 571	18 948
Surplus/(Deficit) after capital transfers & contributions										
Share of Surplus/Deficit attributable to Associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	341 196	82 421	185 127	(4 899)	18 553	18 553	211 007	40 784	20 571	18 948
Capital expenditure & funds sources										
Capital expenditure	239 433	164 627	168 766	259 622	270 012	270 012	160 682	266 618	208 588	147 442
Transfers recognised - capital	172 541	87 901	103 737	96 507	102 246	102 246	80 168	121 348	91 188	86 542
Borrowing	26 307	36 518	17 546	74 780	118 790	118 790	52 300	87 600	69 150	23 000
Internally generated funds	40 585	40 209	47 483	88 335	48 975	48 975	28 214	57 670	48 250	37 900
Total sources of capital funds	239 433	164 627	168 766	259 622	270 012	270 012	160 682	266 618	208 588	147 442
Financial position										
Total current assets	625 023	745 569	915 017	639 005	945 899	945 899	1 000 502	837 597	846 266	760 287
Total non current assets	2 129 253	2 153 572	2 201 836	2 563 744	2 356 484	2 356 484	2 273 688	2 292 159	2 564 433	2 608 287
Total current liabilities	390 587	354 748	314 747	258 829	236 091	236 091	255 466	177 873	57 800	62 782
Total non current liabilities	147 992	237 215	220 666	324 248	305 457	305 457	229 599	301 542	329 442	304 501
Community wealth/Equity	2 505 205	2 453 782	2 617 370	2 610 448	3 083 158	3 083 158	2 795 044	1 627 434	3 014 024	2 992 981
Cash flows										
Net cash from (used) operating	(40 227)	640 282	493 731	182 199	7 839	7 839	2 099 434	99 140	75 960	(21 863)
Net cash from (used) investing	(109 053)	(164 627)	(167 085)	(249 492)	(256 825)	(256 825)	(145 013)	(256 068)	(193 688)	(138 542)
Net cash from (used) financing	21 500	(21 589)	(16 310)	73 847	72 009	72 009	5 920	130 236	23 087	(24 991)
Cash/cash equivalents at the year end	272 267	905 371	798 298	156 987	178 456	178 456	1 960 341	(19 190)	(113 830)	(299 226)
Cash backing/surplus reconciliation										
Cash and investments available	401 305	487 962	495 402	274 860	498 649	498 649	484 418	434 487	447 577	51 955
Application of cash and investments	303 947	151 383	75 333	112 080	41 139	41 139	(482 597)	(209 779)	(274 942)	(519 859)
Balance - surplus (shortfall)	97 358	336 579	420 069	162 780	457 510	457 510	967 015	644 266	722 519	571 814
Asset management										
Asset register summary (WDV)	1 943 292	2 019 829	2 062 114	2 272 160	2 065 030	2 065 030		2 000 575	2 272 849	2 316 703
Depreciation	134 535	127 289	99 105	140 855	115 481	115 481		118 783	122 369	126 245
Renewal and Upgrading of Existing Assets	165 653	93 088	88 019	137 062	125 028	125 028		128 280	113 988	99 466
Repairs and Maintenance	99 001	134 543	163 356	191 100	197 542	197 542		202 246	210 667	220 685
Free services										
Cost of Free Basic Services provided	8 166	6 768	7 942	9 629	8 717	8 717		9 508	10 510	11 634
Revenue cost of free services provided	68 531	67 517	71 718	76 746	74 305	74 305		79 335	84 205	89 376
Households below minimum service level										
Water:	4	4	–	0	0	0		0	0	0
Sanitation/sewerage:	1	1	–	0	0	0		1	1	1
Energy:	7	7	–	23	23	23		23	164	165
Refuse:	10	10	–	10	10	10		10	10	10

Explanatory notes to MBRR Table A1 – Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).

2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.

3. Financial management reforms emphasises the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:

    a. The operating surplus/deficit (when taking offset depreciation into account) is positive over the MTREF

    b. Capital expenditure is balanced by capital funding sources, of which
        i. Transfers recognised is reflected on the Financial Performance Budget;
        ii. New Borrowing (HP agreements for vehicles) is incorporated in the net cash from financing on the Cash Flow Budget
        iii. Internally generated funds are financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget.

4. The Cash backing/surplus reconciliation shows that in previous financial years the municipality did not have all reserves cash-backed due to the economic recession. The reserves are now cash backed according to the funding and reserves. The cash and reserves will have to continue to increase over the MTREF period.

5. Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of Free Services shows that the amount spent on Free Basic Services and the revenue cost of free services provided by the municipality continues to increase. In addition, the municipality continues to make progress in addressing service delivery backlogs.

Table 12 MBRR Table A2 – Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue - Functional										
Governance and administration		**464,574**	**381,878**	**449,327**	**459,969**	**498,962**	**498,962**	**524,572**	**540,418**	**567,185**
Executive and council		6,218	6,473	6,665	6,665	6,665	6,665	6,864	7,144	7,431
Finance and administration		458,356	375,405	442,662	453,304	492,297	492,297	517,708	533,274	559,754
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		**104,402**	**108,893**	**107,018**	**171,915**	**132,829**	**132,829**	**135,376**	**131,605**	**128,143**
Community and social services		21,313	22,927	18,965	21,376	21,965	21,965	22,146	22,510	23,278
Sport and recreation		12,337	9,946	4,523	16,943	18,348	18,348	21,313	11,754	1,859
Public safety		66,999	71,361	79,403	128,311	87,802	87,802	86,888	92,081	97,585
Housing		–	–	–	–	–	–	–	–	–
Health		3,752	4,658	4,126	5,284	4,714	4,714	5,029	5,259	5,421
Economic and environmental services		**12,591**	**14,067**	**8,165**	**20,437**	**24,162**	**24,162**	**30,004**	**29,339**	**22,612**
Planning and development		2,894	10,845	7,929	14,304	20,352	20,352	15,323	14,258	9,531
Road transport		6,072	2	(4,010)	1,780	729	729	11,600	12,000	10,000
Environmental protection		3,625	3,220	4,246	4,352	3,081	3,081	3,081	3,081	3,081
Trading services		**865,833**	**915,274**	**966,292**	**1,143,816**	**1,095,579**	**1,095,579**	**1,223,851**	**1,346,831**	**1,518,154**
Energy sources		402,044	488,835	472,394	650,067	589,862	589,862	689,466	772,753	890,861
Water management		329,085	276,686	313,620	347,561	348,905	348,905	368,809	377,910	417,380
Waste water management		83,302	85,622	113,758	77,725	85,820	85,820	89,841	95,304	104,084
Waste management		51,402	64,132	66,520	68,463	70,993	70,993	75,735	100,864	105,830
Other	4	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Revenue - Functional	2	**1,447,400**	**1,420,112**	**1,530,801**	**1,796,136**	**1,751,531**	**1,751,531**	**1,913,804**	**2,048,192**	**2,236,094**
Expenditure - Functional										
Governance and administration		**200,359**	**211,180**	**220,868**	**289,556**	**286,764**	**286,764**	**323,542**	**337,808**	**355,059**
Executive and council		32,528	30,882	36,429	50,916	51,362	51,362	58,040	60,934	63,651
Finance and administration		167,831	180,298	184,439	238,640	235,401	235,401	265,501	276,874	291,407
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		**172,938**	**185,836**	**202,340**	**276,997**	**235,684**	**235,684**	**244,532**	**253,289**	**268,718**
Community and social services		19,333	23,004	25,268	27,900	26,939	26,939	28,126	27,776	31,520
Sport and recreation		24,778	32,569	36,719	44,598	43,653	43,653	43,986	44,867	46,996
Public safety		124,404	125,805	135,968	198,780	159,593	159,593	166,585	174,562	183,962
Housing		–	–	–	–	–	–	–	–	–
Health		4,423	4,458	4,384	5,719	5,499	5,499	5,835	6,084	6,241
Economic and environmental services		**93,804**	**106,862**	**111,324**	**138,014**	**131,851**	**131,851**	**133,503**	**140,324**	**147,040**
Planning and development		30,916	38,941	38,540	47,406	47,243	47,243	47,631	50,311	52,726
Road transport		59,115	63,762	68,437	85,995	80,062	80,062	81,573	85,496	89,572
Environmental protection		3,773	4,160	4,347	4,612	4,546	4,546	4,300	4,518	4,742
Trading services		**772,691**	**855,352**	**844,475**	**1,096,468**	**1,078,715**	**1,078,715**	**1,171,443**	**1,296,199**	**1,446,329**
Energy sources		417,636	482,044	449,442	645,019	616,634	616,634	667,925	762,708	885,003
Water management		226,152	226,777	245,775	261,111	260,573	260,573	274,567	291,247	304,971
Waste water management		63,902	75,598	86,214	92,183	95,977	95,977	100,856	110,376	116,075
Waste management		65,002	70,932	63,043	98,156	105,531	105,531	128,095	131,867	140,281
Other	4	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Expenditure - Functional	3	**1,239,792**	**1,359,229**	**1,379,007**	**1,801,035**	**1,733,013**	**1,733,013**	**1,873,020**	**2,027,620**	**2,217,146**
Surplus/(Deficit) for the year		**207,608**	**60,883**	**151,794**	**(4,899)**	**18,519**	**18,519**	**40,784**	**20,571**	**18,948**

Explanatory notes to MBRR Table A2 – Budgeted Financial Performance (revenue and expenditure by standard classification)

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms if each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
2. Note the Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table A4.
3. Note that as a general principle the revenues for the Trading Services should exceed their expenditures.

4. Other functions that show a deficit between revenue and expenditure are being financed from rates revenues and other revenue sources.

Table 13 MBRR Table A3 – Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue by Vote	1									
Vote 01 - Executive & Council		111,073	9,627	6,665	6,665	6,665	6,665	6,864	7,144	7,431
Vote 02 - Corporate Services		1,155	1,572	1,675	1,980	1,760	1,760	1,865	1,977	2,096
Vote 03 - Financial Services		350,775	369,059	439,048	449,455	488,787	488,787	508,868	525,575	551,478
Vote 04 - Development & Planning		2,894	10,845	7,929	14,304	20,352	20,352	15,323	14,258	9,531
Vote 05 - Health		3,752	4,658	4,126	5,284	4,714	4,714	5,029	5,259	5,421
Vote 06 - Community And Social Services		33,651	32,873	23,488	38,319	40,314	40,314	43,459	34,264	25,137
Vote 07 - Public Safety		2,652	3,042	6,059	3,369	6,987	6,987	3,426	1,282	1,340
Vote 08 - Sport And Recreation		–	–	–	–	–	–	–	–	–
Vote 09 - Environmental Protection		3,625	3,220	4,246	4,352	3,081	3,081	3,081	3,081	3,081
Vote 10 - Waste Water Management		83,302	85,622	113,758	77,725	85,820	85,820	89,841	95,304	104,084
Vote 11 - Solid Waste Management		51,402	64,132	66,520	68,463	70,993	70,993	75,735	100,864	105,830
Vote 12 - Roads And Transport		70,420	68,321	69,334	126,723	81,544	81,544	95,062	102,799	106,245
Vote 13 - Water Services		329,085	276,686	313,620	347,561	348,905	348,905	368,809	377,910	417,380
Vote 14 - Electrical Services		403,615	490,456	474,333	651,937	591,611	591,611	696,441	778,475	897,042
Vote 15 - Other		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	**1,447,400**	**1,420,112**	**1,530,801**	**1,796,136**	**1,751,531**	**1,751,531**	**1,913,804**	**2,048,192**	**2,236,094**
Expenditure by Vote ***to be appropriated***	1									
Vote 01 - Executive & Council		43,401	28,462	36,350	50,195	50,867	50,867	57,549	60,447	63,169
Vote 02 - Corporate Services		63,736	64,573	75,596	88,587	96,158	96,158	100,395	105,029	110,032
Vote 03 - Financial Services		63,194	84,152	77,562	104,510	98,927	98,927	115,388	124,519	131,812
Vote 04 - Development & Planning		30,916	38,941	38,540	46,364	46,715	46,715	47,102	49,783	52,198
Vote 05 - Health		4,130	4,154	4,142	5,701	5,120	5,120	5,456	5,705	5,861
Vote 06 - Community And Social Services		53,808	66,160	70,622	84,378	81,245	81,245	83,937	83,616	90,016
Vote 07 - Public Safety		28,455	31,858	36,487	49,817	44,625	44,625	46,828	48,053	50,350
Vote 08 - Sport And Recreation		–	–	–	–	–	–	–	–	–
Vote 09 - Environmental Protection		3,773	4,160	4,347	4,612	4,546	4,546	4,300	4,518	4,742
Vote 10 - Waste Water Management		55,826	68,105	79,522	92,122	89,751	89,751	94,630	104,151	109,849
Vote 11 - Solid Waste Management		65,096	71,032	63,149	100,619	106,723	106,723	129,288	133,059	141,473
Vote 12 - Roads And Transport		159,205	162,448	172,302	242,470	201,377	201,377	208,391	219,298	230,847
Vote 13 - Water Services		224,143	226,892	245,760	262,165	262,159	262,159	276,152	292,833	306,556
Vote 14 - Electrical Services		444,108	508,293	474,630	669,494	644,801	644,801	703,603	796,611	920,240
Vote 15 - Other		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	**1,239,792**	**1,359,229**	**1,379,007**	**1,801,035**	**1,733,013**	**1,733,013**	**1,873,020**	**2,027,620**	**2,217,146**
Surplus/(Deficit) for the year	2	**207,608**	**60,883**	**151,794**	**(4,899)**	**18,519**	**18,519**	**40,784**	**20,571**	**18,948**

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

1. Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the Council. This means it is possible to present the operating surplus or deficit of a vote.

Table 14 MBRR Table A4 – Budgeted Financial Performance (revenue and expenditure) by Source

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue											
Exchange Revenue											
Service charges - Electricity	2	388,232	461,979	438,811	601,337	547,484	547,484	410,019	616,262	711,937	822,586
Service charges - Water	2	249,280	214,565	244,870	274,372	275,097	275,097	226,890	294,205	314,641	336,503
Service charges - Waste Water Management	2	49,841	54,450	61,723	58,893	66,988	66,988	55,931	71,008	75,268	79,784
Service charges - Waste Management	2	46,892	55,102	57,490	59,433	61,962	61,962	51,121	66,300	70,941	75,907
Sale of Goods and Rendering of Services		6,453	5,482	8,247	7,273	7,697	7,697	6,864	8,141	8,604	9,092
Agency services											
Interest											
Interest earned from Receivables		13,263	13,009	16,074	17,662	24,072	24,072	19,984	25,252	26,413	27,602
Interest earned from Current and Non Current Assets		17,194	18,248	32,679	21,144	42,144	42,144	36,489	44,209	46,242	48,323
Dividends											
Rent on Land											
Rental from Fixed Assets		1,014	1,098	1,093	1,315	1,095	1,095	1,025	1,161	1,230	1,304
Licence and permits		-	-	-	-	-	-	-	-	-	-
Operational Revenue		3,191	1,641	3,878	3,918	4,522	4,522	1,040	4,751	4,980	5,217
Non-Exchange Revenue											
Property rates	2	253,452	273,314	296,169	321,362	326,734	326,734	268,278	349,605	370,581	392,816
Surcharges and Taxes											
Fines, penalties and forfeits		69,271	68,387	74,543	124,813	80,767	80,767	44,012	83,414	90,750	96,195
Licences or permits											
Transfer and subsidies - Operational		159,071	150,862	172,219	193,221	190,043	190,043	181,687	206,570	214,793	233,262
Interest		6,557	5,509	13,794	10,254	16,396	16,396	13,454	16,396	16,396	16,396
Fuel Levy											
Operational Revenue											
Gains on disposal of Assets		(641)	(70)	-	-	-	-	-	-	-	-
Other Gains		15	55	74	-	-	-	-	-	-	-
Discontinued Operations											
Total Revenue (excluding capital transfers and contributions)		**1,263,085**	**1,323,631**	**1,421,663**	**1,694,996**	**1,645,002**	**1,645,002**	**1,316,794**	**1,787,272**	**1,952,778**	**2,144,987**
Expenditure											
Employee related costs	2	298,272	322,148	345,632	433,982	396,391	396,391	303,344	423,722	439,885	463,634
Remuneration of councillors		12,822	12,968	14,364	13,860	14,904	14,904	12,733	15,270	16,049	16,851
Bulk purchases - electricity	2	333,403	387,270	378,128	507,668	507,668	507,668	343,753	556,242	643,572	744,613
Inventory consumed	8	17,005	107,595	107,794	162,300	157,570	157,570	128,583	166,036	174,564	183,747
Debt impairment	3	75,392	64,731	67,104	169,656	130,573	130,573	37,118	146,245	172,128	201,236
Depreciation and amortisation		134,535	127,289	99,105	140,855	115,481	115,481	88,825	118,783	122,369	126,245
Interest		17,471	30,123	22,946	24,212	22,212	22,212	8,238	23,767	25,431	27,211
Contracted services		106,283	127,895	145,648	195,539	222,707	222,707	138,048	250,144	254,478	266,156
Transfers and subsidies		1,212	1,534	1,465	1,500	2,337	2,337	783	2,500	2,500	2,500
Irrecoverable debts written off		45,208	58,514	50,566	6,496	6,496	6,496	6,451	6,814	7,128	7,449
Operational costs		62,320	58,791	71,212	97,301	108,975	108,975	73,299	113,497	117,067	122,483
Losses on disposal of Assets		2,245	7,739	4,904	-	-	-	6	-	-	-
Other Losses		35	31,095	36,805	47,665	47,665	47,665	40,160	50,001	52,451	55,021
Total Expenditure		**1,106,204**	**1,337,691**	**1,345,674**	**1,801,035**	**1,732,979**	**1,732,979**	**1,181,340**	**1,873,020**	**2,027,620**	**2,217,146**
Surplus/(Deficit)		**156,881**	**(14,060)**	**75,989**	**(106,038)**	**(87,976)**	**(87,976)**	**135,454**	**(85,748)**	**(74,842)**	**(72,159)**
Transfers and subsidies - capital (monetary allocations)	6	184,315	96,481	98,947	101,140	106,529	106,529	75,553	125,232	95,413	91,107
Transfers and subsidies - capital (in-kind)	6	–	–	10,191	–	–	–	–	1,300	–	–
Surplus/(Deficit) after capital transfers & contributions		**341,196**	**82,421**	**185,127**	**(4,899)**	**18,553**	**18,553**	**211,007**	**40,784**	**20,571**	**18,948**
Income Tax											
Surplus/(Deficit) after income tax		**341,196**	**82,421**	**185,127**	**(4,899)**	**18,553**	**18,553**	**211,007**	**40,784**	**20,571**	**18,948**
Share of Surplus/Deficit attributable to Joint Venture											
Share of Surplus/Deficit attributable to Minorities											
Surplus/(Deficit) attributable to municipality		**341,196**	**82,421**	**185,127**	**(4,899)**	**18,553**	**18,553**	**211,007**	**40,784**	**20,571**	**18,948**
Share of Surplus/Deficit attributable to Associate	7										
Intercompany/Parent subsidiary transactions											
Surplus/(Deficit) for the year	1	**341,196**	**82,421**	**185,127**	**(4,899)**	**18,553**	**18,553**	**211,007**	**40,784**	**20,571**	**18,948**

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

1. This table provides a summary of the revenue and expenditure expected over the MTREF period.

2. It distinguishes between operating revenue and capital revenue. Capital revenue is recognised as revenue in the Statement of Financial Position but it is utilised for capital funding and not operations.

Table 15 MBRR Table A5 – Budgeted Capital Expenditure by vote, standard classification and funding source

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Capital expenditure - Vote											
Multi-year expenditure *to be appropriated*	2										
Vote 01 - Executive & Council		77,449	17	2	1,130	165	165	117	–	–	–
Vote 02 - Corporate Services		8,973	6,499	2,298	16,210	13,470	13,470	12,763	4,770	5,100	4,400
Vote 03 - Financial Services		132	956	2,786	17,250	20,374	20,374	11,676	2,000	–	–
Vote 04 - Development & Planning		49	7,676	4,270	10,500	17,051	17,051	14,743	10,000	10,000	5,026
Vote 05 - Health		–	–	–	–	–	–	–	–	–	–
Vote 06 - Community And Social Services		24,373	13,526	11,289	29,738	31,642	31,642	23,672	24,573	22,399	9,350
Vote 07 - Public Safety		4,550	7,375	10,171	7,665	10,466	10,466	6,733	2,000	11,000	–
Vote 08 - Sport And Recreation		–	–	–	–	–	–	–	–	–	–
Vote 09 - Environmental Protection		–	–	–	–	–	–	–	–	–	–
Vote 10 - Waste Water Management		23,704	16,553	10,491	15,650	18,960	18,960	9,716	14,850	11,600	8,000
Vote 11 - Solid Waste Management		15,552	14,935	4,018	16,370	14,415	14,415	4,459	20,000	25,850	21,100
Vote 12 - Roads And Transport		13,775	18,776	34,421	40,298	39,249	39,249	11,957	40,887	34,300	9,450
Vote 13 - Water Services		46,365	47,350	48,425	51,899	49,579	49,579	38,399	51,817	41,839	38,011
Vote 14 - Electrical Services		24,511	30,965	40,594	52,912	51,918	51,918	25,793	31,090	30,500	35,105
Vote 15 - Other		–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	7	**239,433**	**164,627**	**168,766**	**259,622**	**267,290**	**267,290**	**160,027**	**201,987**	**192,588**	**130,442**
Single-year expenditure *to be appropriated*	2										
Vote 01 - Executive & Council		–	–	–	–	–	–	–	–	–	–
Vote 02 - Corporate Services		–	–	–	–	1,007	1,007	506	520	–	–
Vote 03 - Financial Services		–	–	–	–	–	–	–	–	–	–
Vote 04 - Development & Planning		–	–	–	–	–	–	–	4,500	–	–
Vote 05 - Health		–	–	–	–	–	–	–	–	–	–
Vote 06 - Community And Social Services		–	–	–	–	–	–	–	10,296	–	–
Vote 07 - Public Safety		–	–	–	–	200	200	149	2,200	–	–
Vote 08 - Sport And Recreation		–	–	–	–	–	–	–	–	–	–
Vote 09 - Environmental Protection		–	–	–	–	–	–	–	–	–	–
Vote 10 - Waste Water Management		–	–	–	–	340	340	–	9,500	5,000	–
Vote 11 - Solid Waste Management		–	–	–	–	–	–	–	11,700	3,000	10,000
Vote 12 - Roads And Transport		–	–	–	–	–	–	–	3,300	–	–
Vote 13 - Water Services		–	–	–	–	1,175	1,175	–	7,000	8,000	7,000
Vote 14 - Electrical Services		–	–	–	–	–	–	–	15,615	–	–
Vote 15 - Other		–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total		**–**	**–**	**–**	**–**	**2,722**	**2,722**	**656**	**64,631**	**16,000**	**17,000**
Total Capital Expenditure - Vote		**239,433**	**164,627**	**168,766**	**259,622**	**270,012**	**270,012**	**160,682**	**266,618**	**208,588**	**147,442**
Capital Expenditure - Functional											
Governance and administration		**86,762**	**7,763**	**5,708**	**34,620**	**35,208**	**35,208**	**25,090**	**8,107**	**7,400**	**5,250**
Executive and council		345	17	2	1,130	165	165	117	–	–	–
Finance and administration		86,417	7,747	5,707	33,490	35,043	35,043	24,973	8,107	7,400	5,250
Internal audit											
Community and public safety		**30,605**	**22,091**	**22,119**	**40,823**	**46,393**	**46,393**	**31,931**	**39,069**	**33,399**	**9,700**
Community and social services		7,190	7,327	4,726	7,500	9,094	9,094	6,674	11,800	13,000	5,600
Sport and recreation		17,087	5,922	6,304	22,208	22,518	22,518	16,974	23,069	9,399	2,900
Public safety		6,327	8,842	11,089	11,115	14,781	14,781	8,282	4,200	11,000	1,200
Housing											
Health											
Economic and environmental services		**12,047**	**24,986**	**37,490**	**47,348**	**52,185**	**52,185**	**25,300**	**58,087**	**42,000**	**13,276**
Planning and development		49	7,676	4,270	10,500	17,051	17,051	14,743	14,500	10,000	5,026
Road transport		11,998	17,309	33,220	36,848	35,134	35,134	10,557	43,587	32,000	8,250
Environmental protection											
Trading services		**110,019**	**109,787**	**103,449**	**136,831**	**136,225**	**136,225**	**78,361**	**161,355**	**125,789**	**119,216**
Energy sources		24,398	30,950	40,515	52,912	51,756	51,756	25,788	46,488	30,500	35,105
Water management		46,365	47,350	48,425	51,899	50,754	50,754	38,399	58,817	49,839	45,011
Waste water management		23,704	16,553	10,491	15,650	19,300	19,300	9,716	24,350	16,600	8,000
Waste management		15,552	14,935	4,018	16,370	14,415	14,415	4,459	31,700	28,850	31,100
Other											
Total Capital Expenditure - Functional	3	**239,433**	**164,627**	**168,766**	**259,622**	**270,012**	**270,012**	**160,682**	**266,618**	**208,588**	**147,442**
Funded by:											
National Government		83,320	75,997	79,571	84,307	84,833	84,833	66,656	105,048	80,188	74,942
Provincial Government		8,744	9,652	18,570	8,200	13,413	13,413	10,100	9,000	8,000	5,600
District Municipality											
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		80,477	2,252	5,595	4,000	4,000	4,000	3,413	7,300	3,000	6,000
Transfers recognised - capital	4	**172,541**	**87,901**	**103,737**	**96,507**	**102,246**	**102,246**	**80,168**	**121,348**	**91,188**	**86,542**
Borrowing	6	26,307	36,518	17,546	74,780	118,790	118,790	52,300	87,600	69,150	23,000
Internally generated funds		40,585	40,209	47,483	88,335	48,975	48,975	28,214	57,670	48,250	37,900
Total Capital Funding	7	**239,433**	**164,627**	**168,766**	**259,622**	**270,012**	**270,012**	**160,682**	**266,618**	**208,588**	**147,442**

Explanatory notes to Table A5 – Budgeted Capital Expenditure by vote, standard classification and funding source

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.

2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations. In relation to multi-year appropriations.

3. Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of vehicles and specialized tools and equipment. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the municipality.

4. The capital programme is funded from capital and provincial grants and transfers, public contributions and donations, borrowing and internally generated funds from current year surpluses.

Table 16 MBRR Table A6 – Budgeted Financial Position

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
ASSETS											
Current assets											
Cash and cash equivalents		401,305	487,962	495,402	274,860	498,649	498,649	484,418	434,487	447,577	51,955
Trade and other receivables from exchange transactions	1	171,153	208,442	258,894	297,405	258,156	258,156	349,122	315,058	306,728	612,227
Receivables from non-exchange transactions	1	21,366	16,214	118,258	27,487	150,865	150,865	154,880	45,859	49,768	53,912
Current portion of non-current receivables											
Inventory	2	14,080	14,333	23,766	23,766	26,416	26,416	9,235	26,416	26,416	26,416
VAT		16,818	18,573	18,626	15,501	11,812	11,812	2,721	15,792	15,792	15,792
Other current assets		300	43	69	(16)	–	–	126	(16)	(16)	(16)
Total current assets		**625,023**	**745,569**	**915,017**	**639,005**	**945,899**	**945,899**	**1,000,502**	**837,597**	**846,266**	**760,287**
Non current assets											
Investments											
Investment property		(245)	49,281	49,234,032.24	49,351	49,351	49,351	49,234	49,351	49,351	49,351
Property, plant and equipment	3	2,125,063	2,097,438	2,143,603	2,483,577	2,282,134	2,282,134	2,205,776	2,220,041	2,496,065	2,544,119
Biological assets											
Living and non-living resources											
Heritage assets		19	19	19	19	19	19	19	19	19	19
Intangible assets		4,416	6,834	8,980	30,798	24,980	24,980	18,658	22,748	18,998	14,798
Trade and other receivables from exchange transactions											
Non-current receivables from non-exchange transactions											
Other non-current assets											
Total non current assets		**2,129,253**	**2,153,572**	**2,201,836**	**2,563,744**	**2,356,484**	**2,356,484**	**2,273,688**	**2,292,159**	**2,564,433**	**2,608,287**
TOTAL ASSETS		**2,754,276**	**2,899,140**	**3,116,853**	**3,202,749**	**3,302,383**	**3,302,383**	**3,274,189**	**3,129,756**	**3,410,699**	**3,368,574**
LIABILITIES											
Current liabilities											
Bank overdraft											
Financial liabilities		35,136	43,427	24,742	–	27,672	27,672	15,943	42,386	(44,463)	(46,641)
Consumer deposits		19,862	21,153	22,375	20,757	23,674	23,674	23,388	20,757	21,621	22,685
Trade and other payables from exchange transactions	4	158,446	204,663	205,140	72,803	177,436	177,436	121,722	90,671	58,716	61,604
Trade and other payables from non-exchange transactions	5	46,551	43,721	20,732	148,423	7,308	7,308	42,753	6,372	3,372	5,672
Provision		97,092	–	–	16,845	–	–	–	17,687	18,554	19,463
VAT		33,499	41,784	41,757	–	–	–	51,661	–	–	–
Other current liabilities											
Total current liabilities		**390,587**	**354,748**	**314,747**	**258,829**	**236,091**	**236,091**	**255,466**	**177,873**	**57,800**	**62,782**
Non current liabilities											
Financial liabilities	6	147,992	130,554	124,627	235,464	219,675	219,675	133,560	202,192	229,626	204,197
Provision	7	–	106,661	96,039	88,784	85,782	85,782	96,039	99,350	99,816	100,304
Long term portion of trade payables		–	–	–	–	–	–	–	–	–	–
Other non-current liabilities											
Total non current liabilities		**147,992**	**237,215**	**220,666**	**324,248**	**305,457**	**305,457**	**229,599**	**301,542**	**329,442**	**304,501**
TOTAL LIABILITIES		**538,579**	**591,963**	**535,412**	**583,077**	**541,548**	**541,548**	**485,065**	**479,415**	**387,241**	**367,283**
NET ASSETS		**2,215,697**	**2,307,178**	**2,581,441**	**2,619,672**	**2,760,834**	**2,760,834**	**2,789,124**	**2,650,342**	**3,023,457**	**3,001,290**
COMMUNITY WEALTH/EQUITY											
Accumulated surplus/(deficit)	8	2,560,982	2,547,157	2,758,068	2,610,448	3,083,158	3,083,158	2,960,981	1,627,434	3,014,024	2,992,981
Reserves and funds	9	(55,777)	(93,375)	(140,698)	–	–	–	(165,937)	–	–	–
Other											
TOTAL COMMUNITY WEALTH/EQUITY	10	**2,505,205**	**2,453,782**	**2,617,370**	**2,610,448**	**3,083,158**	**3,083,158**	**2,795,044**	**1,627,434**	**3,014,024**	**2,992,981**

Explanatory notes to Table A6 – Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).

2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as "accounting" Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.

3. Table A6 is supported by an extensive table of notes (SA3) providing a detailed analysis of the major components of a number of items, including:

   - Call investments deposits;
   - Consumer debtors;

- Property, plant and equipment;
- Trade and other payables;
- Provisions non-current;
- Changes in net assets; and
- Reserves

4. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.

5. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption will inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition, the funding compliance assessment is informed directly by forecasting the statement of financial position.

Table 17 MBRR Table A7 – Budgeted Cash Flow Statement

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		78,789	592,132	239,953	295,653	312,389	312,389	220,976	314,644	333,523	353,534
Service charges		148,800	787,382	651,159	927,799	1,044,413	1,044,413	625,850	943,285	1,091,317	1,250,295
Other revenue		(19,981)	146,353	517,340	35,490	(251,158)	(251,158)	2,786,240	19,718	145,659	8,660
Transfers and Subsidies - Operational	1	–	–	92,981	345,060	346,742	346,742	160,539	206,570	195,364	208,060
Transfers and Subsidies - Capital	1	4,335	90,117	111,412	101,140	94,765	94,765	100,170	126,532	94,918	84,683
Interest		7,671	17,996	31,811	21,144	–	–	35,411	44,209	46,242	48,323
Dividends									–	–	–
Payments											
Suppliers and employees		(259,841)	(993,698)	(1,150,926)	(1,519,873)	(1,517,100)	(1,517,100)	(1,829,751)	(1,532,052)	(1,805,632)	(1,948,208)
Interest		–	–	–	(24,212)	(22,212)	(22,212)	–	(23,767)	(25,431)	(27,211)
Transfers and Subsidies	1								–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**(40,227)**	**640,282**	**493,731**	**182,199**	**7,839**	**7,839**	**2,099,434**	**99,140**	**75,960**	**(21,863)**
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE									–	–	–
Decrease (increase) in non-current receivables									–	–	–
Decrease (increase) in non-current investments									–	–	–
Payments											
Capital assets		(109,053)	(164,627)	(167,085)	(249,492)	(256,825)	(256,825)	(145,013)	(256,068)	(193,688)	(138,542)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(109,053)**	**(164,627)**	**(167,085)**	**(249,492)**	**(256,825)**	**(256,825)**	**(145,013)**	**(256,068)**	**(193,688)**	**(138,542)**
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans									–	–	–
Borrowing long term/refinancing		21,500	18,600	14,861	116,080	119,790	119,790	13,979	87,850	67,550	21,650
Increase (decrease) in consumer deposits		–	–	21	–	–	–	741	–	–	–
Payments											
Repayment of borrowing		–	(40,189)	(31,193)	(42,233)	(47,781)	(47,781)	(8,799)	42,386	(44,463)	(46,641)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**21,500**	**(21,589)**	**(16,310)**	**73,847**	**72,009**	**72,009**	**5,920**	**130,236**	**23,087**	**(24,991)**
NET INCREASE/ (DECREASE) IN CASH HELD		**(127,780)**	**454,066**	**310,335**	**6,554**	**(176,977)**	**(176,977)**	**1,960,341**	**(26,692)**	**(94,640)**	**(185,396)**
Cash/cash equivalents at the year begin:	2	**400,047**	**451,305**	**487,962**	**150,433**	**355,433**	**355,433**	**–**	**7,503**	**(19,190)**	**(113,830)**
Cash/cash equivalents at the year end:	2	**272,267**	**905,371**	**798,298**	**156,987**	**178,456**	**178,456**	**1,960,341**	**(19,190)**	**(113,830)**	**(299,226)**

Explanatory notes to Table A7 – Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.

2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.

Table 18 MBRR Table A8 – Cash Backed Reserves/Accumulated Surplus Reconciliation

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Cash and investments available											
Cash/cash equivalents at the year end	1	272,267	905,371	798,298	156,987	178,456	178,456	417,786	(80,911)	(175,551)	(362,152)
Other current investments > 90 days		129,038	(417,408)	(302,895)	117,873	320,193	320,193	28,637	436,647	423,128	414,107
Non current Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		**401,305**	**487,962**	**495,402**	**274,860**	**498,649**	**498,649**	**446,422**	**355,736**	**247,577**	**51,955**
Application of cash and investments											
Unspent conditional transfers		46,551	43,721	20,732	148,423	7,308	7,308	49,293	186,093	190,036	205,584
Unspent borrowing											
Statutory requirements	2	16,681	23,210	23,131	(15,501)	(11,812)	(11,812)	42,452	(15,792)	(15,792)	(15,792)
Other working capital requirements	3	143,622	84,452	31,470	(37,687)	45,643	45,643	(274,518)	(71,638)	(89,655)	(316,103)
Other provisions		97,092	–	–	16,845	–	–	–	17,687	18,554	19,463
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		**303,947**	**151,383**	**75,333**	**112,080**	**41,139**	**41,139**	**(182,773)**	**116,350**	**103,143**	**(106,849)**
Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Benefits		**97,358**	**336,579**	**420,069**	**162,780**	**457,510**	**457,510**	**629,196**	**239,386**	**144,434**	**158,804**
Creditors transferred to Debt Relief - Non-Current portion		–	–	–	–	–	–	–	–	–	–
Surplus(shortfall) - Including Non-Current Creditors Trf to Debt Relief Benefits		**97,358**	**336,579**	**420,069**	**162,780**	**457,510**	**457,510**	**629,196**	**239,386**	**144,434**	**158,804**

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

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.

2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.

3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".

4. From the table it can be seen that the budget is funded over the MTREF period.

Table 19 MBRR Table A9 – Asset Management

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
CAPITAL EXPENDITURE										
Total New Assets	1	**73,780**	**71,539**	**80,747**	**122,560**	**138,049**	**138,049**	**136,088**	**94,600**	**47,976**
Roads Infrastructure		33,892	14,077	32,606	33,048	32,134	32,134	39,100	32,000	8,000
Storm water Infrastructure		–	–	–	1,000	–	–	–	–	–
Electrical Infrastructure		18,472	20,909	21,007	18,712	13,197	13,197	20,618	6,500	9,000
Water Supply Infrastructure		–	–	–	150	150	150	–	150	150
Sanitation Infrastructure		750	1,000	3,900	8,200	13,000	13,000	9,600	4,000	–
Solid Waste Infrastructure		–	160	663	2,500	2,500	2,500	6,000	1,000	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***53,114***	***36,145***	***58,176***	***63,610***	***60,981***	***60,981***	***75,318***	***43,650***	***17,150***
Community Facilities		3,812	1,366	1,386	3,500	1,830	1,830	12,100	4,000	4,026
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Community Assets		***3,812***	***1,366***	***1,386***	***3,500***	***1,830***	***1,830***	***12,100***	***4,000***	***4,026***
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		55	–	105	–	–	–	–	–	200
Housing		–	7,587	3,449	10,000	16,551	16,551	10,000	10,000	1,000
Other Assets		***55***	***7,587***	***3,554***	***10,000***	***16,551***	***16,551***	***10,000***	***10,000***	***1,200***
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		998	721	2,067	3,000	3,000	3,000	300	500	300
Intangible Assets		***998***	***721***	***2,067***	***3,000***	***3,000***	***3,000***	***300***	***500***	***300***
Computer Equipment		**1,102**	**1,165**	**1,799**	**2,000**	**2,400**	**2,400**	**3,570**	**2,500**	**2,000**
Furniture and Office Equipment		**2,814**	**5,260**	**2,258**	**5,120**	**4,411**	**4,411**	**4,220**	**3,400**	**600**
Machinery and Equipment		**1,298**	**10,891**	**4,571**	**17,390**	**21,393**	**21,393**	**8,280**	**7,500**	**2,850**
Transport Assets		**10,515**	**8,012**	**6,937**	**17,940**	**27,484**	**27,484**	**22,300**	**23,050**	**19,850**
Land		**72**	**391**	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	2	**134,156**	**69,925**	**76,479**	**124,512**	**123,130**	**123,130**	**117,311**	**111,889**	**103,311**
Roads Infrastructure		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		4,789	7,493	17,886	30,200	33,661	33,661	20,770	24,000	28,000
Water Supply Infrastructure		92,416	43,659	43,559	44,799	43,540	43,540	55,196	35,589	36,761
Sanitation Infrastructure		5,271	1,832	–	–	–	–	–	–	8,000
Solid Waste Infrastructure		3,641	3,566	2,336	6,000	4,000	4,000	10,600	19,500	20,500
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***106,118***	***56,551***	***63,781***	***80,999***	***81,201***	***81,201***	***86,566***	***79,089***	***93,261***
Community Facilities		1,500	1,967	2,158	7,100	6,520	6,520	7,500	9,000	2,500
Sport and Recreation Facilities		12,970	4,019	5,472	11,148	11,505	11,505	8,445	10,000	–
Community Assets		***14,470***	***5,985***	***7,630***	***18,248***	***18,024***	***18,024***	***15,945***	***19,000***	***2,500***
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		65	–	–	500	500	500	–	–	500
Housing		–	–	–	–	–	–	–	–	–
Other Assets		***65***	–	–	***500***	***500***	***500***	–	–	***500***
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	972	489	13,300	13,000	13,000	8,450	4,000	–
Intangible Assets		–	***972***	***489***	***13,300***	***13,000***	***13,000***	***8,450***	***4,000***	–
Computer Equipment		**8,762**	**4,726**	–	**4,700**	**3,000**	**3,000**	**1,150**	**4,500**	**4,000**
Furniture and Office Equipment		**96**	–	**2,738**	**915**	**915**	**915**	**900**	**1,000**	**400**
Machinery and Equipment		–	–	**289**	–	–	–	–	–	–
Transport Assets		**4,646**	**1,692**	**1,554**	**5,850**	**6,490**	**6,490**	**4,300**	**4,300**	**2,650**
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Total Upgrading of Existing Assets	6	**31,497**	**23,162**	**11,540**	**12,550**	**8,832**	**8,832**	**16,500**	**12,000**	**5,000**
Roads Infrastructure		6,750	2,283	–	–	–	–	–	–	–
Electrical Infrastructure		–	1,170	802	1,350	961	961	1,500	–	–
Water Supply Infrastructure		2,076	3,273	4,408	1,500	1,664	1,664	5,000	6,000	5,000
Sanitation Infrastructure		16,401	13,797	5,150	5,000	–	–	5,000	5,000	–
Solid Waste Infrastructure		–	–	–	–	–	–	4,000	–	–
Infrastructure		***25,227***	***20,523***	***10,359***	***7,850***	***2,625***	***2,625***	***15,500***	***11,000***	***5,000***
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		6,270	2,639	501	4,700	6,207	6,207	1,000	1,000	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		***6,270***	***2,639***	***501***	***4,700***	***6,207***	***6,207***	***1,000***	***1,000***	**–**
Intangible Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Computer Equipment		**–**	**–**	**680**	**–**	**–**	**–**	**–**	**–**	**–**
Furniture and Office Equipment		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Machinery and Equipment		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Transport Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Land		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Capital Expenditure	4	**239,433**	**164,627**	**168,766**	**259,622**	**270,012**	**270,012**	**269,899**	**218,489**	**156,287**
Roads Infrastructure		40,643	16,360	32,606	33,048	32,134	32,134	39,100	32,000	8,000
Storm water Infrastructure		–	–	–	1,000	–	–	–	–	–
Electrical Infrastructure		23,261	29,572	39,694	50,262	47,819	47,819	42,888	30,500	37,000
Water Supply Infrastructure		94,492	46,933	47,967	46,449	45,354	45,354	60,196	41,739	41,911
Sanitation Infrastructure		22,422	16,629	9,050	13,200	13,000	13,000	14,600	9,000	8,000
Solid Waste Infrastructure		3,641	3,726	2,999	8,500	6,500	6,500	20,600	20,500	20,500
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***184,459***	***113,219***	***132,316***	***152,459***	***144,807***	***144,807***	***177,384***	***133,739***	***115,411***
Community Facilities		5,312	3,333	3,543	10,600	8,350	8,350	19,600	13,000	6,526
Sport and Recreation Facilities		12,970	4,019	5,472	11,148	11,505	11,505	8,445	10,000	–
Community Assets		***18,282***	***7,352***	***9,016***	***21,748***	***19,854***	***19,854***	***28,045***	***23,000***	***6,526***
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		6,390	2,639	606	5,200	6,707	6,707	1,000	1,000	700
Housing		–	7,587	3,449	10,000	16,551	16,551	10,000	10,000	1,000
Other Assets		***6,390***	***10,226***	***4,054***	***15,200***	***23,258***	***23,258***	***11,000***	***11,000***	***1,700***
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		998	1,694	2,556	16,300	16,000	16,000	8,750	4,500	300
Intangible Assets		***998***	***1,694***	***2,556***	***16,300***	***16,000***	***16,000***	***8,750***	***4,500***	***300***
Computer Equipment		**9,864**	**5,891**	**2,479**	**6,700**	**5,400**	**5,400**	**4,720**	**7,000**	**6,000**
Furniture and Office Equipment		**2,910**	**5,260**	**4,996**	**6,035**	**5,326**	**5,326**	**5,120**	**4,400**	**1,000**
Machinery and Equipment		**1,298**	**10,891**	**4,860**	**17,390**	**21,393**	**21,393**	**8,280**	**7,500**	**2,850**
Transport Assets		**15,162**	**9,704**	**8,490**	**23,790**	**33,974**	**33,974**	**26,600**	**27,350**	**22,500**
Land		**72**	**391**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Zoo's, Marine and Non-biological Animals		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		**239,433**	**164,627**	**168,766**	**259,622**	**270,012**	**270,012**	**269,899**	**218,489**	**156,287**

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
ASSET REGISTER SUMMARY - PPE (WDV)	5	1,943,292	2,019,829	2,062,114	2,272,160	2,065,030	2,065,030	2,303,855	2,282,749	2,325,547
Roads Infrastructure		550,758	544,085	551,693	616,882	615,968	615,968	642,934	635,834	611,834
Storm water Infrastructure		–	–	(428)	1,000	–	–	–	–	–
Electrical Infrastructure		381,218	367,113	352,881	648,582	576,709	576,709	641,208	648,820	675,320
Water Supply Infrastructure		352,199	408,634	452,119	344,121	(20,336)	(20,336)	359,916	351,459	436,631
Sanitation Infrastructure		332,167	331,666	320,549	256,644	256,363	256,363	258,044	252,444	251,444
Solid Waste Infrastructure		1,559	6,967	9,366	8,500	6,500	6,500	20,600	20,500	20,500
Rail Infrastructure										
Coastal Infrastructure										
Information and Communication Infrastructure										
Infrastructure		***1,617,901***	***1,658,465***	***1,686,180***	***1,875,730***	***1,435,205***	***1,435,205***	***1,922,703***	***1,909,057***	***1,995,730***
Community Assets		56,734	75,928	91,236	68,263	291,699	291,699	74,560	69,515	53,041
Heritage Assets		**19**	**19**	**19**	**19**	**19**	**19**	**19**	**19**	**19**
Investment properties		**(245)**	**49,281**	**49,234**	**49,351**	**49,351**	**49,351**	**49,351**	**49,351**	**49,351**
Other Assets		22,926	18,558	12,644	1,068	9,938	9,938	(3,762)	(3,762)	(13,062)
Biological or Cultivated Assets										
Intangible Assets		4,416	6,834	8,980	30,798	24,980	24,980	23,248	18,998	14,798
Computer Equipment		**11,924**	**13,316**	**14,142**	**13,516**	**12,158**	**12,158**	**11,536**	**13,960**	**12,960**
Furniture and Office Equipment		**6,882**	**11,468**	**12,261**	**11,170**	**9,470**	**9,470**	**10,255**	**9,695**	**6,295**
Machinery and Equipment		**9,792**	**24,284**	**22,165**	**31,508**	**26,251**	**26,251**	**22,398**	**21,618**	**16,968**
Transport Assets		**46,811**	**44,821**	**48,722**	**63,872**	**79,093**	**79,093**	**66,682**	**67,432**	**62,582**
Land		**166,133**	**116,856**	**116,532**	**126,866**	**126,866**	**126,866**	**126,866**	**126,866**	**126,866**
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	**1,943,292**	**2,019,829**	**2,062,114**	**2,272,160**	**2,065,030**	**2,065,030**	**2,303,855**	**2,282,749**	**2,325,547**
EXPENDITURE OTHER ITEMS		**233,537**	**261,831**	**262,461**	**331,955**	**311,906**	**311,906**	**317,955**	**331,008**	**344,585**
Depreciation	7	134,535	127,289	99,105	140,855	115,481	115,481	118,783	122,369	126,245
Repairs and Maintenance by Asset Class	3	**99,001**	**134,543**	**163,356**	**191,100**	**196,425**	**196,425**	**199,172**	**208,639**	**218,340**
Roads Infrastructure		15,851	23,392	34,355	41,030	38,418	38,418	35,942	37,691	39,487
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		22,334	28,949	34,464	40,005	49,293	49,293	49,855	52,271	54,752
Water Supply Infrastructure		25,310	29,682	34,494	39,043	38,337	38,337	40,347	42,324	44,356
Sanitation Infrastructure		22,751	31,258	36,465	42,356	42,367	42,367	43,072	45,209	47,407
Solid Waste Infrastructure		–	–	–	100	100	100	100	100	100
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		1,857	1,212	2,523	1,500	1,500	1,500	1,574	1,646	1,720
Infrastructure		***88,102***	***114,493***	***142,301***	***164,035***	***170,015***	***170,015***	***170,890***	***179,241***	***187,823***
Community Facilities		82	1,027	2,069	3,061	2,701	2,701	2,713	2,838	2,966
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Community Assets		***82***	***1,027***	***2,069***	***3,061***	***2,701***	***2,701***	***2,713***	***2,838***	***2,966***
Heritage Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		965	5,667	4,486	6,610	5,659	5,659	6,605	6,961	7,098
Housing		–	–	–	–	–	–	–	–	–
Other Assets		***965***	***5,667***	***4,486***	***6,610***	***5,659***	***5,659***	***6,605***	***6,961***	***7,098***
Intangible Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Computer Equipment		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Furniture and Office Equipment		**166**	**157**	**103**	**374**	**339**	**339**	**376**	**388**	**405**
Machinery and Equipment		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Transport Assets		**9,685**	**13,199**	**14,397**	**17,021**	**17,711**	**17,711**	**18,588**	**19,211**	**20,048**
Land		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
TOTAL EXPENDITURE OTHER ITEMS		**233,537**	**261,831**	**262,461**	**331,955**	**311,906**	**311,906**	**317,955**	**331,008**	**344,585**
Renewal and upgrading of Existing Assets as % of total capex		*69.2%*	*56.5%*	*52.2%*	*52.8%*	*48.9%*	*48.9%*	*49.6%*	*56.7%*	*69.3%*
Renewal and upgrading of Existing Assets as % of deprecn		*123.1%*	*73.1%*	*88.8%*	*97.3%*	*114.3%*	*114.3%*	*112.7%*	*101.2%*	*85.8%*
R&M as a % of PPE & Investment Property		*5.1%*	*6.7%*	*8.0%*	*8.5%*	*9.6%*	*9.6%*	*8.7%*	*9.2%*	*9.4%*
Renewal and upgrading and R&M as a % of PPE and Investment Property		*13.7%*	*11.3%*	*12.2%*	*14.6%*	*16.1%*	*16.1%*	*14.6%*	*14.7%*	*14.1%*

Explanatory notes to Table A9 – Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.

2. National Treasury has recommended that municipalities should allocate at least 40 % of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8% of PPE. The Minister of COGTA has announced in the Back to Basics Programme that at least 7% of the operational budget should be allocated to Repairs and Maintenance.

3. The following graph provides an analysis between depreciation and operational repairs and maintenance. It highlights the Municipality's strategy to address the maintenance backlog.

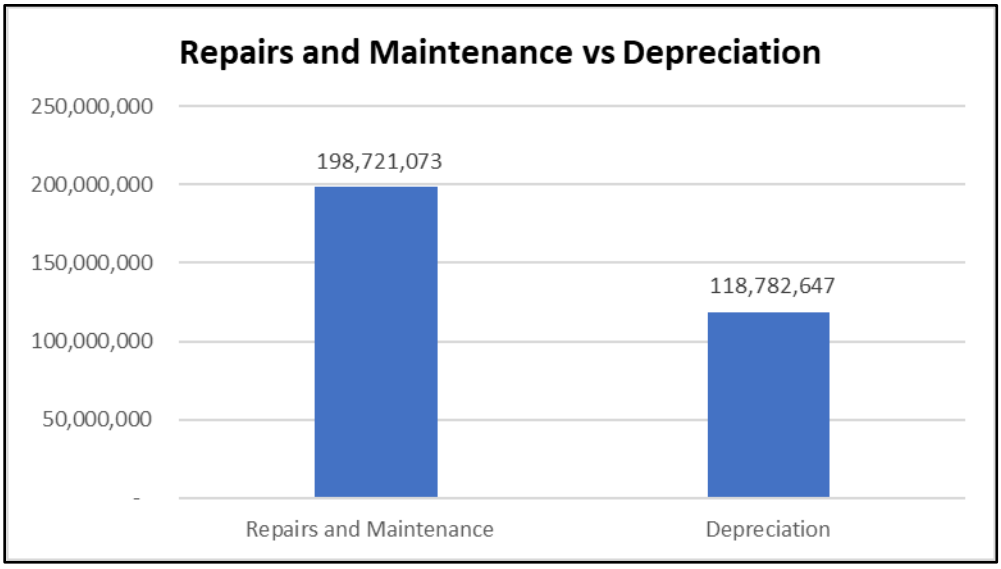


Figure 4 Repairs and Maintenance vs Depreciation

Table 20 MBRR Table A10 – Basic Service Delivery Measurement

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Household service targets	1									
Water:										
Piped water inside dwelling		19,850	19,850	–	29,372	29,372	29,372	21,743	22,303	29,672
Piped water inside yard (but not in dwelling)		5,484	5,484	–	103	103	103	5,484	5,000	4,500
Using public tap (at least min.service level)	2	1,496	1,496	–	123	123	123	123	123	123
Other water supply (at least min.service level)	4	–	–	–	8,498	8,498	8,498	26,304	8,498	8,498
Minimum Service Level and Above sub-total		26,830	26,830	–	38,096	38,096	38,096	53,654	35,924	42,793
Using public tap (< min.service level)	3	2,442	2,442	–	–	–	–	–	–	–
Other water supply (< min.service level)	4	–	–	–	150	150	150	150	150	150
No water supply		1,291	1,291	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		3,733	3,733	–	150	150	150	150	150	150
Total number of households	5	**30,563**	**30,563**	**–**	**38,246**	**38,246**	**38,246**	**53,804**	**36,074**	**42,943**
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		17,717	17,717	–	24,308	24,308	24,308	18,029	19,127	24,448
Flush toilet (with septic tank)		5,615	5,615	–	10,385	10,385	10,385	10,385	10,385	10,385
Chemical toilet		1,879	1,879	–	2,044	2,044	2,044	2,044	2,044	2,044
Pit toilet (ventilated)		487	487	–	1,400	1,400	1,400	1,400	1,400	1,400
Other toilet provisions (> min.service level)		3,589	3,589	–	42	42	42	42	42	42
Minimum Service Level and Above sub-total		29,287	29,287	–	38,179	38,179	38,179	31,900	32,998	38,319
Bucket toilet		–	–	–	–	–	–	–	–	–
Other toilet provisions (< min.service level)		658	658	–	86	86	86	86	86	86
No toilet provisions		618	618	–	–	–	–	618	618	500
Below Minimum Service Level sub-total		1,276	1,276	–	86	86	86	704	704	586
Total number of households	5	**30,563**	**30,563**	**–**	**38,265**	**38,265**	**38,265**	**32,604**	**33,702**	**38,905**
Energy:										
Electricity (at least min.service level)		16,224	16,224	–	2,785	2,785	2,785	18,127	18,763	19,399
Electricity - prepaid (min.service level)		7,650	7,650	–	14,733	14,733	14,733	14,733	14,733	14,733
Minimum Service Level and Above sub-total		23,874	23,874	–	17,518	17,518	17,518	32,860	33,496	34,132
Electricity (< min.service level)		370	370	–	1,536	1,536	1,536	1,536	32,321	32,421
Electricity - prepaid (< min. service level)		–	–	–	–	–	–	–	49,909	50,109
Other energy sources		6,319	6,319	–	21,527	21,527	21,527	21,527	82,230	82,530
Below Minimum Service Level sub-total		6,689	6,689	–	23,063	23,063	23,063	23,063	164,460	165,060
Total number of households	5	**30,563**	**30,563**	**–**	**40,581**	**40,581**	**40,581**	**55,923**	**197,956**	**199,192**
Refuse:										
Removed at least once a week		25,086	25,086	–	25,086	25,086	25,086	25,086	25,086	25,806
Minimum Service Level and Above sub-total		25,086	25,086	–	25,086	25,086	25,086	25,086	25,086	25,806
Removed less frequently than once a week		309	309	–	309	309	309	309	309	309
Using communal refuse dump		591	591	–	–	–	–	–	–	–
Using own refuse dump		3,241	3,241	–	3,241	3,241	3,241	3,241	3,241	3,241
Other rubbish disposal		967	967	–	967	967	967	967	967	967
No rubbish disposal		5,370	5,370	–	5,478	5,478	5,478	5,478	5,478	5,478
Below Minimum Service Level sub-total		10,478	10,478	–	9,995	9,995	9,995	9,995	9,995	9,995
Total number of households	5	**35,564**	**35,564**	**–**	**35,081**	**35,081**	**35,081**	**35,081**	**35,081**	**35,801**
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		–	–	–	12,374,591	12,374,591	12,374,591	12,374,591	–	–
Sanitation (free minimum level service)		–	–	–	–	–	–	–	–	–
Electricity/other energy (50kwh per household per month)		–	–	–	715,348	715,348	715,348	715,348	–	–
Refuse (removed at least once a week)		–	–	–	–	–	–	–	–	–
Informal Settlements		–	–	–	–	–	–	13	–	–
Cost of Free Basic Services provided - Formal Settlements (R'000)										
Water (6 kilolitres per **indigent** household per month)		6,743	4,434	4,507	6,891	5,279	5,279	5,648	6,044	6,467
Sanitation (free sanitation service to **indigent households**)		–	–	–	–	–	–	–	–	–
Electricity/other energy (50kwh per **indigent** household per month)		1,423	2,334	3,435	2,725	3,425	3,425	3,860	4,466	5,167
Refuse (removed once a week **for indigent households**)		–	–	–	–	–	–	–	–	–
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		–	–	–	13	13	13	–	–	–
Total cost of FBS provided	8	**8,166**	**6,768**	**7,942**	**9,629**	**8,717**	**8,717**	**9,508**	**10,510**	**11,634**
Highest level of free service provided per household										
Property rates (R value threshold)										
Water (kilolitres per household per month)										
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)										
Electricity (kwh per household per month)										
Refuse (average litres per week)										
Revenue cost of subsidised services provided (R'000)	9									
Property rates **(tariff adjustment)** (**impermissable values per section 17 of MPRA**)		–	–	–	–	–	–	–	–	–
Property rates exemptions, reductions and rebates **and impermissable values in excess of section 17 of MPRA)**		44,319	42,184	45,758	52,333	46,831	46,831	50,109	53,115	56,302
Water **(in excess of 6 kilolitres per indigent household per month)**		298	–	(2)	–	(10)	(10)	(11)	(11)	(12)
Sanitation **(in excess of free sanitation service to indigent households)**		15,157	15,702	16,193	18,229	17,128	17,128	18,156	19,245	20,400
Electricity/other energy **(in excess of 50 kwh per indigent household per month)**		–	–	–	–	–	–	–	–	–
Refuse **(in excess of one removal a week for indigent households)**		8,757	9,631	9,768	6,183	10,356	10,356	11,081	11,856	12,686
Municipal Housing - rental rebates										
Housing - top structure subsidies	6									
Other										
Total revenue cost of subsidised services provided		**68,531**	**67,517**	**71,718**	**76,746**	**74,305**	**74,305**	**79,335**	**84,205**	**89,376**

Explanatory notes to Table A10 – Basic Service Delivery Measurement

1. Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.

2. The budget provides for households registered as indigents to receive Free Basic Services. The number is set to increase given the rapid rate of in-migration to the municipality, especially by poor people seeking economic opportunities related to the Savanna City development, as well as due to the unemployment rate as a result of the COVID-19 pandemic.

3. The cost of Free Basic Services will be covered by the municipality's equitable share allocation from national government.

The following statistical information have been used in populating the household statistics:

Definition of Household- Stats SA definition- *A household is a group of persons who live together and provide themselves jointly with food or other essentials for living, or a single person who lives alone.*

Description of Economic Indicator	Clarification
1. Demographics* All demographic information/values is per the base information from the STATS SA official Census 2022 where possible. Household income is based on Census 2011 as this data has not been released as yet for the 2022 Census- The years provided Further clarification will be provided per attribute.	
1.1 Population	
• **2011 Census**	– The demographics are as per Stats SA Census 2011
• **2022 Census**	– The demographics are as per Stats SA Census 2022
• **2020/2021, 2021/2022 and 2022/2023 Outcome**	– Is as per the Stats SA Census 2011
• **Current year 2023/2024**	- Is as per the Stats SA Census 2022
• **2023/2024 Medium Term Revenue & Expenditure Framework**	Demographics data is projected as per 1.5% annual anticipated percentage increase
• **1.5 % used to project for outer years**	-The Average annual population growth rate for Midvaal for the periods (2011-2022) =1.5% using the Average Annual Growth Rate (AAGR) formula below. AAGR = ((Eng Value/Beginning Value)^(1-years)-1)*100

	= ((112245/95301)^(1/11)-1)*100 =1.4995% Previous % growth was determined using 1996 Census of 53353 and 2011 census of 95301 to derived at 3% using the formula above.
2. Monthly Household income (no of households)**	
• **2011 Census**	-The monthly household income is as per Stats SA Census 2011
• **2020/2021, 2021/2022 and 2022/2023 Outcome**	- The monthly household income is as per Stats SA Census 2011
• **Current year 2023/2024**	- The monthly household income is as per Stats SA Census 2011
• **2023/2024 Medium Term Revenue & Expenditure Framework**	-Demographics data is projected as per 3% annual anticipated percentage increase
3. Poverty Profiles *** Poverty definition?- *Income band as per template provided by National treasury*	
• **2011 Census**	-Poverty profiles as per STATS SA Census 2011
• **2020/2021, 2021/2022 and 2022/2023 Outcome**	-Poverty profiles as per STATS SA Census 2011
• **Current year 2023/2024**	--Poverty profiles as per STATS SA Census 2011
• **2023/2024 Medium Term Revenue & Expenditure Framework**	- Poverty profile data is projected as per 1.5% annual anticipated percentage increase
4. Household/demographics (000)**** Definition of poor households as per Midvaal Indigent Policy	
• **2011 Census**	Household demographics as per the STATS SA Census 2022 data
• **2023/2024 Medium Term Revenue & Expenditure Framework**	Household demographics data is projected as per the 1.5% annual anticipated percentage increase
5. Housing statistics ***** **Formal definition**- A structure built according to approved plans, i.e. house on a separate stand, flat or apartment, townhouse, room in a backyard or rooms or flatlet elsewhere. (STATS SA) **Informal definition-** Makeshift structure not approved by a local authority and not intended as a permanent dwelling. Typically built with found materials (corrugated iron, cardboard, plastic, etc.). Contrasted with formal dwelling and traditional dwelling. (STATS SA)	
6. Total number of households******	

• **Dwellings provided by municipality**	The Midvaal local municipality is not an accredited municipality/implementing agent and thus it does not provide any dwellings.
• **Dwellings provided by province/s**	The data provided is in relation to the total number of houses as built by the Gauteng Department of Housing
• **Dwellings provided by private sector**	The dwellings reported here are the ones built by private sector and individual applicants (The information is as reflective of the certificates of occupancies issued to completed and legally compliant structures)
7. Households with access to water services	
• Piped water inside dwelling	Households supplied by MLM and/or other WSPs within MLM jurisdiction that have either a metered connection or own unmetered borehole and also including all tenants and backyard dwellers within the same supply point in different settlements viz, Sicelo, Lakeside Estates, etc.
• Piped water inside yard but not dwelling	Households supplied by MLM and/or other WSPs within MLM jurisdiction that have either a metered or unmetered connection with a standpipe in yard but not connected to dwelling
• Using public tap (at least minimum service level)	Households supplied by MLM and/or other WSPs within MLM jurisdiction that share a communal water supply point within a walking distance of 200 metres in a form of a standpipe or storage tank
• Other water supply (at least min.service level)	Households supplied by MLM and/or other WSPs within MLM jurisdiction that receive water through mobile water tankers(trucks) at a pre-determined periods or on request within a walking distance of 200 metres
• No water supply	Any known households that are completely not having a form of water supply by MLM or any entity in any settlement in public or private property.
8. Households with access to sanitation services	
• Flush toilet (connected to sewerage)	Households serviced by MLM water bourne sewer system including their tenants and backyard dwellers
• Flush toilet (with septic tank)	Households with flushing toilets serviced by owners and SP other than MLM that are connected to septic tanks and Bio-chemical on-site treatment package plants mostly

	found where there is in no sewer reticulation system for MLM
• Chemical toilet	Households serviced by portable toilets on a shared basis utilizing chemical for breakdown of solids and emptied through honey suckers viz, Sicelo x4&5
• Pit toilet (ventilated)	Households serviced by portable toilets(VIP) on a shared basis utilizing either chemical breakdown of solids or biological. viz, Beers' farm, Boitumelo, Khayelitsha, Piels farm, etc.
• Other toilet provisions (> min.service level)	Households serviced by Pit toilets fitted with conservancy bladder to prevent water from seeping into the ground. Viz, Skansdam
• Bucket toilet	Known Households utilizing buckets that are serviced by MLM or any other Service provider
• Other toilet provisions (< min.service level)	Known Household with self-constructed toilet systems mostly unlined pit but do not meet the minimum standards as set out the DWS
• No toilet provisions	Known households without any form of sanitation facility or toilet.
9. Households with access to Electricity	
• Formal households	Households supplied by MLM and/or other WSPs within MLM jurisdiction that have an Electricity meter
• Granny flats	Households supplied by MLM and/or other WSPs within MLM jurisdiction that an Electricity meter
10. Households with no access to Electricity	
• Households in Savanna City	Households serviced by MLM with no reticulation system
• Informal households	Households that are not reticulated. These households are not represented in the statistics
11. Households with no access to Waste Collection	In terms of Integrated Management Plan the municipality worked on rolling out waste collection services to all residents of Midvaal Local municipalty on a weekly basis which resulted in a decline on total number of household receiving below minimum service level on waste collection. Informal settlements are now also receiving weekly waste collection services according to the predetermined waste collection programme.

Part 2 – Supporting Documentation

2.1 Overview of the annual budget process

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

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the Executive Mayor.

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

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

2.1.1 Budget Process Overview

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

The Mayor tabled in Council as required the IDP and budget time schedule in August 2023, and it was subsequently amended and tabled in Council in January. Key dates applicable to the process were:

Proposed Date	Activity
15 August 2023	Final Virements for the 2022/2023 financial year was approved by the Council 31 August 2023 – C3173/08/2023.
30 August 2023	Council approved the Annual Financial Statements and Draft Annual Report for the 2022/2023 financial year on 31 August 2023 – C3167/08/2023.
30 August 2023	Approval of Key Deadlines as required by Section 21 of the MFMA as well as the IDP Process Plan as required by the Municipal Systems Act at Council meeting held 31 August 2023 – C3164/08/2023
31 August 2023	Submission of Annual Financial Statements and Draft Annual Report for the 2022/2023 financial year to the Auditor General for auditing on 31 August 2023.
6 October 2023	Finance department submitted Draft Operating Budget for 2024/2025 to departments for comments (including proposed tariffs) including Draft Capital budget
October 2023	Departments to prepare draft mSCOA compliant operating budgets – particular focus on Fund, Project and Item. Projects to be derived from IDP and clear link to be established.
3 November 2023	Departmental submissions of Draft Capital Budget for 2024/2025: - Compilation of project plans (including outputs and outcomes to be achieved) - Motivations for new projects - Analysis of impact on operating budget. - mSCOA compliant, particular focus on Region and Project. Departmental submissions on the Draft Operational Budget for 2024/2025
17 November 2023	Departmental submissions of Adjustments Budget for 2023/2024.
28 November 2023	Adjustments Budget for 2023/2024 financial year discussed at strategic session held with the Mayor and all HODs – held 29 November 2023
09 January 2024	Budget Steering Committee to consider Draft Adjustments Budget for 2023/2024 held on 16 January 2024
January - February 2024	Public Engagements held in terms of sections 28 and 29 of the Municipal Systems Act.

January 2024	Accounting Officer to assess the performance of the municipality during the first half of the financial year and make recommendations as to whether an adjustments budget is necessary and recommend revised projections for revenue and expenditure to the extent that this may be necessary.
25 January 2024	Council approved 2023/2024 mid-year review – C3243/01/2024
30 January 2024	Council approved main adjustments budget for the 2023/2024 financial year – C3246/01/2024
30 January 2024	Tabling of Annual Report (inclusive of Final AFS and AG report) and MPAC Report for the 2022/2023 financial year to Council: - Tabling of Annual report to Council - Annual report made public - Oversight report made public. - C3245/01/2024
January 2024	Corporate Services to confirm all tariff submissions and by-laws for legal compliance.
06 February 2024	Draft Operating Budget for 2024/2025(inclusive of tariff increases) & Draft Capital Budget
12 March 2024	Budget Steering Committee held on 15 March 2024 to consider final balanced budget and budget related policies, IDP and SDBIP (final consideration, weekly meetings).
26 March 2024	Formal tabling of Draft IDP, Budget and SDBIP to Council in terms of the MFMA and the Municipal Systems Act.
April 2024	Advertise and publish final draft of IDP and Budget for public comment and submit to National and Provincial Treasury and others as prescribed by the MFMA and Municipal Systems Act. Submission of IDP to MEC for Comments. Submission of Budget to NT for Comments (Including upload files in printed and electronic format). Submission of draft IDP / Budget to organs of state.
April 2024	Engagements with National and Provincial Treasury regarding the tabled IDP, Budget and SDBIP were held on 15 May 2024
April 2024	Workshop with all councillors regarding the IDP and Budget held 3 April 2024

April 2024 **(Detailed dates to be determined by the Office of the Speaker)**	IDP and Budget Hearings in terms of section 16 of the Municipal Systems Act and section 23 of the MFMA: - Conduct IDP/Corporate Scorecard / Budget Public Hearings to obtain public comment and inputs from communities, provincial government and other relevant stakeholders (performed through ward councilors) - Comments to be provided in writing - Acknowledgement of comments received - Response to public comment i.r.o. Budget, tariffs and policies (to Budget Steering Committee).
7 May 2024	Budget Steering Committee to consider final IDP, Budget and SDBIP.
20 May 2024	Section 80 Committee to recommend final IDP, Budget and SDBIP.
21 May 2024	Mayoral Committee to recommend final IDP, Budget and SDBIP.
30 May 2024	Council to approve final IDP and Budget. SDBIP to be noted by Council. Meeting to be held 23 May 2024 due to elections. Council must give final approval of the IDP/Corporate Scorecard and Budget document 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 as required by sections 23 and 24 of the MFMA and section 25 of the MSA.
June 2024	Making public of approved IDP / Budget as per the MFMA and MSA requirements. Tariff and By-law Promulgation. Submission of approved IDP to MEC for Local Government and Housing. Submission of approved IDP and Budget to NT (Including upload files in printed and electronic format).
June 2024	Submission of Draft SDBIP to Executive Mayor: - Executive Mayor to receive Draft Municipal SDBIP within 14 days after approval of the budget.
June 2024	Approval of SDBIP by Executive Mayor: - Executive Mayor to approve Municipal SDBIP within 28 days after approval of the budget - Place all Directorate Executive Summaries and SDBIPs and Department Business Plans and SDBIPs on website.
June 2024	Section 57 (MSA) Performance Agreements:

	- Submit performance agreements to the Executive Mayor within a month after the beginning of the financial year. - Council to note New Section 57 Scorecards. - Performance agreements of Municipal Manager and senior managers to be made public no later than 14 days after the approval of the SDBIP.

IDP and Service Delivery and Budget Implementation Plan

The IDP review started in September 2023 after the tabling of the IDP Process Plan and the Budget Time Schedule for the 2024/25 MTREF in August.

The Municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan includes the following key IDP processes and deliverables:

- Registration of community needs;
- Compilation of departmental business plans including key performance indicators and targets;
- Financial planning and budgeting process;
- Public participation process;
- Compilation of the SDBIP, and
- The review of the performance management and monitoring processes.

The IDP includes the Spatial Development Plan.

2.1.2 Financial Modelling and Key Planning Drivers

As part of the compilation of the 2024/25 MTREF, extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2024/25 MTREF:

- Municipal growth (no growth projected for the MTREF period other than for Savanna City)
- Policy priorities and strategic objectives
- Asset maintenance
- Economic climate and trends (i.e. inflation, Eskom increases, household debt, migration patterns)
- Performance trends
- The approved 2023/24 adjustments budget and performance against the SDBIP
- Cash Flow Management Strategy
- Debtor payment levels
- Investment possibilities
- The need for tariff increases versus the ability of the community to pay for services;
- Improved and sustainable service delivery

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

The municipality needs to update it's Long Term Financial Plan, and the plan was last updated in 2021. GTAC has been contacted for assistance in this matter. The municipality will then embark on developing a Capital Investment Framework (CIF) which aligns to the Long Term Financial Plan.

2.1.3 Community Consultation

The draft 2024/25 MTREF is tabled before Council (in March 2024) for endorsement of the budget for community consultation. The budget was published on the municipality's website for public comment upto 30 April 2024. In addition, the QR code was made available at municipal offices, municipal notice boards and various libraries and clinics, as printing hard copies has become expensive and the document is removed from the sites. A summary of the document was placed in the local newspapers, as well as a notice informing the public of the comment period and the various mechanisms to submit comments.

All documents in the appropriate format have been provided to National and Provincial Treasury, and other national and provincial departments in accordance with section 23 of the MFMA, to provide an opportunity for them to provide inputs. No printed copies have been submitted as per the MFMA circular 112 and 115, and re-iterated in Circular 126 and 128.

Public consultation meetings was held during the month of April 2024, and the public was encouraged to submit comments through the various platforms including the my Midvaal app.

A total of 2 comments were received, which were 1. The deduction of prepaid electricity if accounts are in arrears; and of the use of interims on accounts if meters are not read 2. Requested a change to the Indigent Policy. The comments are addressed as follows:

1. The % deduction remains unchanged from prior year and not increased as was proposed in draft budget
2. The change on Indigent policy was considered, however, the change would have had a negative impact for the municipality and was therefore not effected.

2.2 Overview of alignment of annual budget with IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process.

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five-year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the Municipality, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the Municipality strategically complies with the key national and provincial priorities.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP.

The following table highlights the IDP's strategic objectives for the 2024/25 MTREF and further planning refinements that have directly informed the compilation of the budget:

Table 21 IDP Strategic Objectives

KPA	Definition
KPA 1: Good Governance & Public Participation	To promote increased participation and improved communication with all key internal and external stakeholders
KPA 2: Safety & Environment	To create a sustainable environment safe from harm
KPA 3: Social & Community Development	To create an environment focussed on uplifting the youth, the poor and the most vulnerable
KPA 4: Institutional Transformation	To transform and align the people, processes and systems of the municipality to achieve its objectives
KPA 5: Financial Sustainability	To improve the financial sustainability and capacity of the municipality, whilst adhering to statutory requirements
KPA 6: Physical Infrastructure & Energy Efficiency	To ensure efficient infrastructure and energy supply that will improve the quality of life of the community
KPA 7: Services & Customer Care	To deliver inclusive and excellent services to the community
KPA 8: Economic Growth & Development	To facilitate sustainable economic empowerment for all communities within Midvaal and through the development of partnerships and innovation

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

In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the Municipality. The five-year programme responds to the development challenges and opportunities faced by the Municipality by identifying the key performance areas to achieve the strategic objectives mentioned above.

The 2024/25 MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

Refer to MBRR Table SA4, MBRR SA 5 and MBRR SA 6 which are contained at the end of this document for the following information:

- **MBRR Table SA4 – Reconciliation between the IDP strategic objectives and budgeted revenue**
- **MBRR Table SA5 – Reconciliation between the IDP strategic objectives and budgeted operating expenditure**
- **MBRR Table SA6 – Reconciliation between the IDP strategic objectives and budgeted capital expenditure**

2.3 Measurable performance objectives and indicators

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

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

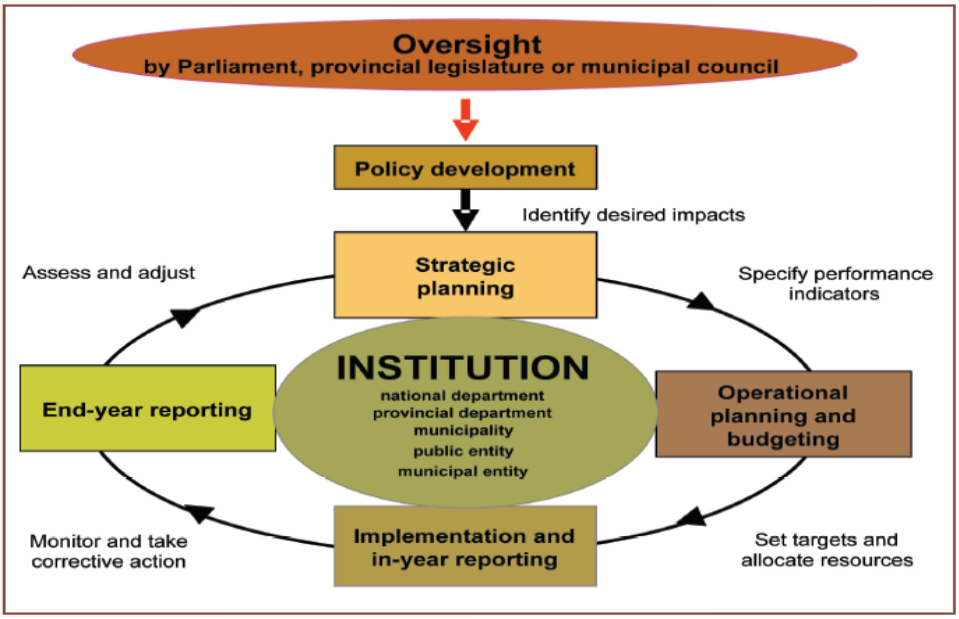


Figure 5 Planning, budgeting and reporting cycle

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

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

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

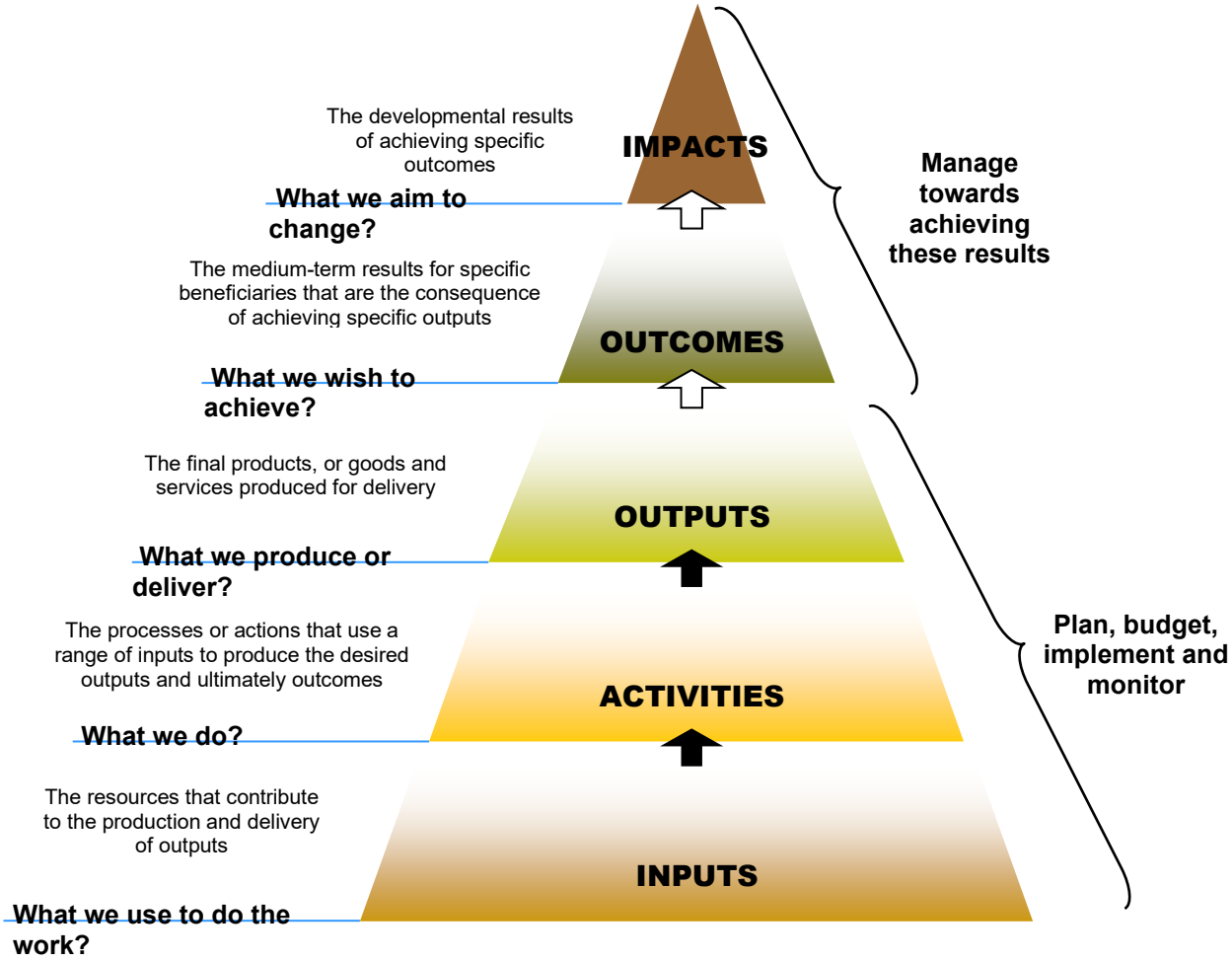


Figure 6 Definition of performance information concepts

The following tables attached to this document provides the main measurable performance objectives the municipality undertakes to achieve this financial year as well as the main performance objectives and benchmarks for the 2024/25 MTREF.

- **MBRR Table SA7 – Measurable performance objectives**
- **MBRR Table SA8 – Performance indicators and benchmarks**

Also refer to the full SDBIP of the Municipality as contained in Annexure AR of this report for full details on the targets set for the year to achieve the organisational goals.

2.3.1 Performance indicators and benchmarks

This section provides information on how the indicators and benchmarks contained in Table SA 8 should be interpreted:

2.3.1.1 Borrowing Management

Capital expenditure in local government can be funded by capital grants, own-source revenue and long term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position. As with all other municipalities, Midvaal's borrowing strategy is primarily informed by the affordability of debt repayments. The structure of the municipality's debt portfolio is dominated by annuity loans. The following financial performance indicators have formed part of the compilation of the 2024/25 MTREF:

- *Borrowing to asset ratio* is a measure of the long-term borrowing as a percentage of the total asset base of the municipality.
- *Capital charges to operating expenditure* is a measure of the cost of borrowing in relation to the operating expenditure.
- *Borrowing funding of own capital expenditure* measures the degree to which own capital expenditure (excluding grants and contributions) has been funded by way of borrowing.

2.3.1.2 Safety of Capital

- *The debt-to-equity ratio* is a financial ratio indicating the relative proportion of equity and debt used in financing the municipality's assets. The indicator is based on the total of loans, creditors, overdraft and tax provisions as a percentage of funds and reserves.
- *The gearing ratio* is a measure of the total long term borrowings over funds and reserves.

2.3.1.3 Liquidity

- *Current ratio* is a measure of the current assets divided by the current liabilities and as a benchmark the municipality has set a limit of 1, hence at no point in time should this ratio be less than 1.

- *The liquidity ratio* is a measure of the ability of the municipality to utilise cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1.

2.3.1.4 Revenue Management

- The budget is compiled based on a 90% collection rate. The debt collection and credit control policy is being implemented on an ongoing basis and debt older than 90 days are handed over to the external debt collectors for legal collections.

2.3.1.5 Creditors Management

- The Municipality has managed to ensure that creditors are settled within the legislated 30 days of invoice.

2.3.1.6 Other Indicators

- The electricity and water distribution losses are currently not within acceptable norms. The municipality is implementing programmes on an ongoing basis to reduce these losses.
- Employee costs as a percentage of operating revenue remains stable over the MTREF period.
- Repairs and maintenance as percentage of operating revenue is increasing as part of the municipality's approach to increase repairs and maintenance expenditure to protect its assets.

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

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

In terms of the Municipality's indigent policy registered households are entitled to 6 kℓ free water, 50 kwh of electricity, sanitation and free waste removal equivalent to 85 ℓ once a week, as well as a rebate on their property rates.

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

Note that the number of households in informal areas that receive free services and the cost of these services (e.g. the provision of water through stand pipes, water tankers, etc.) are not taken into account in the table noted above.

2.3.3 Providing clean water and managing waste water

The Municipality is the Water Services Authority in terms of the Water Services Act, 108 of 1997 and acts as water services provider. The Municipality's bulk water needs are provided directly by Rand Water in the form of purified water for the Meyerton supply system and Department of Water and Sanitation provides raw bulk water which is further purified by the Municipality through Vaal Marina Water Treatment Works for the supply of Vaal Marina supply system.

The Department of Water and Sanitation conducts an annual water services regulatory performance evaluation of water services authority's performance on the provision of water services through the Green Drop System which evaluates the performance of Water Services Authority on the effective, efficient and sustainable provision of Wastewater Management Service and through the Blue Drop System which evaluates the performance of Water Services Authority on the effective, efficient and sustainable provision of Drinking Water Management Service and award Green Drop and Blue Drop Status to water services authorities who complies with the set requirements of the two regulatory systems.

To ensure that all water supply institutions across the world define their water losses in a similar way, the International Water Association (IWA) has developed a standard water balance now utilized abroad and in SA by most municipalities including Midvaal Local Municipality. Non-Revenue Water (NRW) is defined as the volume of water supplied by the municipality for which no income is received. It should be noted that the Standard International Water Association (IWA)

water balance is a volumetric water balance and not a financial balance. Most South African municipalities are sitting with high NRW figures which translates to high financial loss, and are all experiencing the same challenges in lowering NRW.

The current National NRW figure for SA is 39,3%, but this is highly influenced by data for the metropolitan and large city municipalities which account for more than 80% of the data.

South African municipalities should aspire towards a NRW figure of 20%, representing desirable and good performance. The effort required within the SA environment to reduce NRW below 20% may not be regarded as feasible nor cost effective, because of the extensive effort required with regards to the outlay of resources (human & financial) to achieve this goal.

WC/WDM is one of the most important functions performed by municipalities in reducing NRW. Without the proper implementation and functioning of holistic WDM initiatives attending to all aspects relating to water wastage and non-revenue generating serviced properties, and without involving all the relevant role-players such as Engineering, Finance, Communications, etc. and also without Political and Senior Management support, there will be little chance of success in lowering NRW.

The implementation of the Water Demand Management Plan of the Midvaal Local Municipality is in progress and the following progress was made on identified and budgeted projects in the 2023/2024 financial year.

2023/24 financial year project scope on WDM

Aged Bulk Pipe Project

Project Area	**Length (km)**
Rothdene	10.6km

NEW PRV's installed:

1) PRV47: Savana City PRV

Bulk Water Meters installation:

5 Bulk Meters and 2 Zonal meters with chambers

Water Supply Valves installation

36 old malfunctioning gate valves replaced with new valves in Meyerton.

Indigent leaks repairs.

Retrofitted 1570 indigent households in Savana City RDP.

Domestic water meter audit.

Conducted meter audits on 15 000 properties.

Monthly IWA water balance calculations.

Ongoing every month

Zonal flow logging and pressure smart controlling devises.

Installed 13 PRV Smart controllers

19 Loggers for top consumers

18 loggers installed on bulk meters

11 probes for reservoirs to monitor reservoir levels

13 on Zonal meters situated in our PRV station.

2.4 Overview of budget related-policies

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

2.4.1 Review of procedures/policies

The Budget Related Policies have been reviewed as part of the compilation of the Medium Term Revenue and Expenditure Framework for the 2024/2025– 2026/2027 period. The Budget related policies will be considered by Council in May 2024. While the adopted policies were credible, sustainable, manageable and informed by affordability and value for money, the policies were reviewed as part of the budget compilation as required by the Municipal Budget and Reporting regulations.

The following policy changes are recommended:

Schedule of Changes to policies	2023/24	2024/25
Policy	**Changes Yes or No**	**Changes Yes or No**
Annexure E Tariff By-Law	No Changes	No Changes
Annexure F Tariff Policy	11.2.11 Payment for Water Connection The fees prescribed in the tariff to all consumers that receive or want to receive sanitation services will be for each individual stand payable by the owner in full before such a connection will be made to the sewer system. 11.2.7 Relocation of water service The cost for the relocation of the water meter will be at the customer's account and at the prescribed water tariff. 11.2.8 The cost for the termination/removal of the water services will be at the customer's account and at the prescribed water tariff. 11.2.9 Notification of boreholes The municipality or its authorised agent may, by public notice, require. 11.2.9.1 The owner who has an existing borehole or who wants to drill a new borehole must pay a prescribed borehole registration fee	10.2.1 1.1.1. In addition to the principles recorded in section 74(2) of the Municipal Systems Act, Tariffs should also support business initiatives aimed at creating jobs or contribute to the economy of the municipal area. 19.5.4 Customers are only allowed one water leak adjustment in a twelve (12) months period, unless otherwise waived by action of the Municipal Council 12.5.3.1 If Refuse removal fees were erroneously levied or not levied on a property, it shall be adjusted in accordance with the effective date of the General Valuation Roll or subsequent Supplementary Roll if applicable. 12.6.3.1 If a Sewer charge was erroneously levied or not levied on a property, it shall be adjusted in accordance with the effective date of the General Valuation Roll or subsequent Supplementary Roll if applicable.
Annexure G Property Rates By-Law	No Changes	No Changes

Annexure H Property Rates Policy	9.3.1Owners dependent on pensions or social grants: Residential property owners who are over 60 years of age, who are both permanent occupiers and the sole owners of the property concerned whose aggregate household income does not exceed the maximum of 4 times old age pension per month will receive a rebate of 100% of their property rates for the first R1 300 000 of their property value. Residential property owners who are over 60 years of age, who are both permanent occupiers and the sole owners of the property concerned whose aggregate household income does not exceed the maximum of 5 times old age pension per month will receive a rebate of 50% of their property rates for the first R1 300 000 of their property value (i.e., maximum of R1 150 000 after the first R150 000 residential reduction has been applied). Property Owners with more than 1 property will not qualify for Pensioner Rebates. 16. For the purposes of property valuation the Municipality must in terms of Section 31 of the Local Government: Municipal Property	16. DATE OF VALUATIONS For the purposes of property valuation the Municipality must in terms of Section 31 of the Local Government: Municipal Property Rates Act, Act 6 of 2004, as amended. The valuation date for the 2018/2023 General Valuation roll was 1 July 2017. The Valuation date for the 2025/2030 Valuation Roll will be 1 July 2024. and the valuation roll will be prepared by the person designated as Municipal Valuer and be implemented 1 July 2025.

	Rates Act, Act 6 of 2004, as amended. The valuation date for the 2018/2023 General Valuation roll was 1 July 2017. The Valuation date for the 2025/2030 will be 1 July 2024. and the valuation roll will be prepared by the person designated as Municipal Valuer and be implemented 1 July 2025.	
Annexure I Credit Control and Debt Collection By-Law	No Changes	No Changes
Annexure J Credit Control and Debt Collection Policy	5.1 DEPOSITS AND GUARANTEES (d) Only in exceptional cases such as a revised demarcation, arrangement will be allowed by prior approval of the Chief Financial Officer. 5.2 ACCOUNTS (f) Should a member of a NPO be a property owner in Midvaal and his / her account is not paid up to date, this will not influence the payment of the donation to the NPO. 7.1 Council may amend the percentage deduction for outstanding debt via the prepaid system on an annual basis. As of 1 July 2023, the percentage will be 60%	5.3 Accounts will only be opened in the name of the registered Owner of the Property and no tenant accounts will be opened. Any exceptions must be approved prior thereto by the Accounting Officer or any official of the Municipality acting in terms of a duly concluded delegation of authority in terms of the Systems Act. 7.1a. Council may amend the percentage deduction for outstanding debt via the prepaid system on an annual basis. As of 1 July 2024, the percentage will remain at 60%.
Annexure K Cash Management Policy	No Changes	No Changes

Annexure L Investment Policy	No Changes	No Changes
Annexure M Borrowing Policy	No Changes	No Changes
Annexure N Funding and Reserves Policy	No Changes	No Changes
Annexure O Municipal Supply Chain Management Policy and Procedures	- No changes, after Council item	No Changes
Annexure P Fixed Asset Management	- Cosmetic changes on policy	-
Annexure Q Policy on the Planning and Approval of Capital Projects	No changes	No Changes
Annexure R Indigents Policy	8. DEFINITION OF INDIGENT AND POOR HOUSEHOLD 8.1 a. Indigents Households are defined as those people, due to a number of factors, who are unable to make monetary contribution towards basic services, no matter how small the amounts seem to be. b. Poor Households are defined as those people, due to a number of factors, who are only able to make limited monetary contribution towards basic services, no matter how small the amounts seem to be. 8.2 Any household, earning less than three times maximum old age pension the per month, qualifies to be registered as indigents. This includes pensioners, unemployed, child headed families and students. Midvaal Local Municipality will benchmark the income level of	9.16 If a property was found to have improvements made in an area to be seen which is regarded as deemed indigents, the indigent status will be removed from that property

	indigent households with the income category as determined by the department of Human Settlement for ownership of RDP properties. 9.2 Any household, earning less than three times maximum old age pension qualifies to be registered as indigent Rental income will be included in the threshold of the maximum old age pension times 3 per month, 9.3 A once of lumpsum payment not exceeding R100 000.00 will not be considered as income for indigent status application. 9.1.8 Business activities are being conducted on property and the monthly income exceeds three times maximum old age pension. 10. INDIGENT AND POOR HOUSEHOLD APPLICATION PROCESS 10.1.2 The completed application form will be checked by the Finance department and referral to the Social Services department for assessment for all Indigent Household application.	

	10.1.8 a. For Indigent applications, all outstanding account balances (including handovers) as at date of approval will be written off. 10.1.8 b. For Poor Household applications, all outstanding account balances (including handovers) as at date of approval will be written off only as a once off arrangement. 11. BENEFITS OF REGISTERED INDIGENTS 11.10 Approved Indigent Customers with a property value not exceeding R1 500 000.00 will be exempted from Property rates. 11.11 Approved Indigent Customers with a property value exceeding R1 500 000.00 will only be exempted from Property rates for a period not exceeding 12 months only once off. 12. Pro Poor Households 12.1 Owners dependent on pensions or social grants: Residential property owners who are both permanent occupiers and the sole owners of the property concerned whose aggregate household income does not exceed	

	the maximum of 4 times old age pension per month will receive a rebate of 50% of their property rates with a property value not exceeding R1 500 000.00 Customers with a property value exceeding R1 500 000.00 whose aggregate household income does not exceed the maximum of 5 times old age pension per month will receive a rebate of 25% of their property rates. This rebate will be valid for a period of 12 months from date of approval. 12.2 All outstanding balances (including handovers) as at date of approval will be written off as contemplated in clause 10.1.8 b. above.	
Annexure S Policy related to the provision of free basic electricity	No changes	No Changes
Annexure T Policy related to the provision of free basic water	No changes	No Changes
Annexure U Policy on the Acceptance of Grants, Donations, Sponsorships and Gifts	Paragraph 3.5(1) No employee may accept any reward, gift, favour, hospitality, or other benefit directly or indirectly, including any close family member, partner or associate of the employee, of a value more than R350 annually from any provider or potential provider of goods/services;	No Changes

Annexure V Long Term Financial Planning Policy	Cosmetic Changes	No Changes
Annexure W Disposal of assets Policy	No Changes	No Changes
Annexure X Budget Implementation and Monitoring Policy	Cosmetic Changes	No Changes
Annexure Y Unauthorised, Irregular, Fruitless and Wasteful Expenditure Policy	None Refer to Council Resolution C2831/05/2022 26 May 2022	Reviewed with changes Paragraph 2 (1)– Objectives of the Policy To state the regulatory and legislative requirements surrounding unauthorised, irregular, fruitless and wasteful expenditure. **Paragraph 3 Irregular Expenditure - Definitions** 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; **PARAGRAPH 8(3) and (4) PROCESS TO BE FOLLOWED IN CASES OF UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE** The Chief Financial Officer will oversee the initiation of the process to deal with the unauthorised,

		irregular, fruitless and wasteful expenditure. The Financial Services Department: Expenditure Unit will maintain the Register, in a prescribed format. 8 PROCESSES TO BE FOLLOWED IN CASES OF UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE **Paragraph (5)** The end user departments shall be responsible for drafting of the report in an item format to report the instance of Unauthorized, Irregular, Fruitless and Wasteful expenditure to the next Council meeting. **Paragraph (6)** The PMS Section to convene a Financial Disciplinary Board (FDB) sitting once Council adopted the recommendations as per (5) above, where necessary **Paragraph (7)** The instance of unauthorised, irregular, fruitless and wasteful expenditure to be reported to the

		Chief Audit Executive by PMS Section
Annexure Z Allocation of unclaimed credits policy	2. ACCOUNT CREDITS 4.A Journal to this effect must be done annually during the Financial Year end processes	No Changes
Annexure AA Bulk Developer Contributions Policy	No changes	No Changes
Annexure AB Related Party Policy	No changes	No Changes
Annexure AC Cell phone and connectivity allowance Policy	No changes	No Changes
Annexure AD Caucus Budget Policy	No changes	No Changes
Annexure AE Billing Policy	10.DEPOSITS AND GUARANTEES 10.6 Deposits levied not paid within a three (3) month period after being levied will result in disconnection of the services until such time the deposit has been paid or for not submitting the relevant supporting document. 10.9.3.4 On applying for any new services connection, the account must be paid up to date before any connection will be done. 18.METERING OF MUNICIPAL SERVICES 18.5.3 Interim consumption will be allowed subject to escalating it monthly by 10% or as prescribed.	18.6.8 The municipality reserves the right to allocate a proportion of the prepayment amount towards any other arrears that remain owing to the municipality. The amount that may be deducted for the 2024-2025 financial year and allocated towards other arrears will remain at 60%
Annexure AF Electricity By-laws	22. Non liability of the municipality	No Changes

	Furthermore with the raise in vandalism residents are encourage to install surge arrestor. As the municipality will not be held liable for any surges resulting from vandalism.	
Annexure AG Water By-laws	Part 2: Application for water services 3 Payment for Water Connection 1) The fees prescribed in the tariff to all consumers that receive or want to receive sanitation services will be for each individual stand payable by the owner in full before such a connection will be made to the sewer system. 2) The minimum charge payable in respect to have any application shall be the published tariff. 3) The Council shall have the right in the case of any special service being required from the Council to recover the cost thereof. Special service shall include but not limited to: a) Any connection longer than 3 metres b) Any road crossing and reinstatement of road the crossing	No Changes

	c) etc Payment for water services provided The estimated quantity of service might either be based on historical accurate readings, or the consumption may be monitored for a period of three months and the net average quantity will be used to bill for the affected period Relocation of water service 8. The cost for the relocation of the water meter will be at the customer's account and at the prescribed water tariff (4) The cost for the termination/removal of the water services will be at the customer's account and at the prescribed water tariff Offences 22. (1) A person who (h) fails to comply with the terms of a notice served upon him or her in terms of these bylaws; shall be guilty of an offence and liable on conviction to a fine not exceeding R3 000.00 or in default on payment, to imprisonment for a period not exceeding 4 months and in the	

event of a continued offence to a further fine not exceeding R1 000.00 for every day during the continuance of such offence after a written notice from the municipality or its authorised agent has been issued, and in the event of a second offence to a fine not exceeding R6 000.00 or, in default on payment to imprisonment for a period not exceeding 8 months.

Part 4: Standards and general conditions of supply

(2) The municipality will provide the water service within the following pressure standards:

Residual pressures		
Types of Development	Minimum Head Under Instantaneous Peak Demand (m)	Maximum Head Under Zero Flow Condition (m)
Dwelling houses: house connections	24**	90
Dwelling houses: yard taps and yard tanks	10**	90

*** Plus the height difference between the Municipal main and the highest level at any point on the erf not exceeding 50m from the boundary adjacent to the Municipal main. The customer that requires more than the minimum pressure must install a pressure booster system.*

Part 9: General provisions

(c) The owner who has an existing borehole or who wants to drill a new borehole must pay a prescribed borehole registration fee

(5) The owner of a property with a borehole is required to install a meter on the borehole to monitor

	the abstraction. The monthly meter readings should be submitted every month by the 5th of the following month to the municipality for among other purposes sewage calculation charges. The meter should be calibrated every year and proof thereof submitted to the municipality. (6) No boreholes for the abstraction of groundwater are permitted on dolomite land in the Midvaal Local Municipality without the written consent of the Dolomite Risk Management Function of the municipality. (7) Existing boreholes for the abstraction of groundwater on dolomite land in the Midvaal Local Municipality shall be registered with the Dolomite Risk Management Function within 12 (twelve) months of promulgation of these by laws. And where required such abstraction license or permission can be revoked in the interest of safety. Sampling of water	

	48. (1) The municipality or its authorised agent shall require the owner or occupier of any premises who intends to sink a borehole to submit water quality results 30 days after drilling the borehole. Thereafter water quality results must be submitted every six (6) months. (2) If the results are not satisfactory, the municipality or its authorized agent may cause the decommissioning of the borehole. APPENDIX 1: BOREHOLE APPLICATION FORM	
Annexure AH SCM Process Turnaround policy	No Changes	No Changes
Annexure AI EFT Policy	Reviewed with changes, already been to Council during 2023/24	No Changes
Annexure AJ Policy on Impairment of Receivables	No changes.	No Changes
Annexure AK SCM Policy for Infrastructure Procurement and Delivery Management	No changes	No Changes
Annexure AL SCM Contract Management Policy	No changes	No Changes
Annexure AM Fleet Management Policy	No changes	No Changes
Annexure AN Cost Containment Policy	No changes	No Changes
Annexure AO Virement Policy	No changes	8.3 Virements within the same source will be allowed but only to correct errors due to incorrect allocations of budgeted funds which can be made at the discretion of the Chief

		Financial Officer and the Accounting Officer.
Annexure AP Allocation of payments policy	No Changes	No Changes
Annexure AQ Wayleave Policy	No changes.	No Changes

Schedule of Changes to policies	2023/24	2024/25
Policy	**Changes Yes or No**	**Changes Yes or No**
Annexure E Tariff By-Law	No Changes	No Changes
Annexure F Tariff Policy	11.2.11 Payment for Water Connection The fees prescribed in the tariff to all consumers that receive or want to receive sanitation services will be for each individual stand payable by the owner in full before such a connection will be made to the sewer system. 11.2.7 Relocation of water service The cost for the relocation of the water meter will be at the customer's account and at the prescribed water tariff. 11.2.8 The cost for the termination/removal of the water services will be at the customer's account and at the prescribed water tariff. 11.2.9 Notification of boreholes The municipality or its authorised agent may, by public notice, require. 11.2.9.1 The owner who has an existing borehole or who wants to drill a new borehole must pay a prescribed borehole registration fee	10.2.1 1.1.1. In addition to the principles recorded in section 74(2) of the Municipal Systems Act, Tariffs should also support business initiatives aimed at creating jobs or contribute to the economy of the municipal area. 19.5.4 Customers are only allowed one water leak adjustment in a twelve (12) months period, unless otherwise waived by action of the Municipal Council 12.5.3.1 If Refuse removal fees were erroneously levied or not levied on a property, it shall be adjusted in accordance with the effective date of the General Valuation Roll or subsequent Supplementary Roll if applicable 12.6.3.1 If a Sewer charge was erroneously levied or not levied on a property, it shall be adjusted in accordance with the effective date of the General Valuation Roll or subsequent Supplementary Roll if applicable.
Annexure G Property Rates By-Law	No Changes	No Changes
Annexure H Property Rates Policy	9.3.1Owners dependent on pensions or social grants: Residential property owners who are over 60 years of age, who are both permanent occupiers and	16. DATE OF VALUATIONS For the purposes of property valuation the Municipality must in terms of Section 31 of the Local Government: Municipal Property

	the sole owners of the property concerned whose aggregate household income does not exceed the maximum of 4 times old age pension per month will receive a rebate of 100% of their property rates for the first R1 300 000 of their property value. Residential property owners who are over 60 years of age, who are both permanent occupiers and the sole owners of the property concerned whose aggregate household income does not exceed the maximum of 5 times old age pension per month will receive a rebate of 50% of their property rates for the first R1 300 000 of their property value (i.e., maximum of R1 150 000 after the first R150 000 residential reduction has been applied). Property Owners with more than 1 property will not qualify for Pensioner Rebates. 16. For the purposes of property valuation the Municipality must in terms of Section 31 of the Local Government: Municipal Property Rates Act, Act 6 of 2004, as amended. The valuation date for the 2018/2023 General Valuation roll was 1 July 2017. The Valuation date for the 2025/2030 will be 1 July 2024. and the valuation roll will be prepared by the person designated as Municipal Valuer and be implemented 1 July 2025.	Rates Act, Act 6 of 2004, as amended. The valuation date for the 2018/2023 General Valuation roll was 1 July 2017. The Valuation date for the 2025/2030 Valuation Roll will be 1 July 2024. and the valuation roll will be prepared by the person designated as Municipal Valuer and be implemented 1 July 2025.

Annexure I Credit Control and Debt Collection By-Law	No Changes	No Changes
Annexure J Credit Control and Debt Collection Policy	5.1 DEPOSITS AND GUARANTEES (d) Only in exceptional cases such as a revised demarcation, arrangement will be allowed by prior approval of the Chief Financial Officer. 5.2 ACCOUNTS (f) Should a member of a NPO be a property owner in Midvaal and his / her account is not paid up to date, this will not influence the payment of the donation to the NPO. 7.1 Council may amend the percentage deduction for outstanding debt via the prepaid system on an annual basis. As of 1 July 2023, the percentage will be 60%	5.3 Accounts will only be opened in the name of the registered Owner of the Property and no tenant accounts will be opened. Any exceptions must be approved prior thereto by the Accounting Officer or any official of the Municipality acting in terms of a duly concluded delegation of authority in terms of the Systems Act.
Annexure K Cash Management Policy	No Changes	No Changes
Annexure L Investment Policy	No Changes	No Changes
Annexure M Borrowing Policy	No Changes	No Changes
Annexure N Funding and Reserves Policy	No Changes	No Changes
Annexure O Municipal Supply Chain Management Policy and Procedures	No changes, after Council item	No Changes
Annexure P Fixed Asset Management	Cosmetic changes on policy	

Annexure Q Policy on the Planning and Approval of Capital Projects	No changes	No Changes
Annexure R Indigents Policy	8. DEFINITION OF INDIGENT AND POOR HOUSEHOLD 8.1 a. Indigents Households are defined as those people, due to a number of factors, who are unable to make monetary contribution towards basic services, no matter how small the amounts seem to be. b. Poor Households are defined as those people, due to a number of factors, who are only able to make limited monetary contribution towards basic services, no matter how small the amounts seem to be. 8.2 Any household, earning less than three times maximum old age pension the per month, qualifies to be registered as indigents. This includes pensioners, unemployed, child headed families and students. Midvaal Local Municipality will benchmark the income level of indigent households with the income category as determined by the department of Human Settlement for ownership of RDP properties.	No Changes

	9.2 Any household, earning less than three times maximum old age pension qualifies to be registered as indigent Rental income will be included in the threshold of the maximum old age pension times 3 per month, 9.3 A once of lumpsum payment not exceeding R100 000.00 will not be considered as income for indigent status application. 9.1.8 Business activities are being conducted on property and the monthly income exceeds three times maximum old age pension. 10. INDIGENT AND POOR HOUSEHOLD APPLICATION PROCESS 10.1.2 The completed application form will be checked by the Finance department and referral to the Social Services department for assessment for all Indigent Household application. 10.1.8 a. For Indigent applications, all outstanding account balances (including handovers) as at date of approval will be written off. 10.1.8 b. For Poor Household applications, all outstanding account	

	balances (including handovers) as at date of approval will be written off only as a once off arrangement. 11. BENEFITS OF REGISTERED INDIGENTS 11.10 Approved Indigent Customers with a property value not exceeding R1 500 000.00 will be exempted from Property rates. 11.11 Approved Indigent Customers with a property value exceeding R1 500 000.00 will only be exempted from Property rates for a period not exceeding 12 months only once off. 12. Pro Poor Households 12.1 Owners dependent on pensions or social grants: Residential property owners who are both permanent occupiers and the sole owners of the property concerned whose aggregate household income does not exceed the maximum of 4 times old age pension per month will receive a rebate of 50% of their property rates with a property value not exceeding R1 500 000.00 Customers with a property value exceeding R1 500 000.00 whose aggregate household income does not exceed the maximum of 5 times old age	

	pension per month will receive a rebate of 25% of their property rates. This rebate will be valid for a period of 12 months from date of approval. 12.2 All outstanding balances (including handovers) as at date of approval will be written off as contemplated in clause 10.1.8 b. above.	
Annexure S Policy related to the provision of free basic electricity	No changes	No Changes
Annexure T Policy related to the provision of free basic water	No changes	No Changes
Annexure U Policy on the Acceptance of Grants, Donations, Sponsorships and Gifts	Paragraph 3.5(1) No employee may accept any reward, gift, favour, hospitality, or other benefit directly or indirectly, including any close family member, partner or associate of the employee, of a value more than R350 annually from any provider or potential provider of goods/services;	No Changes
Annexure V Long Term Financial Planning Policy	Cosmetic Changes	No Changes
Annexure W Disposal of assets Policy	No Changes	No Changes
Annexure X Budget Implementation and Monitoring Policy	Cosmetic Changes	No Changes
Annexure Y Unauthorised, Irregular, Fruitless and Wasteful Expenditure Policy	None Refer to Council Resolution C2831/05/2022 26 May 2022	Reviewed with changes Paragraph 2 (1)– Objectives of the Policy

		To state the regulatory and legislative requirements surrounding unauthorised, irregular, fruitless and wasteful expenditure. **Paragraph 3 Irregular Expenditure - Definitions** 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; **PARAGRAPH 8(3) and (4) PROCESS TO BE FOLLOWED IN CASES OF UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE** The Chief Financial Officer will oversee the initiation of the process to deal with the unauthorised, irregular, fruitless and wasteful expenditure. The Financial Services Department: Expenditure Unit will maintain the Register, in a prescribed format. 8 PROCESSES TO BE FOLLOWED IN CASES OF UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE **Paragraph (5)** The end user departments shall be responsible for drafting of the report in an

		item format to report the instance of Unauthorized, Irregular, Fruitless and Wasteful expenditure to the next Council meeting. **Paragraph (6)** The PMS Section to convene a Financial Disciplinary Board (FDB) sitting once Council adopted the recommendations as per (5) above, where necessary **Paragraph (7)** The instance of unauthorised, irregular, fruitless and wasteful expenditure to be reported to the Chief Audit Executive by PMS Section
Annexure Z Allocation of unclaimed credits policy	2. ACCOUNT CREDITS 4.A Journal to this effect must be done annually during the Financial Year end processes	No Changes
Annexure AA Bulk Developer Contributions Policy	No changes	No Changes
Annexure AB Related Party Policy	No changes	No Changes
Annexure AC Cell phone and connectivity allowance Policy	No changes	No Changes
Annexure AD Caucus Budget Policy	No changes	No Changes
Annexure AE Billing Policy	10.DEPOSITS AND GUARANTEES 10.6 Deposits levied not paid within a three (3) month period after being levied will result in disconnection of the services	18.6.8 The municipality reserves the right to allocate a proportion of the prepayment amount towards any other arrears that remain owing to the municipality.

	until such time the deposit has been paid or for not submitting the relevant supporting document. 10.9.3.4 On applying for any new services connection, the account must be paid up to date before any connection will be done. 18.METERING OF MUNICIPAL SERVICES 18.5.3 Interim consumption will be allowed subject to escalating it monthly by 10% or as prescribed.	The amount that may be deducted for the 2024-2025 financial year and allocated towards other arrears will be 70%
Annexure AF Electricity By-laws	22. Non liability of the municipality Furthermore with the raise in vandalism residents are encourage to install surge arrestor. As the municipality will not be held liable for any surges resulting from vandalism.	No Changes
Annexure AG Water By-laws	Part 2: Application for water services 3 Payment for Water Connection 1) The fees prescribed in the tariff to all consumers that receive or want to receive sanitation services will be for each individual stand payable by the owner in full before such a connection will be made to the sewer system. 2) The minimum charge payable in respect to have any application shall be the published tariff.	No Changes

	3) The Council shall have the right in the case of any special service being required from the Council to recover the cost thereof. Special service shall include but not limited to: a) Any connection longer than 3 metres b) Any road crossing and reinstatement of road the crossing c) etc Payment for water services provided The estimated quantity of service might either be based on historical accurate readings, or the consumption may be monitored for a period of three months and the net average quantity will be used to bill for the affected period Relocation of water service 8. The cost for the relocation of the water meter will be at the customer's account and at the prescribed water tariff (4) The cost for the termination/removal of the water services will be at the customer's account and at the prescribed water tariff Offences 22. (1) A person who (h) fails to comply with the terms of a notice served upon him or her in terms	

of these bylaws; shall be guilty of an offence and liable on conviction to a fine not exceeding R3 000.00 or in default on payment, to imprisonment for a period not exceeding 4 months and in the event of a continued offence to a further fine not exceeding
R1 000.00 for every day during the continuance of such offence after a written notice from the municipality or its authorised agent has been issued, and in the event of a second offence to a fine not exceeding
R6 000.00 or, in default on payment to imprisonment for a period not exceeding 8 months.

Part 4: Standards and general conditions of supply

(2) The municipality will provide the water service within the following pressure standards:

Residual pressures		
Types of Development	Minimum Head Under Instantaneous Peak Demand (m)	Maximum Head Under Zero Flow Condition (m)
Dwelling houses: house connections	24**	90
Dwelling houses: yard taps and yard tanks	10**	90

*** Plus the height difference between the Municipal main and the highest level at any point on the erf not exceeding 50m from the boundary adjacent to the Municipal main. The customer that requires more than the minimum pressure must install a pressure booster system.*

Part 9: General provisions

(c) The owner who has an existing borehole or who wants to drill a new

	borehole must pay a prescribed borehole registration fee (5) The owner of a property with a borehole is required to install a meter on the borehole to monitor the abstraction. The monthly meter readings should be submitted every month by the 5th of the following month to the municipality for among other purposes sewage calculation charges. The meter should be calibrated every year and proof thereof submitted to the municipality. (6) No boreholes for the abstraction of groundwater are permitted on dolomite land in the Midvaal Local Municipality without the written consent of the Dolomite Risk Management Function of the municipality. (7) Existing boreholes for the abstraction of groundwater on dolomite land in the Midvaal Local Municipality shall be registered with the Dolomite Risk Management Function within 12 (twelve) months of promulgation of these by laws. And where required such abstraction license or permission can be revoked in the interest of safety. Sampling of water	

	48. (1) The municipality or its authorised agent shall require the owner or occupier of any premises who intends to sink a borehole to submit water quality results 30 days after drilling the borehole. Thereafter water quality results must be submitted every six (6) months. (2) If the results are not satisfactory, the municipality or its authorized agent may cause the decommissioning of the borehole. APPENDIX 1: BOREHOLE APPLICATION FORM	
Annexure AH SCM Process Turnaround policy	No Changes	No Changes
Annexure AI EFT Policy	Reviewed with changes, already been to Council during 2023/24	No Changes
Annexure AJ Policy on Impairment of Receivables	No changes.	No Changes
Annexure AK SCM Policy for Infrastructure Procurement and Delivery Management	No changes	No Changes
Annexure AL SCM Contract Management Policy	No changes	No Changes
Annexure AM Fleet Management Policy	No changes	No Changes
Annexure AN Cost Containment Policy	No changes	No Changes
Annexure AO Virement Policy	No changes	No Changes

Annexure AP Allocation of payments policy	No Changes	No Changes
Annexure AQ Wayleave Policy	No changes.	No Changes

2.5 Overview of budget assumptions

2.5.1 External factors

The budget policy framework for the next three years is designed to manage risk in a constrained fiscal environment, while building a foundation for economic growth which is supported by the implementation of the National Development Plan (NDP). The National Treasury MTBPS highlights that South Africa's economic performance has deteriorated over the past several years. GDP growth is projected to improve over the medium term as infrastructure constraints ease, private investment recovers and exports grow. Economic growth is expected to rise gradually over the medium term.

This trend reflects a confluence of unfavourable global and domestic circumstances which impact on all spheres of government. Inflation and a nominal spending ceiling will put real budgets under pressure over the medium term, requiring MLM to work more efficiently.

2.5.2 General inflation outlook and its impact on the municipal activities

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

- National Government macro-economic targets;
- The general inflationary outlook and the impact on Municipal residents and businesses;
- The impact of municipal cost drivers;
- The increase in prices for bulk electricity and water; and
- The increase in the cost of remuneration.

The projected economic indicators used as basis of the budget are reflected hereunder:

Table 22 Key Economic Indicators

Budget Assumptions	Basis of Assumption	Year 1	Year 2	Year 3
		2024/2025	2025/2026	2026/2027
Projected Growth		0,0%	0,0%	0,0%
Projected CPI	NT Circ 98	4,9%	4,6%	4,5%

2.5.3 Credit rating outlook

Midvaal does not have a formal credit rating, however, the latest viability rating received from Ratings Afrika reflects a sustainability index score of 75 (December 2021 review).

2.5.4 Interest rates for borrowing and investment of funds

The MFMA specifies that borrowing can only be utilised to fund capital or refinancing of borrowing in certain conditions. The Municipality will take up borrowings in the 2024/25– 2026/27 MTREF period requiring both regular principal and interest payments. A 11% interest rate has been

assumed and a 10-year redemption period for infrastructure loans. HP loans will be repaid over 5 years.

2.5.5 Collection rate for revenue services

The base assumption is that tariff and rating increases will increase at a rate higher than CPI over the long term. It is also assumed that current economic conditions, and relatively controlled inflationary conditions, will continue for the forecasted term.

The rate of revenue collection is currently expressed as a percentage (90%) of annual billings. No provision has been made for collection of arrears due to the historic trends showing that the collection of long outstanding arrears is very low.

2.5.6 Growth or decline in tax base of the municipality and increases for services

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

Table 23 Property Rates and Service Income Increases projected over the MTREF

Budget Assumptions	Year 1	Year 2	Year 3
	2024/2025	2025/2026	2026/2027
Property Rates Increase	7,0%	6,0%	6,0%
Refuse Removal Increase	7,0%	7,0%	7,0%
Sanitation Increase	6,0%	6,0%	6,0%
NERSA Increase	12,70%	15,70%	15,70%
Electricity Sales Increase	12,70%	15,7%	15,7%
Rand Water Increase	5,9%	4,9%	4,9%
Water Sales Increase	7,0%	7,0%	7,0%

Table 24 Other Income Increases

		2024/2025	2025/2026	2026/2027
Income				
Non-Exchange Revenue				
Property Rates				
BUSINESS & COMMERCIAL PROPERTIES	New Val Roll	7,0%	6,0%	6,0%
COMMUNAL LAND: OTHER	New Val Roll	7,0%	6,0%	6,0%
FARM PROPERTIES: AGRICULTURAL PURPOSES	New Val Roll	7,0%	6,0%	6,0%
INDUSTRIAL PROPERTIES	New Val Roll	7,0%	6,0%	6,0%
MINING PROPERTIES	New Val Roll	7,0%	6,0%	6,0%
MUNICIPAL PROPERTIES	New Val Roll	7,0%	6,0%	6,0%
PROTECTED AREAS	New Val Roll	7,0%	6,0%	6,0%
PUBLIC SERVICE INFRASTRUCTURE	New Val Roll	7,0%	6,0%	6,0%
RESIDENTIAL PROPERTIES: DEVELOPED	New Val Roll	7,0%	6,0%	6,0%
RESIDENTIAL PROPERTIES: VACANT LAND	New Val Roll	7,0%	6,0%	6,0%
STATE-OWNED PROPERTIES	New Val Roll	7,0%	6,0%	6,0%
AGRICULTURAL PROPERTY	New Val Roll	7,0%	6,0%	6,0%
OTHER CATEGORIES	New Val Roll	7,0%	6,0%	6,0%
FINES PENALTIES AND FORFEITS				
FINES: OVERDUE BOOKS FINE	MLM Guidance	6,0%	6,0%	6,0%
FINES: POUND FEES	MLM Guidance	6,0%	6,0%	6,0%
FINES: TRAFFIC - MUNICIPAL	MLM Guidance	6,0%	6,0%	6,0%
PENALTIES: DISCONNECTION FEES	MLM Guidance	6,0%	6,0%	6,0%
FORFEITS: DEPOSITS	MLM Guidance	6,0%	6,0%	6,0%
FORFEITS: RETENTIONS	MLM Guidance	6,0%	6,0%	6,0%
FORFEITS: UNCLAIMED MONEY	MLM Guidance	6,0%	6,0%	6,0%
TRANSFERS AND SUBSIDIES				
OPERATIONAL : MONETARY				
EPWP GRANT	DORA	0,0%	0,0%	0,0%
LOCAL GOV FIN MNG GRANT	DORA	0,0%	0,0%	0,0%
MIG GRANT	DORA	0,0%	0,0%	0,0%
NEIGHBOURHOOD DEV PART GRANT	DORA	0,0%	0,0%	0,0%
WSIG GRANT	DORA	0,0%	0,0%	0,0%
NRF_EQUITABLE SHARE	DORA	0,0%	0,0%	0,0%
PRIV ENT: OTH TRF -OLD MUTUAL	DORA	0,0%	0,0%	0,0%
PUB CORP O/TRF: UNSPECIFIED	UMG Agreement	0,0%	0,0%	0,0%
DM GP: SEDIBENG - ENVIRON HEALTH & SAFET	Subsidy	0,0%	0,0%	0,0%
DM GP: SEDIBENG - HEALTH	Subsidy	0,0%	0,0%	0,0%
PG GP - RECAP COMM LIBRARIES GRANT	DAC	0,0%	0,0%	0,0%
PG GP - RECAPITAL. COMM LIBRARIES GRANT	DAC	0,0%	0,0%	0,0%
PG_GAU_DAC OPEX	DAC	0,0%	0,0%	0,0%
CAPITAL : MONETARY				
INEP GRANT	DORA	0,0%	0,0%	0,0%
MIG GRANT	DORA	0,0%	0,0%	0,0%
NEIGBOORHOUD DEV PARTNER GRANT	DORA	0,0%	0,0%	0,0%
WSIG GRANT	DORA	0,0%	0,0%	0,0%
PRIV ENT: OTH TRF -DEVELOPERS CONTRIB	UMG Agreement	0,0%	0,0%	0,0%
PG GP - RECAP COMM LIBRARIES GRANT	DAC	0,0%	0,0%	0,0%

		2024/2025	2025/2026	2026/2027
Income				
EXCHANGE REVENUE				
SERVICE CHARGES				
ELEC: CON/RECON - CHANGE CIRCUIT BREAKER	CPI	4,9%	4,6%	4,5%
ELEC: CONNEC NEW FEES NON-GOVERN HOUSING	CPI	4,9%	4,6%	4,5%
ELEC: CONNEC/RECON DISCONN/RECONN FEES	CPI	4,9%	4,6%	4,5%
ELEC: METER READING FEES	CPI	4,9%	4,6%	4,5%
ELEC SALES: COMMERC CONVEN SINGLE PHASE	NERSA	12,7%	15,7%	15,7%
ELEC SALES: COMMERCIAL CONVEN 3-PHASE	NERSA	12,7%	15,7%	15,7%
ELEC SALES: COMMERCIAL PREPAID	NERSA	12,7%	15,7%	15,7%
ELEC SALES: DOMESTI LOW HOME LIGHT 1 60A	NERSA	12,7%	15,7%	15,7%
ELEC SALES: DOMESTI LOW HOME LIGHT 2 20A	NERSA	12,7%	15,7%	15,7%
ELEC SALES: DOMESTIC LOW: PREPAID	NERSA	12,7%	15,7%	15,7%
ELEC SALES: DOMESTIC HIGH HOME POWER 1	NERSA	12,7%	15,7%	15,7%
ELEC SALES: DOMESTIC HIGH HOME POWER 2	NERSA	12,7%	15,7%	15,7%
ELEC SALES: TIME OF USE TARIFFS	NERSA	12,7%	15,7%	15,7%
ELEC SALES: AGRICULTURAL MEDIUM	NERSA	12,7%	15,7%	15,7%
ELEC SALES: INDUSTRIAL 400 VOLTS (LOW)	NERSA	12,7%	15,7%	15,7%
ELEC SALES: INDUSTR 11 000 VOLTS (HIGH)	NERSA	12,7%	15,7%	15,7%
ELEC SALES: SPORT/CHURCH/HOLIDAY/OLD-AGE	NERSA	12,7%	15,7%	15,7%
ELEC SALES: STREET LIGHTING	NERSA	12,7%	15,7%	15,7%
ELEC: AVAILABILITY CHARGES	NERSA	12,7%	15,7%	15,7%
ELEC SALES: INDUSTR MORE THAN 11 000 V	NERSA	12,7%	15,7%	15,7%
WASTE MANGEMENT: DISPOSAL FACILITIES	Waste Mgt Incr	7,0%	7,0%	7,0%
WASTE MANGEMENT: REFUSE BAGS	Waste Mgt Incr	7,0%	7,0%	7,0%
WASTE MANGEMENT: REFUSE REMOVAL	Waste Mgt Incr	7,0%	7,0%	7,0%
WASTE MANGEMENT: WASTE BINS	Waste Mgt Incr	7,0%	7,0%	7,0%
WASTE MANGEMENT: SKIP	Waste Mgt Incr	7,0%	7,0%	7,0%
WASTE WATER MANG: INDUSTRIAL EFFLUENT	Waste Wat Incr	6,0%	6,0%	6,0%
WASTE WATER MANG: SANITATION CHARGES	Waste Wat Incr	6,0%	6,0%	6,0%
WASTE WATER MANG: AVAILABILITY CHARGES	Waste Wat Incr	6,0%	6,0%	6,0%
WATER: CONNECTION/RECONNECTION	CPI	4,9%	4,6%	4,5%
WATER: METER READING FEES	CPI	4,9%	4,6%	4,5%
WATER: SALE - CONVENTIONAL	RAND WATER	7,0%	7,0%	7,0%
WATER: SALE - PREPAID	RAND WATER	7,0%	7,0%	7,0%
WATER: INDUSTRIAL WATER	RAND WATER	7,0%	7,0%	7,0%
WATER: AVAILABILITY CHARGES	RAND WATER	7,0%	7,0%	7,0%
INTEREST DIVIDENDS AND RENT ON LAND				
INTER: RECEIV - ELECTRICITY	CPI	4,9%	4,6%	4,5%
INTER: RECEIV - SERVICE CHARGES	CPI	4,9%	4,6%	4,5%
INTER: RECEIV - WASTE MANAGEMENT	CPI	4,9%	4,6%	4,5%
INTER: RECEIV - WASTE WATER MANAGEMENT	CPI	4,9%	4,6%	4,5%
INTER: RECEIV - WATER	CPI	4,9%	4,6%	4,5%
INTER: BANK ACCOUNTS	CPI	4,9%	4,6%	4,5%
INTER: SHORT TERM INVEST & CALL ACCOUNTS	CPI	4,9%	4,6%	4,5%
INT DIV & RENT LAND -INT: REC-PROP RATES	Cash Flow Forecast	0,0%	0,0%	0,0%
OPERATIONAL REVENUE				
ADMINISTRATIVE HANDLING FEES	CPI	4,9%	4,6%	4,5%
DISHONOURED CHEQUES	CPI	4,9%	4,6%	4,5%
LOST TOKENS	CPI	4,9%	4,6%	4,5%
MEMBERSHIP FEES	CPI	4,9%	4,6%	4,5%
SERVICE CHARGES	CPI	4,9%	4,6%	4,5%
SUNDRY INCOME	CPI	4,9%	4,6%	4,5%
BREAKAGES RECOVERED	CPI	4,9%	4,6%	4,5%
COLLECTION CHARGES	CPI	4,9%	4,6%	4,5%
INCIDENTAL CASH SURPLUSES	CPI	4,9%	4,6%	4,5%
STAFF RECOVERIES	Actual trends	6,0%	6,0%	6,0%
REQ INFO - PLAN PRINTING & DUPLICATES	CPI	4,9%	4,6%	4,5%
INSURANCE REFUND	CPI	4,9%	4,6%	4,5%
SALE OF PROPERTY	CPI	4,9%	4,6%	4,5%
BURSARY REFUND	CPI	4,9%	4,6%	4,5%
SKILLS DEVELOPMENT LEVY REFUND	Actual trends	6,0%	6,0%	6,0%

		2024/2025	2025/2026	2026/2027
Income				
EXCHANGE REVENUE				
RENTAL FROM FIXED ASSETS				
N-M-R PPE: AD HOC-OTHER ASSETS	Actual trends	6,0%	6,0%	6,0%
M-R PPE: S/LINE -OTHER ASSETS	Actual trends	6,0%	6,0%	6,0%
M-R PPE: AD HOC-OTHER ASSETS	Actual trends	6,0%	6,0%	6,0%
SALES OF GOODS AND RENDERING OF SERVICES				
ADVERTISEMENTS	Actual trends	6,0%	6,0%	6,0%
CEMETERY & BURIAL	Actual trends	6,0%	6,0%	6,0%
CLEANING & REMOVAL	Actual trends	6,0%	6,0%	6,0%
DEVELOPMENT CHARGES	CPI	4,9%	4,6%	4,5%
ESCORT FEES	Actual trends	6,0%	6,0%	6,0%
ENTRANCE FEES	Actual trends	6,0%	6,0%	6,0%
FIRE SERVICES	CPI	4,9%	4,6%	4,5%
LEGAL FEES	Actual trends	6,0%	6,0%	6,0%
LIBRARY FEES: MEMBERSHIP	CPI	4,9%	4,6%	4,5%
OBJECTIONS & APPEALS	CPI	4,9%	4,6%	4,5%
PHOTOCOPIES & FAXES	CPI	4,9%	4,6%	4,5%
PLAN & DEV: BUILDING PLAN APPROVAL	CPI	4,9%	4,6%	4,5%
PLAN & DEV: CLEARANCE CERTIFICATES	Actual trends	6,0%	6,0%	6,0%
PLAN & DEV: OCCUPATION CERTIFICATES	CPI	4,9%	4,6%	4,5%
PLAN & DEV: TOWN PLANNING & SERVITUDES	Actual trends	6,0%	6,0%	6,0%
SALE OF: PUBLICATION - TENDER DOCUMENTS	CPI	4,9%	4,6%	4,5%
SALE OF: VALUATION ROLLS	Actual trends	6,0%	6,0%	6,0%
SALE OF SCRAP WASTE & OTH: SCRAP	CPI	4,9%	4,6%	4,5%
LICENCES AND PERMITS				
ROAD & TRSP: ACTIV ON PUBLIC ROADS FEES	CPI	4,9%	4,6%	4,5%

2.5.7 Salary increases

Salary increases were based on guidance received in the National Treasury budget circular. The increases reflected below include both inflationary increases and notch increases.

Table 25 Salary Cost Increases

Expenditure				
Employee Related Cost				
Municipal Staff				
MS - Salaries Allow And Serv Benefits				
MS: Sal & All: Basic Salary & Wages	SALGBC	5.00%	5.1%	5.0%
MS: Sal & All: Performance Based Bonuses	SALGBC	5.00%	5.1%	5.0%
MS: All - Cellular & Telephone	SALGBC	5.00%	5.1%	5.0%
MS: Hb & Inc: Housing Benefits	SALGBC	5.00%	5.1%	5.0%
MS: All - Leave Pay	SALGBC	5.00%	5.1%	5.0%
MS: All - Travel Or Motor Vehicle	SALGBC	5.00%	5.1%	5.0%
MS: Overtime - Non Structured	SALGBC	5.00%	5.1%	5.0%
MS: Payments - Shift Add Remuneration	SALGBC	5.00%	5.1%	5.0%
MS: SRB - Acting Allowance	SALGBC	5.00%	5.1%	5.0%
MS: SRB - Annual Bonus	SALGBC	5.00%	5.1%	5.0%
MS: SRB - Long Service Award	SALGBC	5.00%	5.1%	5.0%
MS: SRB - Standby Allowance	SALGBC	5.00%	5.1%	5.0%
MS - Social Contributions				
MS: Soc Contr - Bargaining Council	SALGBC	5.00%	5.1%	5.0%
MS: Soc Contr - Group Life Insurance	SALGBC	5.00%	5.1%	5.0%
MS: Soc Contr - Medical	SALGBC	5.00%	5.1%	5.0%
MS: Soc Contr - Pension	SALGBC	5.00%	5.1%	5.0%
MS: Soc Contr - Unemployment Insur Fund	SALGBC	5.00%	5.1%	5.0%
MS: Soc Contr - Medical (Post retirement)	SALGBC	5.00%	5.1%	5.0%

		2024/2025	2025/2026	2026/2027
Expenditure				
Employee Related Cost				
Senior Management				
Remuneration Of Councillors				
Roc - Allowances & Serv Related Benefits				
Speaker - Allowances & Srb				
Speaker: Travelling Allowance	SALGBC	5,00%	5,1%	5,0%
Speaker: Basic Salary	SALGBC	5,00%	5,1%	5,0%
Speaker: Cell Phone Allowance	SALGBC	5,00%	5,1%	5,0%
Whip - Allowances & Srb				
Whip: Travelling Allowance	SALGBC	5,00%	5,1%	5,0%
Whip: Basic Salary	SALGBC	5,00%	5,1%	5,0%
Whip: Cell Phone Allowance	SALGBC	5,00%	5,1%	5,0%
Exec Mayor - Allowances & Srb				
Exec Mayor: Travelling Allowance	SALGBC	5,00%	5,1%	5,0%
Exec Mayor: Basic Salary	SALGBC	5,00%	5,1%	5,0%
Exec Mayor: Cell Phone Allowance	SALGBC	5,00%	5,1%	5,0%
Exco - Allowances & Srb				
Exco: Travelling Allowance	SALGBC	5,00%	5,1%	5,0%
Exco: Basic Salary	SALGBC	5,00%	5,1%	5,0%
Exco: Cell Phone Allowance	SALGBC	5,00%	5,1%	5,0%
Other Council - Allowances & Srb				
Oth Council: Travelling Allowance	SALGBC	5,00%	5,1%	5,0%
Oth Council: Basic Salary	SALGBC	5,00%	5,1%	5,0%
Oth Council: Cell Phone Allowance	SALGBC	5,00%	5,1%	5,0%
Section 79 - Allowance & Srb				
Sect 79 Chair: Travelling Allowance	SALGBC	5,00%	5,1%	5,0%
Sect 79 Chair: Basic Salary	SALGBC	5,00%	5,1%	5,0%
Sect 79 Chair: Cell Phone Allowance	SALGBC	5,00%	5,1%	5,0%

2.5.8 Other expenditure increases

Table 26 Expenditure Increases

		2024/2025	2025/2026	2026/2027
Expenditure				
Contracted Services				
Outsource Services				
OS: Burial Services	MLM Gen Incr	4,9%	4,6%	4,5%
OS: B&A Occupational Health & Safety	MLM Gen Incr	0,0%	4,6%	4,5%
OS: B&A Research & Advisory	MLM Gen Incr	4,9%	4,6%	4,5%
OS: B&A Valuer	MLM Gen Incr	4,9%	4,6%	4,5%
OS: Catering Services	MLM Gen Incr	0,0%	4,6%	4,5%
OS: Catering Services - Munic Activities	MLM Gen Incr	0,0%	4,6%	4,5%
OS: Catering Services - Training	MLM Gen Incr	0,0%	4,6%	4,5%
OS: Call Centre	MLM Gen Incr	4,9%	4,6%	4,5%
OS: Cleaning Services	MLM Gen Incr	4,9%	4,6%	4,5%
OS: Clearing & Grass Cutting Services	MLM Gen Incr	4,9%	4,6%	4,5%
OS: Electrical	MLM Gen Incr	4,9%	4,6%	4,5%
OS: Hygiene Services	MLM Gen Incr	4,9%	4,6%	4,5%
OS: Hygiene Services-Cleaning Services	MLM Gen Incr	4,9%	4,6%	4,5%
OS: Illegal Dumping	MLM Gen Incr	4,9%	4,6%	4,5%
OS: Litter Picking & Street Cleaning	MLM Gen Incr	4,9%	4,6%	4,5%
OS: Meter Management	MLM Gen Incr	4,9%	4,6%	4,5%
OS: Personnel & Labour	MLM Gen Incr	4,9%	4,6%	4,5%
OS: Connect/Dis-Connection: Electicity	MLM Gen Incr	4,9%	4,6%	4,5%
OS: Con/Discon: Restricted Water Flow	MLM Gen Incr	4,9%	4,6%	4,5%
OS: Connect/Disconnection: Water	MLM Gen Incr	4,9%	4,6%	4,5%
OS: Refuse Removal	MLM Gen Incr	4,9%	4,6%	4,5%
OS: Removal Of Struct & Illegal Signs	MLM Gen Incr	4,9%	4,6%	4,5%
OS: Security Services	MLM Gen Incr	4,9%	4,6%	4,5%
OS: Sewerage Services	MLM Gen Incr	4,9%	4,6%	4,5%
OS: Traffic Fines Management	MLM Gen Incr	4,9%	4,6%	4,5%
OS: Transport Services	MLM Gen Incr	0,0%	4,6%	4,5%
Consultants And Professional Services				
C&PS: B&A Accountants & Auditors	MLM Gen Incr	4,9%	4,6%	4,5%
C&PS: B&A Audit Sitting Allowance	MLM Gen Incr	0,0%	4,6%	4,5%
C&PS: B&A Internal Audit	MLM Gen Incr	0,0%	4,6%	4,5%
C&PS: B&A Business & Fin Management	MLM Gen Incr	4,9%	4,6%	4,5%
C&PS: B&A Communications	MLM Gen Incr	4,9%	4,6%	4,5%
C&PS: B&A Human Resources	MLM Gen Incr	4,9%	4,6%	4,5%
C&PS: B&A Medical Examinations	MLM Gen Incr	0,0%	4,6%	4,5%
C&PS: B&A Project Management	MLM Gen Incr	4,9%	4,6%	4,5%
C&PS: B&A Research & Advisory	MLM Gen Incr	4,9%	4,6%	4,5%
C&PS: B&A Forensic Investigators	MLM Gen Incr	0,0%	4,6%	4,5%
C&PS: B&A Credit Rating Agencies	MLM Gen Incr	4,9%	4,6%	4,5%
C&PS: B&A Actuaries	MLM Gen Incr	4,9%	4,6%	4,5%
C&PS: I&P Engineering Civil	MLM Gen Incr	4,9%	4,6%	4,5%
C&PS: I&P Engineering Electrical	MLM Gen Incr	4,9%	4,6%	4,5%
C&PS: I&P Geodetic Control & Surveys	MLM Gen Incr	4,9%	4,6%	4,5%
C&PS: I&P Geoinformatic Services	MLM Gen Incr	4,9%	4,6%	4,5%
C&PS: I&P Town Planner	MLM Gen Incr	4,9%	4,6%	4,5%
C&PS: Lab Serv Agriculture	MLM Gen Incr	4,9%	4,6%	4,5%
C&PS: Legal Cost Advice & Litigation	MLM Gen Incr	4,9%	4,6%	4,5%
C&PS: Legal Cost Collection	MLM Gen Incr	4,9%	4,6%	4,5%

		2024/2025	2025/2026	2026/2027
Expenditure				
Contracted Services				
Outsource Services				
Contractors				
Contr: Artists & Performers	MLM Gen Incr	0,0%	4,6%	4,5%
Contr: Auctioneers	MLM Gen Incr	0,0%	4,6%	4,5%
Contr: Audio-Visual Services	MLM Gen Incr	4,9%	4,6%	4,5%
Contr: Catering Services	MLM Gen Incr	0,0%	4,6%	4,5%
Contr: Employee Wellness	MLM Gen Incr	0,0%	4,6%	4,5%
Contr: First Aid	MLM Gen Incr	0,0%	4,6%	4,5%
Contr: Fire Services	MLM Gen Incr	4,9%	4,6%	4,5%
Contr: Maint Of Buildings & Facilities	MLM Gen Incr	4,9%	4,6%	4,5%
Contr: Maintenance Of Equipment	MLM Gen Incr	4,9%	4,6%	4,5%
Contr: Maintenance Of Unspecified Assets	MLM Gen Incr	4,9%	4,6%	4,5%
Contr: Maintenance Fleet	MLM Gen Incr	4,9%	4,6%	4,5%
Contr: Medical Services	MLM Gen Incr	0,0%	4,6%	4,5%
Contr: Pest Control & Fumigation	MLM Gen Incr	4,9%	4,6%	4,5%
Contr: Plants Flowers & Oth Decorations	MLM Gen Incr	4,9%	4,6%	4,5%
Contr: Safeguard & Security	MLM Gen Incr	4,9%	4,6%	4,5%
Contr: Sports & Recreation	MLM Gen Incr	0,0%	4,6%	4,5%
Contr: Stage & Sound Crew	MLM Gen Incr	4,9%	4,6%	4,5%
Contr: Tracing Agents & Debt Collectors	MLM Gen Incr	4,9%	4,6%	4,5%
Contr: Transportation Contractor	MLM Gen Incr	0,0%	4,6%	4,5%
Operational Cost				
OC: SOCial Services Programme	MLM Gen Incr	0,0%	4,6%	4,5%
OC: Achievements & Awards	MLM Gen Incr	0,0%	4,6%	4,5%
OC: Adv/Pub/Mark - Auctions	MLM Gen Incr	0,0%	4,6%	4,5%
OC: ADV/PUB/MARK -BURSARIES (NON-EMPLOY)	MLM Gen Incr	0,0%	4,6%	4,5%
OC: Adv/Pub/Mark - Corp & Mun Activities	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Corporate & Municipal Activities	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Mayoral Donations	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Nutritional Care	MLM Gen Incr	0,0%	4,6%	4,5%
OC: Services Charges	MLM Gen Incr	0,0%	4,6%	4,5%
OC: Adv/Pub/Mark - Customer/Client Info	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Adv/Pub/Mark - Gifts & Promo Items	MLM Gen Incr	0,0%	4,6%	4,5%
OC: Adv/Pub/Mark - Municipal Newsletters	MLM Gen Incr	0,0%	4,6%	4,5%
OC: Adv/Pub/Mark - Signs: Branding	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Adv/Pub/Mark - Sings - Branding	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Adv/Pub/Mark - Staff Recruitment	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Assets Less Than Capital Threshold	MLM Gen Incr	0,0%	4,6%	4,5%
OC: Audit Cost: External	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Bc/Fac/C Fees - Bank Accounts	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Bc/Fac/C Fees - Third Parties	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Bc/Fac/C Fees - Flt&Oth Ct/Dt Cards	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Bc/Fac/C Fees - Investments	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Bc/Fac/C Fees - Lease Payments	MLM Gen Incr	4,9%	4,6%	4,5%

		2024/2025	2025/2026	2026/2027
Expenditure				
Operational Cost				
OC: Bc/Fac/C Fees - Lng/Shrt Loans/Bor	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Bargaining Council	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Bursaries (Employees)	MLM Gen Incr	0,0%	4,6%	4,5%
OC: Clean Serv - Car Valet/Washing Serv	MLM Gen Incr	0,0%	4,6%	4,5%
OC: Commission - Third Party Vendors	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Commission - Prepaid Electricity	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Courier & Delivery Services	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Comm - Licences (Radio & Television)	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Comm - Postage/Stamps/Franking Mach	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Comm - Radio & Tv Transmissions	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Comm - Rent Private Bag & Postal Box	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Comm - Satellite Signals	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Comm - Sms Bulk Message Service	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Comm - Phone Fax Telegraph & Telex	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Contr To Prov - Rehab Landfill Sites	Cost Containm	0,0%	0,0%	0,0%
OC: Entertainment - Mayor	Cost Containm	0,0%	0,0%	0,0%
OC: Entertainment - Councillors	Cost Containm	0,0%	0,0%	0,0%
OC: Entertainment - Senior Management	Cost Containm	0,0%	0,0%	0,0%
OC: Ext Com Serv Prov - toets Lines	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Ext Com Serv Prov - Network Extens	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Ext Com Serv Prov - S/Ware Licences	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Ext Com Serv Prov - Spec Comput Serv	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Ext Com Serv Prov - System Adviser	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Ext Com Serv Prov - Wireless Network	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Hire Charges	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Hire Charges - Copiers	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Hire Charges - Telephone	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Fine Road Traffic & Others	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Insur Under - Claim Paid 3rd Parties	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Insur Under - Insurance Brokers Fees	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Insur Under - Insurance Claims	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Insur Under - Excess Payments	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Insur Under - Excess Payments Fleet	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Insur Under - Risk Man Programs	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Insur Under - Premiums	MLM Gen Incr	10,0%	6,0%	6,0%
OC: Water Resource Management Charges	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Lic - Vehicle Lic & Registrations	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Lic - Vehicle Lic & Registr Fleet	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Management Fee	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Printing & Publications	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Printing & Publications: Flyers	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Professional Bodies M/Ship & Subs	MLM Gen Incr	0,0%	4,6%	4,5%
OC: Training - Internship	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Membership Fees	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Reg Fees National	MLM Gen Incr	0,0%	4,6%	4,5%

		2024/2025	2025/2026	2026/2027
Expenditure				
Operational Cost				
OC: Remuneration To Ward Committees	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Road Worthy Test Fleet	MLM Gen Incr	4,9%	4,6%	4,5%
OC: System Access & Information Fees	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Skills Development Fund Levy	MLM Gen Incr	6,25%	5,1%	5,0%
OC: Search Fees	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Small Differences Tolerances	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Toll Gate Fees	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Toll Gate Fees Fleet	MLM Gen Incr	4,9%	4,6%	4,5%
OC: T&S Dom - Accommodation	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Accommodation: DA	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Accommodation: ANC	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Accommodation: EFF	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Accommodation: FF	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Daily Allowance	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Daily Allowance: DA	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Daily Allowance: ANC	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Daily Allowance: EFF	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Daily Allowance: FF	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Incidental Cost	MLM Gen Incr	4,9%	4,6%	4,5%
OC: T&S Dom - Incidental Cost	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Incidental Cost: DA	MLM Gen Incr	0,0%	4,6%	4,5%
OC: Incidental Cost: ANC	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Incidental Cost: EFF	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Incidental Cost: FF	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Without opr car rental	MLM Gen Incr	4,9%	4,6%	4,5%
OC: T&S Dom Trp - Without Opr Car Rental	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Without opr car rental: DA	MLM Gen Incr	0,0%	4,6%	4,5%
OC: Without opr car rental: ANC	MLM Gen Incr	0,0%	4,6%	4,5%
OC: Without opr car rental: EFF	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Without opr car rental: FF	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Own Transport	MLM Gen Incr	4,9%	4,6%	4,5%
OC: T&S Dom Trp - W/Out Opr Own Transprt	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Air Transport	MLM Gen Incr	4,9%	4,6%	4,5%
OC: T&S Dom Pub Trp - Air Transport	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Air Transport: DA	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Air Transport: ANC	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Air Transport: EFF	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Air Transport: FF	MLM Gen Incr	4,9%	4,6%	4,5%
OC: T&S Dom - Daily Allowance	MLM Gen Incr	4,9%	4,6%	4,5%
OC: T&S Foreign - Accommodation	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign - Accommodation	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign - Accommodation	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign - Accommodation	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign - Accommodation	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Dom - Daily Allowance	MLM Gen Incr	0,0%	4,6%	4,5%

		2024/2025	2025/2026	2026/2027
Expenditure				
Operational Cost				
OC: T&S Foreign - Daily Allowance	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign - Daily Allowance	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign - Daily Allowance	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign - Daily Allowance	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign - Daily Allowance	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign - Incidental Cost	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign - Incidental Cost	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign - Incidental Cost	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign - Incidental Cost	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign - Incidental Cost	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign Trp - No Opr Car Rental	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign Trp - No Opr Car Rental	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign Trp - No Opr Car Rental	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign Trp - No Opr Car Rental	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign Trp - No Opr Car Rental	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign Trp - With Orp Trp Prov	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign Trp - With Orp Trp Prov	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign Trp - With Orp Trp Prov	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign Trp - With Orp Trp Prov	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign Trp - With Orp Trp Prov	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign Pub Trp - Air Transport	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign Pub Trp - Air Transport	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign Pub Trp - Air Transport	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign Pub Trp - Air Transport	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign Pub Trp - Air Transport	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign Pub Trp - Railway Trans	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign Pub Trp - Railway Trans	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign Pub Trp - Railway Trans	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign Pub Trp - Railway Trans	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign Pub Trp - Railway Trans	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign Pub Trp - Road Transp	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign Pub Trp - Road Transp	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign Pub Trp - Road Transp	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign Pub Trp - Road Transp	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign Pub Trp - Road Transp	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign Pub Trp - Water Transp	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign Pub Trp - Water Transp	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign Pub Trp - Water Transp	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign Pub Trp - Water Transp	MLM Gen Incr	0,0%	4,6%	4,5%
OC: T&S Foreign Pub Trp - Water Transp	MLM Gen Incr	0,0%	4,6%	4,5%
OC: Uniform & Protective Clothing	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Vehicle Tracking	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Vehicle Tracking Fleet	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Workmen's Compensation Fund	MLM Gen Incr	4,9%	4,6%	4,5%
OC: Indigent Relief	MLM Gen Incr	4,9%	4,6%	4,5%

		2024/2025	2025/2026	2026/2027
Expenditure				
Inventory				
Inventory - Consumable Stores -Std Rated Fleet	MLM Gen Incr	0,0%	4,6%	4,5%
Inventory - Finished Goods	MLM Gen Incr	4,9%	4,6%	4,5%
INV - CONSUMABL STORES -ZERO RATED FLEET	MLM Gen Incr	7,0%	7,0%	7,0%
Inventory - Materials & Supplies	MLM Gen Incr	0,0%	4,6%	4,5%
Inventory - Stationery	MLM Gen Incr	4,9%	4,6%	4,5%
Inventory - Stationery (Cartridges)	MLM Gen Incr	4,9%	4,6%	4,5%
Inventory - Computer Requirements	MLM Gen Incr	4,9%	4,6%	4,5%
Inventory - Copy Charges	MLM Gen Incr	4,9%	4,6%	4,5%
Inventory - Materials & Supplies Fleet	MLM Gen Incr	4,9%	4,6%	4,5%
Bulk Purchases				
Eskom	% of Sales	12,7%	15,7%	15,7%
Bulk Water Purchases	% of Sales	5,9%	4,9%	4,9%
Interest Dividends And Rent On Land				
Int Paid Bor: Annuity Loans		7,0%	7,0%	7,0%
Int Paid Bor: Financial Leases		7,0%	7,0%	7,0%
Operating Leases				
Opr Leases: Transport Assets Fleet	MLM Gen Incr	0,0%	4,6%	4,5%
Bad Debts Written Off	**Link to SDBIP**			
Bad Debts Written Off	% of Billed Revenue	4,9%	4,6%	4,5%
Bad Debts Written Off	% of Billed Interest	40,0%	40,0%	40,0%
Bad Debts Written Off	% of Traffic Fines	80,0%	80,0%	80,0%
Bad Debts Written Off	% of Cr control Fines	40,0%	40,0%	40,0%

2.5.9 Projected Annual Financial Statements and Cash Flow

The projected financial statements are based on the assumptions reflected below:

Table 27 Projected Financial Statement Assumptions

Assets		**Year 1**	**Year 2**	**Year 3**
Current Assets		**2024/2025**	**2025/2026**	**2026/2027**
Cash and Cash Equivalents	Calculation	Calculated	Calculated	Calculated
Short Term Investments	Calculation	Calculated	Calculated	Calculated
Consumer Debtors	CPI			
VAT Receivable	CPI	4.9%	4.6%	4.5%
Other Receivables from Exchange Transactions	CPI	4.9%	4.6%	4.5%
Other Receivables from Non Exchange Transactions	CPI	4.9%	4.6%	4.5%
Inventories	CPI	4.9%	4.6%	4.5%
Non Current Assets				
Property Plant and Equipment	Capt Budget	Calculated	Calculated	Calculated
Investment Property	Capt Budget	Calculated	Calculated	Calculated
Intangible Assets	Capt Budget	Calculated	Calculated	Calculated
Liaibilities				
Current Liabilities				
Trade and Other Payables	CPI	4.9%	4.6%	4.5%
Consumer Deposits	CPI	4.9%	4.6%	4.5%
Short Term Portion of External Loan	Loans Register			
Short Term Portion of Finance Lease Obligation	Loans Register			
VAT payable	CPI	4.9%	4.6%	4.5%
Unspent Conditional Grants and Receipts	Must spend in full			
Current Portion of Provision	CPI	4.9%	4.6%	4.5%
Non Current Liabilities				
External Loans	Loans Register			
Provisions	CPI	4.9%	4.6%	4.5%
Retirement Benefit Obligation	CPI	4.9%	4.6%	4.5%
Finance Lease Obligation	Loans Register			

It is estimated that a spending rate of at least 90% is achieved on operating expenditure and on the capital programme for the 2024/25 MTREF however, a 100% spending level has been factored into the cash flow budget for prudent cash management.

The projected Annual Financial Statements, with the project cash flow statement are provided hereunder for the adjusted budget 2023/2024 financial year as well as the projections for the MTREF period:

Table 28 Projected Statement of Financial Performance

Statement of Financial Performance				
Income	**Adjusted Budget 2023 -2024**	**Budget 2024-2025**	**Budget 2025-2026**	**Budget 2026-2027**
Revenue from Non-Exchange Transactions				
Property Rates	326,733,520	349,604,866	370,581,158	392,816,028
Fines, Penalties and Forfeits	80,767,475	83,413,524	90,750,335	96,195,355
Operational Transfers Monetary	190,042,844	206,570,289	214,793,009	233,261,914
Capital Transfers Monetary (Govt)	102,529,162	120,532,250	92,413,350	85,106,900
Capital Transfers Monetary (Developers)	4,000,000	6,000,000	3,000,000	6,000,000
Revenue from Exchange Transactions				
Service Charges Electricity	547,484,257	616,262,131	711,937,380	822,586,084
Service Charges Waste Management	61,962,429	66,299,799	70,940,785	75,906,640
Service Charges WasteWater Management	66,988,265	71,007,561	75,268,015	79,784,095
Service Charges Water	275,097,185	294,204,749	314,640,991	336,502,991
Interest, Dividends and Rent on Land	82,612,045	85,856,620	89,051,798	92,321,298
Operational Revenue	4,521,775	4,751,197	4,980,449	5,216,754
Rental from Fixed Assets	1,095,071	1,160,775	1,230,422	1,304,247
Sales of Goods and Rendering of Services	7,697,459	8,140,500	8,603,821	9,091,910
TOTAL INCOME	**1,751,531,487**	**1,913,804,260**	**2,048,191,513**	**2,236,094,217**
Total Income Excluding Capital Revenue	**1,645,002,325**	**1,787,272,010**	**1,952,778,163**	**2,144,987,317**
Expenditure	**Adjusted Budget 2023 -2024**	**Budget 2024-2025**	**Budget 2025-2026**	**Budget 2026-2027**
Salaries and Allowances				
Senior Managers	8,095,899	10,075,653	10,487,490	10,911,844
Municipal Staff	388,682,529	413,646,168	429,397,841	452,722,092
Councillors Allowances	14,903,765	15,269,774	16,048,533	16,850,959
Contracted Services				
Outsourced Services	104,392,931	120,135,366	121,872,312	127,357,541
Consultants and Professional Services	35,939,168	40,092,376	41,449,225	43,422,787
Contractors	83,711,605	89,915,855	91,156,063	95,375,880
Operational Cost	107,295,536	113,496,607	117,066,707	122,483,081
Inventory	32,478,819	34,827,334	36,925,703	39,365,283
Bulk Purchases				
Electricity	507,668,356	556,242,237	643,572,268	744,613,115
Water	172,744,791	181,209,286	190,088,541	199,402,879
Interest, Dividends and Rent on Land	22,212,190	23,767,043	25,430,736	27,210,888
Operating Leases	-	-	-	-
Debt Impairment	6,496,180	6,814,493	7,127,959	7,448,718
Transfers and Subsidies	2,336,969	2,500,000	2,500,000	2,500,000
Depreciation and Amortisation	115,480,797	118,782,647	122,368,669	126,245,283
SUB TOTAL EXPENDITURE	**1,602,439,535**	**1,726,774,839**	**1,855,492,047**	**2,015,910,349**
Debtors impairment	54,573,385	65,935,276	87,000,000	111,000,000
Traffic fines impairment	76,000,000	80,309,840	85,128,430	90,236,137
TOTAL EXPENDITURE	**1,733,012,920**	**1,873,019,955**	**2,027,620,477**	**2,217,146,486**
ACCOUNTING SURPLUS / DEFICIT	**18,518,567**	**40,784,306**	**20,571,035**	**18,947,731**

Table 29 Projected Statement of Changes in Net Assets

Statement of Changes in Net Assets	Adjusted Budget	Draft Budget 2024-2025	Draft Budget 2025-2026	Draft Budget 2026-2027
Opening Accumulated Surplus	**2,371,322,542**	**2,389,841,109**	**2,430,625,415**	**2,451,196,450**
Prior Year Adjustments / Restatements / Rounding / Internals				
Restated Opening Balance - Accumulated Surplus	**2,371,322,542**	**2,389,841,109**	**2,430,625,415**	**2,451,196,450**
Surplus / (Deficit) for the year	18,518,567	40,784,306	20,571,035	18,947,731
TOTAL ACCUMULATED SURPLUS	**2,389,841,109**	**2,430,625,415**	**2,451,196,450**	**2,476,144,181**

Table 30 Projected Statement of Financial Position

Statement of Financial Position	Adjusted Budget 2023-2024	Draft Budget 2024-2025	Draft Budget 2025-2026	Draft Budget 2026-2027
ASSETS				
Current Assets	**679,147,758**	**523,832,757**	**467,625,530**	**397,554,741**
Cash and Cash Equivalents	274,860,332	151,504,480	78,170,152	- 9,426,129
Short Term Investments	49,351,032	-	-	-
Consumer Debtors	-			
VAT Receivable	15,501,479	16,261,051	17,009,060	17,774,468
Receivables from Exchange Transactions	297,405,042	311,977,889	326,328,872	341,013,671
Receivables from Non-Exchange Transactions	27,486,946	28,833,806	30,160,161	31,517,369
Inventories	14,542,927	15,255,530	15,957,285	16,675,363
Non Current Assets	**2,173,814,393**	**2,328,680,945**	**2,375,120,787**	**2,440,091,293**
Property Plant and Equipment	2,093,646,941	2,248,513,493	2,316,657,565	2,381,628,072
Investment Property	49,351,032	49,351,032	49,234,032	49,234,032
Intangible Assets	30,797,719	30,797,719	9,210,489	9,210,489
Heritage Assets	18,701	18,701	18,701	18,701
TOTAL ASSETS	**2,852,962,151**	**2,852,513,702**	**2,842,746,317**	**2,837,646,034**
LIABILITIES				
Current Liabilities	**127,908,397**	**132,492,875**	**137,007,556**	**141,627,253**
Trade and Other Payables from Exchange Transactions	72,803,432	76,370,800	79,883,857	83,478,631
Consumer Deposits	20,757,337	21,774,447	22,776,071	23,800,994
Current Portion of External Loans	25,761,063	25,761,063	25,761,063	25,761,063
Current Portion of Finance Lease Obligation	8,586,565	8,586,565	8,586,565	8,586,565
Non Current Liabilities	**358,629,868**	**275,034,286**	**262,612,806**	**244,814,800**
External Loans	235,463,978	143,676,960	134,574,088	115,238,809
Provisions	88,783,735	93,134,138	92,867,787	92,779,003
Employee Benefit Obligation	15,761,847	16,534,178	16,486,892	16,471,130
Finance Lease Obligation	18,620,308	21,689,010	18,684,040	20,325,858
TOTAL LIABILITIES	**486,538,265**	**407,527,160**	**399,620,362**	**386,442,053**
NET ASSETS	**2,366,423,885**	**2,444,986,541**	**2,443,125,955**	**2,451,203,982**
ACCUMULATED SURPLUS	**2,389,841,109**	**2,433,564,187**	**2,453,993,026**	**2,462,071,053**

Table 31 Projected Cash Flow Statement

Cash flow statement	Adjusted Budget 2023-2024	Draft Budget 2024-2025	Draft Budget 2025-2026	Draft Budget 2026-2027
Cash flows from operating activities				
Receipts	**1,703,017,927**	**1,890,730,697**	**2,026,746,276**	**2,185,318,352**
Cash receipts from ratepayers, government and other	709,341,960	842,956,457	853,959,105	870,538,542
Cash received from services/ charges	951,532,136	1,047,774,240	1,172,787,171	1,314,779,810
Interest income	42,143,831	-	-	-
Payments	**- 1,611,035,943**	**- 1,735,909,644**	**- 1,896,874,825**	**- 2,064,005,383**
Cash paid to employees	- 396,778,428	- 423,948,562	- 441,583,446	- 463,508,418
Cash paid to suppliers & other	- 1,192,045,325	- 1,288,194,038	- 1,429,860,642	- 1,573,286,077
Finance costs	- 22,212,190	- 23,767,043	- 25,430,736	- 27,210,888
Non cash adjustments				
Net cash flows from operating activities	**91,981,984**	**154,821,053**	**129,871,451**	**121,312,969**
Cash flows from investing activities				
Purchase of property, plant and equipment	- 270,011,744	- 264,193,034	- 191,097,937	- 191,215,789
Net cash flows from investing activities	**- 270,011,744**	**- 264,193,034**	**- 191,097,937**	**- 191,215,789**
Cash flows from financing activities				
Movement in long-term liabilities: New Borrowings	18,600,000	19,440,000	17,170,000	11,000,000
Movement in long-term liabilities: Redemption Paid	- 26,779,841	- 21,774,699	- 26,272,872	- 30,335,279
Movement in finance lease: New Borrowings	6,725,000	10,000,000	9,800,000	12,940,000
Movement in finance lease: Redemption Paid	- 9,306,788	- 9,302,385	- 12,804,971	- 11,298,182
Net cash flows from financing activities	**- 10,761,629**	**- 1,637,083**	**- 12,107,843**	**- 17,693,461**
Net increase/(decrease) in cash and cash equivalents	**- 188,791,389**	**- 111,009,064**	**- 73,334,328**	**- 87,596,281**
Cash and cash equivalents at the beginning of the year	**451,304,933**	**490,000,000**	**378,990,936**	**305,656,608**
Cash and cash equivalents at the end of the year	**262,513,544**	**378,990,936**	**305,656,608**	**218,060,327**

Overview of budget funding

2.5.10 Medium-term outlook: operating revenue

The Municipality derives most of its operational revenue from the provision of goods and 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;
- Revenue management and enhancement;
- Achievement of a 90% annual collection rate for consumer revenue;
- National Treasury guidelines;
- Electricity tariff increases within the National Electricity Regulator of South Africa (NERSA) approval;
- Achievement of full cost recovery of specific user charges;
- Determining tariff escalation rate by establishing/calculating revenue requirements;
- The Property Rates Policy in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA), as amended;
- 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 aligned to the economic forecasts.

The operating revenue over the medium term will primarily grow as a result of tariff increases and not from growth. The only growth projected over the medium term is the Savanna City Housing Development.

No long term investments are projected for the MTREF. Only surplus cash investments for period shorter than 3 months will be made and as required by GRAP these investments are included in cash and cash equivalents on the projected Statement of Financial Position. Refer to Table MBRR SA15 at the end of this document for detailed investment information (a nil return is reflected) and Table MBRR SA16 showing investment particulars by maturity (also a nil return for this year).

2.5.11 Medium-term outlook: capital revenue

The capital amount proposed for 2024/25 amounts to R266 618 087.

The capital budget will be funded as follows:

Capital Budget per Funding Source	R	%
Capital Annuity Loans	64,500,000	24%
Capital Leases	23,100,000	9%
Capital Operational Revenue	57,670,000	22%
Capital Monetary INEP	29,888,000	11%
Capital Monetary MIG	34,561,087	13%
Capital Monetary WSIG	30,599,000	11%
Capital Monetary NDPG	10,000,000	4%
Capital Monetary Developers Contributions	6,000,000	2%
Capital Monetary DAC	6,800,000	3%
Capital Monetary Functional Fire Grant	2,200,000	1%
Donation	1,300,000	0%
TOTAL CAPITAL	**266,618,087**	**100%**

Capital Revenue of R266.6m is reflected in the budget for the 2024/2025 financial year, of which the majority relates to government grants.

Capital Revenue is reflected as operating income in accordance with GRAP requirements but it is not utilised for operations but for capital projects. This theoretically means that the statement of financial performance should reflect at least the amount of capital revenue to have an operating surplus in accounting terms.

It is expected that the capital revenue will increase over the MTREF period as government grants will increase.

The loan amount of R64.5m is part of the R200m facility (2024/2025) which will be drawn down in the 2024/2025 financial year to fund new infrastructure projects. External debt in the form of Hire Purchase (HP) agreements to be taken up to the value of R23.1m to fund new vehicles.

An independent Long Term Financing Strategy has been compiled by the municipality in the previous financial year and was again updated in the current financial year.

Refer to Table MBRR SA 17 for Details of Borrowings contained at the end of the document.

The following graph illustrates the outstanding borrowings vs operating revenue

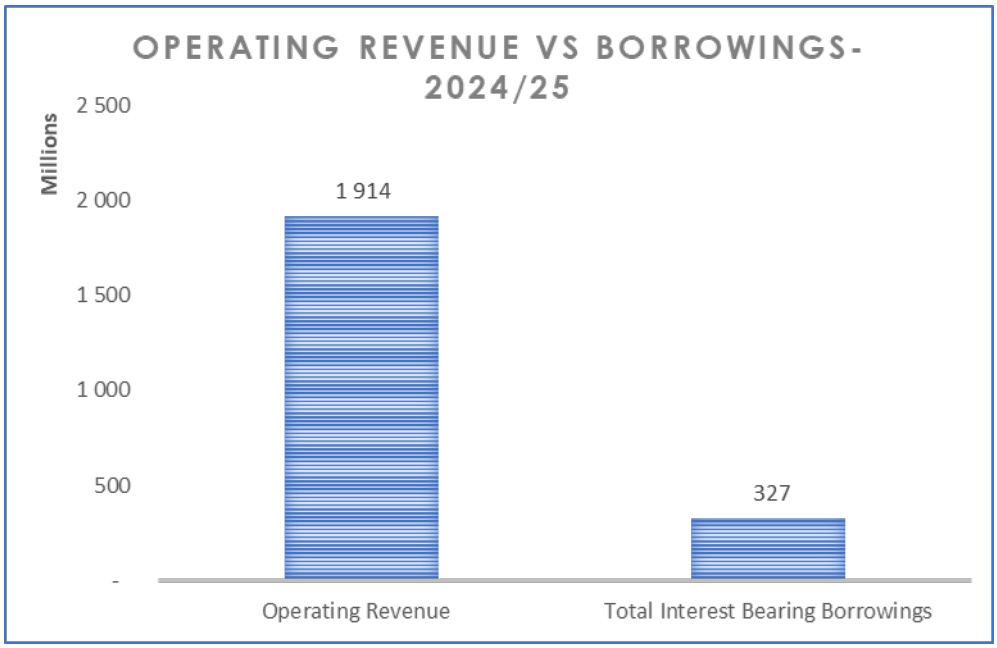


Figure 7 External Borrowings vs Total Operating Revenue

Refer to Table MRBB SA 18 for more detail on capital transfer and grant receipts

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

2.5.12 Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice. Some specific features include:

- Clear separation of receipts and payments within each cash flow category;
- Clear separation of capital and operating receipts from government, which also enables cash from 'Ratepayers and other' to be provide for as cash inflow based on actual performance. In other words, the *actual collection rate* of billed revenue, and
- Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long term borrowing (debt).

Table MBRR A7 provides the projected cash flow statement over the 7-year horizon in NT format.

Whilst the cash flow forecast shows a cash balance of between R410 million and R470 million per year, it is necessary to analyse the cash balance to ensure all reserves are cash backed and that the budget is funded.

2.5.13 Cash Backed Reserves/Accumulated Surplus Reconciliation

MBRR Table A8 appearing at the end of this document provides the Cash backed reserves/accumulated surplus reconciliation and this table meets the requirements of MFMA Circular 42 which deals with the funding of a municipal budget in accordance with sections 18 and 19 of the MFMA. The table seeks to answer three key questions regarding the use and availability of cash:

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

A surplus would indicate the cash-backed accumulated surplus that was/is available. A shortfall (applications > cash and investments) is indicative of non-compliance with section 18 of the MFMA requirement that the municipality's budget must be 'funded'. Non-compliance with section 18 is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded (budgeted spending is greater than funds available or to be collected). It is also important to analyse trends to understand the consequences, e.g. the budget year might indicate a small surplus situation, which in itself is an appropriate outcome, but if in prior years there were much larger surpluses then this negative trend may be a concern that requires closer examination.

From the table it can be seen that the budget for the MTREF period is funded as per the Funding and Reserves policy of the municipality. Please note that the above figures INCLUDES working capital.

- Unspent conditional transfers (grants) are automatically assumed to be an obligation as the municipality has received government transfers in advance of meeting the conditions. Ordinarily, unless there are special circumstances, the municipality is obligated to return unspent conditional grant funds to the national revenue fund at the end of the financial year.
- Unspent borrowing from the previous financial years. Unspent borrowings are ring-fenced and reconciled on a monthly basis to ensure no unnecessary liabilities are incurred.
- Provisions for statutory requirements include the capital replacement reserve, the leave accrual, consumer deposits and retentions held.
- The main purpose of other working capital is to ensure that sufficient funds are available to meet obligations as they fall due. Working capital is calculated as the difference between net debtors (i.e. after provision for non-payment) and creditors.

The municipality analyses its cash balances on a monthly basis and reports the main results as part of the Section 71 report to Council. The projected cash balances for the MTREF period are reflected hereunder:

2.5.14 Funding compliance measurement

National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are contained in the following table. All the information comes directly from the annual

budgeted statements of financial performance, financial position and cash flows. The funding compliance measurement table essentially measures the degree to which the proposed budget

complies with the funding requirements of the MFMA are shown in Table MBRR SA 10. Each of the measures is discussed below.

2.5.14.1 Cash/cash equivalent position

The municipality's forecast cash position was discussed as part of the budgeted cash flow statement. A 'positive' cash position, for each year of the MTREF would generally be a minimum requirement, subject to the planned application of these funds such as cash-backing of reserves and working capital requirements.

2.5.14.2 Cash plus investments less application of funds

The purpose of this measure is to understand how the municipality has applied the available cash and investments as identified in the budgeted cash flow statement. The detail reconciliation of the cash backed reserves/surpluses is contained in Table MBRR A8. The reconciliation is intended to be a relatively simple methodology for understanding the budgeted amount of cash and investments available with any planned or required applications to be made.

2.5.14.3 Monthly average payments covered by cash or cash equivalents

The purpose of this measure is to understand the level of financial risk should the municipality be under stress from a collection and cash in-flow perspective. Regardless of the annual cash position an evaluation should be made of the ability of the Municipality to meet monthly payments as and when they fall due. It is especially important to consider the position should the municipality be faced with an unexpected disaster that threatens revenue collection such as rate boycotts.

2.5.14.4 Surplus/deficit excluding depreciation offsets

The main purpose of this measure is to understand if the revenue levels are sufficient to conclude that the community is making a sufficient contribution for the municipal resources consumed each year. An 'adjusted' surplus/deficit is achieved by offsetting the amount of depreciation related to externally funded assets. Municipalities need to assess the result of this calculation taking into consideration its own circumstances and levels of backlogs. If the outcome is a deficit, it may indicate that rates and service charges are insufficient to ensure that the community is making a sufficient contribution toward the economic benefits they are consuming over the medium term.

It needs to be noted that a surplus does not necessarily mean that the budget is funded from a cash flow perspective and the first two measures in the table are therefore critical.

2.5.14.5 Property Rates/service charge revenue as a percentage increase less macro inflation target

The purpose of this measure is to understand whether the municipality is contributing appropriately to the achievement of national inflation targets. This measure is based on the

increase in ‘revenue’, which will include both the change in the tariff as well as any assumption about real growth such as new property development, services consumption growth etc.

The factor is calculated by deducting the maximum macro-economic inflation target increase (which is currently 3 - 6%). The result is intended to be an approximation of the real increase in revenue.

2.5.14.6 Cash receipts as a percentage of ratepayer and other revenue

This factor is a macro measure of the rate at which funds are ‘collected’. This measure is intended to analyse the underlying assumed collection rate for the MTREF to determine the relevance and credibility of the budget assumptions contained in the budget.

2.5.14.7 Debt impairment expense as a percentage of billable revenue

This factor measures whether the provision for debt impairment is being adequately funded and is based on the underlying assumption that the provision for debt impairment (doubtful and bad debts) has to be increased to offset under-collection of billed revenues.

2.5.14.8 Capital payments percentage of capital expenditure

The purpose of this measure is to determine whether the timing of payments has been taken into consideration when forecasting the cash position. The municipality aims to keep this as low as possible through strict compliance with the legislative requirement that debtors be paid within 30 days.

2.5.14.9 Borrowing as a percentage of capital expenditure (excluding transfers, grants and contributions)

The purpose of this measurement is to determine the proportion of a municipality’s ‘own-funded’ capital expenditure budget that is being funded from borrowed funds to confirm MFMA compliance. Externally funded expenditure (by transfers/grants and contributions) has been be excluded.

2.5.14.10 Transfers/grants revenue as a percentage of Government transfers/grants available

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for. A percentage less than 100% could indicate that not all grants as contained in the Division of Revenue Act (DoRA) have been budgeted for.

2.5.14.11 Consumer debtors change (Current and Non-current)

The purpose of these measures are to ascertain whether budgeted reductions in outstanding debtors are realistic. There are 2 measures shown for this factor; the change in current debtors and the change in long term receivables, both from the Budgeted Financial Position.

2.5.14.12 Repairs and maintenance expenditure level

This measure must be considered important within the context of the funding measures criteria because a trend that indicates insufficient funds are being committed to asset repair could also indicate that the overall budget is not credible and/or sustainable in the medium to long term because the revenue budget is not being protected. Details of the Municipality's strategy pertaining to asset management and repairs and maintenance is contained in Table MBRR SA34C.

2.5.14.13 Asset renewal/rehabilitation expenditure level

This measure has a similar objective to aforementioned objective relating to repairs and maintenance. A requirement of the detailed capital budget (since MFMA Circular 28 which was issued in December 2005) is to categorise each capital project as a new asset or a renewal/rehabilitation project. The objective is to summarise and understand the proportion of budgets being provided for new assets and also asset sustainability. A declining or low level of renewal funding may indicate that a budget is not credible and/or sustainable and future revenue is not being protected, similar to the justification for 'repairs and maintenance' budgets. Further details in this regard are contained in MBRR SA34b.

2.6 Expenditure on grants and reconciliations of unspent funds

The municipality has budgeted for all grants as gazetted in the Division of Revenue Act, 2018 as well as indications received from Gauteng Provincial Government on provincial grants to be expected for the 2024/2025 financial year.

The grants are budgeted for as expenditure items in either the operating or capital budget depending on the conditions of the grant.

The following tables related to expenditure on grants are provided at the end of this document:

- **MBRR SA19 – Expenditure on transfers and grant programmes**
- **MBRR SA 20 – Reconciliation between of transfers, grant receipts and unspent funds**

2.7 Councillor and employee benefits

Midvaal employees are remunerated on a grade 8 of the SA Bargaining Council Scales and Councillors on a grade 4 of the Councillor's grading scale.

A salary increase of 5% has been budgeted for Midvaal employees, and 5% for Senior managers, as well as a 5% increase has been budgeted for Councillors.

The following tables reflect information on councillor and employee benefits:

- **MBRR SA22 – Summary of councillor and staff benefits**
- **MBRR SA23 – Salaries, allowances and benefits (political office bearers /councillors /Deputy municipal manager and senior managers)**
- **MBRR SA24 – Summary of personnel numbers**

2.8 Monthly targets for revenue, expenditure and cash flow

The monthly targets for revenue, expenditure and cash flow are contained in the SDBIP and are also reflected in the following tables:

- **MBRR SA25 – Budgeted monthly revenue and expenditure**
- **MBRR SA26 – Budgeted monthly revenue and expenditure (municipal vote)**
- **MBRR SA27 – Budgeted monthly revenue and expenditure (standard classification)**
- **MBRR SA28 – Budgeted monthly capital expenditure (municipal vote)**
- **Table 32 MBRR SA29 – Budgeted monthly capital expenditure (standard classification)**
- **Table 33 MBRR SA30 – Budgeted monthly cash flow**

2.9 Annual budgets and SDBIPs – internal departments

The SDBIP is attached as Annexure AR.

2.10 Contracts having future budgetary implications

In terms of the Council's Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue and expenditure framework (three years) unless the formal section 33 process is followed. In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid Evaluation and Adjudication Committees must obtain formal financial comments.

The following long term contracts are currently in place:

Name of Service Provider	**Nature of service rendered**	**Date appointment**	**Period of appointment**	**Estimated cost over contract period**
Nedbank	Banking Services	01/04/2022	5 years	R7,155.574
Ndlala Mass Valuations	Compilation of supplementary valuation rolls	01/07/2018	5 years	R2,500,000

2.11 Capital expenditure details

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

- **MBRR SA 34a – Capital expenditure on new assets by asset class**
- **MBRR SA34b – Capital expenditure on the renewal of existing assets by asset class**
- **MBRR SA34c – Repairs and maintenance expenditure by asset class**
- **MBRR SA35 – Future financial implications of the capital budget**
- **MBRR SA36 – Detailed capital budget per municipal vote**
- **34 MBRR SA37 – Projects delayed from previous financial year**

2.12 Legislation compliance status

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

1. **In year reporting**

   Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) and includes monthly published financial performance on the Municipality's website.

2. **Internship programme**

   The Municipality is participating in the Municipal Financial Management Internship programme and has five intern positions for training in various divisions of the Financial Services Department.

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 finalised after approval of the 2024/25 MTREF in May 2024.

6. **Annual Report**

   The Annual report is compiled in terms of the MFMA and National Treasury requirements.

2.13 Other supporting documents

The following additional tables are provided for additional information:

- **MBRR Table SA1 – Supporting detail to budgeted financial performance**
- **MBRR Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)**
- **MBRR Table SA3 – Supporting detail to Statement of Financial Position**
- **MBRR Table SA9 – Social, economic and demographic statistics and assumptions**
- **MBRR SA32 – List of external mechanisms**
- **Schedule of Service Delivery Standards Table**

2.14 Municipal Manager's quality certificate

I, AM Groenewald, Municipal Manager of Midvaal, 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 AM GROENEWALD
Municipal Manager of Midvaal Local Municipality (GT422)

ORIGINAL SIGNED

Signature _____
Date 17 May 2024

List of Tables provided as additional information

- **MBRR Table SA4 – Reconciliation between the IDP strategic objectives and budgeted revenue**
- **MBRR Table SA5 – Reconciliation between the IDP strategic objectives and budgeted operating expenditure**
- **MBRR Table SA6 – Reconciliation between the IDP strategic objectives and budgeted capital expenditure**
- **MBRR Table SA7 – Measurable performance objectives**
- **MBRR Table SA8 – Performance indicators and benchmarks**
- **MBRR SA15 – Detail Investment Information**
- **MBRR SA16 – Investment particulars by maturity**
- **MBRR Table SA 17 – Detail of borrowings**
- **MBRR Table SA 18 – Capital transfers and grant receipts**
- **MBRR Table A7 – Budget cash flow statement**
- **MBRR Table A8 – Cash backed reserves/accumulated surplus reconciliation**
- **MBRR SA10 – Funding compliance measurement**
- **MBRR SA19 – Expenditure on transfers and grant programmes**
- **MBRR SA 20 – Reconciliation between of transfers, grant receipts and unspent funds**
- **MBRR SA22 – Summary of councillor and staff benefits**
- **MBRR SA23 – Salaries, allowances and benefits (political office bearers /councillors /Deputy municipal manager and senior managers)**
- **MBRR SA24 – Summary of personnel numbers**
- **MBRR SA25 – Budgeted monthly revenue and expenditure**
- **MBRR SA26 – Budgeted monthly revenue and expenditure (municipal vote)**
- **MBRR SA27 – Budgeted monthly revenue and expenditure (standard classification)**
- **MBRR SA28 – Budgeted monthly capital expenditure (municipal vote)**
- **Table 35 MBRR SA29 – Budgeted monthly capital expenditure (standard classification)**
- **Table 36 MBRR SA30 – Budgeted monthly cash flow**
- **MBRR Table SA1 – Supporting detail to budgeted financial performance**
- **MBRR Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)**
- **MBRR Table SA3 – Supporting detail to Statement of Financial Position**
- **MBRR Table SA9 – Social, economic and demographic statistics and assumptions**
- **MBRR SA32 – List of external mechanisms**
- **Schedule of Service Delivery Standards Table**

Annexure A1
NT Format Budget
Document Schedules
2024/2025

GT422 Midvaal - Table A1 Budget Summary

Description	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Financial Performance										
Property rates	253 452	273 314	296 169	321 362	326 734	326 734	295 124	349 605	370 581	392 816
Service charges	734 246	786 096	802 894	994 035	951 532	951 532	813 415	1 047 774	1 172 787	1 314 780
Investment revenue	17 194	18 248	32 679	21 144	42 144	42 144	40 258	44 209	46 242	48 323
Transfer and subsidies - Operational	159 071	150 862	172 219	193 221	190 043	190 043	182 702	206 570	214 793	233 262
Other own revenue	99 123	95 111	117 702	165 235	134 550	134 550	93 125	139 114	148 374	155 806
Total Revenue (excluding capital transfers and contributions)	1 263 085	1 323 631	1 421 663	1 694 996	1 645 002	1 645 002	1 424 624	1 787 272	1 952 778	2 144 987
Employee costs	298 272	322 148	345 632	433 982	396 391	396 391	334 352	423 686	439 885	463 634
Remuneration of councillors	12 822	12 968	14 364	13 860	14 904	14 904	13 950	15 270	16 049	16 851
Depreciation and amortisation	134 535	127 289	99 105	140 855	115 481	115 481	98 055	118 783	122 369	126 245
Interest	17 471	30 123	22 946	24 212	22 212	22 212	8 598	23 767	25 431	27 211
Inventory consumed and bulk purchases	350 408	494 865	485 922	669 968	665 238	665 238	509 325	722 314	818 136	928 360
Transfers and subsidies	1 212	1 534	1 465	1 500	2 337	2 337	1 002	2 500	2 500	2 500
Other expenditure	291 484	348 766	376 239	516 657	516 414	516 414	316 194	566 701	603 251	652 345
Total Expenditure	1 106 204	1 337 691	1 345 674	1 801 035	1 732 976	1 732 976	1 281 475	1 873 020	2 027 620	2 217 146
Surplus/(Deficit)	156 881	(14 060)	75 989	(106 038)	(87 974)	(87 974)	143 149	(85 748)	(74 842)	(72 159)
Transfers and subsidies - capital (monetary allocations)	184 315	96 481	98 947	101 140	106 529	106 529	88 419	125 232	95 413	91 107
Transfers and subsidies - capital (in-kind)	–	–	10 191	–	–	–	–	1 300	–	–
Surplus/(Deficit) after capital transfers & contributions	341 196	82 421	185 127	(4 899)	18 555	18 555	231 568	40 784	20 571	18 948
Share of Surplus/Deficit attributable to Associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	341 196	82 421	185 127	(4 899)	18 555	18 555	231 568	40 784	20 571	18 948
Capital expenditure & funds sources										
Capital expenditure	239 433	164 627	168 766	259 622	270 012	270 012	185 404	266 618	208 588	147 442
Transfers recognised - capital	172 541	87 901	103 737	96 507	102 246	102 246	84 870	121 348	91 188	86 542
Borrowing	26 307	36 518	17 546	74 780	118 790	118 790	70 564	87 600	69 150	23 000
Internally generated funds	40 585	40 209	47 483	88 335	48 975	48 975	29 969	57 670	48 250	37 900
Total sources of capital funds	239 433	164 627	168 766	259 622	270 012	270 012	185 404	266 618	208 588	147 442
Financial position										
Total current assets	625 023	745 569	915 017	639 005	945 899	945 899	985 122	837 597	745 016	678 184
Total non current assets	2 129 253	2 153 572	2 201 836	2 563 744	2 356 484	2 356 484	2 289 179	2 292 159	2 564 433	2 608 287
Total current liabilities	390 587	354 748	314 747	258 829	236 091	236 091	242 716	159 373	146 725	156 065
Total non current liabilities	147 992	237 215	220 666	324 248	305 457	305 457	230 878	216 770	329 442	304 501
Community wealth/Equity	2 505 205	2 453 782	2 617 370	2 610 448	3 083 160	3 083 160	2 815 605	2 743 129	2 823 849	2 817 595
Cash flows										
Net cash from (used) operating	(40 227)	640 282	493 731	182 199	7 839	7 839	2 233 722	80 640	(132 965)	(115 145)
Net cash from (used) investing	(109 053)	(164 627)	(167 085)	(249 492)	(256 825)	(256 825)	(178 472)	(256 068)	(193 688)	(138 542)
Net cash from (used) financing	21 500	(21 589)	(16 310)	73 847	72 009	72 009	7 633	45 464	112 013	68 291
Cash/cash equivalents at the year end	(527 827)	2 761	(177 627)	(143 880)	(532 410)	(532 410)	2 062 884	430 039	215 398	30 002
Cash backing/surplus reconciliation										
Cash and investments available	401 305	487 962	495 402	274 860	498 649	498 649	457 629	434 487	346 328	290 706
Application of cash and investments	303 947	151 383	75 333	112 080	41 139	41 139	(499 677)	(228 279)	(229 739)	(217 575)
Balance - surplus (shortfall)	97 358	336 579	420 069	162 780	457 510	457 510	957 307	662 766	576 067	508 280
Asset management										
Asset register summary (WDV)	1 943 292	2 019 829	2 062 114	2 272 160	2 065 030	2 065 030		2 000 575	2 272 849	2 316 703
Depreciation	134 535	127 289	99 105	140 855	115 481	115 481		118 783	122 369	126 245
Renewal and Upgrading of Existing Assets	165 653	93 088	88 019	137 062	124 769	124 769		128 280	113 988	99 466
Repairs and Maintenance	99 001	134 543	163 356	191 100	198 501	198 501		202 246	210 667	220 685
Free services										
Cost of Free Basic Services provided	8 166	6 768	7 942	9 629	8 717	8 717		9 508	10 510	11 634
Revenue cost of free services provided	68 531	67 517	71 718	76 746	74 305	74 305		79 335	84 205	89 376
Households below minimum service level										
Water:	4	4	–	0	0	0		0	0	0
Sanitation/sewerage:	1	1	–	0	0	0		1	1	1
Energy:	7	7	–	23	23	23		23	164	165
Refuse:	10	10	–	10	10	10		10	10	10

GT422 Midvaal - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue - Functional										
Governance and administration		**464 574**	**381 878**	**449 327**	**459 969**	**498 962**	**498 962**	**525 872**	**540 418**	**567 185**
Executive and council		6 218	6 473	6 665	6 665	6 665	6 665	6 864	7 144	7 431
Finance and administration		458 356	375 405	442 662	453 304	492 297	492 297	519 008	533 274	559 754
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		**104 402**	**108 893**	**107 018**	**171 915**	**132 829**	**132 829**	**135 376**	**131 605**	**128 143**
Community and social services		21 313	22 927	18 965	21 376	21 965	21 965	22 146	22 510	23 278
Sport and recreation		12 337	9 946	4 523	16 943	18 348	18 348	21 313	11 754	1 859
Public safety		66 999	71 361	79 403	128 311	87 802	87 802	86 888	92 081	97 585
Housing		–	–	–	–	–	–	–	–	–
Health		3 752	4 658	4 126	5 284	4 714	4 714	5 029	5 259	5 421
Economic and environmental services		**12 591**	**14 067**	**8 165**	**20 437**	**24 162**	**24 162**	**28 704**	**29 339**	**22 612**
Planning and development		2 894	10 845	7 929	14 304	20 352	20 352	14 023	14 258	9 531
Road transport		6 072	2	(4 010)	1 780	729	729	11 600	12 000	10 000
Environmental protection		3 625	3 220	4 246	4 352	3 081	3 081	3 081	3 081	3 081
Trading services		**865 833**	**915 274**	**966 292**	**1 143 816**	**1 095 579**	**1 095 579**	**1 223 851**	**1 346 831**	**1 518 154**
Energy sources		402 044	488 835	472 394	650 067	589 862	589 862	689 466	772 753	890 861
Water management		329 085	276 686	313 620	347 561	348 905	348 905	368 809	377 910	417 380
Waste water management		83 302	85 622	113 758	77 725	85 820	85 820	89 841	95 304	104 084
Waste management		51 402	64 132	66 520	68 463	70 993	70 993	75 735	100 864	105 830
Other	4	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Revenue - Functional	2	**1 447 400**	**1 420 112**	**1 530 801**	**1 796 136**	**1 751 531**	**1 751 531**	**1 913 804**	**2 048 192**	**2 236 094**
Expenditure - Functional										
Governance and administration		**200 359**	**211 180**	**220 868**	**289 556**	**286 764**	**286 764**	**323 542**	**337 808**	**355 059**
Executive and council		32 528	30 882	36 429	50 916	51 255	51 255	58 040	60 934	63 651
Finance and administration		167 831	180 298	184 439	238 640	235 509	235 509	265 501	276 874	291 407
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		**172 938**	**185 836**	**202 340**	**276 997**	**235 684**	**235 684**	**244 532**	**253 289**	**268 718**
Community and social services		19 333	23 004	25 268	27 900	26 939	26 939	28 126	27 776	31 520
Sport and recreation		24 778	32 569	36 719	44 598	43 653	43 653	43 986	44 867	46 996
Public safety		124 404	125 805	135 968	198 780	159 593	159 593	166 585	174 562	183 962
Housing		–	–	–	–	–	–	–	–	–
Health		4 423	4 458	4 384	5 719	5 499	5 499	5 835	6 084	6 241
Economic and environmental services		**93 804**	**106 862**	**111 324**	**138 014**	**131 851**	**131 851**	**133 503**	**140 324**	**147 040**
Planning and development		30 916	38 941	38 540	47 406	47 243	47 243	47 631	50 311	52 726
Road transport		59 115	63 762	68 437	85 995	80 062	80 062	81 573	85 496	89 572
Environmental protection		3 773	4 160	4 347	4 612	4 546	4 546	4 300	4 518	4 742
Trading services		**772 691**	**855 352**	**844 475**	**1 096 468**	**1 078 715**	**1 078 715**	**1 171 443**	**1 296 199**	**1 446 329**
Energy sources		417 636	482 044	449 442	645 019	616 634	616 634	667 925	762 708	885 003
Water management		226 152	226 777	245 775	261 111	260 573	260 573	274 567	291 247	304 971
Waste water management		63 902	75 598	86 214	92 183	95 977	95 977	100 856	110 376	116 075
Waste management		65 002	70 932	63 043	98 156	105 531	105 531	128 095	131 867	140 281
Other	4	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Expenditure - Functional	3	**1 239 792**	**1 359 229**	**1 379 007**	**1 801 035**	**1 733 013**	**1 733 013**	**1 873 020**	**2 027 620**	**2 217 146**
Surplus/(Deficit) for the year		**207 608**	**60 883**	**151 794**	**(4 899)**	**18 519**	**18 519**	**40 784**	**20 571**	**18 948**

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes

2. Total Revenue by functional classification must reconcile to Total Operating Revenue shown in Budgeted Financial Performance (revenue and expenditure)

3. Total Expenditure by Functional Classification must reconcile to Total Operating Expenditure shown in Budgeted Financial Performance (revenue and expenditure)

4. All amounts must be classified under a functional classification . The GFS function 'Other' is only for Abbatoirs, Air Transport, Forestry, Licensing and Regulation, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification.

GT422 Midvaal - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue - Functional										
Municipal governance and administration		**464 574**	**381 878**	**449 327**	**459 969**	**498 962**	**498 962**	**525 872**	**540 418**	**567 185**
Executive and council		6 218	6 473	6 665	6 665	6 665	6 665	6 864	7 144	7 431
Mayor and Council		6 218	6 473	6 665	6 665	6 665	6 665	6 864	7 144	7 431
Municipal Manager, Town Secretary and Chief Executive										
Finance and administration		458 356	375 405	442 662	453 304	492 297	492 297	519 008	533 274	559 754
Administrative and Corporate Support		106 208	4 707	1 940	1 878	1 758	1 758	8 283	5 731	6 191
Asset Management										
Finance		350 775	369 059	439 048	449 455	488 787	488 787	508 868	525 575	551 478
Fleet Management										
Human Resources		359	542	581	656	656	656	696	738	782
Information Technology										
Legal Services										
Marketing, Customer Relations, Publicity and Media Co-ordination										
Property Services		1 014	1 098	1 093	1 315	1 095	1 095	1 161	1 230	1 304
Risk Management										
Security Services										
Supply Chain Management										
Valuation Service										
Internal audit		–	–	–	–	–	–	–	–	–
Governance Function										
Community and public safety		**104 402**	**108 893**	**107 018**	**171 915**	**132 829**	**132 829**	**135 376**	**131 605**	**128 143**
Community and social services		**21 313**	**22 927**	**18 965**	**21 376**	**21 965**	**21 965**	**22 146**	**22 510**	**23 278**
Aged Care										
Agricultural										
Animal Care and Diseases										
Cemeteries, Funeral Parlours and Crematoriums		1 028	1 062	792	876	876	876	929	985	1 044
Child Care Facilities										
Community Halls and Facilities										
Consumer Protection										
Cultural Matters										
Disaster Management										
Education										
Indigenous and Customary Law										
Industrial Promotion										
Language Policy										
Libraries and Archives		20 286	21 865	18 173	20 500	21 089	21 089	21 217	21 525	22 235
Literacy Programmes										
Media Services										
Museums and Art Galleries										
Population Development										
Provincial Cultural Matters										
Theatres										
Zoo's										
Sport and recreation		**12 337**	**9 946**	**4 523**	**16 943**	**18 348**	**18 348**	**21 313**	**11 754**	**1 859**
Beaches and Jetties										
Casinos, Racing, Gambling, Wagering										
Community Parks (including Nurseries)		1 987	1 539	3 152	3 977	4 881	4 881	2 618	1 487	1 577
Recreational Facilities		10 351	8 407	1 372	12 966	13 467	13 467	18 696	10 266	282
Sports Grounds and Stadiums										
Public safety		**66 999**	**71 361**	**79 403**	**128 311**	**87 802**	**87 802**	**86 888**	**92 081**	**97 585**
Civil Defence										
Cleansing										
Control of Public Nuisances										
Fencing and Fences										
Fire Fighting and Protection		2 652	3 042	6 059	3 369	6 987	6 987	3 426	1 282	1 340
Licensing and Control of Animals										
Police Forces, Traffic and Street Parking Control		64 348	68 319	73 344	124 943	80 815	80 815	83 462	90 799	96 245
Pounds										
Housing		–	–	–	–	–	–	–	–	–
Housing										
Informal Settlements										
Health		**3 752**	**4 658**	**4 126**	**5 284**	**4 714**	**4 714**	**5 029**	**5 259**	**5 421**
Ambulance										
Health Services		3 752	4 658	4 126	5 284	4 714	4 714	5 029	5 259	5 421
Laboratory Services										
Food Control										
Health Surveillance and Prevention of Communicable Diseases										
Vector Control										
Chemical Safety										

Economic and environmental services		**12 591**	**14 067**	**8 165**	**20 437**	**24 162**	**24 162**	**28 704**	**29 339**	**22 612**
Planning and development		**2 894**	**10 845**	**7 929**	**14 304**	**20 352**	**20 352**	**14 023**	**14 258**	**9 531**
Billboards										
Corporate Wide Strategic Planning (IDPs, LEDs)										
Central City Improvement District										
Development Facilitation										
Economic Development/Planning		29	7 614	4 149	10 064	16 615	16 615	10 068	10 072	5 102
Regional Planning and Development										
Town Planning, Building Regulations and Enforcement, and City		2 865	3 231	3 779	4 240	3 736	3 736	3 955	4 185	4 429
Project Management Unit										
Provincial Planning										
Support to Local Municipalities										
Road transport		**6 072**	**2**	**(4 010)**	**1 780**	**729**	**729**	**11 600**	**12 000**	**10 000**
Public Transport										
Road and Traffic Regulation										
Roads		6 072	2	(4 010)	1 780	729	729	11 600	12 000	10 000
Taxi Ranks										
Environmental protection		**3 625**	**3 220**	**4 246**	**4 352**	**3 081**	**3 081**	**3 081**	**3 081**	**3 081**
Biodiversity and Landscape										
Coastal Protection										
Indigenous Forests										
Nature Conservation										
Pollution Control		3 625	3 220	4 246	4 352	3 081	3 081	3 081	3 081	3 081
Soil Conservation										
Trading services		**865 833**	**915 274**	**966 292**	**1 143 816**	**1 095 579**	**1 095 579**	**1 223 851**	**1 346 831**	**1 518 154**
Energy sources		**402 044**	**488 835**	**472 394**	**650 067**	**589 862**	**589 862**	**689 466**	**772 753**	**890 861**
Electricity		402 044	488 835	472 394	650 067	589 862	589 862	689 466	772 753	890 861
Street Lighting and Signal Systems										
Nonelectric Energy										
Water management		**329 085**	**276 686**	**313 620**	**347 561**	**348 905**	**348 905**	**368 809**	**377 910**	**417 380**
Water Treatment										
Water Distribution		329 085	276 686	313 620	347 561	348 905	348 905	368 809	377 910	417 380
Water Storage										
Waste water management		**83 302**	**85 622**	**113 758**	**77 725**	**85 820**	**85 820**	**89 841**	**95 304**	**104 084**
Public Toilets										
Sewerage		83 302	85 622	113 758	77 725	85 820	85 820	89 841	95 304	104 084
Storm Water Management										
Waste Water Treatment										
Waste management		**51 402**	**64 132**	**66 520**	**68 463**	**70 993**	**70 993**	**75 735**	**100 864**	**105 830**
Recycling										
Solid Waste Disposal (Landfill Sites)										
Solid Waste Removal		51 402	64 132	66 520	68 463	70 993	70 993	75 735	100 864	105 830
Street Cleaning										
Other		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Abattoirs										
Air Transport										
Forestry										
Licensing and Regulation										
Markets										
Tourism										
Total Revenue - Functional	2	**1 447 400**	**1 420 112**	**1 530 801**	**1 796 136**	**1 751 531**	**1 751 531**	**1 913 804**	**2 048 192**	**2 236 094**

Expenditure - Functional									
Municipal governance and administration	**200 359**	**211 180**	**220 868**	**289 556**	**286 764**	**286 764**	**323 542**	**337 808**	**355 059**
Executive and council	32 528	30 882	36 429	50 916	51 255	51 255	58 040	60 934	63 651
Mayor and Council	25 916	25 625	30 439	38 463	37 123	37 123	37 938	39 661	41 435
Municipal Manager, Town Secretary and Chief Executive	6 612	5 257	5 990	12 453	14 132	14 132	20 103	21 273	22 216
Finance and administration	167 831	180 298	184 439	238 640	235 509	235 509	265 501	276 874	291 407
Administrative and Corporate Support	61 312	47 640	50 977	63 318	62 603	62 603	71 743	70 469	74 074
Asset Management									
Finance	63 194	84 152	77 562	108 329	102 746	102 746	119 208	128 338	135 632
Fleet Management	4 173	4 756	4 561	7 526	6 456	6 456	7 171	7 402	7 772
Human Resources	19 299	21 492	20 422	23 339	22 071	22 071	23 405	24 544	25 715
Information Technology	13 930	16 885	22 764	23 897	29 659	29 659	31 816	33 258	34 741
Legal Services									
Marketing, Customer Relations, Publicity and Media Co-ordination	3 170	2 411	3 755	2 865	3 809	3 809	3 941	4 236	4 305
Property Services	2 753	2 962	4 398	9 367	8 165	8 165	8 218	8 626	9 168
Risk Management									
Security Services									
Supply Chain Management									
Valuation Service									
Internal audit	–	–	–	–	–	–	–	–	–
Governance Function									
Community and public safety	**172 938**	**185 836**	**202 340**	**276 997**	**235 684**	**235 684**	**244 532**	**253 289**	**268 718**
Community and social services	**19 333**	**23 004**	**25 268**	**27 900**	**26 939**	**26 939**	**28 126**	**27 776**	**31 520**
Aged Care									
Agricultural									
Animal Care and Diseases									
Cemeteries, Funeral Parlours and Crematoriums	1 198	1 137	1 182	1 365	1 124	1 124	1 155	1 208	1 264
Child Care Facilities									
Community Halls and Facilities									
Consumer Protection									
Cultural Matters									
Disaster Management									
Education									
Indigenous and Customary Law									
Industrial Promotion									
Language Policy									
Libraries and Archives	18 135	21 867	24 086	26 535	25 815	25 815	26 971	26 567	30 256
Literacy Programmes									
Media Services									
Museums and Art Galleries									
Population Development									
Provincial Cultural Matters									
Theatres									
Zoo's									
Sport and recreation	**24 778**	**32 569**	**36 719**	**44 598**	**43 653**	**43 653**	**43 986**	**44 867**	**46 996**
Beaches and Jetties									
Casinos, Racing, Gambling, Wagering									
Community Parks (including Nurseries)	21 166	26 437	30 792	37 360	35 792	35 792	35 179	36 294	38 048
Recreational Facilities	3 612	6 132	5 927	7 238	7 861	7 861	8 807	8 573	8 949
Sports Grounds and Stadiums									
Public safety	**124 404**	**125 805**	**135 968**	**198 780**	**159 593**	**159 593**	**166 585**	**174 562**	**183 962**
Civil Defence									
Cleansing									
Control of Public Nuisances									
Fencing and Fences									
Fire Fighting and Protection	28 479	31 866	36 656	49 818	44 711	44 711	46 915	48 140	50 436
Licensing and Control of Animals									
Police Forces, Traffic and Street Parking Control	95 925	93 938	99 312	148 962	114 882	114 882	119 670	126 422	133 525
Pounds									
Housing	–	–	–	–	–	–	–	–	–
Housing									
Informal Settlements									
Health	**4 423**	**4 458**	**4 384**	**5 719**	**5 499**	**5 499**	**5 835**	**6 084**	**6 241**
Ambulance									
Health Services	4 423	4 458	4 384	5 719	5 499	5 499	5 835	6 084	6 241
Laboratory Services									
Food Control									
Health Surveillance and Prevention of Communicable Diseases									
Vector Control									
Chemical Safety									

Economic and environmental services		**93 804**	**106 862**	**111 324**	**138 014**	**131 851**	**131 851**	**133 503**	**140 324**	**147 040**
Planning and development		**30 916**	**38 941**	**38 540**	**47 406**	**47 243**	**47 243**	**47 631**	**50 311**	**52 726**
Billboards										
Corporate Wide Strategic Planning (IDPs, LEDs)										
Central City Improvement District										
Development Facilitation										
Economic Development/Planning		18 883	20 340	19 660	25 101	25 505	25 505	26 679	28 303	29 631
Regional Planning and Development										
Town Planning, Building Regulations and Enforcement, and City		12 033	18 601	18 879	22 306	21 738	21 738	20 952	22 007	23 095
Project Management Unit										
Provincial Planning										
Support to Local Municipalities										
Road transport		**59 115**	**63 762**	**68 437**	**85 995**	**80 062**	**80 062**	**81 573**	**85 496**	**89 572**
Public Transport										
Road and Traffic Regulation										
Roads		59 115	63 762	68 437	85 995	80 062	80 062	81 573	85 496	89 572
Taxi Ranks										
Environmental protection		**3 773**	**4 160**	**4 347**	**4 612**	**4 546**	**4 546**	**4 300**	**4 518**	**4 742**
Biodiversity and Landscape										
Coastal Protection										
Indigenous Forests										
Nature Conservation										
Pollution Control		3 773	4 160	4 347	4 612	4 546	4 546	4 300	4 518	4 742
Soil Conservation										
Trading services		**772 691**	**855 352**	**844 475**	**1 096 468**	**1 078 715**	**1 078 715**	**1 171 443**	**1 296 199**	**1 446 329**
Energy sources		**417 636**	**482 044**	**449 442**	**645 019**	**616 634**	**616 634**	**667 925**	**762 708**	**885 003**
Electricity		417 636	482 044	449 442	645 019	616 634	616 634	667 925	762 708	885 003
Street Lighting and Signal Systems										
Nonelectric Energy										
Water management		**226 152**	**226 777**	**245 775**	**261 111**	**260 573**	**260 573**	**274 567**	**291 247**	**304 971**
Water Treatment										
Water Distribution		226 152	226 777	245 775	261 111	260 573	260 573	274 567	291 247	304 971
Water Storage										
Waste water management		**63 902**	**75 598**	**86 214**	**92 183**	**95 977**	**95 977**	**100 856**	**110 376**	**116 075**
Public Toilets										
Sewerage		50 432	55 516	62 775	64 048	66 893	66 893	71 515	79 495	83 593
Storm Water Management										
Waste Water Treatment		13 469	20 083	23 439	28 134	29 084	29 084	29 341	30 882	32 481
Waste management		**65 002**	**70 932**	**63 043**	**98 156**	**105 531**	**105 531**	**128 095**	**131 867**	**140 281**
Recycling										
Solid Waste Disposal (Landfill Sites)		10 446	26 306	20 531	32 115	27 700	27 700	27 138	27 970	28 829
Solid Waste Removal		54 556	44 627	42 512	66 041	77 831	77 831	100 957	103 896	111 452
Street Cleaning										
Other		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Abattoirs										
Air Transport										
Forestry										
Licensing and Regulation										
Markets										
Tourism										
Total Expenditure - Functional	3	**1 239 792**	**1 359 229**	**1 379 007**	**1 801 035**	**1 733 013**	**1 733 013**	**1 873 020**	**2 027 620**	**2 217 146**
Surplus/(Deficit) for the year		**207 608**	**60 883**	**151 794**	**(4 899)**	**18 519**	**18 519**	**40 784**	**20 571**	**18 948**

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist national and international accounts and comparison

2. Total Revenue by Functional Classification must reconcile to total operating revenue shown in Financial Performance (revenue and expenditure)

3. Total Expenditure by Functional Classification must reconcile to total operating expenditure shown in Financial Performance (revenue and expenditure)

4. All amounts must be classified under a Functional classification. The GFS function 'Other' is only for Abbatoirs, Air Transport, Forestry, Licensing and Regulation, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification

GT422 Midvaal - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue by Vote	1									
Vote 01 - Executive & Council		111 073	9 627	6 665	6 665	6 665	6 665	6 864	7 144	7 431
Vote 02 - Corporate Services		1 155	1 572	1 675	1 980	1 760	1 760	1 865	1 977	2 096
Vote 03 - Financial Services		350 775	369 059	439 048	449 455	488 787	488 787	508 868	525 575	551 478
Vote 04 - Development & Planning		2 894	10 845	7 929	14 304	20 352	20 352	14 023	14 258	9 531
Vote 05 - Health		3 752	4 658	4 126	5 284	4 714	4 714	5 029	5 259	5 421
Vote 06 - Community And Social Services		33 651	32 873	23 488	38 319	40 314	40 314	43 459	34 264	25 137
Vote 07 - Public Safety		2 652	3 042	6 059	3 369	6 987	6 987	3 426	1 282	1 340
Vote 08 - Sport And Recreation		–	–	–	–	–	–	–	–	–
Vote 09 - Environmental Protection		3 625	3 220	4 246	4 352	3 081	3 081	3 081	3 081	3 081
Vote 10 - Waste Water Management		83 302	85 622	113 758	77 725	85 820	85 820	89 841	95 304	104 084
Vote 11 - Solid Waste Management		51 402	64 132	66 520	68 463	70 993	70 993	75 735	100 864	105 830
Vote 12 - Roads And Transport		70 420	68 321	69 334	126 723	81 544	81 544	95 062	102 799	106 245
Vote 13 - Water Services		329 085	276 686	313 620	347 561	348 905	348 905	368 809	377 910	417 380
Vote 14 - Electrical Services		403 615	490 456	474 333	651 937	591 611	591 611	697 741	778 475	897 042
Vote 15 - Other		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	**1 447 400**	**1 420 112**	**1 530 801**	**1 796 136**	**1 751 531**	**1 751 531**	**1 913 804**	**2 048 192**	**2 236 094**
Expenditure by Vote ***to be appropriated***	1									
Vote 01 - Executive & Council		43 401	28 462	36 350	50 195	50 759	50 759	57 549	60 447	63 169
Vote 02 - Corporate Services		63 736	64 573	75 596	88 587	96 266	96 266	100 395	105 029	110 032
Vote 03 - Financial Services		63 194	84 152	77 562	104 510	98 927	98 927	115 388	124 519	131 812
Vote 04 - Development & Planning		30 916	38 941	38 540	46 364	46 715	46 715	47 102	49 783	52 198
Vote 05 - Health		4 130	4 154	4 142	5 701	5 120	5 120	5 456	5 705	5 861
Vote 06 - Community And Social Services		53 808	66 160	70 622	84 378	81 245	81 245	83 937	83 616	90 016
Vote 07 - Public Safety		28 455	31 858	36 487	49 817	44 625	44 625	46 828	48 053	50 350
Vote 08 - Sport And Recreation		–	–	–	–	–	–	–	–	–
Vote 09 - Environmental Protection		3 773	4 160	4 347	4 612	4 546	4 546	4 300	4 518	4 742
Vote 10 - Waste Water Management		55 826	68 105	79 522	92 122	89 751	89 751	94 630	104 151	109 849
Vote 11 - Solid Waste Management		65 096	71 032	63 149	100 619	106 723	106 723	129 288	133 059	141 473
Vote 12 - Roads And Transport		159 205	162 448	172 302	242 470	201 377	201 377	208 391	219 298	230 847
Vote 13 - Water Services		224 143	226 892	245 760	262 165	262 159	262 159	276 152	292 833	306 556
Vote 14 - Electrical Services		444 108	508 293	474 630	669 494	644 801	644 801	703 603	796 611	920 240
Vote 15 - Other		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	**1 239 792**	**1 359 229**	**1 379 007**	**1 801 035**	**1 733 013**	**1 733 013**	**1 873 020**	**2 027 620**	**2 217 146**
Surplus/(Deficit) for the year	2	**207 608**	**60 883**	**151 794**	**(4 899)**	**18 519**	**18 519**	**40 784**	**20 571**	**18 948**

References

1. Insert 'Vote'; e.g. department, if different to functional classification structure

2. Must reconcile to Budgeted Financial Performance (revenue and expenditure)

3. Assign share in 'associate' to relevant Vote

GT422 Midvaal - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue by Vote	1									
Vote 01 - Executive & Council		**111 073**	**9 627**	**6 665**	**6 665**	**6 665**	**6 665**	**6 864**	**7 144**	**7 431**
01.1 - Municipal Manager		–	–	–	–	–	–	–	–	–
01.2 - Councillors		6 218	6 473	6 665	6 665	6 665	6 665	6 864	7 144	7 431
01.3 - Speakers Office		–	–	–	–	–	–	–	–	–
01.4 - Office Of The Mayor		–	–	–	–	–	–	–	–	–
01.5 - Savanna City		104 855	3 154	–	–	–	–	–	–	–
Vote 02 - Corporate Services		**1 155**	**1 572**	**1 675**	**1 980**	**1 760**	**1 760**	**1 865**	**1 977**	**2 096**
02.1 - Corporate Services Admininstration		(218)	(68)	1	8	8	8	9	9	10
02.2 - Council Building		1 014	1 098	1 093	1 315	1 095	1 095	1 161	1 230	1 304
02.3 - Public Relations Officer		–	–	–	–	–	–	–	–	–
02.4 - It Services		–	–	–	–	–	–	–	–	–
02.5 - Performance Audit		–	–	–	–	–	–	–	–	–
02.6 - Human Resources		359	542	581	656	656	656	696	738	782
Vote 03 - Financial Services		**350 775**	**369 059**	**439 048**	**449 455**	**488 787**	**488 787**	**508 868**	**525 575**	**551 478**
03.1 - Financial Services - Administration		349 312	368 695	437 497	449 071	488 404	488 404	508 466	525 154	551 038
03.2 - Financial Services - Income		1 449	309	1 477	383	383	383	402	421	439
03.3 - Financial Services - Expenditure		15	55	74	–	–	–	–	–	–
Vote 04 - Development & Planning		**2 894**	**10 845**	**7 929**	**14 304**	**20 352**	**20 352**	**14 023**	**14 258**	**9 531**
04.1 - Development & Planning		29	7 614	4 149	10 064	16 615	16 615	10 068	10 072	5 102
04.2 - Building Control		376	357	367	990	486	486	509	533	557
04.3 - Town Planning		2 489	2 874	3 412	3 251	3 251	3 251	3 446	3 653	3 872
Vote 05 - Health		**3 752**	**4 658**	**4 126**	**5 284**	**4 714**	**4 714**	**5 029**	**5 259**	**5 421**
05.1 - Clinic Randvaal		637	903	882	920	821	821	913	939	979
05.2 - Clinic Meyerton		2 023	2 462	2 218	2 709	2 424	2 424	2 207	2 316	2 456
05.3 - Clinic Kookrus		1 092	1 292	1 026	1 656	1 469	1 469	1 910	2 004	1 986
Vote 06 - Community And Social Services		**33 651**	**32 873**	**23 488**	**38 319**	**40 314**	**40 314**	**43 459**	**34 264**	**25 137**
06.1 - Library Meyerton		15 966	18 073	16 017	20 500	19 189	19 189	21 217	21 525	22 235
06.2 - Libaray Henley On Klip		323	199	249	–	550	550	–	–	–
06.3 - Library Walkerville		1 597	282	249	–	250	250	–	–	–
06.4 - Library Randvaal		150	195	309	–	250	250	–	–	–
06.5 - Library Sicelo		835	2 624	300	–	300	300	–	–	–
06.6 - Lakeside Library		200	293	800	–	300	300	–	–	–
06.7 - Library Bonte Bonke		1 214	198	250	–	250	250	–	–	–
06.8 - Social Services Admin		–	–	–	–	–	–	–	–	–
06.9 - Parks		1 987	1 539	3 152	3 977	4 881	4 881	2 618	1 487	1 577
06.10 - Swimming Pool		68	124	131	146	237	237	251	266	282
06.11 - Sport & Recreation Administration		10 282	8 283	1 241	12 820	13 230	13 230	18 445	10 000	–
06.12 - Cemeteries		1 028	1 062	792	876	876	876	929	985	1 044
Vote 07 - Public Safety		**2 652**	**3 042**	**6 059**	**3 369**	**6 987**	**6 987**	**3 426**	**1 282**	**1 340**
07.1 - Fire		2 652	3 042	6 059	3 369	6 987	6 987	3 426	1 282	1 340
Vote 08 - Sport And Recreation		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Vote 09 - Environmental Protection		**3 625**	**3 220**	**4 246**	**4 352**	**3 081**	**3 081**	**3 081**	**3 081**	**3 081**
09.1 - Municipal Health Services (Sedibeng Funding)		3 625	3 220	4 246	4 352	3 081	3 081	3 081	3 081	3 081
Vote 10 - Waste Water Management		**83 302**	**85 622**	**113 758**	**77 725**	**85 820**	**85 820**	**89 841**	**95 304**	**104 084**
10.1 - Sanitation Network		83 302	85 622	113 758	77 725	85 820	85 820	89 841	95 304	104 084
10.2 - Waste Water Purification		–	–	–	–	–	–	–	–	–
Vote 11 - Solid Waste Management		**51 402**	**64 132**	**66 520**	**68 463**	**70 993**	**70 993**	**75 735**	**100 864**	**105 830**
11.1 - Landfill Sites		–	–	–	–	–	–	–	–	–
11.2 - Solid Waste		51 402	64 132	66 520	68 463	70 993	70 993	75 735	100 864	105 830
Vote 12 - Roads And Transport		**70 420**	**68 321**	**69 334**	**126 723**	**81 544**	**81 544**	**95 062**	**102 799**	**106 245**
12.1 - Traffic		64 348	68 319	73 344	124 943	80 815	80 815	83 462	90 799	96 245
12.2 - Roads		6 072	2	(4 010)	1 780	729	729	11 600	12 000	10 000
12.3 - Mechanical Workshop		–	–	–	–	–	–	–	–	–
12.4 - Storm Water		–	–	–	–	–	–	–	–	–
Vote 13 - Water Services		**329 085**	**276 686**	**313 620**	**347 561**	**348 905**	**348 905**	**368 809**	**377 910**	**417 380**
13.1 - Water Network		329 085	276 686	313 620	347 561	348 905	348 905	368 809	377 910	417 380
Vote 14 - Electrical Services		**403 615**	**490 456**	**474 333**	**651 937**	**591 611**	**591 611**	**697 741**	**778 475**	**897 042**
14.1 - Electrical Network		402 044	488 835	472 394	650 067	589 862	589 862	689 466	772 753	890 861
14.2 - Engineering Admin		1 570	1 621	1 939	1 869	1 749	1 749	8 275	5 722	6 181
Vote 15 - Other		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Revenue by Vote	2	**1 447 400**	**1 420 112**	**1 530 801**	**1 796 136**	**1 751 531**	**1 751 531**	**1 913 804**	**2 048 192**	**2 236 094**

GT422 Midvaal - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Expenditure by Vote	1									
Vote 01 - Executive & Council		**43 401**	**28 462**	**36 350**	**50 195**	**50 759**	**50 759**	**57 549**	**60 447**	**63 169**
01.1 - Municipal Manager		5 331	2 300	5 544	12 178	13 605	13 605	19 576	20 746	21 690
01.2 - Councillors		16 302	16 471	18 282	18 534	19 586	19 586	20 165	21 169	22 202
01.3 - Speakers Office		3 392	3 098	5 264	6 881	6 469	6 469	6 509	6 829	7 159
01.4 - Office Of The Mayor		6 222	6 056	6 892	12 081	10 578	10 578	10 774	11 173	11 585
01.5 - Savanna City		12 154	537	367	521	521	521	525	529	534
Vote 02 - Corporate Services		**63 736**	**64 573**	**75 596**	**88 587**	**96 266**	**96 266**	**100 395**	**105 029**	**110 032**
02.1 - Corporate Services Admininstration		19 747	15 731	16 570	22 624	23 969	23 969	25 160	26 352	27 672
02.2 - Council Building		2 753	2 962	4 398	9 101	8 049	8 049	8 103	8 511	9 053
02.3 - Public Relations Officer		3 170	2 411	3 755	2 816	3 784	3 784	3 916	4 211	4 280
02.4 - It Services		13 930	16 885	22 764	23 395	29 405	29 405	31 562	33 004	34 486
02.5 - Performance Audit		4 837	5 093	7 687	7 840	9 255	9 255	8 517	8 675	9 094
02.6 - Human Resources		19 299	21 492	20 422	22 812	21 804	21 804	23 138	24 277	25 448
Vote 03 - Financial Services		**63 194**	**84 152**	**77 562**	**104 510**	**98 927**	**98 927**	**115 388**	**124 519**	**131 812**
03.1 - Financial Services - Administration		21 795	31 807	27 713	38 359	34 956	34 956	46 106	51 713	55 365
03.2 - Financial Services - Income		20 312	23 466	22 575	28 482	27 354	27 354	29 233	30 678	32 164
03.3 - Financial Services - Expenditure		21 087	28 880	27 274	37 669	36 617	36 617	40 049	42 127	44 283
Vote 04 - Development & Planning		**30 916**	**38 941**	**38 540**	**46 364**	**46 715**	**46 715**	**47 102**	**49 783**	**52 198**
04.1 - Development & Planning		18 883	20 340	19 660	24 431	25 166	25 166	26 339	27 964	29 291
04.2 - Building Control		8 743	14 985	16 189	18 466	18 085	18 085	17 159	18 032	18 932
04.3 - Town Planning		3 290	3 616	2 691	3 467	3 464	3 464	3 604	3 787	3 975
Vote 05 - Health		**4 130**	**4 154**	**4 142**	**5 701**	**5 120**	**5 120**	**5 456**	**5 705**	**5 861**
05.1 - Clinic Randvaal		765	747	769	1 111	1 012	1 012	1 119	1 131	1 130
05.2 - Clinic Meyerton		2 234	2 353	2 317	2 889	2 593	2 593	2 685	2 841	2 914
05.3 - Clinic Kookrus		1 130	1 054	1 056	1 701	1 514	1 514	1 652	1 733	1 817
Vote 06 - Community And Social Services		**53 808**	**66 160**	**70 622**	**84 378**	**81 245**	**81 245**	**83 937**	**83 616**	**90 016**
06.1 - Library Meyerton		14 980	18 461	20 550	22 001	21 359	21 359	22 608	22 012	25 500
06.2 - Libaray Henley On Klip		1 292	1 471	1 131	1 467	1 303	1 303	1 319	1 380	1 443
06.3 - Library Walkerville		357	532	822	889	989	989	993	1 040	1 089
06.4 - Library Randvaal		653	465	491	874	688	688	650	679	709
06.5 - Library Sicelo		267	288	445	492	564	564	542	564	587
06.6 - Lakeside Library		383	368	331	457	466	466	447	464	482
06.7 - Library Bonte Bonke		204	282	317	353	444	444	411	428	445
06.8 - Social Services Admin		9 783	10 724	8 889	11 893	10 693	10 693	11 865	11 013	11 540
06.9 - Parks		21 080	26 300	30 537	37 351	35 756	35 756	35 143	36 258	38 011
06.10 - Swimming Pool		1 205	1 922	1 716	2 540	2 675	2 675	2 796	2 930	3 068
06.11 - Sport & Recreation Administration		2 407	4 210	4 211	4 697	5 184	5 184	6 010	5 642	5 880
06.12 - Cemeteries		1 198	1 137	1 182	1 364	1 123	1 123	1 153	1 207	1 262
Vote 07 - Public Safety		**28 455**	**31 858**	**36 487**	**49 817**	**44 625**	**44 625**	**46 828**	**48 053**	**50 350**
07.1 - Fire		28 455	31 858	36 487	49 817	44 625	44 625	46 828	48 053	50 350
Vote 08 - Sport And Recreation		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Vote 09 - Environmental Protection		**3 773**	**4 160**	**4 347**	**4 612**	**4 546**	**4 546**	**4 300**	**4 518**	**4 742**
09.1 - Municipal Health Services (Sedibeng Funding)		3 773	4 160	4 347	4 612	4 546	4 546	4 300	4 518	4 742
Vote 10 - Waste Water Management		**55 826**	**68 105**	**79 522**	**92 122**	**89 751**	**89 751**	**94 630**	**104 151**	**109 849**
10.1 - Sanitation Network		42 357	48 023	56 083	63 987	60 667	60 667	65 289	73 269	77 367
10.2 - Waste Water Purification		13 469	20 083	23 439	28 134	29 084	29 084	29 341	30 882	32 481
Vote 11 - Solid Waste Management		**65 096**	**71 032**	**63 149**	**100 619**	**106 723**	**106 723**	**129 288**	**133 059**	**141 473**
11.1 - Landfill Sites		10 446	26 306	20 531	32 115	27 700	27 700	27 138	27 970	28 829
11.2 - Solid Waste		54 650	44 726	42 617	68 504	79 023	79 023	102 149	105 089	112 644
Vote 12 - Roads And Transport		**159 205**	**162 448**	**172 302**	**242 470**	**201 377**	**201 377**	**208 391**	**219 298**	**230 847**
12.1 - Traffic		95 925	93 938	99 312	148 950	114 870	114 870	119 658	126 411	133 514
12.2 - Roads		59 112	63 701	68 323	85 879	79 946	79 946	81 454	85 372	89 444
12.3 - Mechanical Workshop		4 165	4 748	4 553	7 525	6 445	6 445	7 160	7 391	7 761
12.4 - Storm Water		4	61	114	116	116	116	120	123	128
Vote 13 - Water Services		**224 143**	**226 892**	**245 760**	**262 165**	**262 159**	**262 159**	**276 152**	**292 833**	**306 556**
13.1 - Water Network		224 143	226 892	245 760	262 165	262 159	262 159	276 152	292 833	306 556
Vote 14 - Electrical Services		**444 108**	**508 293**	**474 630**	**669 494**	**644 801**	**644 801**	**703 603**	**796 611**	**920 240**
14.1 - Electrical Network		429 374	492 814	457 222	649 874	627 057	627 057	678 348	773 131	895 426
14.2 - Engineering Admin		14 734	15 479	17 408	19 621	17 744	17 744	25 255	23 480	24 814
Vote 15 - Other		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Expenditure by Vote	2	**1 239 792**	**1 359 229**	**1 379 007**	**1 801 035**	**1 733 013**	**1 733 013**	**1 873 020**	**2 027 620**	**2 217 146**
Surplus/(Deficit) for the year	2	**207 608**	**60 883**	**151 794**	**(4 899)**	**18 519**	**18 519**	**40 784**	**20 571**	**18 948**

References

1. Insert 'Vote'; e.g. Department, if different to Functional structure

2. Must reconcile to Financial Performance ('Revenue and Expenditure by Functional Classification' and 'Revenue and Expenditure')

3. Assign share in 'associate' to relevant Vote

GT422 Midvaal - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue											
Exchange Revenue											
Service charges - Electricity	2	388 232	461 979	438 811	601 337	547 484	547 484	448 042	616 262	711 937	822 586
Service charges - Water	2	249 280	214 565	244 870	274 372	275 097	275 097	247 361	294 205	314 641	336 503
Service charges - Waste Water Management	2	49 841	54 450	61 723	58 893	66 988	66 988	61 420	71 008	75 268	79 784
Service charges - Waste Management	2	46 892	55 102	57 490	59 433	61 962	61 962	56 593	66 300	70 941	75 907
Sale of Goods and Rendering of Services		6 453	5 482	8 247	7 273	7 697	7 697	7 508	8 141	8 604	9 092
Agency services											
Interest											
Interest earned from Receivables		13 263	13 009	16 074	17 662	24 072	24 072	22 224	25 252	26 413	27 602
Interest earned from Current and Non Current Assets		17 194	18 248	32 679	21 144	42 144	42 144	40 258	44 209	46 242	48 323
Dividends											
Rent on Land											
Rental from Fixed Assets		1 014	1 098	1 093	1 315	1 095	1 095	1 113	1 161	1 230	1 304
Licence and permits		-	-	-	-	-	-	-	-	-	-
Operational Revenue		3 191	1 641	3 878	3 918	4 522	4 522	1 083	4 751	4 980	5 217
Non-Exchange Revenue											
Property rates	2	253 452	273 314	296 169	321 362	326 734	326 734	295 124	349 605	370 581	392 816
Surcharges and Taxes											
Fines, penalties and forfeits		69 271	68 387	74 543	124 813	80 767	80 767	46 218	83 414	90 750	96 195
Licences or permits											
Transfer and subsidies - Operational		159 071	150 862	172 219	193 221	190 043	190 043	182 702	206 570	214 793	233 262
Interest		6 557	5 509	13 794	10 254	16 396	16 396	14 978	16 396	16 396	16 396
Fuel Levy											
Operational Revenue											
Gains on disposal of Assets		(641)	(70)	-	-	-	-	-	-	-	-
Other Gains		15	55	74	-	-	-	-	-	-	-
Discontinued Operations											
Total Revenue (excluding capital transfers and contributions)		**1 263 085**	**1 323 631**	**1 421 663**	**1 694 996**	**1 645 002**	**1 645 002**	**1 424 624**	**1 787 272**	**1 952 778**	**2 144 987**
Expenditure											
Employee related costs	2	298 272	322 148	345 632	433 982	396 391	396 391	334 352	423 686	439 885	463 634
Remuneration of councillors		12 822	12 968	14 364	13 860	14 904	14 904	13 950	15 270	16 049	16 851
Bulk purchases - electricity	2	333 403	387 270	378 128	507 668	507 668	507 668	374 621	556 242	643 572	744 613
Inventory consumed	8	17 005	107 595	107 794	162 300	157 570	157 570	134 704	166 072	174 564	183 747
Debt impairment	3	75 392	64 731	67 104	169 656	130 573	130 573	38 923	146 245	172 128	201 236
Depreciation and amortisation		134 535	127 289	99 105	140 855	115 481	115 481	98 055	118 783	122 369	126 245
Interest		17 471	30 123	22 946	24 212	22 212	22 212	8 598	23 767	25 431	27 211
Contracted services		106 283	127 895	145 648	195 539	222 251	222 251	151 698	250 144	254 478	266 156
Transfers and subsidies		1 212	1 534	1 465	1 500	2 337	2 337	1 002	2 500	2 500	2 500
Irrecoverable debts written off		45 208	58 514	50 566	6 496	6 496	6 496	8 344	6 814	7 128	7 449
Operational costs		62 320	58 791	71 212	97 301	109 428	109 428	77 064	113 497	117 067	122 483
Losses on disposal of Assets		2 245	7 739	4 904	-	-	-	6	-	-	-
Other Losses		35	31 095	36 805	47 665	47 665	47 665	40 160	50 001	52 451	55 021
Total Expenditure		**1 106 204**	**1 337 691**	**1 345 674**	**1 801 035**	**1 732 976**	**1 732 976**	**1 281 475**	**1 873 020**	**2 027 620**	**2 217 146**
Surplus/(Deficit)		**156 881**	**(14 060)**	**75 989**	**(106 038)**	**(87 974)**	**(87 974)**	**143 149**	**(85 748)**	**(74 842)**	**(72 159)**
Transfers and subsidies - capital (monetary allocations)	6	184 315	96 481	98 947	101 140	106 529	106 529	88 419	125 232	95 413	91 107
Transfers and subsidies - capital (in-kind)	6	–	–	10 191	–	–	–	–	1 300	–	–
Surplus/(Deficit) after capital transfers & contributions		**341 196**	**82 421**	**185 127**	**(4 899)**	**18 555**	**18 555**	**231 568**	**40 784**	**20 571**	**18 948**
Income Tax											
Surplus/(Deficit) after income tax		**341 196**	**82 421**	**185 127**	**(4 899)**	**18 555**	**18 555**	**231 568**	**40 784**	**20 571**	**18 948**
Share of Surplus/Deficit attributable to Joint Venture											
Share of Surplus/Deficit attributable to Minorities											
Surplus/(Deficit) attributable to municipality		**341 196**	**82 421**	**185 127**	**(4 899)**	**18 555**	**18 555**	**231 568**	**40 784**	**20 571**	**18 948**
Share of Surplus/Deficit attributable to Associate	7										
Intercompany/Parent subsidiary transactions											
Surplus/(Deficit) for the year	1	**341 196**	**82 421**	**185 127**	**(4 899)**	**18 555**	**18 555**	**231 568**	**40 784**	**20 571**	**18 948**

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Capital expenditure - Vote											
Multi-year expenditure *to be appropriated*	2										
Vote 01 - Executive & Council		77 449	17	2	1 130	165	165	117	–	–	–
Vote 02 - Corporate Services		8 973	6 499	2 298	16 210	13 490	13 490	12 997	4 770	5 100	4 400
Vote 03 - Financial Services		132	956	2 786	17 250	20 354	20 354	11 676	2 000	–	–
Vote 04 - Development & Planning		49	7 676	4 270	10 500	17 051	17 051	14 765	10 000	10 000	5 026
Vote 05 - Health		–	–	–	–	–	–	–	–	–	–
Vote 06 - Community And Social Services		24 373	13 526	11 289	29 738	31 642	31 642	24 261	22 773	22 399	9 350
Vote 07 - Public Safety		4 550	7 375	10 171	7 665	10 466	10 466	6 733	2 000	11 000	–
Vote 08 - Sport And Recreation		–	–	–	–	–	–	–	–	–	–
Vote 09 - Environmental Protection		–	–	–	–	–	–	–	–	–	–
Vote 10 - Waste Water Management		23 704	16 553	10 491	15 650	18 945	18 945	9 984	14 850	11 600	8 000
Vote 11 - Solid Waste Management		15 552	14 935	4 018	16 370	14 415	14 415	6 950	20 000	25 850	21 100
Vote 12 - Roads And Transport		13 775	18 776	34 421	40 298	39 249	39 249	21 911	40 887	34 300	9 450
Vote 13 - Water Services		46 365	47 350	48 425	51 899	49 386	49 386	42 489	51 817	41 839	38 011
Vote 14 - Electrical Services		24 511	30 965	40 594	52 912	52 140	52 140	32 864	31 090	30 500	35 105
Vote 15 - Other		–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	7	**239 433**	**164 627**	**168 766**	**259 622**	**267 304**	**267 304**	**184 749**	**200 187**	**192 588**	**130 442**
Single-year expenditure *to be appropriated*	2										
Vote 01 - Executive & Council		–	–	–	–	–	–	–	–	–	–
Vote 02 - Corporate Services		–	–	–	–	1 007	1 007	506	520	–	–
Vote 03 - Financial Services		–	–	–	–	–	–	–	–	–	–
Vote 04 - Development & Planning		–	–	–	–	–	–	–	–	–	–
Vote 05 - Health		–	–	–	–	–	–	–	–	–	–
Vote 06 - Community And Social Services		–	–	–	–	–	–	–	12 096	–	–
Vote 07 - Public Safety		–	–	–	–	200	200	149	2 200	–	–
Vote 08 - Sport And Recreation		–	–	–	–	–	–	–	–	–	–
Vote 09 - Environmental Protection		–	–	–	–	–	–	–	–	–	–
Vote 10 - Waste Water Management		–	–	–	–	326	326	–	9 500	5 000	–
Vote 11 - Solid Waste Management		–	–	–	–	–	–	–	11 700	3 000	10 000
Vote 12 - Roads And Transport		–	–	–	–	–	–	–	3 300	–	–
Vote 13 - Water Services		–	–	–	–	1 175	1 175	–	7 000	8 000	7 000
Vote 14 - Electrical Services		–	–	–	–	–	–	–	20 115	–	–
Vote 15 - Other		–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total		**–**	**–**	**–**	**–**	**2 708**	**2 708**	**656**	**66 431**	**16 000**	**17 000**
Total Capital Expenditure - Vote		**239 433**	**164 627**	**168 766**	**259 622**	**270 012**	**270 012**	**185 404**	**266 618**	**208 588**	**147 442**
Capital Expenditure - Functional											
Governance and administration		**86 762**	**7 763**	**5 708**	**34 620**	**35 208**	**35 208**	**25 324**	**12 607**	**7 400**	**5 250**
Executive and council		345	17	2	1 130	165	165	117	–	–	–
Finance and administration		86 417	7 747	5 707	33 490	35 043	35 043	25 207	12 607	7 400	5 250
Internal audit											
Community and public safety		**30 605**	**22 091**	**22 119**	**40 823**	**46 393**	**46 393**	**32 686**	**39 069**	**33 399**	**9 700**
Community and social services		7 190	7 327	4 726	7 500	9 094	9 094	6 676	11 800	13 000	5 600
Sport and recreation		17 087	5 922	6 304	22 208	22 518	22 518	17 562	23 069	9 399	2 900
Public safety		6 327	8 842	11 089	11 115	14 781	14 781	8 449	4 200	11 000	1 200
Housing											
Health											
Economic and environmental services		**12 047**	**24 986**	**37 490**	**47 348**	**52 185**	**52 185**	**35 110**	**53 587**	**42 000**	**13 276**
Planning and development		49	7 676	4 270	10 500	17 051	17 051	14 765	10 000	10 000	5 026
Road transport		11 998	17 309	33 220	36 848	35 134	35 134	20 345	43 587	32 000	8 250
Environmental protection											
Trading services		**110 019**	**109 787**	**103 449**	**136 831**	**136 225**	**136 225**	**92 283**	**161 355**	**125 789**	**119 216**
Energy sources		24 398	30 950	40 515	52 912	51 978	51 978	32 860	46 488	30 500	35 105
Water management		46 365	47 350	48 425	51 899	50 561	50 561	42 489	58 817	49 839	45 011
Waste water management		23 704	16 553	10 491	15 650	19 271	19 271	9 984	24 350	16 600	8 000
Waste management		15 552	14 935	4 018	16 370	14 415	14 415	6 950	31 700	28 850	31 100
Other											
Total Capital Expenditure - Functional	3	**239 433**	**164 627**	**168 766**	**259 622**	**270 012**	**270 012**	**185 404**	**266 618**	**208 588**	**147 442**
Funded by:											
National Government		83 320	75 997	79 571	84 307	84 833	84 833	71 357	105 048	80 188	74 942
Provincial Government		8 744	9 652	18 570	8 200	13 413	13 413	10 101	9 000	8 000	5 600
District Municipality											
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		80 477	2 252	5 595	4 000	4 000	4 000	3 413	7 300	3 000	6 000
Transfers recognised - capital	4	**172 541**	**87 901**	**103 737**	**96 507**	**102 246**	**102 246**	**84 870**	**121 348**	**91 188**	**86 542**
Borrowing	6	26 307	36 518	17 546	74 780	118 790	118 790	70 564	87 600	69 150	23 000
Internally generated funds		40 585	40 209	47 483	88 335	48 975	48 975	29 969	57 670	48 250	37 900
Total Capital Funding	7	**239 433**	**164 627**	**168 766**	**259 622**	**270 012**	**270 012**	**185 404**	**266 618**	**208 588**	**147 442**

References

1. Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).

2. Include capital component of PPP unitary payment. Note that capital transfers are only appropriated to municipalities for the budget year

3. Capital expenditure by functional classification must reconcile to the appropriations by vote

4. Must reconcile to supporting table SA20 and to Budgeted Financial Performance (revenue and expenditure)

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

7. Total Capital Funding must balance with Total Capital Expenditure

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

GT422 Midvaal - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework			Multi-year appropriation for Budget Year 2024/25 in the 2023/24 Annual Budget				Multi-year appropriation for 2025/26 in the 2023/24 Annual Budget				New multi-year appropriations (funds for new and existing projects)		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27	Appropriation for 2024/25	Adjustments in 2023/24	Downward adjustments for 2024/25	Appropriation carried forward	Appropriation for 2024/25	Adjustments in 2023/24	Downward adjustments for 2024/25	Appropriation carried forward	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Capital expenditure - Municipal Vote																						
Multi-year expenditure appropriation	2																					
Vote 01 - Executive & Council		**77 449**	**17**	**2**	**1 130**	**165**	**165**	**117**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
01.3 - Speakers Office		–	–	–	1 130	165	165	117	–	–	–	–	–	–	–	–	–	–	–	–	–	–
01.4 - Office Of The Mayor		345	17	2	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
01.5 - Savanna City		77 104	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 02 - Corporate Services		**8 973**	**6 499**	**2 298**	**16 210**	**13 490**	**13 490**	**12 997**	**4 770**	**5 100**	**4 400**	**4 770**	**–**	**–**	**4 770**	**5 100**	**–**	**–**	**5 100**	**–**	**–**	**4 400**
02.1 - Corporate Services Admininstration		193	642	158	105	125	125	60	520	400	400	520	–	–	520	400	–	–	400	–	–	400
02.2 - Council Building		–	160	–	105	105	105	83	–	200	–	–	–	–	–	200	–	–	200	–	–	–
02.3 - Public Relations Officer		19	–	–	2 000	360	360	330	–	–	–	–	–	–	–	–	–	–	–	–	–	–
02.4 - It Services		8 762	5 698	2 140	14 000	12 900	12 900	12 525	4 250	4 500	4 000	4 250	–	–	4 250	4 500	–	–	4 500	–	–	4 000
Vote 03 - Financial Services		**132**	**956**	**2 786**	**17 250**	**20 354**	**20 354**	**11 676**	**2 000**	**–**	**–**	**2 000**	**–**	**–**	**2 000**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
03.1 - Financial Services - Administration		132	723	719	–	2 024	2 024	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
03.3 - Financial Services - Expenditure		–	233	2 067	17 250	18 330	18 330	11 676	2 000	–	–	2 000	–	–	2 000	–	–	–	–	–	–	–
Vote 04 - Development & Planning		**49**	**7 676**	**4 270**	**10 500**	**17 051**	**17 051**	**14 765**	**10 000**	**10 000**	**5 026**	**10 000**	**–**	**–**	**10 000**	**10 000**	**–**	**–**	**10 000**	**–**	**–**	**5 026**
04.1 - Development & Planning		49	7 676	4 270	10 500	17 051	17 051	14 765	10 000	10 000	5 026	10 000	–	–	10 000	10 000	–	–	10 000	–	–	5 026
Vote 05 - Health		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**#N/A**
Vote 06 - Community And Social Services		**24 373**	**13 526**	**11 289**	**29 738**	**31 642**	**31 642**	**24 261**	**22 773**	**22 399**	**9 350**	**22 773**	**–**	**–**	**22 773**	**22 399**	**–**	**–**	**22 399**	**–**	**–**	**9 350**
06.1 - Library Meyerton		2 798	3 524	1 914	4 100	6 184	6 184	4 611	4 000	6 100	3 600	4 000	–	–	4 000	6 100	–	–	6 100	–	–	3 600
06.2 - Libaray Henley On Klip		323	199	249	550	477	477	413	–	550	450	–	–	–	–	550	–	–	550	–	–	450
06.3 - Library Walkerville		1 597	293	249	250	175	175	175	–	250	250	–	–	–	–	250	–	–	250	–	–	250
06.4 - Library Randvaal		150	195	354	250	177	177	177	–	250	250	–	–	–	–	250	–	–	250	–	–	250
06.5 - Library Sicelo		835	2 624	300	300	202	202	202	–	300	300	–	–	–	–	300	–	–	300	–	–	300
06.6 - Lakeside Library		200	293	800	300	203	203	203	–	300	300	–	–	–	–	300	–	–	300	–	–	300
06.7 - Library Bonte Bonke		1 214	198	250	250	177	177	177	–	250	450	–	–	–	–	250	–	–	250	–	–	450
06.8 - Social Services Admin		95	276	259	30	30	30	24	–	–	850	–	–	–	–	–	–	–	–	–	–	850
06.9 - Parks		2 006	1 423	1 124	8 310	8 263	8 263	6 184	6 280	9 100	2 900	6 280	–	–	6 280	9 100	–	–	9 100	–	–	2 900
06.11 - Sport & Recreation Administration		15 082	4 499	5 179	13 898	14 255	14 255	11 378	7 493	299	–	7 493	–	–	7 493	299	–	–	299	–	–	–
06.12 - Cemeteries		73	–	610	1 500	1 500	1 500	718	5 000	5 000	–	5 000	–	–	5 000	5 000	–	–	5 000	–	–	–
Vote 07 - Public Safety		**4 550**	**7 375**	**10 171**	**7 665**	**10 466**	**10 466**	**6 733**	**2 000**	**11 000**	**–**	**2 000**	**–**	**–**	**2 000**	**11 000**	**–**	**–**	**11 000**	**–**	**–**	**–**
07.1 - Fire		4 550	7 375	10 171	7 665	10 466	10 466	6 733	2 000	11 000	–	2 000	–	–	2 000	11 000	–	–	11 000	–	–	–

Vote 08 - Sport And Recreation	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 09 - Environmental Protection	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	#N/A
Vote 10 - Waste Water Management	**23 704**	**16 553**	**10 491**	**15 650**	**18 945**	**18 945**	**9 984**	**14 850**	**11 600**	**8 000**	**14 850**	–	–	**14 850**	**11 600**	–	–	**11 600**	–	–	**8 000**
10.1 - Sanitation Network	23 250	13 828	9 590	10 650	8 945	8 945	7 776	**7 850**	**10 600**	**8 000**	7 850	–	–	**7 850**	10 600	–	–	**10 600**	–	–	8 000
10.2 - Waste Water Purification	454	2 725	901	5 000	10 000	10 000	2 208	**7 000**	**1 000**	–	7 000	–	–	**7 000**	1 000	–	–	**1 000**	–	–	–
Vote 11 - Solid Waste Management	**15 552**	**14 935**	**4 018**	**16 370**	**14 415**	**14 415**	**6 950**	**20 000**	**25 850**	**21 100**	**20 000**	–	–	**20 000**	**25 850**	–	–	**25 850**	–	–	**21 100**
11.1 - Landfill Sites	8 111	7 543	663	7 000	5 000	5 000	–	**16 000**	**18 700**	**10 000**	16 000	–	–	**16 000**	18 700	–	–	**18 700**	–	–	10 000
11.2 - Solid Waste	7 442	7 392	3 356	9 370	9 415	9 415	6 950	**4 000**	**7 150**	**11 100**	4 000	–	–	**4 000**	7 150	–	–	**7 150**	–	–	11 100
Vote 12 - Roads And Transport	**13 775**	**18 776**	**34 421**	**40 298**	**39 249**	**39 249**	**21 911**	**40 887**	**34 300**	**9 450**	**40 887**	–	–	**40 887**	**34 300**	–	–	**34 300**	–	–	**9 450**
12.1 - Traffic	1 776	1 466	918	3 450	4 115	4 115	1 566	–	–	**1 200**	–	–	–	–	–	–	–	–	–	–	1 200
12.2 - Roads	11 665	17 140	33 220	35 848	35 134	35 134	20 345	**40 287**	**32 000**	**8 250**	40 287	–	–	**40 287**	32 000	–	–	**32 000**	–	–	8 250
12.3 - Mechanical Workshop	–	–	283	–	–	–	–	**600**	**2 300**	–	600	–	–	**600**	2 300	–	–	**2 300**	–	–	–
12.4 - Storm Water	333	169	–	1 000	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 13 - Water Services	**46 365**	**47 350**	**48 425**	**51 899**	**49 386**	**49 386**	**42 489**	**51 817**	**41 839**	**38 011**	**51 817**	–	–	**51 817**	**41 839**	–	–	**41 839**	–	–	**38 011**
13.1 - Water Network	46 365	47 350	48 425	51 899	49 386	49 386	42 489	**51 817**	**41 839**	**38 011**	51 817	–	–	**51 817**	41 839	–	–	**41 839**	–	–	38 011
Vote 14 - Electrical Services	**24 511**	**30 965**	**40 594**	**52 912**	**52 140**	**52 140**	**32 864**	**31 090**	**30 500**	**35 105**	**31 090**	–	–	**31 090**	**30 500**	–	–	**30 500**	–	–	**35 105**
14.1 - Electrical Network	24 398	30 950	40 515	52 912	51 978	51 978	32 860	**30 873**	**30 500**	**35 105**	30 873	–	–	**30 873**	30 500	–	–	**30 500**	–	–	35 105
14.2 - Engineering Admin	113	15	80	–	162	162	4	**217**	–	–	217	–	–	**217**	–	–	–	–	–	–	–
Vote 15 - Other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	**239 433**	**164 627**	**168 766**	**259 622**	**267 304**	**267 304**	**184 749**	**200 187**	**192 588**	**130 442**	**200 187**	–	–	**200 187**	**192 588**	–	–	**192 588**	–	–	**#N/A**

GT422 Midvaal - Table A6 Budgeted Financial Position

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
ASSETS											
Current assets											
Cash and cash equivalents		401 305	487 962	495 402	274 860	498 649	498 649	457 629	434 487	346 328	290 706
Trade and other receivables from exchange transactions	1	171 153	208 442	258 894	297 405	258 156	258 156	352 047	315 058	306 728	291 374
Receivables from non-exchange transactions	1	21 366	16 214	118 258	27 487	150 865	150 865	155 958	45 859	49 768	53 912
Current portion of non-current receivables											
Inventory	2	14 080	14 333	23 766	23 766	26 416	26 416	6 126	26 416	26 416	26 416
VAT		16 818	18 573	18 626	15 501	11 812	11 812	13 412	15 792	15 792	15 792
Other current assets		300	43	69	(16)	–	–	(50)	(16)	(16)	(16)
Total current assets		**625 023**	**745 569**	**915 017**	**639 005**	**945 899**	**945 899**	**985 122**	**837 597**	**745 016**	**678 184**
Non current assets											
Investments											
Investment property		(245)	49 281	49 234 032,24	49 351	49 351	49 351	49 234	49 351	49 351	49 351
Property, plant and equipment	3	2 125 063	2 097 438	2 143 603	2 483 577	2 282 184	2 282 184	2 221 431	2 220 041	2 496 065	2 544 119
Biological assets											
Living and non-living resources											
Heritage assets		19	19	19	19	19	19	19	19	19	19
Intangible assets		4 416	6 834	8 980	30 798	24 930	24 930	18 495	22 748	18 998	14 798
Trade and other receivables from exchange transactions											
Non-current receivables from non-exchange transactions											
Other non-current assets											
Total non current assets		**2 129 253**	**2 153 572**	**2 201 836**	**2 563 744**	**2 356 484**	**2 356 484**	**2 289 179**	**2 292 159**	**2 564 433**	**2 608 287**
TOTAL ASSETS		**2 754 276**	**2 899 140**	**3 116 853**	**3 202 749**	**3 302 383**	**3 302 383**	**3 274 301**	**3 129 756**	**3 309 449**	**3 286 471**
LIABILITIES											
Current liabilities											
Bank overdraft											
Financial liabilities		35 136	43 427	24 742	–	27 672	27 672	15 825	42 386	44 463	46 641
Consumer deposits		19 862	21 153	22 375	20 757	23 674	23 674	23 506	20 757	21 621	22 685
Trade and other payables from exchange transactions	4	158 446	204 663	205 140	72 803	177 436	177 436	111 821	72 171	58 716	61 604
Trade and other payables from non-exchange transactions	5	46 551	43 721	20 732	148 423	7 308	7 308	29 390	6 372	3 372	5 672
Provision		97 092	–	–	16 845	–	–	–	17 687	18 554	19 463
VAT		33 499	41 784	41 757	–	–	–	62 173	–	–	–
Other current liabilities											
Total current liabilities		**390 587**	**354 748**	**314 747**	**258 829**	**236 091**	**236 091**	**242 716**	**159 373**	**146 725**	**156 065**
Non current liabilities											
Financial liabilities	6	147 992	130 554	124 627	235 464	219 675	219 675	134 839	117 420	229 626	204 197
Provision	7	–	106 661	96 039	88 784	85 782	85 782	96 039	99 350	99 816	100 304
Long term portion of trade payables		–	–	–	–	–	–	–	–	–	–
Other non-current liabilities											
Total non current liabilities		**147 992**	**237 215**	**220 666**	**324 248**	**305 457**	**305 457**	**230 878**	**216 770**	**329 442**	**304 501**
TOTAL LIABILITIES		**538 579**	**591 963**	**535 412**	**583 077**	**541 548**	**541 548**	**473 595**	**376 143**	**476 167**	**460 566**
NET ASSETS		**2 215 697**	**2 307 178**	**2 581 441**	**2 619 672**	**2 760 834**	**2 760 834**	**2 800 707**	**2 753 613**	**2 833 283**	**2 825 905**
COMMUNITY WEALTH/EQUITY											
Accumulated surplus/(deficit)	8	2 560 982	2 547 157	2 758 068	2 610 448	3 083 160	3 083 160	2 984 183	2 743 129	2 823 849	2 817 595
Reserves and funds	9	(55 777)	(93 375)	(140 698)	–	–	–	(168 578)	–	–	–
Other											
TOTAL COMMUNITY WEALTH/EQUITY	10	**2 505 205**	**2 453 782**	**2 617 370**	**2 610 448**	**3 083 160**	**3 083 160**	**2 815 605**	**2 743 129**	**2 823 849**	**2 817 595**

References

1. Detail breakdown in Table SA3 for Trade receivables from Exchange and Non-exchange transactions

2. Include completed low cost housing to be transferred to beneficiaries within 12 months detail provided in Table SA3

3. Include 'Construction-work-in-progress' (disclosed separately in annual financial statements) detail in SA3

4. Detail breakdown in Table SA3.

5. Detail breakdown in Table SA3.

GT422 Midvaal - Table A7 Budgeted Cash Flows

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		78 789	592 132	239 953	295 653	312 389	312 389	245 517	314 644	333 523	353 534
Service charges		148 800	787 382	651 159	927 799	1 044 413	1 044 413	698 114	943 285	1 091 317	1 200 295
Other revenue		(19 981)	146 353	517 340	35 490	(251 158)	(251 158)	2 960 016	19 718	(63 266)	(34 622)
Transfers and Subsidies - Operational	1	–	–	92 981	345 060	346 742	346 742	160 965	206 570	195 364	208 060
Transfers and Subsidies - Capital	1	4 335	90 117	111 412	101 140	94 765	94 765	100 690	126 532	94 918	84 683
Interest		7 671	17 996	31 811	21 144	–	–	39 180	44 209	46 242	48 323
Dividends									–	–	–
Payments											
Suppliers and employees		(259 841)	(993 698)	(1 150 926)	(1 519 873)	(1 517 100)	(1 517 100)	(1 970 758)	(1 550 552)	(1 805 632)	(1 948 208)
Interest		–	–	–	(24 212)	(22 212)	(22 212)	–	(23 767)	(25 431)	(27 211)
Transfers and Subsidies	1								–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**(40 227)**	**640 282**	**493 731**	**182 199**	**7 839**	**7 839**	**2 233 722**	**80 640**	**(132 965)**	**(115 145)**
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE									–	–	–
Decrease (increase) in non-current receivables									–	–	–
Decrease (increase) in non-current investments									–	–	–
Payments											
Capital assets		(109 053)	(164 627)	(167 085)	(249 492)	(256 825)	(256 825)	(178 472)	(256 068)	(193 688)	(138 542)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(109 053)**	**(164 627)**	**(167 085)**	**(249 492)**	**(256 825)**	**(256 825)**	**(178 472)**	**(256 068)**	**(193 688)**	**(138 542)**
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		–	–	–	–	–	–	–	84 772	88 925	93 283
Borrowing long term/refinancing		21 500	18 600	14 861	116 080	119 790	119 790	15 810	3 078	67 550	21 650
Increase (decrease) in consumer deposits		–	–	21	–	–	–	741	–	–	–
Payments											
Repayment of borrowing		–	(40 189)	(31 193)	(42 233)	(47 781)	(47 781)	(8 917)	(42 386)	(44 463)	(46 641)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**21 500**	**(21 589)**	**(16 310)**	**73 847**	**72 009**	**72 009**	**7 633**	**45 464**	**112 013**	**68 291**
NET INCREASE/ (DECREASE) IN CASH HELD		**(127 780)**	**454 066**	**310 335**	**6 554**	**(176 977)**	**(176 977)**	**2 062 884**	**(129 964)**	**(214 640)**	**(185 396)**
Cash/cash equivalents at the year begin:	2	**(400 047)**	**(451 305)**	**(487 962)**	**(150 433)**	**(355 433)**	**(355 433)**	**–**	**560 003**	**430 039**	**215 398**
Cash/cash equivalents at the year end:	2	**(527 827)**	**2 761**	**(177 627)**	**(143 880)**	**(532 410)**	**(532 410)**	**2 062 884**	**430 039**	**215 398**	**30 002**

References

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

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

3. The MTREF is populated directly from SA30.

Total receipts	219 614	1 633 980	1 644 657	1 726 284	1 547 151	1 547 151	4 204 480	1 654 959	1 698 098	1 860 273
Total payments	(368 894)	(1 158 325)	(1 318 011)	(1 793 578)	(1 796 137)	(1 796 137)	(2 149 230)	(1 830 387)	(2 024 751)	(2 113 961)
	(149 280)	475 655	326 645	(67 293)	(248 986)	(248 986)	2 055 250	(175 428)	(326 653)	(253 687)
Borrowings & investments & c.deposits	21 500	18 600	14 882	116 080	119 790	119 790	16 550	3 078	67 550	21 650
Repayment of borrowing	–	(40 189)	(31 193)	(42 233)	(47 781)	(47 781)	(8 917)	(42 386)	(44 463)	(46 641)
	(127 780)	454 066	310 335	6 554	(176 977)	(176 977)	2 062 884	(214 735)	(303 566)	(278 679)
	–	–	–	–	–	–	–	84 772	88 925	93 283

GT422 Midvaal - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Cash and investments available											
Cash/cash equivalents at the year end	1	(527 827)	2 761	(177 627)	(143 880)	(532 410)	(532 410)	2 062 884	430 039	215 398	30 002
Other current investments > 90 days		929 132	485 202	673 030	418 740	1 031 059	1 031 059	(1 605 254)	4 448	130 929	260 703
Non current Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		**401 305**	**487 962**	**495 402**	**274 860**	**498 649**	**498 649**	**457 629**	**434 487**	**346 328**	**290 706**
Application of cash and investments											
Unspent conditional transfers		46 551	43 721	20 732	148 423	7 308	7 308	29 390	6 372	3 372	5 672
Unspent borrowing											
Statutory requirements	2	16 681	23 210	23 131	(15 501)	(11 812)	(11 812)	48 761	(15 792)	(15 792)	(15 792)
Other working capital requirements	3	143 622	84 452	31 470	(37 687)	45 643	45 643	(577 829)	(236 546)	(235 873)	(226 917)
Other provisions		97 092	–	–	16 845	–	–	–	17 687	18 554	19 463
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		**303 947**	**151 383**	**75 333**	**112 080**	**41 139**	**41 139**	**(499 677)**	**(228 279)**	**(229 739)**	**(217 575)**
Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Benefits		**97 358**	**336 579**	**420 069**	**162 780**	**457 510**	**457 510**	**957 307**	**662 766**	**576 067**	**508 280**
Creditors transferred to Debt Relief - Non-Current portion		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Surplus(shortfall) - Including Non-Current Creditors Trf to Debt Relief Benefits		**97 358**	**336 579**	**420 069**	**162 780**	**457 510**	**457 510**	**957 307**	**662 766**	**576 067**	**508 280**

References

1. Must reconcile with Budgeted Cash Flows

2. For example: VAT, taxation

3. Council approval for policy required - include sufficient working capital (e.g. allowing for a % of current debtors > 90 days as uncollectable)

4. For example: sinking fund requirements for borrowing

5. Council approval required for each reserve created and basis of cash backing of reserves - Total Reserves to be backed by cash/investments excl Valuation reserve

Other working capital requirements										
Debtors	14 824	120 211	173 670	110 490	131 793	131 793	689 650	308 717	294 589	288 521
Creditors due	158 446	204 663	205 140	72 803	177 436	177 436	111 821	72 171	58 716	61 604
Total	(143 622)	(84 452)	(31 470)	37 687	(45 643)	(45 643)	577 829	236 546	235 873	226 917
Debtors collection assumptions										
Balance outstanding - debtors	192 519	224 657	377 153	324 892	409 021	409 021	508 005	360 918	356 496	345 286
Estimate of debtors collection rate	7,7%	53,5%	46,0%	34,0%	32,2%	32,2%	135,8%	85,5%	82,6%	83,6%
Long term investments committed										
Balance (*Insert description; eg sinking fund)*										
	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments										
Housing Development Fund	–	–	–	–	–	–	–	–	–	–
Capital replacement	(55 777)	(93 375)	(140 698)	–	–	–	(168 578)	–	–	–
Self-insurance	–	–	–	–	–	–	–	–	–	–
Compensation for Occupational Injuries and Diseases										
Employee Benefit reserve										
Non-current Provisions reserve										
Valuation roll reserve										
Investment in associate account										
Capitalisation										
6	(55 777)	(93 375)	(140 698)	–	–	–	(168 578)	–	–	–

Note:

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

GT422 Midvaal - Table A9 Asset Management

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
CAPITAL EXPENDITURE										
Total New Assets	1	**73 780**	**71 539**	**80 747**	**122 560**	**145 243**	**145 243**	**138 338**	**94 600**	**47 976**
Roads Infrastructure		33 892	14 077	32 606	33 048	32 134	32 134	37 087	32 000	8 000
Storm water Infrastructure		–	–	–	1 000	–	–	–	–	–
Electrical Infrastructure		18 472	20 909	21 007	18 712	20 643	20 643	20 618	6 500	9 000
Water Supply Infrastructure		–	–	–	150	140	140	–	150	150
Sanitation Infrastructure		750	1 000	3 900	8 200	13 000	13 000	9 600	4 000	–
Solid Waste Infrastructure		–	160	663	2 500	1 888	1 888	6 000	1 000	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***53 114***	***36 145***	***58 176***	***63 610***	***67 805***	***67 805***	***73 305***	***43 650***	***17 150***
Community Facilities		3 812	1 366	1 386	3 500	2 039	2 039	10 296	4 000	4 026
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Community Assets		***3 812***	***1 366***	***1 386***	***3 500***	***2 039***	***2 039***	***10 296***	***4 000***	***4 026***
Heritage Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		55	–	105	–	–	–	4 500	–	200
Housing		–	7 587	3 449	10 000	16 551	16 551	10 000	10 000	1 000
Other Assets		***55***	***7 587***	***3 554***	***10 000***	***16 551***	***16 551***	***14 500***	***10 000***	***1 200***
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		998	721	2 067	3 000	3 000	3 000	300	500	300
Intangible Assets		***998***	***721***	***2 067***	***3 000***	***3 000***	***3 000***	***300***	***500***	***300***
Computer Equipment		**1 102**	**1 165**	**1 799**	**2 000**	**2 400**	**2 400**	**3 687**	**2 500**	**2 000**
Furniture and Office Equipment		**2 814**	**5 260**	**2 258**	**5 120**	**4 453**	**4 453**	**4 220**	**3 400**	**600**
Machinery and Equipment		**1 298**	**10 891**	**4 571**	**17 390**	**21 525**	**21 525**	**8 280**	**7 500**	**2 850**
Transport Assets		**10 515**	**8 012**	**6 937**	**17 940**	**27 470**	**27 470**	**23 750**	**23 050**	**19 850**
Land		**72**	**391**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Zoo's, Marine and Non-biological Animals		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	2	**134 156**	**69 925**	**76 479**	**124 512**	**115 937**	**115 937**	**110 880**	**101 988**	**94 466**
Roads Infrastructure		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		4 789	7 493	17 886	30 200	26 115	26 115	20 770	24 000	19 155
Water Supply Infrastructure		92 416	43 659	43 559	44 799	43 540	43 540	49 317	35 589	36 761
Sanitation Infrastructure		5 271	1 832	–	–	–	–	–	–	8 000
Solid Waste Infrastructure		3 641	3 566	2 336	6 000	4 612	4 612	10 600	19 500	20 500
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***106 118***	***56 551***	***63 781***	***80 999***	***74 267***	***74 267***	***80 687***	***79 089***	***84 416***
Community Facilities		1 500	1 967	2 158	7 100	6 311	6 311	7 300	9 000	2 500
Sport and Recreation Facilities		12 970	4 019	5 472	11 148	11 505	11 505	7 343	99	–
Community Assets		***14 470***	***5 985***	***7 630***	***18 248***	***17 816***	***17 816***	***14 643***	***9 099***	***2 500***
Heritage Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		65	–	–	500	500	500	–	–	500
Housing		–	–	–	–	–	–	–	–	–
Other Assets		***65***	**–**	**–**	***500***	***500***	***500***	**–**	**–**	***500***
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	972	489	13 300	12 950	12 950	7 950	4 000	–
Intangible Assets		**–**	***972***	***489***	***13 300***	***12 950***	***12 950***	***7 950***	***4 000***	**–**
Computer Equipment		**8 762**	**4 726**	**–**	**4 700**	**3 000**	**3 000**	**1 650**	**4 500**	**4 000**
Furniture and Office Equipment		**96**	**–**	**2 738**	**915**	**915**	**915**	**800**	**1 000**	**400**
Machinery and Equipment		**–**	**–**	**289**	**–**	**–**	**–**	**–**	**–**	**–**
Transport Assets		**4 646**	**1 692**	**1 554**	**5 850**	**6 490**	**6 490**	**5 150**	**4 300**	**2 650**
Land		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Zoo's, Marine and Non-biological Animals		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-

Total Upgrading of Existing Assets	6	**31 497**	**23 162**	**11 540**	**12 550**	**8 832**	**8 832**	**17 400**	**12 000**	**5 000**
Roads Infrastructure		6 750	2 283	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	1 170	802	1 350	961	961	1 500	–	–
Water Supply Infrastructure		2 076	3 273	4 408	1 500	1 664	1 664	5 000	6 000	5 000
Sanitation Infrastructure		16 401	13 797	5 150	5 000	–	–	5 000	5 000	–
Solid Waste Infrastructure		–	–	–	–	–	–	4 000	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***25 227***	***20 523***	***10 359***	***7 850***	***2 625***	***2 625***	***15 500***	***11 000***	***5 000***
Community Facilities		–	–	–	–	–	–	900	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Community Assets		**–**	**–**	**–**	**–**	**–**	**–**	***900***	**–**	**–**
Heritage Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		6 270	2 639	501	4 700	6 207	6 207	1 000	1 000	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		***6 270***	***2 639***	***501***	***4 700***	***6 207***	***6 207***	***1 000***	***1 000***	**–**
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Computer Equipment		**–**	**–**	**680**	**–**	**–**	**–**	**–**	**–**	**–**
Furniture and Office Equipment		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Machinery and Equipment		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Transport Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Land		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Zoo's, Marine and Non-biological Animals		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	**239 433**	**164 627**	**168 766**	**259 622**	**270 012**	**270 012**	**266 618**	**208 588**	**147 442**
Roads Infrastructure		40 643	16 360	32 606	33 048	32 134	32 134	37 087	32 000	8 000
Storm water Infrastructure		–	–	–	1 000	–	–	–	–	–
Electrical Infrastructure		23 261	29 572	39 694	50 262	47 719	47 719	42 888	30 500	28 155
Water Supply Infrastructure		94 492	46 933	47 967	46 449	45 344	45 344	54 317	41 739	41 911
Sanitation Infrastructure		22 422	16 629	9 050	13 200	13 000	13 000	14 600	9 000	8 000
Solid Waste Infrastructure		3 641	3 726	2 999	8 500	6 500	6 500	20 600	20 500	20 500
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***184 459***	***113 219***	***132 316***	***152 459***	***144 697***	***144 697***	***169 492***	***133 739***	***106 566***
Community Facilities		5 312	3 333	3 543	10 600	8 350	8 350	18 496	13 000	6 526
Sport and Recreation Facilities		12 970	4 019	5 472	11 148	11 505	11 505	7 343	99	–
Community Assets		***18 282***	***7 352***	***9 016***	***21 748***	***19 854***	***19 854***	***25 839***	***13 099***	***6 526***
Heritage Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		6 390	2 639	606	5 200	6 707	6 707	5 500	1 000	700
Housing		–	7 587	3 449	10 000	16 551	16 551	10 000	10 000	1 000
Other Assets		***6 390***	***10 226***	***4 054***	***15 200***	***23 258***	***23 258***	***15 500***	***11 000***	***1 700***
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		998	1 694	2 556	16 300	15 950	15 950	8 250	4 500	300
Intangible Assets		***998***	***1 694***	***2 556***	***16 300***	***15 950***	***15 950***	***8 250***	***4 500***	***300***
Computer Equipment		**9 864**	**5 891**	**2 479**	**6 700**	**5 400**	**5 400**	**5 337**	**7 000**	**6 000**
Furniture and Office Equipment		**2 910**	**5 260**	**4 996**	**6 035**	**5 368**	**5 368**	**5 020**	**4 400**	**1 000**
Machinery and Equipment		**1 298**	**10 891**	**4 860**	**17 390**	**21 525**	**21 525**	**8 280**	**7 500**	**2 850**
Transport Assets		**15 162**	**9 704**	**8 490**	**23 790**	**33 959**	**33 959**	**28 900**	**27 350**	**22 500**
Land		**72**	**391**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Zoo's, Marine and Non-biological Animals		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		**239 433**	**164 627**	**168 766**	**259 622**	**270 012**	**270 012**	**266 618**	**208 588**	**147 442**

ASSET REGISTER SUMMARY - PPE (WDV)	5	1 943 292	2 019 829	2 062 114	2 272 160	2 065 030	2 065 030	2 000 575	2 272 849	2 316 703
Roads Infrastructure		550 758	544 085	551 693	616 882	615 968	615 968	640 921	635 834	611 834
Storm water Infrastructure		–	–	(428)	1 000	–	–	–	–	–
Electrical Infrastructure		381 218	367 113	352 881	648 582	576 609	576 609	341 208	648 820	666 476
Water Supply Infrastructure		352 199	408 634	452 119	344 121	(20 345)	(20 345)	354 037	351 459	436 631
Sanitation Infrastructure		332 167	331 666	320 549	256 644	256 363	256 363	258 044	252 444	251 444
Solid Waste Infrastructure		1 559	6 967	9 366	8 500	6 500	6 500	20 600	20 500	20 500
Rail Infrastructure										
Coastal Infrastructure										
Information and Communication Infrastructure										
Infrastructure		***1 617 901***	***1 658 465***	***1 686 180***	***1 875 730***	***1 435 095***	***1 435 095***	***1 614 810***	***1 909 057***	***1 986 885***
Community Assets		56 734	75 928	91 236	68 263	291 699	291 699	72 354	59 615	53 041
Heritage Assets		**19**	**19**	**19**	**19**	**19**	**19**	**19**	**19**	**19**
Investment properties		**(245)**	**49 281**	**49 234**	**49 351**	**49 351**	**49 351**	**49 351**	**49 351**	**49 351**
Other Assets		22 926	18 558	12 644	1 068	9 938	9 938	738	(3 762)	(13 062)
Biological or Cultivated Assets										
Intangible Assets		4 416	6 834	8 980	30 798	24 930	24 930	22 748	18 998	14 798
Computer Equipment		**11 924**	**13 316**	**14 142**	**13 516**	**12 158**	**12 158**	**12 154**	**13 960**	**12 960**
Furniture and Office Equipment		**6 882**	**11 468**	**12 261**	**11 170**	**9 512**	**9 512**	**10 155**	**9 695**	**6 295**
Machinery and Equipment		**9 792**	**24 284**	**22 165**	**31 508**	**26 383**	**26 383**	**22 398**	**21 618**	**16 968**
Transport Assets		**46 811**	**44 821**	**48 722**	**63 872**	**79 079**	**79 079**	**68 982**	**67 432**	**62 582**
Land		**166 133**	**116 856**	**116 532**	**126 866**	**126 866**	**126 866**	**126 866**	**126 866**	**126 866**
Zoo's, Marine and Non-biological Animals										
Living Resources										
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	**1 943 292**	**2 019 829**	**2 062 114**	**2 272 160**	**2 065 030**	**2 065 030**	**2 000 575**	**2 272 849**	**2 316 703**
EXPENDITURE OTHER ITEMS		**233 537**	**261 831**	**262 461**	**331 955**	**313 981**	**313 981**	**321 028**	**333 036**	**346 930**
Depreciation	7	134 535	127 289	99 105	140 855	115 481	115 481	118 783	122 369	126 245
Repairs and Maintenance by Asset Class	3	**99 001**	**134 543**	**163 356**	**191 100**	**198 501**	**198 501**	**202 246**	**210 667**	**220 685**
Roads Infrastructure		15 851	23 392	34 355	41 030	39 077	39 077	35 942	37 691	39 487
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		22 334	28 949	34 464	40 005	49 444	49 444	49 855	50 587	52 993
Water Supply Infrastructure		25 310	29 682	34 494	39 043	38 337	38 337	38 847	42 324	44 356
Sanitation Infrastructure		22 751	31 258	36 465	42 356	42 717	42 717	43 072	45 209	47 407
Solid Waste Infrastructure		–	–	–	100	100	100	100	100	100
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		1 857	1 212	2 523	1 500	1 400	1 400	1 574	1 761	1 720
Infrastructure		***88 102***	***114 493***	***142 301***	***164 035***	***171 074***	***171 074***	***169 390***	***177 672***	***186 063***
Community Facilities		82	1 027	2 069	3 061	2 963	2 963	2 581	2 793	2 953
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Community Assets		***82***	***1 027***	***2 069***	***3 061***	***2 963***	***2 963***	***2 581***	***2 793***	***2 953***
Heritage Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		965	5 667	4 486	6 610	5 679	5 679	11 211	10 603	11 215
Housing		–	–	–	–	–	–	–	–	–
Other Assets		***965***	***5 667***	***4 486***	***6 610***	***5 679***	***5 679***	***11 211***	***10 603***	***11 215***
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Computer Equipment		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Furniture and Office Equipment		**166**	**157**	**103**	**374**	**326**	**326**	**376**	**388**	**405**
Machinery and Equipment		**–**	**–**	**–**	**–**	**13**	**13**	**–**	**–**	**–**
Transport Assets		**9 685**	**13 199**	**14 397**	**17 021**	**18 446**	**18 446**	**18 688**	**19 211**	**20 048**
Land		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Zoo's, Marine and Non-biological Animals		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		**233 537**	**261 831**	**262 461**	**331 955**	**313 981**	**313 981**	**321 028**	**333 036**	**346 930**
Renewal and upgrading of Existing Assets as % of total capex		*69,2%*	*56,5%*	*52,2%*	*52,8%*	*46,2%*	*46,2%*	*48,1%*	*54,6%*	*67,5%*
Renewal and upgrading of Existing Assets as % of deprecn		*123,1%*	*73,1%*	*88,8%*	*97,3%*	*108,0%*	*108,0%*	*108,0%*	*93,2%*	*78,8%*
R&M as a % of PPE & Investment Property		*5,1%*	*6,7%*	*8,0%*	*8,5%*	*9,7%*	*9,7%*	*10,2%*	*9,3%*	*9,6%*
Renewal and upgrading and R&M as a % of PPE and Investment Property		*13,7%*	*11,3%*	*12,2%*	*14,6%*	*15,8%*	*15,8%*	*16,7%*	*14,4%*	*13,9%*

References

1. Detail of new assets provided in Table SA34a

2. Detail of renewal of existing assets provided in Table SA34b

3. Detail of Repairs and Maintenance by Asset Class provided in Table SA34c

4. Must reconcile to total capital expenditure on Budgeted Capital Expenditure

5. Must reconcile to 'Budgeted Financial Position' (written down value)

6. Detail of upgrading of existing assets provided in Table SA34e

7. Detail of depreciation provided in Table SA34d

GT422 Midvaal - Table A10 Basic service delivery measurement

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Household service targets	1									
Water:										
Piped water inside dwelling		19 850	19 850	–	29 372	29 372	29 372	21 743	22 303	29 672
Piped water inside yard (but not in dwelling)		5 484	5 484	–	103	103	103	5 484	5 000	4 500
Using public tap (at least min.service level)	2	1 496	1 496	–	123	123	123	123	123	123
Other water supply (at least min.service level)	4	–	–	–	8 498	8 498	8 498	26 304	8 498	8 498
Minimum Service Level and Above sub-total		26 830	26 830	–	38 096	38 096	38 096	53 654	35 924	42 793
Using public tap (< min.service level)	3	2 442	2 442	–	–	–	–	–	–	–
Other water supply (< min.service level)	4	–	–	–	150	150	150	150	150	150
No water supply		1 291	1 291	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		3 733	3 733	–	150	150	150	150	150	150
Total number of households	5	**30 563**	**30 563**	**–**	**38 246**	**38 246**	**38 246**	**53 804**	**36 074**	**42 943**
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		17 717	17 717	–	24 308	24 308	24 308	18 029	19 127	24 448
Flush toilet (with septic tank)		5 615	5 615	–	10 385	10 385	10 385	10 385	10 385	10 385
Chemical toilet		1 879	1 879	–	2 044	2 044	2 044	2 044	2 044	2 044
Pit toilet (ventilated)		487	487	–	1 400	1 400	1 400	1 400	1 400	1 400
Other toilet provisions (> min.service level)		3 589	3 589	–	42	42	42	42	42	42
Minimum Service Level and Above sub-total		29 287	29 287	–	38 179	38 179	38 179	31 900	32 998	38 319
Bucket toilet		–	–	–	–	–	–	–	–	–
Other toilet provisions (< min.service level)		658	658	–	86	86	86	86	86	86
No toilet provisions		618	618	–	–	–	–	618	618	500
Below Minimum Service Level sub-total		1 276	1 276	–	86	86	86	704	704	586
Total number of households	5	**30 563**	**30 563**	**–**	**38 265**	**38 265**	**38 265**	**32 604**	**33 702**	**38 905**
Energy:										
Electricity (at least min.service level)		16 224	16 224	–	2 785	2 785	2 785	18 127	18 763	19 399
Electricity - prepaid (min.service level)		7 650	7 650	–	14 733	14 733	14 733	14 733	14 733	14 733
Minimum Service Level and Above sub-total		23 874	23 874	–	17 518	17 518	17 518	32 860	33 496	34 132
Electricity (< min.service level)		370	370	–	1 536	1 536	1 536	1 536	32 321	32 421
Electricity - prepaid (< min. service level)		–	–	–	–	–	–	–	49 909	50 109
Other energy sources		6 319	6 319	–	21 527	21 527	21 527	21 527	82 230	82 530
Below Minimum Service Level sub-total		6 689	6 689	–	23 063	23 063	23 063	23 063	164 460	165 060
Total number of households	5	**30 563**	**30 563**	**–**	**40 581**	**40 581**	**40 581**	**55 923**	**197 956**	**199 192**
Refuse:										
Removed at least once a week		25 086	25 086	–	25 086	25 086	25 086	25 086	25 086	25 806
Minimum Service Level and Above sub-total		25 086	25 086	–	25 086	25 086	25 086	25 086	25 086	25 806
Removed less frequently than once a week		309	309	–	309	309	309	309	309	309
Using communal refuse dump		591	591	–	–	–	–	–	–	–
Using own refuse dump		3 241	3 241	–	3 241	3 241	3 241	3 241	3 241	3 241
Other rubbish disposal		967	967	–	967	967	967	967	967	967
No rubbish disposal		5 370	5 370	–	5 478	5 478	5 478	5 478	5 478	5 478
Below Minimum Service Level sub-total		10 478	10 478	–	9 995	9 995	9 995	9 995	9 995	9 995
Total number of households	5	**35 564**	**35 564**	**–**	**35 081**	**35 081**	**35 081**	**35 081**	**35 081**	**35 801**
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		–	–	–	12 374 591	12 374 591	12 374 591	12 374 591	–	–
Sanitation (free minimum level service)		–	–	–	–	–	–	–	–	–
Electricity/other energy (50kwh per household per month)		–	–	–	715 348	715 348	715 348	715 348	–	–
Refuse (removed at least once a week)		–	–	–	–	–	–	–	–	–
Informal Settlements		–	–	–	–	–	–	13	–	–
Cost of Free Basic Services provided - Formal Settlements (R'000)										
Water (6 kilolitres per **indigent** household per month)		6 743	4 434	4 507	6 891	5 279	5 279	5 648	6 044	6 467
Sanitation (free sanitation service to **indigent households**)		–	–	–	–	–	–	–	–	–
Electricity/other energy (50kwh per **indigent** household per month)		1 423	2 334	3 435	2 725	3 425	3 425	3 860	4 466	5 167
Refuse (removed once a week **for indigent households**)		–	–	–	–	–	–	–	–	–
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		–	–	–	13	13	13	–	–	–
Total cost of FBS provided	8	**8 166**	**6 768**	**7 942**	**9 629**	**8 717**	**8 717**	**9 508**	**10 510**	**11 634**
Highest level of free service provided per household										
Property rates (R value threshold)										
Water (kilolitres per household per month)										
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)										
Electricity (kwh per household per month)										
Refuse (average litres per week)										
Revenue cost of subsidised services provided (R'000)	9									
Property rates **(tariff adjustment)** (**impermissable values per section 17 of MPRA**)		–	–	–	–	–	–	–	–	–
Property rates exemptions, reductions and rebates **and impermissable values in excess of section 17 of MPRA)**		44 319	42 184	45 758	52 333	46 831	46 831	50 109	53 115	56 302
Water **(in excess of 6 kilolitres per indigent household per month)**		298	–	(2)	–	(10)	(10)	(11)	(11)	(12)
Sanitation **(in excess of free sanitation service to indigent households)**		15 157	15 702	16 193	18 229	17 128	17 128	18 156	19 245	20 400
Electricity/other energy **(in excess of 50 kwh per indigent household per month)**		–	–	–	–	–	–	–	–	–
Refuse **(in excess of one removal a week for indigent households)**		8 757	9 631	9 768	6 183	10 356	10 356	11 081	11 856	12 686
Municipal Housing - rental rebates										
Housing - top structure subsidies	6									
Other										
Total revenue cost of subsidised services provided		**68 531**	**67 517**	**71 718**	**76 746**	**74 305**	**74 305**	**79 335**	**84 205**	**89 376**

References

1. Include services provided by another entity; e.g. Eskom

2. Stand distance <= 200m from dwelling

3. Stand distance > 200m from dwelling

4. Borehole, spring, rain-water tank etc.

5. Must agree to total number of households in municipal area (informal settlements receiving services must be included)

6. Include value of subsidy provided by municipality above provincial subsidy level

7. Show number of households receiving at least these levels of services completely free (informal settlements must be included)

8. Must reflect the cost to the municipality of providing the Free Basic Service

9. Reflect the cost of free or subsidised services in excess to the National policy that are not funded from the Free Basic Services component of the Equitable Share

GT422 Midvaal - Supporting Table SA1 Supportinging detail to 'Budgeted Financial Performance'

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
REVENUE ITEMS:											
Non-exchange revenue by source											
Exchange Revenue	6										
Total Property Rates		297 771	315 498	341 927	373 695	373 564	373 564	341 008	399 714	423 697	449 118
Less Revenue Foregone ***(exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)***		44 319	42 184	45 758	52 333	46 831	46 831	45 884	50 109	53 115	56 302
Net Property Rates		**253 452**	**273 314**	**296 169**	**321 362**	**326 734**	**326 734**	**295 124**	**349 605**	**370 581**	**392 816**
Exchange revenue service charges											
Service charges - Electricity	6										
Total Service charges - Electricity		389 655	464 314	442 246	604 062	550 909	550 909	451 412	620 122	716 403	827 753
Less Revenue Foregone ***(in excess of 50 kwh per indigent household per month)***											
Less Cost of Free Basis Services (50 kwh per indigent household per month)		1 423	2 334	3 435	2 725	3 425	3 425	3 371	3 860	4 466	5 167
Net Service charges - Electricity		**388 232**	**461 979**	**438 811**	**601 337**	**547 484**	**547 484**	**448 042**	**616 262**	**711 937**	**822 586**
Service charges - Water	6										
Total Service charges - Water		**256 320**	**218 999**	**249 375**	**281 263**	**280 366**	**280 366**	**251 059**	**299 842**	**320 673**	**342 958**
Less Revenue Foregone ***(in excess of 6 kilolitres per indigent household per month)***		**298**		**(2)**		**(10)**	**(10)**	**(20)**	(11)	(11)	(12)
Less Cost of Free Basis Services (6 kilolitres per indigent household per month)		6 743	4 434	4 507	6 891	5 279	5 279	3 718	5 648	6 044	6 467
Net Service charges - Water		**249 280**	**214 565**	**244 870**	**274 372**	**275 097**	**275 097**	**247 361**	**294 205**	**314 641**	**336 503**
Service charges - Waste Water Management											
Total Service charges - Waste Water Management		**64 998**	**70 152**	**77 916**	**77 123**	**84 116**	**84 116**	**77 559**	**89 163**	**94 513**	**100 184**
Less Revenue Foregone ***(in excess of free sanitation service to indigent households)***		**15 157**	**15 702**	**16 193**	**18 229**	**17 128**	**17 128**	**16 140**	**18 156**	**19 245**	**20 400**
Less Cost of Free Basis Services (free sanitation service to indigent households)		–	–	–	–	–	–		–	–	–
Net Service charges - Waste Water Management		**49 841**	**54 450**	**61 723**	**58 893**	**66 988**	**66 988**	**61 420**	**71 008**	**75 268**	**79 784**
Service charges - Waste Management	6										
Total refuse removal revenue		55 649	64 733	67 258	65 616	72 318	72 318	66 292	77 381	82 797	88 593
Total landfill revenue											
Less Revenue Foregone ***(in excess of one removal a week to indigent households)***		8 757	9 631	9 768	6 183	10 356	10 356	9 699	11 081	11 856	12 686
Less Cost of Free Basis Services (removed once a week to indigent households)		–	–	–	–	–	–		–	–	–
Net Service charges - Waste Management		**46 892**	**55 102**	**57 490**	**59 433**	**61 962**	**61 962**	**56 593**	**66 300**	**70 941**	**75 907**
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	188 740	204 413	217 126	270 832	241 024	241 024	210 414	262 506	274 780	289 796
Pension and UIF Contributions		37 466	39 809	41 133	52 290	49 280	49 280	39 913	49 530	51 880	54 732
Medical Aid Contributions		17 994	17 706	17 483	24 511	24 925	24 925	18 511	22 636	23 493	24 752
Overtime		14 278	16 762	22 048	24 042	24 568	24 568	22 542	26 753	24 471	25 695
Performance Bonus		14 254	15 285	16 592	20 936	19 259	19 259	15 228	26 826	28 115	29 606
Motor Vehicle Allowance		12 247	13 502	14 141	16 248	16 590	16 590	13 297	15 945	16 675	17 524
Cellphone Allowance		1 981	2 052	2 177	2 539	2 541	2 541	2 054	2 328	2 438	2 568
Housing Allowances		1 659	1 783	1 978	2 310	2 493	2 493	1 872	2 377	2 487	2 628
Other benefits and allowances		6 788	7 388	7 331	7 344	8 409	8 409	7 196	7 833	8 232	8 644
Payments in lieu of leave		2 942	3 404	5 707	5 047	7 300	7 300	3 399	6 856	7 211	7 582
Long service awards		–	124	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	4	(76)	(81)	(84)	–	–	–	(74)	–	–	–
Entertainment											
Scarcity											
Acting and post related allowance		–	–	–	7 883	1	1	–	97	102	107
In kind benefits											
sub-total	5	**298 272**	**322 148**	**345 632**	**433 982**	**396 391**	**396 391**	**334 352**	**423 686**	**439 885**	**463 634**
Less: Employees costs capitalised to PPE											
Total Employee related costs	1	**298 272**	**322 148**	**345 632**	**433 982**	**396 391**	**396 391**	**334 352**	**423 686**	**439 885**	**463 634**

Depreciation and amortisation											
Depreciation of Property, Plant & Equipment		134 525	127 278	99 094	140 844	114 244	114 244	96 609	117 545	121 132	125 008
Lease amortisation		10	11	12	11	1 237	1 237	1 445	1 237	1 237	1 237
Capital asset impairment											
Total Depreciation and amortisation	1	**134 535**	**127 289**	**99 105**	**140 855**	**115 481**	**115 481**	**98 055**	**118 783**	**122 369**	**126 245**
Bulk purchases - electricity											
Electricity bulk purchases		333 403	387 270	378 128	507 668	507 668	507 668	374 621	556 242	643 572	744 613
Total bulk purchases	1	**333 403**	**387 270**	**378 128**	**507 668**	**507 668**	**507 668**	**374 621**	**556 242**	**643 572**	**744 613**
Transfers and grants											
Cash transfers and grants		1 212	1 534	1 465	1 500	2 337	2 337	1 002	2 500	2 500	2 500
Non-cash transfers and grants		–	–	–	–	–	–	–	–	–	–
Total transfers and grants	1	**1 212**	**1 534**	**1 465**	**1 500**	**2 337**	**2 337**	**1 002**	**2 500**	**2 500**	**2 500**
Contracted Services											
Outsourced Services		52 272	55 098	61 846	84 985	102 792	102 792	73 730	120 135	121 872	127 358
Consultants and Professional Services		14 809	17 330	14 602	29 868	34 988	34 988	12 488	40 092	41 449	43 423
Contractors		39 202	55 467	69 201	80 686	84 471	84 471	65 480	89 916	91 156	95 376
Total contracted services		**106 283**	**127 895**	**145 648**	**195 539**	**222 251**	**222 251**	**151 698**	**250 144**	**254 478**	**266 156**
Operational Costs											
Collection costs		4 318	4 432	3 237	4 212	4 212	4 212	2 804	4 418	4 622	4 830
Contributions to 'other' provisions		12 427	–	–	9 000	9 000	9 000	–	9 000	9 000	9 000
Audit fees		3 259	3 778	3 491	3 689	3 689	3 689	3 674	3 869	4 047	4 229
Other Operational Costs		42 317	50 581	64 485	80 400	92 528	92 528	70 585	96 209	99 398	104 424
Total Operational Costs	1	**62 320**	**58 791**	**71 212**	**97 301**	**109 428**	**109 428**	**77 064**	**113 497**	**117 067**	**122 483**

Repairs and Maintenance by Expenditure Item	8										
Employee related costs		65 496	78 134	86 035	104 396	97 878	97 878	82 768	102 330	107 364	112 732
Inventory Consumed (Project Maintenance)		150	146	73	346	310	310	139	288	301	314
Contracted Services		30 771	52 306	69 792	78 511	88 676	88 676	65 551	91 692	94 698	98 957
Operational Costs		2 586	3 956	7 455	7 847	11 636	11 636	8 754	7 935	8 304	8 681
Total Repairs and Maintenance Expenditure	9	99 001	134 543	163 356	191 100	198 501	198 501	157 211	202 246	210 667	220 685

Inventory Consumed											
Inventory Consumed - Water		–	86 360	99 033	125 080	125 080	125 080	119 468	131 209	137 638	144 382
Inventory Consumed - Other		17 005	21 235	8 761	37 220	32 490	32 490	15 235	34 864	36 926	39 365
Total Inventory Consumed & Other Material		**17 005**	**107 595**	**107 794**	**162 300**	**157 570**	**157 570**	**134 704**	**166 072**	**174 564**	**183 747**
check		–	–	–	–	–	–		–	–	–

References

1. Must reconcile with 'Budgeted Financial Performance (Revenue and Expenditure)

2. Must reconcile to supporting documentation on staff salaries

4. Expenditure to meet any 'unfunded obligations'

5 This sub-total must agree with the total on SA22, but excluding councillor and board member items

6. Include a note for each revenue item that is affected by 'revenue foregone'

8. Repairs and Maintenance is not a GRAP item. However to facilitate transparency, municipalities must provide a breakdown of the amounts included in the relevant GRAP items that will be spent on Repairs and Maintenance.

9. Must reconcile with Repairs and Maintenance by Asset Class (Total Repairs and Maintenance) on Table SA34c.

GT422 Midvaal - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 01 - Executive & Council	Vote 02 - Corporate Services	Vote 03 - Financial Services	Vote 04 - Development & Planning	Vote 05 - Health	Vote 06 - Community And Social Services	Vote 07 - Public Safety	Vote 08 - Sport And Recreation	Vote 09 - Environmental Protection	Vote 10 - Waste Water Management	Vote 11 - Solid Waste Management	Vote 12 - Roads And Transport	Vote 13 - Water Services	Vote 14 - Electrical Services	Vote 15 - Other	Total
R thousand	1																
Revenue																	
Exchange Revenue																	
Service charges - Electricity		–												–	616 262		**616 262**
Service charges - Water		–												294 205			**294 205**
Service charges - Waste Water Management		–									71 008						**71 008**
Service charges - Waste Management		–										66 300					**66 300**
Sale of Goods and Rendering of Services		–		286	4 018		2 583	1 226					27				**8 141**
Agency services																	**–**
Interest																	**–**
Interest earned from Receivables				25 252													**25 252**
Interest earned from Current and Non Current Assets				44 209													**44 209**
Dividends																	**–**
Rent on Land																	**–**
Rental from Fixed Assets			1 161														**1 161**
Licence and permits													–				**–**
Operational Revenue		–	705	3 820	5		4	–			50		162	–	5		**4 751**
Non-Exchange Revenue																	
Property rates		–		349 605													**349 605**
Surcharges and Taxes																	**–**
Fines, penalties and forfeits							141						83 273	–	–		**83 414**
Licences or permits																	**–**
Transfer and subsidies - Operational		6 864	–	69 300	–	5 029	15 486			3 081	18 784	9 435		34 555	44 036		**206 570**
Interest				16 396													**16 396**
Fuel Levy																	**–**
Operational Revenue																	**–**
Gains on disposal of Assets			–					–				–	–	–			**–**
Other Gains				–													**–**
Discontinued Operations																	**–**
Total Revenue (excluding capital transfers and contributio		**6 864**	**1 865**	**508 868**	**4 023**	**5 029**	**18 214**	**1 226**	**–**	**3 081**	**89 841**	**75 735**	**83 462**	**328 760**	**660 303**	**–**	**1 787 272**
Expenditure																	
Employee related costs		13 884	49 631	52 032	34 497	3 304	43 410	31 810		3 969	32 903	37 657	50 807	25 768	44 014		**423 686**
Remuneration of councillors		15 270															**15 270**
Bulk purchases - electricity															556 242		**556 242**
Inventory consumed		–		34 864										131 209			**166 072**
Debt impairment				16 000							5 000	5 000	80 310	15 000	24 935		**146 245**
Depreciation and amortisation		797	5 527	250	1 218	359	7 244	4 114		107	16 046	6 031	33 565	14 743	28 781		**118 783**
Interest		67	588	2 344	6		308	214			7 563	1 687	3 133	4 263	3 595		**23 767**
Contracted services		14 515	15 359	17 410	9 473	1 383	24 220	5 057		73	22 845	51 544	26 976	25 133	36 156		**250 144**
Transfers and subsidies		2 500															**2 500**
Irrecoverable debts written off		–		3 088							304	313	200	2 793	117		**6 814**
Operational costs		9 700	27 672	23 701	1 518	222	5 077	3 274		114	3 428	19 706	7 547	4 287	7 252		**113 497**
Losses on disposal of Assets		–	–	–	–	–	–	–		–	–	–	–	–	–		**–**
Other Losses		–		–										50 001			**50 001**
Total Expenditure		**56 732**	**98 777**	**149 689**	**46 711**	**5 268**	**80 259**	**44 469**	**–**	**4 262**	**88 088**	**121 939**	**202 537**	**273 197**	**701 091**	**–**	**1 873 020**
Surplus/(Deficit)		**(49 868)**	**(96 912)**	**359 180**	**(42 688)**	**(239)**	**(62 045)**	**(43 243)**	**–**	**(1 181)**	**1 753**	**(46 204)**	**(119 075)**	**55 563**	**(40 789)**	**–**	**(85 748)**
Transfers and subsidies - capital (monetary allocations)		–			10 000		25 245	2 200			–	–	11 600	40 050	36 138		**125 232**
Transfers and subsidies - capital (in-kind)					–									–	1 300		**1 300**
Surplus/(Deficit) after capital transfers & contributions		**(49 868)**	**(96 912)**	**359 180**	**(32 688)**	**(239)**	**(36 800)**	**(41 043)**	**–**	**(1 181)**	**1 753**	**(46 204)**	**(107 475)**	**95 612**	**(3 351)**	**–**	**40 784**

References

1. Departmental columns to be based on municipal organisation structure

GT422 Midvaal - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
ASSETS											
Trade and other receivables from exchange transactions											
Electricity		30 986	51 782	49 447	228 193	91 311	91 311	55 502	304 264	382 004	284 292
Water		143 387	152 944	165 668	117 510	174 525	174 525	218 370	154 931	178 980	212 380
Waste		29 865	36 914	43 900	23 028	44 894	44 894	57 556	36 658	36 750	44 341
Waste Water		24 332	31 026	41 615	19 985	42 756	42 756	54 563	22 383	29 009	37 898
Other trade receivables from exchange transactions		49 857	59 042	67 341	6 732	46 271	46 271	75 143	6 834	6 792	6 749
Gross: Trade and other receivables from exchange transactions		278 448	332 197	367 971	395 455	399 557	399 557	461 124	525 067	634 015	585 622
Less: Impairment for debt		(107 294)	(123 746)	(109 077)	(98 050)	(141 401)	(141 401)	(109 077)	(219 009)	(327 287)	(294 248)
Impairment for Electricity		(8 473)	(15 219)	(6 479)	(9 356)	(6 479)	(6 479)	(6 479)	(31 450)	(152 685)	(76 427)
Impairment for Water		(52 527)	(56 697)	(53 625)	(75 312)	(75 633)	(75 633)	(53 625)	(104 733)	(136 197)	(169 847)
Impairment for Waste		(13 566)	(16 851)	(18 285)	(5 158)	(23 242)	(23 242)	(18 285)	(14 768)	(21 882)	(29 473)
Impairment for Waste Water		(10 318)	(13 582)	(16 757)	(8 184)	(22 116)	(22 116)	(16 757)	(8 996)	(16 523)	(24 521)
Impairment for other trade receivables from exchange transactions		(22 409)	(21 395)	(13 931)	-	(13 931)	(13 931)	(13 931)	-	-	-
Total net Trade and other receivables from Exchange Transactions		171 153	208 442	258 894	297 405	258 156	258 156	352 047	315 058	306 728	291 374
-											
Receivables from non-exchange transactions											
Property rates		17 665	19 624	201 451	25 709	235 681	235 681	239 339	34 960	37 058	39 282
Less: Impairment of Property rates		(7 014)	(13 278)	(92 383)	-	(92 383)	(92 383)	(92 383)	-	-	-
Net Property rates		10 651	6 346	109 068	25 709	143 299	143 299	146 957	34 968	37 058	39 282
Other receivables from non-exchange transactions		127 832	185 302	231 910	196 557	306 286	306 286	279 044	313 929	450 868	453 024
Impairment for other receivables from non-exchange transactions		(117 117)	(175 433)	(222 720)	(193 779)	(298 720)	(298 720)	(261 642)	(303 030)	(388 158)	(478 394)
Net other receivables from non-exchange transactions		10 715	9 869	9 190	1 778	7 566	7 566	9 002	10 899	12 710	14 630
Total net Receivables from non-exchange transactions		21 366	16 214	118 258	27 487	150 865	150 865	155 958	45 859	49 768	53 912
Inventory											
Water											
Opening Balance		–	–	45	80	80	80	80	80	80	80
System Input Volume		–	135 420	149 401	172 745	172 745	172 745	142 207	181 209	190 089	199 403
Water Treatment Works					–	–	–	–	–	–	–
Bulk Purchases			135 420	149 401	172 745	172 745	172 745	142 207	181 209	190 089	199 403
Natural Sources					–	–	–	–	–	–	–
Authorised Consumption	6	–	(86 360)	(99 033)	(125 080)	(125 080)	(125 080)	(119 468)	(131 209)	(137 639)	(144 382)
Billed Authorised Consumption		–	(86 360)	(99 033)	(125 080)	(125 080)	(125 080)	(119 468)	(131 209)	(137 639)	(144 382)
Billed Metered Consumption		–	(86 360)	(99 033)	(125 080)	(125 080)	(125 080)	(119 468)	(131 209)	(137 639)	(144 382)
Free Basic Water					–	–	–	–	–	–	–
Subsidised Water					–	–	–	–	–	–	–
Revenue Water			(86 360)	(99 033)	(125 080)	(125 080)	(125 080)	(119 468)	(131 209)	(137 639)	(144 382)
Billed Unmetered Consumption		–	–	–	–	–	–	–	–	–	–
Free Basic Water					–	–	–	–	–	–	–
Subsidised Water					–	–	–	–	–	–	–
Revenue Water					–	–	–	–	–	–	–
UnBilled Authorised Consumption		–	–	–	–	–	–	–	–	–	–
Unbilled Metered Consumption					–	–	–	–	–	–	–
Unbilled Unmetered Consumption					–	–	–	–	–	–	–
Water Losses		–	(49 015)	(50 332)	(47 665)	(47 665)	(47 665)	(40 160)	(50 001)	(52 451)	(55 021)
Apparent losses		–	–	–	–	–	–	–	–	–	–
Unauthorised Consumption					–	–	–	–	–	–	–
Customer Meter Inaccuracies					–	–	–	–	–	–	–
Real losses		–	(49 015)	(50 332)	(47 665)	(47 665)	(47 665)	(40 160)	(50 001)	(52 451)	(55 021)
Leakage on Transmission and Distribution Mains					–	–	–	–	–	–	–
Leakage and Overflows at Storage Tanks/Reservoirs					–	–	–	–	–	–	–
Leakage on Service Connections up to the point of Customer Meter					–	–	–	–	–	–	–
Data Transfer and Management Errors			45	36	–	–	–	–	–	–	–
Unavoidable Annual Real Losses			(49 060)	(50 368)	(47 665)	(47 665)	(47 665)	(40 160)	(50 001)	(52 451)	(55 021)
Non-revenue Water		–	(49 015)	(50 332)	(47 665)	(47 665)	(47 665)	(40 160)	(50 001)	(52 451)	(55 021)
Closing Balance Water		–	45	80	80	80	80	(17 340)	80	80	80
Agricultural											
Opening Balance			–	–	–	–	–	–	–	–	–
Acquisitions											
Issues	7										
Adjustments	8										
Write-offs	9										
Closing balance - Agricultural		–	–	–	–	–	–	–	–	–	–
Consumables											
Standard Rated											
Opening Balance		13 633	13 844	14 022	23 674	23 674	23 674	23 674	26 324	26 324	26 324
Acquisitions		5 874	7 412	18 087	14 134	12 133	12 133	15 016	9 998	10 339	10 910
Issues	7	(6 033)	(7 235)	(8 389)	(14 134)	(9 403)	(9 403)	(15 235)	(9 998)	(10 339)	(10 910)
Adjustments	8	380	–	–	–	–	–	–	–	–	–
Write-offs	9	(7)	(13)	(46)	–	(50)	(50)	–	–	–	–
Closing balance - Consumables Standard Rated		13 844	14 022	23 674	23 674	26 324	26 324	23 455	26 324	26 324	26 324
Zero Rated											
Opening Balance		194	237	267	12	12	12	12	12	12	12
Acquisitions		11 038	14 316	117	23 087	23 057	23 057	–	24 866	26 586	28 458
Issues	7	(10 968)	(14 015)	(372)	(23 087)	(23 057)	(23 057)	–	(24 866)	(26 586)	(28 458)
Adjustments	8				–	–	–	–	–	–	–
Write-offs	9	(27)	(272)		–	–	–	–	–	–	–
Closing balance - Consumables Zero Rated		237	267	12	12	12	12	12	12	12	12
Finished Goods											
Opening Balance			–	–	–	–	–	–	–	–	–
Acquisitions											
Issues	7										
Adjustments	8										
Write-offs	9										
Closing balance - Finished Goods		–	–	–	–	–	–	–	–	–	–
Materials and Supplies											
Opening Balance		–	–	–	–	–	–	–	–	–	–
Acquisitions					–	–	–	–	–	–	–
Issues	7				–	–	–	–	–	–	–
Adjustments	8				–	–	–	–	–	–	–
Write-offs	9				–	–	–	–	–	–	–
Closing balance - Materials and Supplies		–	–	–	–	–	–	–	–	–	–
Work-in-progress											
Opening Balance			–	–	–	–	–	–	–	–	–
Materials											
Transfers											
Closing balance - Work-in-progress		–	–	–	–	–	–	–	–	–	–
Housing Stock											
Opening Balance			–	–	–	–	–	–	–	–	–
Acquisitions											
Transfers											
Sales											
Closing Balance - Housing Stock		–	–	–	–	–	–	–	–	–	–
Land											
Opening Balance			–	–	–	–	–	–	–	–	–
Acquisitions											
Sales											
Adjustments											
Correction of Prior period errors											
Transfers											
Closing Balance - Land		–	–	–	–	–	–	–	–	–	–
Closing Balance - Inventory & Consumables		14 080	14 333	23 766	23 766	26 416	26 416	6 126	26 416	26 416	26 416
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)		3 559 721	3 631 139	3 791 235	3 654 843	3 417 992	3 417 992	3 957 702	3 396 476	3 667 921	3 721 974
Leases recognised as PPE	3	57 922	68 829	80 196	54 675	57 117	57 117	88 989	55 095	59 445	53 445
Less: Accumulated depreciation		1 491 580	1 602 530	1 727 829	1 225 942	1 192 925	1 192 925	1 824 356	1 231 524	1 231 301	1 231 301
Total Property, plant and equipment (PPE)	2	2 125 063	2 097 438	2 143 603	2 483 577	2 282 184	2 282 184	2 221 431	2 220 041	2 496 065	2 544 119
LIABILITIES											
Current liabilities - Financial liabilities											
Short term loans (other than bank overdraft)											
Current portion of long-term liabilities		35 136	43 427	24 742	–	27 672	27 672	15 825	42 386	44 463	46 641
Total Current liabilities - Financial liabilities		35 136	43 427	24 742	–	27 672	27 672	15 825	42 386	44 463	46 641
Trade and other payables from exchange transactions											
Trade and other payables from exchange transactions	5	158 446	204 663	205 140	72 803	177 436	177 436	111 821	72 171	58 716	61 604
Other trade payables from exchange transactions											
Trade payables from Non-exchange transactions: Unspent conditional Grants		46 551	43 721	20 732	148 423	7 308	7 308	29 390	6 372	3 372	5 672
Trade payables from Non-exchange transactions: Other											
VAT		33 499	41 794	41 757	–	–	–	62 173	–	–	–
Total Trade and other payables from exchange transactions	2	238 497	290 178	267 630	221 227	184 744	184 744	203 385	78 543	62 088	67 275
Non current liabilities - Financial liabilities											
Borrowing	4	147 992	130 554	124 627	235 464	219 675	219 675	134 839	117 420	229 626	204 197
Other financial liabilities											
Total Non current liabilities - Financial liabilities		147 992	130 554	124 627	235 464	219 675	219 675	134 839	117 420	229 626	204 197
Non current liabilities - Long Term portion of trade payables		–	–	–	–	–	–	–	–	–	–
Electricity Bulk Purchases											
Payables and Accruals - General											
Water Bulk Purchases											
Municipal Debt Relief											
Provisions											
Retirement benefits		–	5 738	4 539	21 282	4 539	4 539	4 539	22 346	22 346	22 346
Refuse landfill site rehabilitation		–	86 038	76 721	67 502	66 465	66 465	76 721	77 004	77 470	77 958
Other		–	14 885	14 779	–	14 779	14 779	14 779	–	–	–
Total Provisions		–	106 661	96 039	88 784	85 782	85 782	96 039	99 350	99 816	100 304
CHANGES IN NET ASSETS											
Accumulated surplus/(deficit)											
Accumulated surplus/(deficit) - opening balance		2 179 277	2 427 100	2 539 461	2 615 347	3 064 605	3 064 605	2 724 735	2 702 345	2 803 278	2 798 648
GRAP adjustments		–	–	–	–	–	–	–	–	–	–
Restated balance		2 179 277	2 427 100	2 539 461	2 615 347	3 064 605	3 064 605	2 724 735	2 702 345	2 803 278	2 798 648
Surplus/(Deficit)		341 196	82 421	185 127	(4 855)	18 555	18 555	251 568	40 784	20 571	19 948
Transfers to/from Reserves		40 244	37 598	47 322	–	–	–	27 881	–	–	–
Depreciation offsets		–	–	–	–	–	–	–	–	–	–
Other adjustments		265	38	(13 840)	–	–	–	–	–	–	–
Accumulated Surplus/(Deficit)	1	2 560 982	2 547 157	2 758 068	2 610 448	3 083 160	3 083 160	2 984 183	2 743 129	2 823 849	2 817 595
Reserves											
Housing Development Fund											
Capital replacement		(55 777)	(93 375)	(140 698)	–	–	–	(168 578)	–	–	–
Self-insurance											
Other reserves											
Revaluation											
Total Reserves	2	(55 777)	(93 375)	(140 698)	–	–	–	(168 578)	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	2 505 205	2 453 782	2 617 370	2 610 448	3 083 160	3 083 160	2 815 605	2 743 129	2 823 849	2 817 595

GT422 Midvaal - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
FINANCIAL STABILITY				1 263 085	1 323 631	1 421 663	1 694 996	1 645 002	1 645 002	1 787 272	1 952 778	2 144 987
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	**1 263 085**	**1 323 631**	**1 421 663**	**1 694 996**	**1 645 002**	**1 645 002**	**1 787 272**	**1 952 778**	**2 144 987**

References

1. Total revenue must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)

2. Balance of allocations not directly linked to an IDP strategic objective

GT422 Midvaal - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
COMMUNICATION & CUSTOMER CARE				2 073	1 795	3 684	3 102	6 482	6 482	6 280	6 872	7 096
INFRASTRUCTURE & SUSTAINABLE LIVING ENVIRONMENTS				53	971	1 935	3 811	3 713	3 713	3 963	3 606	3 799
FINANCIAL STABILITY				1 237 628	1 355 544	1 371 655	1 791 989	1 719 382	1 719 382	1 848 475	2 013 677	2 202 374
INSTITUTIONAL TRANSFORMATION				–	138	158	200	200	200	200	187	231
SAFE & HEALTHY ENVIRONMENTS				–	411	478	445	553	553	580	607	635
GOOD GOVERNANCE				38	371	1 096	1 488	2 683	2 683	2 522	1 768	1 900
Allocations to other priorities												
Total Expenditure			1	**1 239 792**	**1 359 229**	**1 379 007**	**1 801 035**	**1 733 013**	**1 733 013**	**1 862 020**	**2 026 717**	**2 216 034**

References

1. Total expenditure must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)

2. Balance of allocations not directly linked to an IDP strategic objective

GT422 Midvaal - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
ECONOMIC GROWTH & SPATIAL TRANSFORMATION				72	7 978	4 119	10 000	16 551	16 551	10 000	10 000	5 026
INFRASTRUCTURE & SUSTAINABLE LIVING ENVIRONMENTS				189 166	111 839	129 234	164 109	149 514	149 514	188 157	144 589	106 616
FINANCIAL STABILITY				23 841	31 647	23 812	53 865	73 413	73 413	42 917	38 900	27 300
INSTITUTIONAL TRANSFORMATION				9 864	6 863	3 256	16 000	14 900	14 900	6 500	7 000	6 000
COMMUNITY DEVELOPMENT				16 491	6 300	8 253	15 648	15 633	15 633	11 143	8 099	2 500
SAFE & HEALTHY ENVIRONMENTS				–	–	92	–	–	–	–	–	–
OWN MUNICIPAL STRATEGIC OBJECTIVE				–	–	–	–	–	–	–	–	–
Allocations to other priorities			3									
Total Capital Expenditure			1	**239 433**	**164 627**	**168 766**	**259 622**	**270 012**	**270 012**	**258 718**	**208 588**	**147 442**

References

1. Total capital expenditure must reconcile to Budgeted Capital Expenditure

2. Goal code must be used on Table SA36

3. Balance of allocations not directly linked to an IDP strategic objective

GT422 Midvaal - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
03 - Financial Services										
Finance And Administration										
Finance										
And Impermissible Values In Excess Of Section 17 Of	Rand Value				5127 094	5127 094	5127 094	54830 719	58120 563	
And Rebates And Impermissable Values	Rand Value				53 985	53 985	53 985			
Week For Indigent Households)	Rand Value				6 183	6 183	6 183			
Service To Indigent Households)	Rand Value				18 272	18 272	18 272			
Indigent Household Per Month)	Rand Value				291	291	291			
09 - Environmental Protection										
Waste Water Management										
Sewerage										
Bucket Toilet	Households									
Chemical Toilet	Households	1 879	1 879		2 044	2 044	2 044	2 044	2 044	2 044
Flush Toilet (Connected To Sewerage)	Households	17 717	17 717		24 308	24 308	24 308	18 029	19 127	24 448
Flush Toilet (With Septic Tank)	Households	5 615	5 615		10 385	10 385	10 385	10 385	10 385	10 385
No Toilet Provisions	Households	618	618					618	618	500
Level)	Households	658	658		86	86	86	86	86	86
Level)	Households	3 589	3 589		42	42	42	42	42	42
Pit Toilet (Ventilated)	Households	487	487		1 400	1 400	1 400	1 400	1 400	1 400
11 - Solid Waste Management										
Waste Management										
Solid Waste Disposal (Landfill Sites)										
No Rubbish Disposal	Households	5 370	5 370		5 478	5 478	5 478	5 478	5 478	5 478
Other Rubbish Disposal	Households	967	967		967	967	967	967	967	967
Removed At Least Once A Week	Households	25 086	25 086		25 086	25 086	25 086	25 086	25 086	25 806
Week	Households	309	309		309	309	309	309	309	309
Using Communal Refuse Dump	Households	591	591							
Using Own Refuse Dump	Households	3 241	3 241		3 241	3 241	3 241	3 241	3 241	3 241
13 - Water Services										
Water Management										
Water Distribution										
Water	Households				12374 591	12374 591	12374 591	12374 591		
Water	Households							12 375		
Informal Settlements (R000)	Rand Value				12 375	12 375	12 375			
No Water Supply	Households	1 291	1 291							
Other Water Supply (< Min.Service Level)	Households				150	150	150	150	150	150
Level)	Households				8 498	8 498	8 498	26 304	8 498	8 498
Piped Water Inside Dwelling	Households	19 850	19 850		29 372	29 372	29 372	21 743	22 303	29 672
Dwelling)	Households	5 484	5 484		103	103	103	5 484	5 000	4 500
Using Public Tap (< Min.Service Level)	Households	2 442	2 442							
Level)	Households	1 496	1 496		123	123	123	123	123	123
14 - Electrical Services										
Energy Sources										
Electricity										
Electricity - Prepaid (< Min. Service Level)	Households								49 909	50 109
Electricity - Prepaid (Min.Service Level)	Households	7 650	7 650		14 733	14 733	14 733	14 733	14 733	14 733
Electricity (< Min.Service Level)	Households	370	370		1 536	1 536	1 536	1 536	32 321	32 421
Electricity (At Least Min.Service Level)	Households	16 224	16 224		2 785	2 785	2 785	18 127	18 763	19 399
Electricity	Households				715 348	715 348	715 348	715 348		
Electricity	Households							715		
Informal Settlements (R000)	Rand Value				715	715	715			
Other Energy Sources	Households	6 319	6 319		21 527	21 527	21 527	21 527	82 230	82 530

1. Include a measurable performance objective for each revenue source (within a relevant function) and each vote (MFMA s17(3)(b))

2. Include all Basic Services performance targets from 'Basic Service Delivery' to ensure Table SA7 represents all strategic responsibilities

3. Only include prior year comparative information for individual measures where relevant activity occurred in that year/s

GT422 Midvaal - Entities measureable performance objectives

Description	Unit of measurement	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Entity 1 - (name of entity)										
Insert measure/s description										
Entity 2 - (name of entity)										
#REF!										
Entity 3 - (name of entity)										
#REF!										
And so on for the rest of the Entities										

1. Include a measurable performance objective as agreed with the parent municipality (MFMA s87(5)(d))

2. Only include prior year comparative information for individual measures where relevant activity occurred in that year/s

GT422 Midvaal - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Borrowing Management											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	1,6%	5,3%	4,0%	3,7%	4,0%	4,0%	1,4%	3,5%	3,4%	3,3%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	1,4%	5,3%	3,8%	3,9%	4,3%	4,3%	1,2%	3,7%	3,6%	3,4%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	53,0%	46,3%	31,3%	131,4%	244,6%	244,6%	52,8%	152,3%	324,3%	303,3%
Safety of Capital											
Gearing	Long Term Borrowing/ Funds & Reserves	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Liquidity											
Current Ratio	Current assets/current liabilities	1,6	2,1	2,9	2,5	4,0	4,0	4,1	5,3	5,1	4,3
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1,6	2,1	2,9	2,5	4,0	4,0	4,1	5,3	5,1	4,3
Liquidity Ratio	Monetary Assets/Current Liabilities	1,5	2,0	2,4	2,2	3,2	3,2	3,3	4,7	4,5	3,7
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing	0,0%	30,7%	174,3%	109,9%	122,2%	141,4%	141,4%	114,9%	119,1%	120,6%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		30,7%	174,3%	109,9%	122,2%	141,4%	141,4%	114,9%	119,1%	120,6%	117,4%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	4,1%	7,4%	14,8%	6,8%	14,5%	14,5%	15,8%	7,7%	7,2%	6,8%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within`MFMA' s 65(e))										
Creditors to Cash and Investments		-30,0%	7413,6%	-115,5%	-50,6%	-33,3%	-33,3%	5,4%	16,8%	27,3%	205,3%
Other Indicators											
	Total Volume Losses (kW) technical	0	0	0	0	0	0	0	0	0	0
	Total Volume Losses (kW) non technical										
Electricity Distribution Losses (2)	Total Cost of Losses (Rand '000)	–	–	–	46 530	46 530	46 530	–	–	–	–
	% Volume (units purchased and generated less units sold)/units purchased and generated										
	Bulk Purchase										
Water Volumes :System input	Water treatment works										
	Natural sources										
	Total Volume Losses (kℓ)										
	Total Cost of Losses (Rand '000)	0	0	0	52529274	52529274	52529274	0	0	0	0
Water Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated										
Employee costs	Employee costs/(Total Revenue - capital revenue)	23,6%	24,3%	24,3%	25,6%	24,1%	24,1%	23,5%	23,7%	22,5%	21,6%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	24,6%	25,3%	25,3%	26,4%	25,0%	25,0%	30,8%	24,6%	23,3%	22,4%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	7,8%	10,2%	11,5%	11,3%	12,1%	12,1%	14,2%	11,3%	10,8%	10,3%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	12,0%	11,9%	8,6%	9,7%	8,4%	8,4%	7,5%	8,0%	7,6%	7,2%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	21,7	21,0	22,4	35,5	34,4	34,2	16,5	19,7	20,6	22,6
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	7,1%	6,2%	19,8%	6,7%	19,7%	19,7%	21,4%	8,3%	7,8%	7,3%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	(7,2)	0,0	(2,1)	(1,2)	(4,7)	(4,7)	24,8	3,5	1,6	0,2

References

1. Consumer debtors > 12 months old are excluded from current assets

2. Only include if services provided by the municipality

GT422 Midvaal - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2020/21 Outcome	2021/22 Outcome	2022/23 Outcome	Current Year 2023/24 Original Budget	2024/25 Medium Term Revenue & Expenditure Framework Outcome	Outcome	Outcome
Demographics												
Population		Narritive report 1.1	–	68	95	–	–	0	0	0	0	0
Females aged 5 - 14		Source: Community Survey 2016 for 2016/17	–	95	7	–	–	0	0	0	0	0
Males aged 5 - 14		Source: STATS SA Census for 2001 and 2011 Census	–	112	7	–	–	0	0	0	0	0
Females aged 15 - 34		Source:2016 Stats SA Community Survey: 18/19, 19/20,	–	169	16	–	–	0	0	0	0	0
Males aged 15 - 34		21/22 and outer years data projected by 3% growth rate	–	204	18	–	–	0	0	0	0	0
Unemployment		As per broad definition= 18.8%	7	–	9	–	–	–	25	–	–	–
Monthly household income (no. of households)	1, 12											
No income		2016/17 Data Projected as per 2011 % distribution Source:	–	–	4 350	–	–	4 350	6 360	4 415	4 481	4 549
R1 - R1 600		2016/17 Data Projected as per 2011 % distribution Source:	–	–	6 867	–	–	6 867	10 411	6 970	7 095	7 223
R1 601 - R3 200		2016/17 Data Projected as per 2011 % distribution Source:	–	–	4 917	–	–	3 720	7 454	3 776	3 844	3 913
R3 201 - R6 400		2016/17 Data Projected as per 2011 % distribution Source:	–	–	3 720	–	–	–	5 640	5 809	5 983	–
R6 401 - R12 800		2016/17 Data Projected as per 2011 % distribution Source:	–	–	3 078	–	–	3 078	4 666	3 124	3 180	3 238
R12 801 - R25 600		2016/17 Data Projected as per 2011 % distribution Source:	–	–	3 273	–	–	3 273	4 961	3 322	3 382	3 443
R25 601 - R51 200		2016/17 Data Projected as per 2011 % distribution Source:	–	–	2 496	–	–	2 496	3 784	2 533	2 579	2 625
R52 201 - R102 400		2016/17 Data Projected as per 2011 % distribution Source:	–	–	933	–	–	933	1 414	947	964	981
R102 401 - R204 800		2016/17 Data Projected as per 2011 % distribution Source:	–	–	195	–	–	195	295	198	201	205
R204 801 - R409 600		2016/17 Data Projected as per 2011 % distribution Source:	–	–	135	–	–	135	204	137	139	142
R409 601 - R819 200												
> R819 200												
Poverty profiles (no. of households)												
< R2 060 per household per month	13											
Insert description	2											
Household/demographics (000)												
Number of people in municipal area		Source:2016 Stats SA Community Survey: 18/19, 19/20,	64 643	83 433	95 301	–	–	95	129	0	0	0
Number of poor people in municipal area		21/22 and outer years data projected by 3% growth rate	-	-	42 777	–	–	43	63	0	0	0
Number of households in municipal area		2016 Data Projected as per 2011 % distribution	20 760	-	29 964	–	–	30	44	0	0	0
Number of poor households in municipal area			-	-	11 216	–	–	11	17	0	0	0
Definition of poor household (R per month)		Definition of poor households as per Indegent	-	-	-	-	-	-	6 500	6 695	6 695	-
Housing statistics	3											
Formal		Source:2016 Stats SA Community Survey: 18/19, 19/20,	15 915	-	24 042	-	-	24 040	36 570	34 479	35 099	35 731
Informal		Source:2016 Stats SA Community Survey: 18/19, 19/20,	4 845	-	5 922	-	-	5 380	7 307	2 261	2 302	2 344
Total number of households			20 760	-	29 964	-	-	29 420	43 877	36 740	37 401	38 075
Dwellings provided by municipality	4											
Dwellings provided by province/s		Source: Dept of Human Settlements 20/21 - Erf 78 Sicelo	-	-	-	-	-	-	197	203	203	-
Dwellings provided by private sector	5	Source: Dept of Human Settlements 20/21 - Erf 78 Sicelo	-	-	-	-	-	-	4	0	0	-
Total new housing dwellings			-	-	-	-	-	-	201	203	203	-
Economic	6											
Inflation/inflation outlook (CPIX)												
Interest rate - borrowing												
Interest rate - investment												
Remuneration increases												
Consumption growth (electricity)												
Consumption growth (water)												
Collection rates	7											
Property tax/service charges												
Rental of facilities & equipment												
Interest - external investments												
Interest - debtors												
Revenue from agency services												

Detail on the provision of municipal services for A10

Total municipal services	Ref.		2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
		Household service targets (000)									
		Water:									
		Piped water inside dwelling	19 850	19 850	–	29 372	29 372	29 372	21 743	22 303	29 672
		Piped water inside yard (but not in dwelling)	5 484	5 484	–	103	103	103	5 484	5 000	4 500
	8	Using public tap (at least min.service level)	1 496	1 496	–	123	123	123	123	123	123
	10	Other water supply (at least min.service level)	–	–	–	8 498	8 498	8 498	26 304	8 498	8 498
		Minimum Service Level and Above sub-total	26 830	26 830	–	38 096	38 096	38 096	53 654	35 924	42 793
	9	Using public tap (< min.service level)	2 442	2 442	–	–	–	–	–	–	–
	10	Other water supply (< min.service level)	–	–	–	150	150	150	150	150	150
		No water supply	1 291	1 291	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	3 733	3 733	–	150	150	150	150	150	150
		Total number of households	**30 563**	**30 563**	**–**	**38 246**	**38 246**	**38 246**	**53 804**	**36 074**	**42 943**
		Sanitation/sewerage:									
		Flush toilet (connected to sewerage)	17 717	17 717	–	24 308	24 308	24 308	18 029	19 127	24 448
		Flush toilet (with septic tank)	5 615	5 615	–	10 385	10 385	10 385	10 385	10 385	10 385
		Chemical toilet	1 879	1 879	–	2 044	2 044	2 044	2 044	2 044	2 044
		Pit toilet (ventilated)	487	487	–	1 400	1 400	1 400	1 400	1 400	1 400
		Other toilet provisions (> min.service level)	3 589	3 589	–	42	42	42	42	42	42
		Minimum Service Level and Above sub-total	29 287	29 287	–	38 179	38 179	38 179	31 900	32 998	38 319
		Bucket toilet	–	–	–	–	–	–	–	–	–
		Other toilet provisions (< min.service level)	658	658	–	86	86	86	86	86	86
		No toilet provisions	618	618	–	–	–	–	618	618	500
		Below Minimum Service Level sub-total	1 276	1 276	–	86	86	86	704	704	586
		Total number of households	**30 563**	**30 563**	**–**	**38 265**	**38 265**	**38 265**	**32 604**	**33 702**	**38 905**
		Energy:									
		Electricity (at least min.service level)	16 224	16 224	–	2 785	2 785	2 785	18 127	18 763	19 399
		Electricity - prepaid (min.service level)	7 650	7 650	–	14 733	14 733	14 733	14 733	14 733	14 733
		Minimum Service Level and Above sub-total	23 874	23 874	–	17 518	17 518	17 518	32 860	33 496	34 132
		Electricity (< min.service level)	370	370	–	1 536	1 536	1 536	1 536	32 321	32 421
		Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–	49 909	50 109
		Other energy sources	6 319	6 319	–	21 527	21 527	21 527	21 527	82 230	82 530
		Below Minimum Service Level sub-total	6 689	6 689	–	23 063	23 063	23 063	23 063	164 460	165 060
		Total number of households	**30 563**	**30 563**	**–**	**40 581**	**40 581**	**40 581**	**55 923**	**197 956**	**199 192**
		Refuse:									
		Removed at least once a week	25 086	25 086	–	25 086	25 086	25 086	25 086	25 086	25 806
		Minimum Service Level and Above sub-total	25 086	25 086	–	25 086	25 086	25 086	25 086	25 086	25 806
		Removed less frequently than once a week	309	309	–	309	309	309	309	309	309
		Using communal refuse dump	591	591	–	–	–	–	–	–	–
		Using own refuse dump	3 241	3 241	–	3 241	3 241	3 241	3 241	3 241	3 241
		Other rubbish disposal	967	967	–	967	967	967	967	967	967
		No rubbish disposal	5 370	5 370	–	5 478	5 478	5 478	5 478	5 478	5 478
		Below Minimum Service Level sub-total	10 478	10 478	–	9 995	9 995	9 995	9 995	9 995	9 995
		Total number of households	**35 564**	**35 564**	**–**	**35 081**	**35 081**	**35 081**	**35 081**	**35 081**	**35 801**

Municipal in-house services	Ref.		2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
		Household service targets (000)									
		Water:									
		Piped water inside dwelling	19 850	19 850	–	29 372	29 372	29 372	21 743	22 303	29 672
		Piped water inside yard (but not in dwelling)	5 484	5 484	–	103	103	103	5 484	5 000	4 500
	8	Using public tap (at least min.service level)	1 496	1 496	–	123	123	123	123	123	123
	10	Other water supply (at least min.service level)	–	–	–	8 498	8 498	8 498	26 304	8 498	8 498
		Minimum Service Level and Above sub-total	26 830	26 830	–	38 096	38 096	38 096	53 654	35 924	42 793
	9	Using public tap (< min.service level)	2 442	2 442	–	–	–	–	–	–	–
	10	Other water supply (< min.service level)	–	–	–	150	150	150	150	150	150
		No water supply	1 291	1 291	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	3 733	3 733	–	150	150	150	150	150	150
		Total number of households	**30 563**	**30 563**	**–**	**38 246**	**38 246**	**38 246**	**53 804**	**36 074**	**42 943**
		Sanitation/sewerage:									
		Flush toilet (connected to sewerage)	17 717	17 717	–	24 308	24 308	24 308	18 029	19 127	24 448
		Flush toilet (with septic tank)	5 615	5 615	–	10 385	10 385	10 385	10 385	10 385	10 385
		Chemical toilet	1 879	1 879	–	2 044	2 044	2 044	2 044	2 044	2 044
		Pit toilet (ventilated)	487	487	–	1 400	1 400	1 400	1 400	1 400	1 400
		Other toilet provisions (> min.service level)	3 589	3 589	–	42	42	42	42	42	42
		Minimum Service Level and Above sub-total	29 287	29 287	–	38 179	38 179	38 179	31 900	32 998	38 319
		Bucket toilet	–	–	–	–	–	–	–	–	–
		Other toilet provisions (< min.service level)	658	658	–	86	86	86	86	86	86
		No toilet provisions	618	618	–	–	–	–	618	618	500
		Below Minimum Service Level sub-total	1 276	1 276	–	86	86	86	704	704	586
		Total number of households	**30 563**	**30 563**	**–**	**38 265**	**38 265**	**38 265**	**32 604**	**33 702**	**38 905**
		Energy:									
		Electricity (at least min.service level)	16 224	16 224	–	2 785	2 785	2 785	18 127	18 763	19 399
		Electricity - prepaid (min.service level)	7 650	7 650	–	14 733	14 733	14 733	14 733	14 733	14 733
		Minimum Service Level and Above sub-total	23 874	23 874	–	17 518	17 518	17 518	32 860	33 496	34 132
		Electricity (< min.service level)	370	370	–	1 536	1 536	1 536	1 536	32 321	32 421
		Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–	49 909	50 109
		Other energy sources	6 319	6 319	–	21 527	21 527	21 527	21 527	82 230	82 530
		Below Minimum Service Level sub-total	6 689	6 689	–	23 063	23 063	23 063	23 063	164 460	165 060
		Total number of households	**30 563**	**30 563**	**–**	**40 581**	**40 581**	**40 581**	**55 923**	**197 956**	**199 192**
		Refuse:									
		Removed at least once a week	25 086	25 086	–	25 086	25 086	25 086	25 086	25 086	25 806
		Minimum Service Level and Above sub-total	25 086	25 086	–	25 086	25 086	25 086	25 086	25 086	25 806
		Removed less frequently than once a week	309	309	–	309	309	309	309	309	309
		Using communal refuse dump	591	591	–	–	–	–	–	–	–
		Using own refuse dump	3 241	3 241	–	3 241	3 241	3 241	3 241	3 241	3 241
		Other rubbish disposal	967	967	–	967	967	967	967	967	967
		No rubbish disposal	5 370	5 370	–	5 478	5 478	5 478	5 478	5 478	5 478
		Below Minimum Service Level sub-total	10 478	10 478	–	9 995	9 995	9 995	9 995	9 995	9 995
		Total number of households	**35 564**	**35 564**	**–**	**35 081**	**35 081**	**35 081**	**35 081**	**35 081**	**35 801**

Municipal entity services	Ref.		2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
		Household service targets (000)									
Name of municipal entity		***Water:***									
		Piped water inside dwelling									
		Piped water inside yard (but not in dwelling)									
	8	Using public tap (at least min.service level)									
	10	Other water supply (at least min.service level)									
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
	9	Using public tap (< min.service level)									
	10	Other water supply (< min.service level)									
		No water supply									
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
Name of municipal entity		***Sanitation/sewerage:***									
		Flush toilet (connected to sewerage)									
		Flush toilet (with septic tank)									
		Chemical toilet									
		Pit toilet (ventilated)									
		Other toilet provisions (> min.service level)									
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Bucket toilet									
		Other toilet provisions (< min.service level)									
		No toilet provisions									
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
Name of municipal entity		***Energy:***									
		Electricity (at least min.service level)									
		Electricity - prepaid (min.service level)									
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Electricity (< min.service level)									
		Electricity - prepaid (< min. service level)									
		Other energy sources									
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
Name of municipal entity		***Refuse:***									
		Removed at least once a week									
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Removed less frequently than once a week									
		Using communal refuse dump									
		Using own refuse dump									
		Other rubbish disposal									
		No rubbish disposal									
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–

Services provided by 'external mechanisms'	Ref.		2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Names of service providers		**Household service targets (000)**									
		Water:									
		Piped water inside dwelling									
		Piped water inside yard (but not in dwelling)									
	8	Using public tap (at least min.service level)									
	10	Other water supply (at least min.service level)									
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
	9	Using public tap (< min.service level)									
	10	Other water supply (< min.service level)									
		No water supply									
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
Names of service providers		***Sanitation/sewerage:***									
		Flush toilet (connected to sewerage)									
		Flush toilet (with septic tank)									
		Chemical toilet									
		Pit toilet (ventilated)									
		Other toilet provisions (> min.service level)									
		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	–	–	–	–	–	–	–	–	–
Names of service providers		***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	–	–	–	–	–	–	–	–	–
Names of service providers		***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			2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Electricity	Ref.	***Location of households for each type of FBS***									
List type of FBS service		**Formal settlements - (50 kwh per indigent household per month Rands)**	1 422 939	2 334 219	3 435 069	2 724 819	3 424 819	3 424 819	3 859 771	4 465 755	5 166 879

		Number of HH receiving this type of FBS	–	–	–	715 348	715 348	715 348	715 348	–	–
		Informal settlements (Rands)	–	–	–	715	715	715	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	715	–	–
		Informal settlements targeted for upgrading (Rands)									
		Number of HH receiving this type of FBS									
		Living in informal backyard rental agreement (Rands)									
		Number of HH receiving this type of FBS									
		Other (Rands)									
		Number of HH receiving this type of FBS									
		Total cost of FBS - Electricity for informal settlements	–	–	–	715	715	715	–	–	–
Water	Ref.	***Location of households for each type of FBS***									
List type of FBS service		**Formal settlements - (6 kilolitre per indigent household per month Rands)**	6 742 676	4 434 110	4 507 140	6 890 957	5 278 871	5 278 871	5 648 392	6 043 779	6 466 844
		Number of HH receiving this type of FBS	–	–	–	12 374 591	12 374 591	12 374 591	12 374 591	–	–
		Informal settlements (Rands)	–	–	–	12 375	12 375	12 375	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	12 375	–	–
		Informal settlements targeted for upgrading (Rands)									
		Number of HH receiving this type of FBS									
		Living in informal backyard rental agreement (Rands)									
		Number of HH receiving this type of FBS									
		Other (Rands)									
		Number of HH receiving this type of FBS									
		Total cost of FBS - Water for informal settlements	–	–	–	12 375	12 375	12 375	–	–	–
Sanitation	Ref.	***Location of households for each type of FBS***									
List type of FBS service		**Formal settlements - (free sanitation service to indigent households)**									
		Number of HH receiving this type of FBS									
		Informal settlements (Rands)									
		Number of HH receiving this type of FBS									
		Informal settlements targeted for upgrading (Rands)									
		Number of HH receiving this type of FBS									
		Living in informal backyard rental agreement (Rands)									
		Number of HH receiving this type of FBS									
		Other (Rands)									
		Number of HH receiving this type of FBS									
		Total cost of FBS - Sanitation for informal settlements	–	–	–	–	–	–	–	–	–
Refuse Removal	Ref.	***Location of households for each type of FBS***									
List type of FBS service		**Formal settlements - (removed once a week to indigent households)**									
		Number of HH receiving this type of FBS									
		Informal settlements (Rands)									
		Number of HH receiving this type of FBS									
		Informal settlements targeted for upgrading (Rands)									
		Number of HH receiving this type of FBS									
		Living in informal backyard rental agreement (Rands)									
		Number of HH receiving this type of FBS									
		Other (Rands)									
		Number of HH receiving this type of FBS									
		Total cost of FBS - Refuse Removal for informal settlements	–	–	–	–	–	–	–	–	–

References

1. Monthly household income threshold. Should include all sources of income.

2. Show the poverty analysis the municipality uses to determine its indigents policy and the provision of services

3. Include total of all housing units within the municipality

4. Number of subsidised dwellings to be constructed by the municipality under agency agreement with province

5. Provide estimate based on building approval information. Include any non-subsidised dwellings constructed by the municipality

6. Insert actual or estimated % increases assumed as a basis for budget calculations

7. Insert actual or estimated % collection rate assumed as a basis for budget calculations for each revenue group

8. Stand distance <= 200m from dwelling

9. Stand distance > 200m from dwelling

10. Borehole, spring, rain-water tank etc.

11. Must agree to total number of households in municipal area

12. Household income categories assume an average 4 person household. Stats SA - Census 2011 Questionnaire

13. Based on National poverty line of R515 per capita per month (2008 prices), assuming an average household size of 4 persons

GT422 Midvaal Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	(527 827)	2 761	(177 627)	(143 880)	(532 410)	(532 410)	2 062 884	430 039	215 398	30 002
Cash + investments at the yr end less applications - R'000	18(1)b	2	97 358	336 579	420 069	162 780	457 510	457 510	957 307	662 766	576 067	508 280
Cash year end/monthly employee/supplier payments	18(1)b	3	(7,2)	0,0	(2,1)	(1,2)	(4,7)	(4,7)	24,8	3,5	1,6	0,2
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	341 196	82 421	185 127	(4 899)	18 555	18 555	231 568	40 784	20 571	18 948
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	1,3%	(2,3%)	13,7%	(6,8%)	(6,0%)	(19,3%)	3,3%	4,4%	4,6%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	7,7%	53,5%	46,0%	34,0%	32,2%	32,2%	135,8%	85,5%	82,6%	83,6%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	7,6%	6,1%	6,1%	12,9%	10,2%	10,2%	3,5%	10,5%	11,2%	11,8%
Capital payments % of capital expenditure	18(1)c;19	8	45,5%	100,0%	99,0%	96,1%	95,1%	95,1%	96,3%	96,0%	92,9%	94,0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	32,1%	24,2%	22,9%	71,2%	71,4%	71,4%	15,7%	2,1%	57,5%	35,6%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0,0%	0,0%	0,0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	16,7%	67,9%	(13,9%)	25,9%	0,0%	24,2%	(29,0%)	(1,2%)	(3,1%)
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	5,1%	6,7%	8,0%	8,5%	9,7%	9,7%	10,2%	9,3%	9,6%	0,0%
Asset renewal % of capital budget	20(1)(vi)	14	56,0%	42,5%	45,3%	48,0%	42,9%	42,9%	0,0%	41,6%	48,9%	64,1%

References:

1. Positive cash balances indicative of minimum compliance - subject to 2

2. Deduct cash and investment applications (defined) from cash balances

3. Indicative of sufficient liquidity to meet average monthly operating payments

4. Indicative of funded operational requirements

5. Indicative of adherence to macro-economic targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)

6. Realistic average cash collection forecasts as % of annual billed revenue

7. Realistic average increase in debt impairment (doubtful debt) provision

8. Indicative of planned capital expenditure level & cash payment timing

9. Indicative of compliance with borrowing 'only' for the capital budget - should not exceed 100% unless refinancing

10. Substantiation of National/Province allocations included in budget

11. Indicative of realistic current arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)

12. Indicative of realistic long term arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)

13. Indicative of a credible allowance for repairs & maintenance of assets - functioning assets revenue protection

14. Indicative of a credible allowance for asset renewal (requires analysis of asset renewal projects as % of total capital projects - detailed capital plan) - functioning assets revenue protection

Supporting indicators												
% incr total service charges (incl prop rates)	18(1)a		0,0%	7,3%	3,7%	19,7%	(2,8%)	0,0%	(13,3%)	9,3%	10,4%	10,6%
% incr Property Tax	18(1)a		0,0%	7,8%	8,4%	8,5%	1,7%	0,0%	(9,7%)	7,0%	6,0%	6,0%
% incr Service charges - Electricity	18(1)a		0,0%	19,0%	(5,0%)	37,0%	(9,0%)	0,0%	(18,2%)	12,6%	15,5%	15,5%
% incr Service charges - Water	18(1)a		0,0%	(13,9%)	14,1%	12,0%	0,3%	0,0%	(10,1%)	6,9%	6,9%	6,9%
% incr Service charges - Waste Water Management	18(1)a		0,0%	9,2%	13,4%	(4,6%)	13,7%	0,0%	(8,3%)	6,0%	6,0%	6,0%
% incr Service charges - Waste Management	18(1)a		0,0%	17,5%	4,3%	3,4%	4,3%	0,0%	(8,7%)	7,0%	7,0%	7,0%
% incr in Sale of Goods and Rendering of Services	18(1)a		0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Total billable revenue	18(1)a		987 698	1 059 410	1 099 063	1 315 397	1 278 266	1 278 266	1 108 539	1 397 379	1 543 368	1 707 596
Service charges			987 698	1 059 410	1 099 063	1 315 397	1 278 266	1 278 266	1 108 539	1 397 379	1 543 368	1 707 596
Property rates			253 452	273 314	296 169	321 362	326 734	326 734	295 124	349 605	370 581	392 816
Service charges - electricity revenue			388 232	461 979	438 811	601 337	547 484	547 484	448 042	616 262	711 937	822 586
Service charges - water revenue			249 280	214 565	244 870	274 372	275 097	275 097	247 361	294 205	314 641	336 503
Service charges - sanitation revenue			49 841	54 450	61 723	58 893	66 988	66 988	61 420	71 008	75 268	79 784
Service charges - refuse removal			46 892	55 102	57 490	59 433	61 962	61 962	56 593	66 300	70 941	75 907
Agency services			–	–	–	–	–	–	–	–	–	–
Capital expenditure excluding capital grant funding			66 892	76 726	65 029	163 115	167 765	167 765	100 534	145 270	117 400	60 900
Cash receipts from ratepayers	18(1)a		207 608	1 525 867	1 408 452	1 258 941	1 105 644	1 105 644	3 903 646	1 277 647	1 361 574	1 519 207
Ratepayer & Other revenue	18(1)a		2 696 181	2 851 626	3 058 678	3 701 863	3 431 366	3 431 366	2 875 474	1 493 684	1 647 703	1 818 100
Change in consumer debtors (current and non-current)			N/A	32 137	152 496	(52 261)	84 129	–	98 984	(147 087)	(4 422)	(11 210)
Operating and Capital Grant Revenue	18(1)a		343 386	247 343	271 165	294 360	296 572	296 572	271 122	331 803	310 206	324 369
Capital expenditure - total	20(1)(vi)		239 433	164 627	168 766	259 622	270 012	270 012	185 404	266 618	208 588	147 442
Capital expenditure - renewal	20(1)(vi)		134 156	69 925	76 479	124 512	115 937	115 937		110 880	101 988	94 466
Supporting benchmarks												
Growth guideline maximum			6,0%	6,0%	6,0%	6,0%	6,0%	6,0%	6,0%	6,0%	6,0%	6,0%
CPI guideline			4,3%	3,9%	4,6%	5,0%	5,0%	5,0%	5,0%	5,4%	5,6%	5,4%
DoRA operating grants total MFY												
DoRA capital grants total MFY												
Provincial operating grants												
Provincial capital grants												
District Municipality grants												
Total gazetted/advised national, provincial and district grants										–	–	–
Average annual collection rate (arrears inclusive)												
DoRA operating												
										–	–	–
										–	–	–
Trend												
Change in consumer debtors (current and non-current)			N/A	32 137	152 496	(52 261)	84 129	–	98 984	(147 087)	(4 422)	(11 210)
Total Operating Revenue			1 263 085	1 323 631	1 421 663	1 694 996	1 645 002	1 645 002	1 424 624	1 787 272	1 952 778	2 144 987
Total Operating Expenditure			1 106 204	1 337 691	1 345 674	1 801 035	1 732 976	1 732 976	1 281 475	1 873 020	2 027 620	2 217 146
Operating Performance Surplus/(Deficit)			156 881	(14 060)	75 989	(106 038)	(87 974)	(87 974)	143 149	(85 748)	(74 842)	(72 159)
Cash and Cash Equivalents (30 June 2012)										430 039		
Revenue												
% Increase in Total Operating Revenue				4,8%	7,4%	19,2%	(2,9%)	0,0%	(13,4%)	8,6%	9,3%	9,8%
% Increase in Property Rates Revenue				7,8%	8,4%	8,5%	1,7%	0,0%	(9,7%)	18,5%	6,0%	6,0%
% Increase in Electricity Revenue				19,0%	(5,0%)	37,0%	(9,0%)	0,0%	(18,2%)	12,6%	15,5%	15,5%
% Increase in Property Rates & Services Charges				7,3%	3,7%	19,7%	(2,8%)	0,0%	(13,3%)	9,3%	10,4%	10,6%
Expenditure												
% Increase in Total Operating Expenditure			0,0%	20,9%	0,6%	33,8%	(3,8%)	0,0%	(26,1%)	8,1%	8,3%	9,3%
% Increase in Employee Costs			0,0%	8,0%	7,3%	25,6%	(8,7%)	0,0%	(15,7%)	6,9%	3,8%	5,4%
% Increase in Electricity Bulk Purchases			0,0%	16,2%	(2,4%)	34,3%	0,0%	0,0%	(26,2%)	9,6%	15,7%	15,7%
Average Cost Per Budgeted Employee Position (Remuneration)			0	212078,9003	446552,4878	514196,9692	532783,2944	6498209,361	498288,7891	631424,1267	464504,0454	14049513,24
Average Cost Per Councillor (Remuneration)			0	0	0	0	0	0	0	0	0	0
R&M % of PPE			5,1%	6,7%	8,0%	8,5%	9,7%	9,7%	10,2%	10,2%	9,3%	9,6%
Asset Renewal and R&M as a % of PPE			13,7%	11,3%	12,2%	14,6%	15,8%	15,8%	16,7%	16,7%	14,4%	13,9%
Debt Impairment % of Total Billable Revenue			7,6%	6,1%	6,1%	12,9%	10,2%	10,2%	3,5%	10,5%	11,2%	11,8%
Capital Revenue												
Internally Funded & Other (R'000)			40 585	40 209	47 483	88 335	48 975	48 975	29 969	57 670	48 250	37 900
Borrowing (R'000)			26 307	36 518	17 546	74 780	118 790	118 790	70 564	87 600	69 150	23 000
Grant Funding and Other (R'000)			172 541	87 901	103 737	96 507	102 246	102 246	84 870	121 348	91 188	86 542
Internally Generated funds % of Non Grant Funding			60,7%	52,4%	73,0%	54,2%	29,2%	29,2%	29,8%	39,7%	41,1%	62,2%
Borrowing % of Non Grant Funding			39,3%	47,6%	27,0%	45,8%	70,8%	70,8%	70,2%	60,3%	58,9%	37,8%
Grant Funding % of Total Funding			72,1%	53,4%	61,5%	37,2%	37,9%	37,9%	45,8%	45,5%	43,7%	58,7%
Capital Expenditure												
Total Capital Programme (R'000)			239 433	164 627	168 766	259 622	270 012	270 012	185 404	266 618	208 588	147 442
Asset Renewal			165 653	93 088	88 019	137 062	124 769	124 769	–	128 280	113 988	99 466
Asset Renewal % of Total Capital Expenditure			69,2%	56,5%	52,2%	52,8%	46,2%	46,2%	0,0%	48,1%	54,6%	67,5%
Cash												
Cash Receipts % of Rate Payer & Other			7,7%	53,5%	46,0%	34,0%	32,2%	32,2%	135,8%	85,5%	82,6%	83,6%
Cash Coverage Ratio			(0)	0	(0)	(0)	(0)	(0)	0	0	0	0
Borrowing												
Most recent Credit Rating										0		
Capital Charges to Operating			1,6%	5,3%	4,0%	3,7%	4,0%	4,0%	1,4%	3,5%	3,4%	3,3%
Borrowing Receipts % of Capital Expenditure			32,1%	24,2%	22,9%	71,2%	71,4%	71,4%	15,7%	2,1%	57,5%	35,6%
Reserves												
Uncommitted reserves after application of cash and investments			97 358	336 579	420 069	162 780	457 510	457 510	957 307	662 766	576 067	508 280
Free Services												
Free Basic Services as a % of Equitable Share			6,1%	5,4%	5,5%	6,0%	5,4%	5,4%	5,5%	5,5%	5,7%	5,8%
Free Services as a % of Operating Revenue (excl operational transfers)			6,2%	5,8%	5,7%	5,1%	5,1%	5,1%	6,4%	5,0%	4,8%	4,7%
High Level Outcome of Funding Compliance												
Total Operating Revenue			1 263 085	1 323 631	1 421 663	1 694 996	1 645 002	1 645 002	1 424 624	1 787 272	1 952 778	2 144 987
Total Operating Expenditure			1 106 204	1 337 691	1 345 674	1 801 035	1 732 976	1 732 976	1 281 475	1 873 020	2 027 620	2 217 146
Surplus/(Deficit) Budgeted Operating Statement			156 881	(14 060)	75 989	(106 038)	(87 974)	(87 974)	143 149	(85 748)	(74 842)	(72 159)
Surplus/(Deficit) Considering Reserves and Cash Backing			97 358	336 579	420 069	162 780	457 510	457 510	957 307	662 766	576 067	508 280
MTREF Funded (1) / Unfunded (0)		15	1	1	1	1	1	1	1	1	1	1
MTREF Funded ✓ / Unfunded ✗		15	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

References:

15. Subject to figures provided in Schedule.

GT422 Midvaal - Supporting Table SA11 Property rates summary

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Valuation:	1									
Date of valuation:		2000/01/01	2000/01/01	2000/01/01	2000/01/01					
Financial year valuation used		**20202021**	**0**	**0**	**0**			**0**		
Municipal by-laws s6 in place? (Y/N)	2	Yes	No	Yes	Yes			Yes		
Municipal/assistant valuer appointed? (Y/N)		Yes	No	Yes	Yes			Yes		
Municipal partnership s38 used? (Y/N)		No			No	No	No	No		
No. of assistant valuers (FTE)	3	–	–	–	3	**3**	**3**	3	**3**	**3**
No. of data collectors (FTE)	3	–	–	–	3	3	3	3	3	3
No. of internal valuers (FTE)	3	–	–	–	–	–	–	–	–	–
No. of external valuers (FTE)	3	–	–	–	1	1	1	1	1	1
No. of additional valuers (FTE)	4	–	–	–	–	–	–	–	–	–
Valuation appeal board established? (Y/N)		No	No	Yes	Yes			Yes		
Implementation time of new valuation roll (mths)		–	–	–	12			12		
No. of properties	5	36 304	–	–	39 066	39 066	39 066	39 330	–	–
No. of sectional title values	5	–	–	–	2 202 400	2 202 400	2 202 400	2 202 400	–	–
No. of unreasonably difficult properties s7(2)		–	–	–	–	–	–	–	–	–
No. of supplementary valuations		820	–	–	6 000	6 000	6 000	800	–	–
No. of valuation roll amendments		–	–	–	1	1	1	1	–	–
No. of objections by rate payers		–	99	–	–	–	–	–	–	–
No. of appeals by rate payers		–	30	–	–	–	–	–	–	–
No. of successful objections	8	–	21	–	–	–	–	–	–	–
No. of successful objections > 10%	8	–	25	–	–	–	–	–	–	–
Supplementary valuation		1	2	–	–	–	–	–	–	–
Public service infrastructure value (Rm)	5	–	–	–	–	–	–	–	–	–
Municipality owned property value (Rm)		–	–	–	–	–	–	–	–	–
Valuation reductions:										
Valuation reductions-public infrastructure (Rm)										
Valuation reductions-nature reserves/park (Rm)										
Valuation reductions-mineral rights (Rm)										
Valuation reductions-R15,000 threshold (Rm)										
Valuation reductions-public worship (Rm)										
Valuation reductions-other (Rm)										
Total valuation reductions:		–	–	–	–	–	–	–	–	–
Total value used for rating (Rm)	5	–	–	–	0	0	0	0	–	–
Total land value (Rm)	5	–	–	–	–	–	–	–	–	–
Total value of improvements (Rm)	5	–	–	–	–	–	–	–	–	–
Total market value (Rm)	5	–	–	–	–	–	–	–	–	–
Rating:										
Residential rate used to determine rate for other categories? (Y/N)		No	No	Yes	Yes			Yes		
Differential rates used? (Y/N)	5	No	No	Yes	Yes			Yes		
Limit on annual rate increase (s20)? (Y/N)		No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Special rating area used? (Y/N)		No	No	Yes	Yes			Yes		
Phasing-in properties s21 (number)		0	0	0	0	0	0	0	0	0
Rates policy accompanying budget? (Y/N)		No	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	254	–	–	321 362	321 362	321 362	340 643	361 082	382 747
Rate revenue expected to collect (R'000)	6	228	–	–	295 653	295 653	295 653	313 392	332 195	352 127
Expected cash collection rate (%)		90,0%	92,0%	0,0%	92,0%	92,0%	92,0%	92,0%	92,0%	92,0%
Special rating areas (R'000)	7	–	–	–	–	–	–	–	–	–
Rebates, exemptions - indigent (R'000)		1	–	–	1 235	1 235	1 235	1 321	1 400	1 484
Rebates, exemptions - pensioners (R'000)		1	–	–	807	807	807	863	915	970
Rebates, exemptions - bona fide farm. (R'000)		–	–	–	–	–	–	–	–	–
Rebates, exemptions - other (R'000)		38	–	–	46 314	46 314	46 314	49 556	52 530	55 682
Phase-in reductions/discounts (R'000)		–	–	–	–	–	–	–	–	–
Total rebates,exemptns,reductns,discs (R'000)		**40**	**–**	**–**	**48 356**	**48 356**	**48 356**	**51 740**	**54 845**	**58 136**

References

1. All numbers to be expressed as whole numbers except FTEs and Rates in the Rand

2. To give effect to rates policy

3. Full Time Equivalent (FTE) should be expressed to one decimal place and takes into account full time and part time staff

4. Required to implement new system (FTE)

5. Provide relevant information for historical comparisons. Must reconcile to the total of Table SA12

6. Current and budget year must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)

7. Included in rate revenue budget

8. In favour of the rate-payer

GT422 Midvaal - Supporting Table SA12a Property rates by category (current year)

Description	Ref	Business and commercial properties	Industrial properties	Mining properties	Residential properties	Agricultural properties	Public benefit organisations	Public service purpose properties	Public service infrastructure properties	Vacant land	Sport Clubs and Fields (Bitou only)	Sectional Title Garages (Drakenstein only)
Current Year 2023/24												
Valuation:												
No. of properties		600	689	6	25 226	2 021	26	392	342	5 529	–	–
No. of sectional title property values		–	–	–	–	–	–	–	–	–	–	–
No. of unreasonably difficult properties s7(2)		–	–	–	–	–	–	–	–	–	–	–
No. of supplementary valuations												
Supplementary valuation (Rm)												
No. of valuation roll amendments												
No. of objections by rate-payers												
No. of appeals by rate-payers												
No. of appeals by rate-payers finalised												
No. of successful objections	5											
No. of successful objections > 10%	5											
Estimated no. of properties not valued												
Years since last valuation **(select)**												
Frequency of valuation **(select)**		<4	<4	<4	<4		<4		<4			
Method of valuation used **(select)**		Market	Market	Market	Market		Market		Market			
Base of valuation **(select)**		Land & Impr.	Land & Impr.	Land & Impr.	Land & Impr.		Land & Impr.		Land & Impr.			
Phasing-in properties s21 (number)		0	0	0	0	0	0	1	0	1	0	0
Combination of rating types used? (Y/N)		Yes	Yes	Yes	Yes		Yes		Yes			
Flat rate used? (Y/N)		No	No	No	No		No		No			
Is balance rated by uniform rate/variable rate?		Variable	Variable	Variable	Variable		Variable		Variable			
Valuation reductions:												
Valuation reductions-public infrastructure (Rm)												
Valuation reductions-nature reserves/park (Rm)												
Valuation reductions-mineral rights (Rm)												
Valuation reductions-R15,000 threshold (Rm)												
Valuation reductions-public worship (Rm)												
Valuation reductions-other (Rm)	2											
Total valuation reductions:												
Total value used for rating (Rm)	6											
Total land value (Rm)	6											
Total value of improvements (Rm)	6											
Total market value (Rm)	6											
Rating:												
Average rate	3	0,021566	0,021566	0,021566	0,010783	0,002696	–	0,021566	–	0,032349	–	–
Rate revenue budget (R '000)		22	58	33	149	1	–	11	–	74	–	–
Rate revenue expected to collect (R'000)		21	54	0	137	0	–	10	–	68	–	–
Expected cash collection rate (%)	4	92,0%	92,0%	92,0%	92,0%	92,0%	0,0%	92,0%	0,0%	92,0%	0,0%	0,0%
Special rating areas (R'000)												
Rebates, exemptions - indigent (R'000)		–	–	–	1	–	–	–	–	–	–	–
Rebates, exemptions - pensioners (R'000)		–	–	–	1	–	–	–	–	–	–	–
Rebates, exemptions - bona fide farm. (R'000)		–	–	–	–	–	–	–	–	–	–	–
Rebates, exemptions - other (R'000)		–	–	–	46	–	–	–	–	–	–	–
Phase-in reductions/discounts (R'000)		–	–	–	–	–	–	–	–	–	–	–
Total rebates,exemptns,reductns,discs (R'000)												

References

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

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

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

4. Include arrears collections

5. In favour of the rate-payer

6. Provide relevant information for historical comparisons.

GT422 Midvaal - Supporting Table SA12b Property rates by category (budget year)

Description	Ref	Business and commercial properties	Industrial properties	Mining properties	Residential properties	Agricultural properties	Public benefit organisations	Public service purpose properties	Public service infrastructure properties	Vacant land	Sport Clubs and Fields (Bitou only)	Sectional Title Garages (Drakenstein only)
Budget Year 2024/25												
Valuation:												
No. of properties		584	689	6	25 452	2 033	29	391	381	6 108	–	–
No. of sectional title property values		–	–	–	–	–	–	–	–	–	–	–
No. of unreasonably difficult properties s7(2)		–	–	–	–	–	–	–	–	–	–	–
No. of supplementary valuations												
Supplementary valuation (Rm)												
No. of valuation roll amendments												
No. of objections by rate-payers												
No. of appeals by rate-payers												
No. of appeals by rate-payers finalised												
No. of successful objections	5											
No. of successful objections > 10%	5											
Estimated no. of properties not valued												
Years since last valuation **(select)**												
Frequency of valuation **(select)**		<4	<4	<4	<4		<4		<4			
Method of valuation used **(select)**		Market	Market	Market	Market		Market		Market			
Base of valuation **(select)**		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
Combination of rating types used? (Y/N)		Yes	Yes	Yes	Yes		Yes		Yes			
Flat rate used? (Y/N)		No	No	No	No		No		No			
Is balance rated by uniform rate/variable rate?		Variable	Variable	Variable	Variable		Variable		Variable			
Valuation reductions:												
Valuation reductions-public infrastructure (Rm)												
Valuation reductions-nature reserves/park (Rm)												
Valuation reductions-mineral rights (Rm)												
Valuation reductions-R15,000 threshold (Rm)												
Valuation reductions-public worship (Rm)												
Valuation reductions-other (Rm)	2											
Total valuation reductions:												
Total value used for rating (Rm)	6											
Total land value (Rm)	6											
Total value of improvements (Rm)	6											
Total market value (Rm)	**6**											
Rating:												
Average rate	3	23 076,000000	23 076,000000	23 076,000000	11 538,000000	2 884,000000	–	23 076,000000	–	34 613,000000	–	–
Rate revenue budget (R '000)		25	6	0	170	9	13	13	–	71	–	–
Rate revenue expected to collect (R'000)		23	6	0	156	–	–	12	–	65	–	–
Expected cash collection rate (%)	4	92,0%	92,0%	92,0%	92,0%	0,0%	92,0%	92,0%	92,0%	92,0%	0,0%	0,0%
Special rating areas (R'000)												
Rebates, exemptions - indigent (R'000)		–	–	–	1	–	–	–	–	–	–	–
Rebates, exemptions - pensioners (R'000)		–	–	–	1	–	–	–	–	–	–	–
Rebates, exemptions - bona fide farm. (R'000)		–	–	–	–	–	–	–	–	–	–	–
Rebates, exemptions - other (R'000)		–	–	–	50	–	–	–	–	–	–	–
Phase-in reductions/discounts (R'000)		–	–	–	–	–	–	–	–	–	–	–
Total rebates,exemptns,reductns,discs (R'000)												

References

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

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

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

4. Include arrears collections

5. In favour of the rate-payer

GT422 Midvaal - Supporting Table SA13a Service Tariffs by category

Description	Ref	Provide description of tariff structure where appropriate	2020/21	2021/22	2022/23	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework		
							Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Property rates *(rate in the Rand)*	1								
Residential properties		-	-	-	101,0000	10 783,0000	11 538,0000	122,0000	130,0000
Residential properties - vacant land		-	-	-	304,0000	32 349,0000	34 613,0000	367,0000	389,0000
Formal/informal settlements			-	-	-	-	-	-	-
Small holdings		-	-	-	101,0000	10 783,0000	11 538,0000	122,0000	130,0000
Farm properties - used			-	-	25,0000	2 696,0000	2 884,0000	31,0000	32,0000
Farm properties - not used			-	-	25,0000	2 696,0000	2 884,0000	31,0000	32,0000
Industrial properties			-	-	203,0000	21 566,0000	23 076,0000	245,0000	259,0000
Business and commercial properties			-	-	203,0000	21 566,0000	23 076,0000	245,0000	259,0000
Communal land - residential									
Communal land - small holdings									
Communal land - farm property									
Communal land - business and commercial									
Communal land - other			-	-	-	-	-	-	-
State-owned properties			-	-	203,0000	21 566,0000	23 076,0000	245,0000	259,0000
Municipal properties									
Public service infrastructure			-	-	-	0,0101	0,0114	0,0121	-
Privately owned towns serviced by the owner			-	-	101,0000	108,0000	11 538,0000	122,0000	130,0000
State trust land									
Restitution and redistribution properties									
Protected areas									
National monuments properties									
Property rates by usage									
Business and commercial properties									
Industrial properties									
Mining properties									
Residential properties									
Agricultural properties									
Public benefit organisations									
Public service purpose properties									
Public service infrastructure properties									
Vacant land									
Sport Clubs and Fields (Bitou only)									
Sectional Title Garages (Drakenstein only)									
Exemptions, reductions and rebates *(Rands)*									
Residential properties									
R15 000 threshhold rebate			15 000	15 000	15 000	15 000	15 000	15 000	15 000
General residential rebate			-	-	135 000	135 000	135 000	135 000	135 000
Indigent rebate or exemption			-	-	-	1	1	1	-
Pensioners/social grants rebate or exemption			-	-	-	1	1	1	-
Temporary relief rebate or exemption									
Bona fide farmers rebate or exemption			-	-	-	-	-	-	-
Other rebates or exemptions	2								
Water tariffs									
Domestic									
Basic charge/fixed fee *(Rands/month)*			-	-	-	-	-	-	-
Service point - vacant land *(Rands/month)*			-	-	-	-	-	-	-
Water usage - flat rate tariff *(c/kl)*			31	-	-	32	38	-	-
Water usage - life line tariff			31	-	3 519	3 843	4 112	4 461	4 840
Water usage - Block 1 (c/kl)			34	-	3 519	3 843	4 112	4 461	4 840
Water usage - Block 2 (c/kl)			38	-	3 878	4 235	4 531	4 916	5 334

Water usage - Block 3 (c/kl)			40	-	4 382	4 785	5 120	5 555	6 028
Water usage - Block 4 (c/kl)			31	-	-	32	38	-	-
Water usage - Block 5 (c/kl)		-	-	40	4 652	5 080	5 436	5 898	6 399
Water usage - Block 6 (c/kl)			-	43	4 832	5 277	5 646	6 126	6 646
Other	2								
Waste water tariffs									
Domestic									
Basic charge/fixed fee *(Rands/month)*			246	260	276	295	312	331	351
Service point - vacant land *(Rands/month)*			125	-	140	150	159	168	178
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	2								
Electricity tariffs									
Domestic									
Basic charge/fixed fee *(Rands/month)*			-	-	-	162	183	212	245
Service point - vacant land *(Rands/month)*									
FBE			1	-	141	162	183	212	245
Life-line tariff - meter			-	-	141	162	183	212	245
Life-line tariff - prepaid			-	-	3	3	4	5	5
Flat rate tariff - meter *(c/kwh)*			-	-	-	3	4	5	-
Flat rate tariff - prepaid*(c/kwh)*									
Meter - IBT Block 1 (c/kwh)			1	-	141	156	175	203	235
Meter - IBT Block 2 (c/kwh)		-	1	-	177	200	226	261	302
Meter - IBT Block 3 (c/kwh)			2	-	260	274	309	358	414
Meter - IBT Block 4 (c/kwh)			3	-	303	319	360	416	482
Meter - IBT Block 5 (c/kwh)		(fill in thresholds)							
Prepaid - IBT Block 1 (c/kwh)			1	-	141	156	175	203	235
Prepaid - IBT Block 2 (c/kwh)			1	-	177	200	226	261	302
Prepaid - IBT Block 3 (c/kwh)			2	-	269	274	309	358	414
Prepaid - IBT Block 4 (c/kwh)			3	-	302	319	360	416	482
Prepaid - IBT Block 5 (c/kwh)		(fill in thresholds)							
Other	2								
Waste management tariffs									
Domestic									
Street cleaning charge			-	-	120	128	137	146	156
Basic charge/fixed fee									
80l bin - once a week									
250l bin - once a week									

References

1. If properties are not rated or zero rated this must be indicated as such

2.Please provide detailed descriptions on Sheet SA13b

GT422 Midvaal - Supporting Table SA13b Service Tariffs by category - explanatory

Description	Ref	Provide description of tariff structure where appropriate	2020/21	2021/22	2022/23	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework		
							Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Exemptions, reductions and rebates *(Rands)*									
Impermissible Reduction			15 000	-	-	15 000	15 000	15 000	-
Additional Residential Reduction			135 000	-	-	135 000	135 000	135 000	-
Public Service Infrastructure			1	-	-	1	1	1	-
Public Benefit Organization			1	-	-	1	1	1	-
Place Of Worship And/Or Vicarage			1	-	-	1	1	1	-
Communal Land			1	-	-	1	1	1	-
Municipal Properties			1	-	-	1	1	1	-
Protected Areas			1	-	-	1	1	1	-
Farm Properties Used For Residential Purposes			1	-	-	1	1	1	-
Agricultural Holdings Used For Residential Purposes 50%			1	-	-	1	1	1	-
Privately Owned Schools			1	-	-	1	1	1	-
Approved Indigents - For Property Values Up To R500			1	-	-	1	1	1	-
Residential Property Owners Who Are Over 60 Years Of			1	-	-	1	1	1	-
Residential Property Owners Who Are Over 60 Years Of			1	-	-	1	1	1	-
Old Age Institutions Registered At The Department Of			1	-	-	1	1	1	-
Owners Of Properties Exceeding The Municipal Valuation			-	-	-	-	-	-	-
Properties On Which National Monuments Are Situated			1	-	-	1	1	1	-
Farm Properties And Agricultural Holdings Used For			1	-	-	1	1	1	-
Water tariffs									
Industrial Consumption Charge			38	-	44	48	51	56	60
Charitable Institutions Consumption Charge			28	-	33	36	38	42	45
Vaal Marina Availability Charge 0 - 30kl			24	-	28	31	33	36	39
Vaal Marina Availability Charge > 30kl			33	-	38	42	45	48	53
Vaal Marina Flats			23	-	26	28	30	33	36
Water Leak Tariff			17	-	20	21	23	25	27
Township Developers			25	-	29	32	34	37	40
Sport Club Leasing Land From Council			18	-	21	23	24	26	28
Waste water tariffs									
Business Basic Charge			125	-	140	150	159	168	178
Service Point			121	-	136	145	154	163	173
Flat And Business Premises Under One Roof Up To 2000			121	-	136	145	154	163	173
Flat And Business Premises Under One Roof Over 2000			1 209	-	1 358	1 358	1 537	1 629	1 727
Private Hotels And Boarding Houses			121	-	136	136	154	163	173
Hotels And Clubs			182	-	205	205	232	246	261
Churches			112	-	126	126	142	151	160
Halls			121	-	136	136	154	163	173
Chartable Institutions			50	-	56	56	64	67	71
Schools, Creches, Nurseries And Kolleges			104	-	117	117	132	140	149
Boarding Schools And School Hostels			148	-	166	166	188	200	149
Sports Clubs Excluding School Sports Ground			350	-	393	393	444	471	499
Hospitals And Nursing Homes			67	-	75	75	85	91	96
Prison			121	-	136	136	154	163	173
Private Owned Compouns Or Hostels			121	-	136	136	154	163	173
Power Stations			121	-	136	136	154	163	173
Public Conveniences			121	-	136	136	154	163	173
Storage Premises			121	-	136	136	154	163	173
Electricity tariffs									
Unit Charge			238	-	297	397	385	446	516
R/Kva Low Voltage			157	-	194	194	251	291	336
R/Kva Med Voltage			154	-	-	189	246	284	-
Low Voltage Demand			340	-	-	419	543	628	-

Medium Voltage Demand		324	-	189	399	517	599	329
Peak Hours C Per Kwh		254	-	419	322	418	484	727
Standard Hours C Per Kwh		114	-	145	145	188	217	251
Off-Peak Hours C Per Kwh		90	-	12	12	15	18	20
Maximum Demand Charge Per Kva (30 Minute		101	-	127	127	165	191	221
Maximum Demand Charge R Per Kva (30 Minute		101	-	127	127	165	191	221
Reactive Energy Charge R Per Kvarh		381	-	492	492	638	738	854
Peak Hours C Per Kwh		280	-	486	486	630	729	844
Peak Hours Per Kwh		568	-	719	719	933	1 080	1 249
Standard Hours Per Kwh		191	-	241	241	313	362	419
Off-Peak Hours Per Kwh		102	-	129	129	168	194	224
Reactive Energy Charge Per Kvarh Supplied In Excess		32	-	48	48	62	71	83
General Lighting And Itenererant Supplies Basic Charge		626	-	771	771	1 001	1 158	1 339
Agricultural Supply		255	-	315	315	408	472	546
Notified Maximum Demand		31	-	39	39	50	58	67
Winter Period (June To August)		-	-	-	-	-	-	-

GT422 Midvaal - Supporting Table SA14 Household bills

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework			
Rand/cent		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25 % incr.	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates		–	436,76	462,97	494,22	494,22	494,22	7,0%	528,82	560,54	594,18
Electricity: Basic levy		–	–	–	–	–	–	–	–	–	–
Electricity: Consumption		2 068,36	2 399,00	2 465,09	2 837,32	2 837,32	2 837,32	12,7%	3 197,66	3 603,76	4 169,55
Water: Basic levy											
Water: Consumption		1 015,16	1 076,06	1 170,78	1 278,49	1 278,49	1 278,49	7,0%	1 367,99	1 484,27	1 610,43
Sanitation		245,58	260,31	275,93	294,56	294,56	294,56	6,8%	312,23	330,96	350,82
Refuse removal		213,62	226,44	240,02	256,82	256,82	256,82	7,0%	274,80	291,29	308,76
Other											
sub-total		**3 542,72**	**4 398,57**	**4 614,79**	**5 161,41**	**5 161,41**	**5 161,41**	**10,1%**	**5 681,50**	**6 270,82**	**7 033,74**
VAT on Services		531,41	594,32	622,77	712,61	712,61	712,61	8,5%	772,90	856,54	965,93
Total large household bill:		**4 074,13**	**4 992,89**	**5 237,56**	**5 874,02**	**5 874,02**	**5 874,02**	**9,9%**	**6 454,40**	**7 127,36**	**7 999,67**
% increase/-decrease		**–**	**22,6%**	**4,9%**	**12,2%**	**–**	**–**	**(18,7%)**	**9,9%**	**10,4%**	**12,2%**
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates		–	436,76	462,97	494,22	494,22	494,22	7,0%	528,82	560,54	594,18
Electricity: Basic levy											
Electricity: Consumption		831,61	964,66	993,05	1 143,00	1 143,00	1 143,00	15,1%	1 288,16	1 451,76	1 679,68
Water: Basic levy											
Water: Consumption		825,16	874,68	951,65	1 039,20	1 039,20	1 039,20	7,0%	1 111,95	1 206,46	1 309,01
Sanitation		245,16	260,31	275,93	294,56	294,56	294,56	6,8%	312,23	330,96	350,82
Refuse removal		213,62	226,44	240,02	256,82	256,82	256,82	7,0%	274,80	291,29	308,76
Other		–	–	–	–	–	–	–	–	–	–
sub-total		**2 115,55**	**2 762,85**	**2 923,62**	**3 227,80**	**3 227,80**	**3 227,80**	**8,9%**	**3 515,96**	**3 841,01**	**4 242,45**
VAT on Services		317,39	348,91	369,10	415,09	415,09	415,09	7,9%	448,07	492,07	547,24
Total small household bill:		**2 432,94**	**3 111,76**	**3 292,72**	**3 642,89**	**3 642,89**	**3 642,89**	**8,8%**	**3 964,03**	**4 333,08**	**4 789,69**
% increase/-decrease			**27,9%**	**5,8%**	**10,6%**	**–**	**–**	**(17,1%)**	**8,8%**	**9,3%**	**10,5%**
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates											
Electricity: Basic levy											
Electricity: Consumption		444,63	515,75	521,41	600,14	600,14	600,14	15,1%	676,36	762,26	881,93
Water: Basic levy											
Water: Consumption		452,10	479,24	602,51	657,94	657,94	657,94	7,0%	704,00	763,84	828,76
Sanitation											
Refuse removal											
Other											
sub-total		**896,73**	**994,99**	**1 123,92**	**1 258,08**	**1 258,08**	**1 258,08**	**9,7%**	**1 380,36**	**1 526,10**	**1 710,69**
VAT on Services		–	–	168,59	191,36	191,36	191,36	8,2%	207,05	228,91	256,60
Total small household bill:		**896,73**	**994,99**	**1 292,51**	**1 449,44**	**1 449,44**	**1 449,44**	**9,5%**	**1 587,41**	**1 755,01**	**1 967,29**
% increase/-decrease			**11,0%**	**29,9%**	**12,1%**	**–**	**–**	**(21,6%)**	**9,5%**	**10,6%**	**12,1%**

References

1. Use as basis property value of R700 000, 1 000 kWh electricity and 30kl water

2. Use as basis property value of R500 000 and R700 000, 500 kWh electricity and 25kl water

3. Use as basis property value of R 300 000, 350kWh electricity and 20kl water (50 kWh electricity and 6 kl water free)

GT422 Midvaal - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits		73 276	330	330	230 000	230 330	230 330	–	–	–
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total	1	**73 276**	**330**	**330**	**230 000**	**230 330**	**230 330**	**–**	**–**	**–**
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:		**73 276**	**330**	**330**	**230 000**	**230 330**	**230 330**	**–**	**–**	**–**

GT422 Midvaal - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity Name of institution & investment ID	Ref 1	Period of Investment Yrs/Months	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate [3]	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Parent municipality														
Standard Bank		2 months	short term	Yes	Fixed	9,075	0		13 May 2024	150 000	–	–	–	**150 000**
Absa Bank		3 months	short term	Yes	Fixed	9,22%	0		13 June 2024	200 000	–	–	–	**200 000**
Municipality sub-total										**350 000**		**–**	**–**	**350 000**
Entities														
N/A														**–**
														–
														–
														–
														–
														–
														–
Entities sub-total										**–**		**–**	**–**	**–**
TOTAL INVESTMENTS AND INTEREST	1									**350 000**		**–**	**–**	**350 000**

References

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

2. List investments in expiry date order

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

4. Withdrawals to be entered as negative

GT422 Midvaal - Supporting Table SA17 Borrowing

Borrowing - Categorised by type	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Parent municipality										
Annuity and Bullet Loans		131 907	112 694	110 099	235 464	187 283	187 283	117 420	229 626	204 197
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases		16 085	17 860	14 528	–	32 392	32 392	–	–	–
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Municipality sub-total	1	**147 992**	**130 554**	**124 627**	**235 464**	**219 675**	**219 675**	**117 420**	**229 626**	**204 197**
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	**147 992**	**130 554**	**124 627**	**235 464**	**219 675**	**219 675**	**117 420**	**229 626**	**204 197**

Unspent Borrowing - Categorised by type										
Parent municipality										
Long-Term Loans (annuity/reducing balance)										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Municipality sub-total	1	–	–	–	–	–	–	–	–	–
Entities										
Long-Term Loans (annuity/reducing balance)										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Entities sub-total	1	–	–	–	–	–	–	–	–	–
Total Unspent Borrowing	1	–	–	–	–	–	–	–	–	–

References

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

GT422 Midvaal - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		**139 894**	**129 609**	**149 997**	**169 226**	**168 890**	**168 890**	**184 188**	**193 081**	**208 288**
Local Government Equitable Share		133 623	124 899	143 164	160 539	160 539	160 539	172 049	185 364	199 912
Expanded Public Works Programme Integrated Gra		1 708	1 539	2 553	3 768	3 557	3 557	1 619	–	–
Local Government Financial Management Grant		1 550	1 550	1 550	1 550	1 550	1 550	1 800	2 000	2 200
Municipal Disaster Relief Grant		–	–	–	–	–	–	–	–	–
Municipal Infrastructure Grant		1 513	1 621	1 730	1 869	1 744	1 744	6 720	5 717	6 176
Neighbourhood Development Partnership Grant		–	–	–	–	–	–	–	–	–
Water Services Infrastructure Grant		1 500	–	1 000	1 500	1 500	1 500	2 000	–	–
Provincial Government:		**13 552**	**18 033**	**17 976**	**19 642**	**18 072**	**18 072**	**19 301**	**18 631**	**21 893**
Capacity Building and Other Grants		13 552	18 033	17 976	19 642	18 072	18 072	16 029	18 631	21 893
Infrastructure Grant		–	–	–	–	–	–	3 272	–	–
District Municipality:		**3 625**	**3 220**	**4 246**	**4 352**	**3 081**	**3 081**	**3 081**	**3 081**	**3 081**
Specify (Add grant description)		3 625	3 220	4 246	4 352	3 081	3 081	3 081	3 081	3 081
Other grant providers:		**2 000**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Old Mutual		–	–	–	–	–	–	–	–	–
Unspecified		2 000	–	–	–	–	–	–	–	–
Total Operating Transfers and Grants	5	**159 071**	**150 862**	**172 219**	**193 221**	**190 043**	**190 043**	**206 570**	**214 793**	**233 262**
Capital Transfers and Grants										
National Government:		**91 787**	**80 357**	**84 267**	**88 940**	**89 116**	**89 116**	**110 232**	**84 413**	**79 507**
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–	4 000	4 000
Integrated National Electrification Programme Grant		17 293	22 962	28 775	25 212	21 212	21 212	29 888	16 500	17 000
Municipal Infrastructure Grant		60 169	31 808	34 179	35 516	33 141	33 141	39 745	32 394	34 998
Neighbourhood Development Partnership Grant		–	7 587	3 449	10 000	16 551	16 551	10 000	10 000	1 000
Water Services Infrastructure Grant		14 325	18 000	17 864	18 212	18 212	18 212	30 599	21 519	22 509
Provincial Government:		**12 051**	**10 716**	**19 275**	**8 200**	**13 413**	**13 413**	**9 000**	**8 000**	**5 600**
Capacity Building and Other Grants		1 627	2 345	4 909	2 200	5 819	5 819	4 000	–	–
Infrastructure Grant		10 424	8 371	14 366	6 000	7 594	7 594	5 000	8 000	5 600
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Other grant providers:		**80 477**	**5 408**	**5 595**	**4 000**	**4 000**	**4 000**	**7 300**	**3 000**	**6 000**
Developers Contribution		80 477	5 408	5 595	4 000	4 000	4 000	6 000	3 000	6 000
Product		–	–	–	–	–	–	1 300	–	–
Total Capital Transfers and Grants	5	**184 315**	**96 481**	**109 138**	**101 140**	**106 529**	**106 529**	**126 532**	**95 413**	**91 107**
TOTAL RECEIPTS OF TRANSFERS & GRANTS		**343 386**	**247 343**	**281 357**	**294 360**	**296 572**	**296 572**	**333 103**	**310 206**	**324 369**

References

1. Each transfer/grant is listed by name as gazetted together with the name of the transferring department or municipality, donor or other organisation

2. Amounts actually RECEIVED; not revenue recognised (objective is to confirm grants transferred)

3. Replacement of RSC levies

4. Housing subsidies for housing where ownership transferred to organisations or persons outside the control of the municipality

5. Total transfers and grants must reconcile to Budgeted Cash Flows

6. Motor vehicle licensing refunds to be included under 'agency' services (Not Grant Receipts)

GT422 Midvaal - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		**19 129**	**17 492**	**21 272**	**22 633**	**23 364**	**23 364**	**27 811**	**24 177**	**25 648**
Local Government Equitable Share		12 908	13 087	14 500	13 945	15 053	15 053	15 422	16 209	17 019
Expanded Public Works Programme Integrated Grant		1 708	1 539	2 553	3 768	3 557	3 557	1 619	–	–
Local Government Financial Management Grant		1 499	1 498	1 550	1 550	1 550	1 550	2 050	2 251	2 453
Municipal Disaster Relief Grant		–	–	–	–	–	–	–	–	–
Municipal Infrastructure Grant		1 522	1 367	1 670	1 869	1 704	1 704	6 720	5 717	6 176
Water Services Infrastructure Grant		1 492	–	999	1 500	1 500	1 500	2 000	–	–
Provincial Government:		**13 636**	**15 131**	**16 790**	**19 642**	**18 072**	**18 072**	**19 301**	**18 603**	**21 819**
Capacity Building and Other Grants		13 636	15 131	16 790	19 642	18 072	18 072	16 029	18 603	21 819
Infrastructure Grant		–	–	–	–	–	–	3 272	–	–
District Municipality:		**3 502**	**3 928**	**4 111**	**4 352**	**4 263**	**4 263**	**4 003**	**4 207**	**4 418**
Specify (Add grant description)		3 502	3 928	4 111	4 352	4 263	4 263	4 003	4 207	4 418
Other grant providers:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total operating expenditure of Transfers and Grants:		**36 268**	**36 552**	**42 173**	**46 627**	**45 698**	**45 698**	**51 116**	**46 988**	**51 885**
Capital expenditure of Transfers and Grants										
National Government:		**83 320**	**75 997**	**79 571**	**84 307**	**84 833**	**84 833**	**105 048**	**80 188**	**74 942**
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–	4 000	4 000
Integrated National Electrification Programme Grant		17 293	22 872	28 529	25 212	21 212	21 212	29 888	16 500	17 000
Municipal Infrastructure Grant		51 811	27 543	29 734	30 883	28 858	28 858	34 561	28 169	30 433
Neighbourhood Development Partnership Grant		–	7 587	3 449	10 000	16 551	16 551	10 000	10 000	1 000
Water Services Infrastructure Grant		14 216	17 995	17 859	18 212	18 212	18 212	30 599	21 519	22 509
Provincial Government:		**8 744**	**9 652**	**18 570**	**8 200**	**13 413**	**13 413**	**9 000**	**8 000**	**5 600**
Capacity Building and Other Grants		1 627	2 325	4 263	2 200	5 819	5 819	4 000	–	–
Infrastructure Grant		7 117	7 327	14 307	6 000	7 594	7 594	5 000	8 000	5 600
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Other grant providers:		**80 477**	**2 252**	**5 595**	**4 000**	**4 000**	**4 000**	**7 300**	**3 000**	**6 000**
Developers Contribution		80 477	2 252	5 595	4 000	4 000	4 000	6 000	3 000	6 000
Product		–	–	–	–	–	–	1 300	–	–
Total capital expenditure of Transfers and Grants		**172 541**	**87 901**	**103 737**	**96 507**	**102 246**	**102 246**	**121 348**	**91 188**	**86 542**
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		**208 809**	**124 453**	**145 910**	**143 134**	**147 945**	**147 945**	**172 464**	**138 176**	**138 427**

References

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

GT422 Midvaal - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	(169 226)	(168 890)	(168 890)	(12 139)	(2 000)	(2 200)
Repayment of grants		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		–	–	–	(194 256)	(337 781)	(337 781)	(24 278)	(4 000)	(4 400)
Conditions still to be met - transferred to liabilities		–	–	–	25 030	168 890	168 890	12 139	2 000	2 200
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
Total operating transfers and grants revenue		–	–	–	(194 256)	(337 781)	(337 781)	(24 278)	(4 000)	(4 400)
Total operating transfers and grants - CTBM	2	–	–	–	25 030	168 890	168 890	12 139	2 000	2 200
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		(13 927)	(890)	(2 413)	–	(6 551)	(6 551)	–	–	–
Current year receipts		(79 616)	(81 880)	(90 818)	(88 940)	(82 565)	(82 565)	(110 232)	(86 130)	(81 683)
Conditions met - transferred to revenue		(186 197)	(163 128)	(177 498)	(180 249)	(178 232)	(178 232)	(220 465)	(172 260)	(163 366)
Conditions still to be met - transferred to liabilities		92 653	80 357	84 267	91 309	89 116	89 116	110 232	86 130	81 683
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year		(2 885)	(41 535)	901	(7 436)	(6 372)	(6 372)	(6 372)	(3 372)	(2 672)
Current year receipts		(10 360)	(112)	(12 794)	(4 000)	(4 000)	(4 000)	(7 300)	(3 000)	(3 000)
Conditions met - transferred to revenue		15 043	(42 834)	(14 818)	(15 436)	(14 372)	(14 372)	(20 972)	(9 372)	(5 672)
Conditions still to be met - transferred to liabilities		(28 289)	1 187	2 925	4 000	4 000	4 000	7 300	3 000	–
Total capital transfers and grants revenue		(171 154)	(205 961)	(192 317)	(195 684)	(192 604)	(192 604)	(241 436)	(181 632)	(169 038)
Total capital transfers and grants - CTBM	2	64 364	81 544	87 192	95 309	93 116	93 116	117 532	89 130	81 683
TOTAL TRANSFERS AND GRANTS REVENUE		(171 154)	(205 961)	(192 317)	(389 941)	(530 384)	(530 384)	(265 714)	(185 632)	(173 438)
TOTAL TRANSFERS AND GRANTS - CTBM		64 364	81 544	87 192	120 339	262 006	262 006	129 671	91 130	83 883

References

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

2. CTBM = conditions to be met

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

GT422 Midvaal - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Cash Transfers to other municipalities											
Insert description	1										
Total Cash Transfers To Municipalities:		–	–	–	–	–	–	–	–	–	–
Cash Transfers to Entities/Other External Mechanisms											
	2										
Total Cash Transfers To Entities/Ems'		–	–	–	–	–	–	–	–	–	–
Cash Transfers to other Organs of State											
	3										
Total Cash Transfers To Other Organs Of State:		–	–	–	–	–	–	–	–	–	–
Cash Transfers to Organisations											
Priv Ent: Oth Trf-Mayors' Charity		1 212	1 534	1 465	1 500	2 337	2 337	1 002	2 500	2 500	2 500
Total Cash Transfers To Organisations		**1 212**	**1 534**	**1 465**	**1 500**	**2 337**	**2 337**	**1 002**	**2 500**	**2 500**	**2 500**
Cash Transfers to Groups of Individuals											
Total Cash Transfers To Groups Of Individuals:		–	–	–	–	–	–	–	–	–	–
TOTAL CASH TRANSFERS AND GRANTS	6	**1 212**	**1 534**	**1 465**	**1 500**	**2 337**	**2 337**	**1 002**	**2 500**	**2 500**	**2 500**
Non-Cash Transfers to other municipalities											
	1										
Total Non-Cash Transfers To Municipalities:		–	–	–	–	–	–	–	–	–	–
Non-Cash Transfers to Entities/Other External Mechanisms											
	2										
Total Non-Cash Transfers To Entities/Ems'		–	–	–	–	–	–	–	–	–	–
Non-Cash Transfers to other Organs of State											
Nat Dpt Agen - Special Investigation Uni	3	–	–	–	–	–	–	–	–	–	–
Total Non-Cash Transfers To Other Organs Of State:		–	–	–	–	–	–	–	–	–	–
Non-Cash Grants to Organisations											
	4										
Total Non-Cash Grants To Organisations		–	–	–	–	–	–	–	–	–	–
Groups of Individuals											
	5										
Total Non-Cash Grants To Groups Of Individuals:		–	–	–	–	–	–	–	–	–	–
TOTAL NON-CASH TRANSFERS AND GRANTS		–	–	–	–	–	–	–	–	–	–
TOTAL TRANSFERS AND GRANTS	6	**1 212**	**1 534**	**1 465**	**1 500**	**2 337**	**2 337**	**1 002**	**2 500**	**2 500**	**2 500**

References

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

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

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

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

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

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

GT422 Midvaal - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
	1	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		9 107	10 200	11 402	9 891	10 852	10 852	10 846	11 399	11 969
Pension and UIF Contributions										
Medical Aid Contributions										
Motor Vehicle Allowance										
Cellphone Allowance		1 297	1 309	1 357	1 224	1 386	1 386	1 410	1 482	1 556
Housing Allowances										
Other benefits and allowances		2 417	1 458	1 605	2 745	2 666	2 666	3 013	3 167	3 325
Sub Total - Councillors		**12 822**	**12 968**	**14 364**	**13 860**	**14 904**	**14 904**	**15 270**	**16 049**	**16 851**
% increase	4		**1,1%**	**10,8%**	**(3,5%)**	**7,5%**	**–**	**2,5%**	**5,1%**	**5,0%**
Senior Managers of the Municipality	2									
Basic Salaries and Wages		8 501	3 462	5 477	6 949	5 889	5 889	7 508	7 842	8 186
Pension and UIF Contributions		646	633	287	589	397	397	504	517	531
Medical Aid Contributions		80	82	46	201	141	141	174	179	184
Overtime										
Performance Bonus		–	88	284	652	726	726	800	811	823
Motor Vehicle Allowance	3	762	635	557	880	802	802	920	962	1 004
Cellphone Allowance	3	147	87	88	168	145	145	168	175	183
Housing Allowances	3									
Other benefits and allowances	3	1	0	1	1	1	1	1	1	1
Payments in lieu of leave										
Long service awards		–	124	–	–	–	–	–	–	–
Post-retirement benefit obligations	6									
Entertainment										
Scarcity										
Acting and post related allowance										
In kind benefits										
Sub Total - Senior Managers of Municipality		**10 137**	**5 110**	**6 740**	**9 439**	**8 101**	**8 101**	**10 076**	**10 487**	**10 912**
% increase	4		**(49,6%)**	**31,9%**	**40,0%**	**(14,2%)**	**–**	**24,4%**	**4,1%**	**4,0%**
Other Municipal Staff										
Basic Salaries and Wages		180 239	200 952	211 649	263 883	235 135	235 135	254 998	266 939	281 610
Pension and UIF Contributions		36 820	39 177	40 846	51 701	48 883	48 883	49 025	51 362	54 201
Medical Aid Contributions		17 914	17 624	17 438	24 310	24 784	24 784	22 461	23 314	24 568
Overtime		14 278	16 762	22 048	24 042	24 568	24 568	26 753	24 471	25 695
Performance Bonus		14 254	15 198	16 308	20 285	18 533	18 533	26 026	27 304	28 784
Motor Vehicle Allowance	3	11 484	12 867	13 583	15 369	15 788	15 788	15 025	15 714	16 520
Cellphone Allowance	3	1 834	1 965	2 089	2 371	2 396	2 396	2 160	2 262	2 385
Housing Allowances	3	1 659	1 783	1 978	2 310	2 493	2 493	2 377	2 487	2 628
Other benefits and allowances	3	6 787	7 387	7 330	7 343	8 408	8 408	7 832	8 231	8 643
Payments in lieu of leave		2 942	3 404	5 707	5 047	7 300	7 300	6 856	7 211	7 582
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	6	(76)	(81)	(84)	–	–	–	–	–	–
Entertainment										
Scarcity										
Acting and post related allowance		–	–	–	7 883	1	1	97	102	107
In kind benefits										
Sub Total - Other Municipal Staff		**288 135**	**317 038**	**338 891**	**424 543**	**388 289**	**388 289**	**413 610**	**429 398**	**452 722**
% increase	4		**10,0%**	**6,9%**	**25,3%**	**(8,5%)**	**–**	**6,5%**	**3,8%**	**5,4%**
Total Parent Municipality		**311 094**	**335 115**	**359 996**	**447 842**	**411 295**	**411 295**	**438 955**	**455 934**	**480 485**
			7,7%	**7,4%**	**24,4%**	**(8,2%)**	**–**	**6,7%**	**3,9%**	**5,4%**
Board Members of Entities										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Board Fees										
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Entertainment										
Scarcity										
Acting and post related allowance										
In kind benefits										
Sub Total - Board Members of Entities		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
% increase	4		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**

Senior Managers of Entities										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Entertainment										
Scarcity										
Acting and post related allowance										
In kind benefits										
Sub Total - Senior Managers of Entities		–	–	–	–	–	–	–	–	–
% increase	4		–	–	–	–	–	–	–	–
Other Staff of Entities										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Entertainment										
Scarcity										
Acting and post related allowance										
In kind benefits										
Sub Total - Other Staff of Entities		–	–	–	–	–	–	–	–	–
% increase	4		–	–	–	–	–	–	–	–
Total Municipal Entities		–	–	–	–	–	–	–	–	–
TOTAL SALARY, ALLOWANCES & BENEFITS		**311 094**	**335 115**	**359 996**	**447 842**	**411 295**	**411 295**	**438 955**	**455 934**	**480 485**
% increase	4		**7,7%**	**7,4%**	**24,4%**	**(8,2%)**	**–**	**6,7%**	**3,9%**	**5,4%**
TOTAL MANAGERS AND STAFF	5,7	**298 272**	**322 148**	**345 632**	**433 982**	**396 391**	**396 391**	**423 686**	**439 885**	**463 634**

References

1. Include 'Loans and advances' where applicable if any reportable amounts until phased compliance with s164 of MFMA achieved

2. s57 of the Systems Act

3. In kind benefits (e.g. provision of living quarters) must be shown as the cost (full market value) to the municipality, as part of the relevant allowance

4. B/A, C/B, D/C, E/C, F/C, G/D, H/D, I/D

5. Must agree to the sub-total appearing on Table A1 (Employee costs)

6. Includes pension payments and employer contributions to medical aid

7. Correct as at 30 June

Column Definitions:

A, B and C. Audited actual as per the audited financial statements. If audited amounts are unavailable, unaudited amounts must be provided with a note stating these are unaudited

D. The original budget approved by council for the budget year.

E. The budget for the budget year as adjusted by council resolution in terms of section 28 of the MFMA.

F. An estimate of final actual amounts (pre audit) for the current year at the point in time of preparing the budget for the budget year. This may differ from E.

G. The amount to be appropriated for the budget year.

H and I. The indicative projection

GT422 Midvaal - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1. Rand per annum	Ref	No.	Salary	Contributions 1.	Allowances	Performance Bonuses	In-kind benefits	Total Package 2.
Councillors	3							
Speaker	4		802 744		47 004			849 748
Chief Whip			314 721		151 911			466 632
Executive Mayor			1 003 434		47 004			1 050 438
Deputy Executive Mayor								–
Executive Committee			3 386 587		1 410 886			4 797 473
Total for all other councillors			5 338 800		2 766 683			8 105 483
Total Councillors	8	–	**10 846 286**	–	**4 423 488**			**15 269 774**
Senior Managers of the Municipality	5							
Municipal Manager (MM)			1 718 260	51 185	24 137	140 000		1 933 582
Chief Finance Officer			1 152 249	2 125	144 137			1 298 511
SM D02			1 092 249	2 123	204 137	110 000		1 408 509
SM D03			–	–	–	110 000		110 000
SM D04			822 623	139 781	180 137	110 000		1 252 541
SM D05				–		110 000		110 000
SM D06			944 043	151 813	204 137	110 000		1 409 993
SM D07			960 349	211 594	128 137	110 000		1 410 080
SM DCH			818 107	120 212	204 118			1 142 437
								–
List of each offical with packages >= senior manager								
								–
								–
								–
								–
								–
								–
								–
								–
								–
								–
								–
								–
Total Senior Managers of the Municipality	8,10	–	**7 507 880**	**678 833**	**1 088 940**	**800 000**		**10 075 653**
A Heading for Each Entity	6,7							
List each member of board by designation								
								–
								–
								–
								–
								–
								–
								–
								–
								–
								–
								–
								–
								–
								–
								–
Total for municipal entities	8,10	–	–	–	–	–		–
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	–	**18 354 166**	**678 833**	**5 512 428**	**800 000**		**25 345 427**

References

1. Pension and medical aid

2. Total package must equal the total cost to the municipality

3. List each political office bearer by designation. Provide a total for all other councillors

4. Political office bearer is defined in MFMA s 1: speaker, executive mayor, deputy executive mayor, member of executive committee, mayor, deputy mayor, member of mayoral committee, the councillor designated to exercise powers and duties of mayor (MSA s 57)

5. Also list each senior manager reporting to MM by designation and each official with package >= senior manager by designation

6. List each entity where municipality has an interest and state percentage ownership and control

7. List each senior manager reporting to the CEO of an Entity by designation

8. Must reconcile to relevant section of Table SA24

9. Must reconcile to totals shown for the budget year of Table SA22

10. Correct as at 30 June

GT422 Midvaal - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2022/23			Current Year 2023/24			Budget Year 2024/25		
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)										
Board Members of municipal entities	4									
Municipal employees	5									
Municipal Manager and Senior Managers	3	6	–	4	7	–	4	7	3	4
Other Managers	7	27	26	1	35	32	3	35	33	2
Professionals		*71*	*70*	*2*	*73*	*67*	*1*	*72*	*66*	*6*
Finance		17	17	–	21	21	–	21	16	5
Spatial/town planning		10	10	–	14	13	–	14	14	–
Information Technology		1	1	–	1	1	–	1	1	–
Roads		1	2	–	1	1	–	1	1	–
Electricity		2	2	–	2	2	–	2	2	–
Water		1	1	–	1	1	–	1	1	–
Sanitation		1	1	–	1	1	–	1	1	–
Refuse		1	1	–	2	1	–	1	1	–
Other		37	35	2	30	26	1	30	29	1
Technicians		*23*	*23*	–	*15*	*15*	–	*16*	*15*	–
Finance		5	5	–	–	–	–	–	–	–
Spatial/town planning		–	–	–	–	–	–	–	–	–
Information Technology		9	9	–	9	9	–	9	8	–
Roads		1	1	–	–	–	–	1	1	–
Electricity		2	2	–	2	2	–	2	2	–
Water		2	2	–	1	1	–	1	1	–
Sanitation		2	2	–	1	1	–	1	1	–
Refuse		–	–	–	–	–	–	–	–	–
Other		2	2	–	2	2	–	2	2	–
Clerks (Clerical and administrative)		137	131	6	145	132	9	86	239	–
Service and sales workers		108	92	16	132	95	32	95	111	9
Skilled agricultural and fishery workers		55	55	–	55	55	–	62	62	–
Craft and related trades		36	36	–	48	44	–	44	44	–
Plant and Machine Operators		104	96	8	111	106	–	106	106	–
Elementary Occupations		215	208	–	223	198	12	148	268	12
TOTAL PERSONNEL NUMBERS	9	**782**	**737**	**37**	**844**	**744**	**61**	**671**	**947**	**33**
% increase					7,9%	0,9%	64,9%	(20,5%)	27,3%	(45,9%)
Total municipal employees headcount	6, 10	**782**	**737**	**37**	**844**	**744**	**61**	**671**	**947**	**33**
Finance personnel headcount	8, 10									
Human Resources personnel headcount	8, 10	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**

References

1. Positions must be funded and aligned to the municipality's current organisational structure

2. Full Time Equivalent (FTE). E.g. One full time person = 1FTE. A person working half time (say 4 hours out of 8) = 0.5FTE.

3. s57 of the Systems Act

4. Include only in Consolidated Statements

5. Include municipal entity employees in Consolidated Statements

6. Include headcount (number fo persons, Not FTE) of managers and staff only (exclude councillors)

7. Managers who provide the direction of a critical technical function

8. Total number of employees working on these functions

GT422 Midvaal - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue																
Exchange Revenue																
Service charges - Electricity		51 355	51 355	51 355	51 355	51 355	51 355	51 355	51 355	51 355	51 355	51 355	51 355	616 262	711 937	822 586
Service charges - Water		24 517	24 517	24 517	24 517	24 517	24 517	24 517	24 517	24 517	24 517	24 517	24 517	294 205	314 641	336 503
Service charges - Waste Water Management		5 917	5 917	5 917	5 917	5 917	5 917	5 917	5 917	5 917	5 917	5 917	5 917	71 008	75 268	79 784
Service charges - Waste Management		5 525	5 525	5 525	5 525	5 525	5 525	5 525	5 525	5 525	5 525	5 525	5 525	66 300	70 941	75 907
Sale of Goods and Rendering of Services		678	678	678	678	678	678	678	678	678	678	678	678	8 141	8 604	9 092
Agency services													–	–	–	–
Interest													–	–	–	–
Interest earned from Receivables		2 104	2 104	2 104	2 104	2 104	2 104	2 104	2 104	2 104	2 104	2 104	2 104	25 252	26 413	27 602
Interest earned from Current and Non Current Assets		3 684	3 684	3 684	3 684	3 684	3 684	3 684	3 684	3 684	3 684	3 684	3 684	44 209	46 242	48 323
Dividends													–	–	–	–
Rent on Land													–	–	–	–
Rental from Fixed Assets		97	97	97	97	97	97	97	97	97	97	97	97	1 161	1 230	1 304
Licence and permits		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Operational Revenue		396	396	396	396	396	396	396	396	396	396	396	396	4 751	4 980	5 217
Non-Exchange Revenue																
Property rates		29 134	29 134	29 134	29 134	29 134	29 134	29 134	29 134	29 134	29 134	29 134	29 134	349 605	370 581	392 816
Surcharges and Taxes													–	–	–	–
Fines, penalties and forfeits		6 951	6 951	6 951	6 951	6 951	6 951	6 951	6 951	6 951	6 951	6 951	6 951	83 414	90 750	96 195
Licences or permits													–	–	–	–
Transfer and subsidies - Operational		17 214	17 214	17 214	17 214	17 214	17 214	17 214	17 214	17 214	17 214	17 214	17 214	206 570	214 793	233 262
Interest		1 366	1 366	1 366	1 366	1 366	1 366	1 366	1 366	1 366	1 366	1 366	1 366	16 396	16 396	16 396
Fuel Levy													–	–	–	–
Operational Revenue													–	–	–	–
Gains on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Gains		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Discontinued Operations													–	–	–	–
Total Revenue (excluding capital transfers and contrib		**148 939**	**148 939**	**148 939**	**148 939**	**148 939**	**148 939**	**148 939**	**148 939**	**148 939**	**148 939**	**148 939**	**148 940**	**1 787 272**	**1 952 778**	**2 144 987**
Expenditure																
Employee related costs		35 307	35 307	35 307	35 307	35 307	35 307	35 307	35 307	35 307	35 307	35 307	35 305	423 686	439 885	463 634
Remuneration of councillors		1 272	1 272	1 272	1 272	1 272	1 272	1 272	1 272	1 272	1 272	1 272	1 272	15 270	16 049	16 851
Bulk purchases - electricity		46 354	46 354	46 354	46 354	46 354	46 354	46 354	46 354	46 354	46 354	46 354	46 354	556 242	643 572	744 613
Inventory consumed		13 839	13 839	13 839	13 839	13 839	13 839	13 839	13 839	13 839	13 839	13 839	13 839	166 072	174 564	183 747
Debt impairment		12 187	12 187	12 187	12 187	12 187	12 187	12 187	12 187	12 187	12 187	12 187	12 187	146 245	172 128	201 236
Depreciation and amortisation		9 899	9 899	9 899	9 899	9 899	9 899	9 899	9 899	9 899	9 899	9 899	9 897	118 783	122 369	126 245
Interest		1 981	1 981	1 981	1 981	1 981	1 981	1 981	1 981	1 981	1 981	1 981	1 980	23 767	25 431	27 211
Contracted services		20 845	20 845	20 845	20 845	20 845	20 845	20 845	20 845	20 845	20 845	20 845	20 844	250 144	254 478	266 156
Transfers and subsidies		208	208	208	208	208	208	208	208	208	208	208	208	2 500	2 500	2 500
Irrecoverable debts written off		568	568	568	568	568	568	568	568	568	568	568	568	6 814	7 128	7 449
Operational costs		9 458	9 458	9 458	9 458	9 458	9 458	9 458	9 458	9 458	9 458	9 458	9 456	113 497	117 067	122 483
Losses on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Losses		4 167	4 167	4 167	4 167	4 167	4 167	4 167	4 167	4 167	4 167	4 167	4 167	50 001	52 451	55 021
Total Expenditure		**156 086**	**156 086**	**156 086**	**156 086**	**156 086**	**156 086**	**156 086**	**156 086**	**156 086**	**156 086**	**156 086**	**156 077**	**1 873 020**	**2 027 620**	**2 217 146**
Surplus/(Deficit)		**(7 146)**	**(7 146)**	**(7 146)**	**(7 146)**	**(7 146)**	**(7 146)**	**(7 146)**	**(7 146)**	**(7 146)**	**(7 146)**	**(7 146)**	**(7 137)**	**(85 748)**	**(74 842)**	**(72 159)**
Transfers and subsidies - capital (monetary allocations)		10 436	10 436	10 436	10 436	10 436	10 436	10 436	10 436	10 436	10 436	10 436	10 436	125 232	95 413	91 107
Transfers and subsidies - capital (in-kind)		108	108	108	108	108	108	108	108	108	108	108	108	1 300	–	–
Surplus/(Deficit) after capital transfers & contributions		**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 407**	**40 784**	**20 571**	**18 948**
Income Tax													–	–	–	–
Surplus/(Deficit) after income tax		**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 407**	**40 784**	**20 571**	**18 948**
Share of Surplus/Deficit attributable to Joint Venture													–	–	–	–
Share of Surplus/Deficit attributable to Minorities													–	–	–	–
Surplus/(Deficit) attributable to municipality		**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 407**	**40 784**	**20 571**	**18 948**
Share of Surplus/Deficit attributable to Associate													–	–	–	–
Intercompany/Parent subsidiary transactions													–	–	–	–
Surplus/(Deficit) for the year	1	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 407**	**40 784**	**20 571**	**18 948**

References

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

GT422 Midvaal - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue by Vote																
Vote 01 - Executive & Council		572	572	572	572	572	572	572	572	572	572	572	572	6 864	7 144	7 431
Vote 02 - Corporate Services		155	155	155	155	155	155	155	155	155	155	155	155	1 865	1 977	2 096
Vote 03 - Financial Services		42 406	42 406	42 406	42 406	42 406	42 406	42 406	42 406	42 406	42 406	42 406	42 406	508 868	525 575	551 478
Vote 04 - Development & Planning		1 169	1 169	1 169	1 169	1 169	1 169	1 169	1 169	1 169	1 169	1 169	1 169	14 023	14 258	9 531
Vote 05 - Health		419	419	419	419	419	419	419	419	419	419	419	419	5 029	5 259	5 421
Vote 06 - Community And Social Services		3 622	3 622	3 622	3 622	3 622	3 622	3 622	3 622	3 622	3 622	3 622	3 622	43 459	34 264	25 137
Vote 07 - Public Safety		285	285	285	285	285	285	285	285	285	285	285	285	3 426	1 282	1 340
Vote 08 - Sport And Recreation		257	257	257	257	257	257	257	257	257	257	257	(2 824)	–	–	–
Vote 09 - Environmental Protection		7 487	7 487	7 487	7 487	7 487	7 487	7 487	7 487	7 487	7 487	7 487	(79 273)	3 081	3 081	3 081
Vote 10 - Waste Water Management		6 311	6 311	6 311	6 311	6 311	6 311	6 311	6 311	6 311	6 311	6 311	20 418	89 841	95 304	104 084
Vote 11 - Solid Waste Management		7 922	7 922	7 922	7 922	7 922	7 922	7 922	7 922	7 922	7 922	7 922	(11 405)	75 735	100 864	105 830
Vote 12 - Roads And Transport		30 734	30 734	30 734	30 734	30 734	30 734	30 734	30 734	30 734	30 734	30 734	(243 013)	95 062	102 799	106 245
Vote 13 - Water Services		58 145	58 145	58 145	58 145	58 145	58 145	58 145	58 145	58 145	58 145	58 145	(270 786)	368 809	377 910	417 380
Vote 14 - Electrical Services													697 741	697 741	778 475	897 042
Vote 15 - Other													–	–	–	–
Total Revenue by Vote		**159 484**	**159 484**	**159 484**	**159 484**	**159 484**	**159 484**	**159 484**	**159 484**	**159 484**	**159 484**	**159 484**	**159 484**	**1 913 804**	**2 048 192**	**2 236 094**
Expenditure by Vote to be appropriated																
Vote 01 - Executive & Council		4 796	4 796	4 796	4 796	4 796	4 796	4 796	4 796	4 796	4 796	4 796	4 795	57 549	60 447	63 169
Vote 02 - Corporate Services		8 366	8 366	8 366	8 366	8 366	8 366	8 366	8 366	8 366	8 366	8 366	8 365	100 395	105 029	110 032
Vote 03 - Financial Services		9 616	9 616	9 616	9 616	9 616	9 616	9 616	9 616	9 616	9 616	9 616	9 615	115 388	124 519	131 812
Vote 04 - Development & Planning		3 925	3 925	3 925	3 925	3 925	3 925	3 925	3 925	3 925	3 925	3 925	3 925	47 102	49 783	52 198
Vote 05 - Health		455	455	455	455	455	455	455	455	455	455	455	454	5 456	5 705	5 861
Vote 06 - Community And Social Services		6 995	6 995	6 995	6 995	6 995	6 995	6 995	6 995	6 995	6 995	6 995	6 993	83 937	83 616	90 016
Vote 07 - Public Safety		3 902	3 902	3 902	3 902	3 902	3 902	3 902	3 902	3 902	3 902	3 902	3 902	46 828	48 053	50 350
Vote 08 - Sport And Recreation		358	358	358	358	358	358	358	358	358	358	358	(3 941)	–	–	–
Vote 09 - Environmental Protection		7 886	7 886	7 886	7 886	7 886	7 886	7 886	7 886	7 886	7 886	7 886	(82 445)	4 300	4 518	4 742
Vote 10 - Waste Water Management		10 774	10 774	10 774	10 774	10 774	10 774	10 774	10 774	10 774	10 774	10 774	(23 884)	94 630	104 151	109 849
Vote 11 - Solid Waste Management		17 366	17 366	17 366	17 366	17 366	17 366	17 366	17 366	17 366	17 366	17 366	(61 738)	129 288	133 059	141 473
Vote 12 - Roads And Transport		23 013	23 013	23 013	23 013	23 013	23 013	23 013	23 013	23 013	23 013	23 013	(44 749)	208 391	219 298	230 847
Vote 13 - Water Services		58 634	58 634	58 634	58 634	58 634	58 634	58 634	58 634	58 634	58 634	58 634	(368 818)	276 152	292 833	306 556
Vote 14 - Electrical Services													703 603	703 603	796 611	920 240
Vote 15 - Other													–	–	–	–
Total Expenditure by Vote		**156 086**	**156 086**	**156 086**	**156 086**	**156 086**	**156 086**	**156 086**	**156 086**	**156 086**	**156 086**	**156 086**	**156 077**	**1 873 020**	**2 027 620**	**2 217 146**
Surplus/(Deficit) before assoc.		**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 407**	**40 784**	**20 571**	**18 948**
Income Tax													–	–	–	–
Share of Surplus/Deficit attributable to Minorities		(4 167)	(4 167)	(4 167)	(4 167)	(4 167)	(4 167)	(4 167)	(4 167)	(4 167)	(4 167)	(4 167)	45 834	–	–	–
Intercompany/Parent subsidiary transactions													–	–	–	–
Surplus/(Deficit)	1	**(769)**	**(769)**	**(769)**	**(769)**	**(769)**	**(769)**	**(769)**	**(769)**	**(769)**	**(769)**	**(769)**	**49 241**	**40 784**	**20 571**	**18 948**

References

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

GT422 Midvaal - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue - Functional																
Governance and administration		**43 823**	**43 823**	**43 823**	**43 823**	**43 823**	**43 823**	**43 823**	**43 823**	**43 823**	**43 823**	**43 823**	**43 823**	**525 872**	**540 418**	**567 185**
Executive and council		572	572	572	572	572	572	572	572	572	572	572	572	6 864	7 144	7 431
Finance and administration		43 251	43 251	43 251	43 251	43 251	43 251	43 251	43 251	43 251	43 251	43 251	43 251	519 008	533 274	559 754
Internal audit													–	–	–	–
Community and public safety		**11 281**	**11 281**	**11 281**	**11 281**	**11 281**	**11 281**	**11 281**	**11 281**	**11 281**	**11 281**	**11 281**	**11 281**	**135 376**	**131 605**	**128 143**
Community and social services		1 845	1 845	1 845	1 845	1 845	1 845	1 845	1 845	1 845	1 845	1 845	1 846	22 146	22 510	23 278
Sport and recreation		1 776	1 776	1 776	1 776	1 776	1 776	1 776	1 776	1 776	1 776	1 776	1 776	21 313	11 754	1 859
Public safety		7 241	7 241	7 241	7 241	7 241	7 241	7 241	7 241	7 241	7 241	7 241	7 241	86 888	92 081	97 585
Housing													–	–	–	–
Health		419	419	419	419	419	419	419	419	419	419	419	419	5 029	5 259	5 421
Economic and environmental services		**2 392**	**2 392**	**2 392**	**2 392**	**2 392**	**2 392**	**2 392**	**2 392**	**2 392**	**2 392**	**2 392**	**2 392**	**28 704**	**29 339**	**22 612**
Planning and development		1 169	1 169	1 169	1 169	1 169	1 169	1 169	1 169	1 169	1 169	1 169	1 169	14 023	14 258	9 531
Road transport		967	967	967	967	967	967	967	967	967	967	967	967	11 600	12 000	10 000
Environmental protection		257	257	257	257	257	257	257	257	257	257	257	257	3 081	3 081	3 081
Trading services		**101 988**	**101 988**	**101 988**	**101 988**	**101 988**	**101 988**	**101 988**	**101 988**	**101 988**	**101 988**	**101 988**	**101 988**	**1 223 851**	**1 346 831**	**1 518 154**
Energy sources		57 455	57 455	57 455	57 455	57 455	57 455	57 455	57 455	57 455	57 455	57 455	57 456	689 466	772 753	890 861
Water management		30 734	30 734	30 734	30 734	30 734	30 734	30 734	30 734	30 734	30 734	30 734	30 734	368 809	377 910	417 380
Waste water management		7 487	7 487	7 487	7 487	7 487	7 487	7 487	7 487	7 487	7 487	7 487	7 487	89 841	95 304	104 084
Waste management		6 311	6 311	6 311	6 311	6 311	6 311	6 311	6 311	6 311	6 311	6 311	6 311	75 735	100 864	105 830
Other													**–**	**–**	**–**	**–**
Total Revenue - Functional		**159 484**	**159 484**	**159 484**	**159 484**	**159 484**	**159 484**	**159 484**	**159 484**	**159 484**	**159 484**	**159 484**	**159 484**	**1 913 804**	**2 048 192**	**2 236 094**
Expenditure - Functional																
Governance and administration		**26 962**	**26 962**	**26 962**	**26 962**	**26 962**	**26 962**	**26 962**	**26 962**	**26 962**	**26 962**	**26 962**	**26 958**	**323 542**	**337 808**	**355 059**
Executive and council		4 837	4 837	4 837	4 837	4 837	4 837	4 837	4 837	4 837	4 837	4 837	4 836	58 040	60 934	63 651
Finance and administration		22 125	22 125	22 125	22 125	22 125	22 125	22 125	22 125	22 125	22 125	22 125	22 122	265 501	276 874	291 407
Internal audit													–	–	–	–
Community and public safety		**20 378**	**20 378**	**20 378**	**20 378**	**20 378**	**20 378**	**20 378**	**20 378**	**20 378**	**20 378**	**20 378**	**20 375**	**244 532**	**253 289**	**268 718**
Community and social services		2 344	2 344	2 344	2 344	2 344	2 344	2 344	2 344	2 344	2 344	2 344	2 343	28 126	27 776	31 520
Sport and recreation		3 666	3 666	3 666	3 666	3 666	3 666	3 666	3 666	3 666	3 666	3 666	3 665	43 986	44 867	46 996
Public safety		13 882	13 882	13 882	13 882	13 882	13 882	13 882	13 882	13 882	13 882	13 882	13 882	166 585	174 562	183 962
Housing													–	–	–	–
Health		486	486	486	486	486	486	486	486	486	486	486	486	5 835	6 084	6 241
Economic and environmental services		**11 125**	**11 125**	**11 125**	**11 125**	**11 125**	**11 125**	**11 125**	**11 125**	**11 125**	**11 125**	**11 125**	**11 124**	**133 503**	**140 324**	**147 040**
Planning and development		3 969	3 969	3 969	3 969	3 969	3 969	3 969	3 969	3 969	3 969	3 969	3 969	47 631	50 311	52 726
Road transport		6 798	6 798	6 798	6 798	6 798	6 798	6 798	6 798	6 798	6 798	6 798	6 797	81 573	85 496	89 572
Environmental protection		358	358	358	358	358	358	358	358	358	358	358	358	4 300	4 518	4 742
Trading services		**97 620**	**97 620**	**97 620**	**97 620**	**97 620**	**97 620**	**97 620**	**97 620**	**97 620**	**97 620**	**97 620**	**97 619**	**1 171 443**	**1 296 199**	**1 446 329**
Energy sources		55 660	55 660	55 660	55 660	55 660	55 660	55 660	55 660	55 660	55 660	55 660	55 660	667 925	762 708	885 003
Water management		22 881	22 881	22 881	22 881	22 881	22 881	22 881	22 881	22 881	22 881	22 881	22 880	274 567	291 247	304 971
Waste water management		8 405	8 405	8 405	8 405	8 405	8 405	8 405	8 405	8 405	8 405	8 405	8 404	100 856	110 376	116 075
Waste management		10 675	10 675	10 675	10 675	10 675	10 675	10 675	10 675	10 675	10 675	10 675	10 674	128 095	131 867	140 281
Other													**–**	**–**	**–**	**–**
Total Expenditure - Functional		**156 086**	**156 086**	**156 086**	**156 086**	**156 086**	**156 086**	**156 086**	**156 086**	**156 086**	**156 086**	**156 086**	**156 076**	**1 873 020**	**2 027 620**	**2 217 146**
Surplus/(Deficit) before assoc.		**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 408**	**40 784**	**20 571**	**18 948**
Intercompany/Parent subsidiary transactions													–	–	–	–
Surplus/(Deficit)	1	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 398**	**3 408**	**40 784**	**20 571**	**18 948**

References

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

GT422 Midvaal - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Multi-year expenditure ***to be appropriated***	1															
Vote 01 - Executive & Council		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 02 - Corporate Services		–	–	–	–	–	–	–	–	–	–	–	4 770	4 770	5 100	4 400
Vote 03 - Financial Services		–	–	–	–	–	–	–	–	–	–	–	2 000	2 000	–	–
Vote 04 - Development & Planning		–	–	–	–	–	–	–	–	–	–	–	10 000	10 000	10 000	5 026
Vote 05 - Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 06 - Community And Social Services		–	–	–	–	–	–	–	–	–	–	–	22 773	22 773	22 399	9 350
Vote 07 - Public Safety		–	–	–	–	–	–	–	–	–	–	–	2 000	2 000	11 000	–
Vote 08 - Sport And Recreation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 09 - Environmental Protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 - Waste Water Management		–	–	–	–	–	–	–	–	–	–	–	14 850	14 850	11 600	8 000
Vote 11 - Solid Waste Management		–	–	–	–	–	–	–	–	–	–	–	20 000	20 000	25 850	21 100
Vote 12 - Roads And Transport		–	–	–	–	–	–	–	–	–	–	–	40 887	40 887	34 300	9 450
Vote 13 - Water Services		–	–	–	–	–	–	–	–	–	–	–	51 817	51 817	41 839	38 011
Vote 14 - Electrical Services		–	–	–	–	–	–	–	–	–	–	–	31 090	31 090	30 500	35 105
Vote 15 - Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	2	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**200 187**	**200 187**	**192 588**	**130 442**
Single-year expenditure ***to be appropriated***																
Vote 01 - Executive & Council		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 02 - Corporate Services		43	43	43	43	43	43	43	43	43	43	43	43	520	–	–
Vote 03 - Financial Services		167	167	167	167	167	167	167	167	167	167	167	(1 833)	–	–	–
Vote 04 - Development & Planning		833	833	833	833	833	833	833	833	833	833	833	(9 167)	–	–	–
Vote 05 - Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 06 - Community And Social Services		1 008	1 008	1 008	1 008	1 008	1 008	1 008	1 008	1 008	1 008	1 008	1 008	12 096	–	–
Vote 07 - Public Safety		183	183	183	183	183	183	183	183	183	183	183	183	2 200	–	–
Vote 08 - Sport And Recreation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 09 - Environmental Protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 - Waste Water Management		792	792	792	792	792	792	792	792	792	792	792	792	9 500	5 000	–
Vote 11 - Solid Waste Management		975	975	975	975	975	975	975	975	975	975	975	975	11 700	3 000	10 000
Vote 12 - Roads And Transport		275	275	275	275	275	275	275	275	275	275	275	275	3 300	–	–
Vote 13 - Water Services		583	583	583	583	583	583	583	583	583	583	583	583	7 000	8 000	7 000
Vote 14 - Electrical Services		1 676	1 676	1 676	1 676	1 676	1 676	1 676	1 676	1 676	1 676	1 676	1 676	20 115	–	–
Vote 15 - Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total	2	**6 536**	**6 536**	**6 536**	**6 536**	**6 536**	**6 536**	**6 536**	**6 536**	**6 536**	**6 536**	**6 536**	**(5 464)**	**66 431**	**16 000**	**17 000**
Total Capital Expenditure	2	**6 536**	**6 536**	**6 536**	**6 536**	**6 536**	**6 536**	**6 536**	**6 536**	**6 536**	**6 536**	**6 536**	**194 723**	**266 618**	**208 588**	**147 442**

References

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

2. Total Capital Expenditure must reconcile to Budgeted Capital Expenditure

GT422 Midvaal - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Capital Expenditure - Functional	1															
Governance and administration		**1 051**	**1 051**	**1 051**	**1 051**	**1 051**	**1 051**	**1 051**	**1 051**	**1 051**	**1 051**	**1 051**	**1 051**	**12 607**	**7 400**	**5 250**
Executive and council		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Finance and administration		1 051	1 051	1 051	1 051	1 051	1 051	1 051	1 051	1 051	1 051	1 051	1 051	12 607	7 400	5 250
Internal audit													–	–	–	–
Community and public safety		**3 256**	**3 256**	**3 256**	**3 256**	**3 256**	**3 256**	**3 256**	**3 256**	**3 256**	**3 256**	**3 256**	**3 256**	**39 069**	**33 399**	**9 700**
Community and social services		983	983	983	983	983	983	983	983	983	983	983	983	11 800	13 000	5 600
Sport and recreation		1 922	1 922	1 922	1 922	1 922	1 922	1 922	1 922	1 922	1 922	1 922	1 922	23 069	9 399	2 900
Public safety		350	350	350	350	350	350	350	350	350	350	350	350	4 200	11 000	1 200
Housing													–	–	–	–
Health													–	–	–	–
Economic and environmental services		**4 466**	**4 466**	**4 466**	**4 466**	**4 466**	**4 466**	**4 466**	**4 466**	**4 466**	**4 466**	**4 466**	**4 466**	**53 587**	**42 000**	**13 276**
Planning and development		833	833	833	833	833	833	833	833	833	833	833	833	10 000	10 000	5 026
Road transport		3 632	3 632	3 632	3 632	3 632	3 632	3 632	3 632	3 632	3 632	3 632	3 632	43 587	32 000	8 250
Environmental protection													–	–	–	–
Trading services		**13 446**	**13 446**	**13 446**	**13 446**	**13 446**	**13 446**	**13 446**	**13 446**	**13 446**	**13 446**	**13 446**	**13 446**	**161 355**	**125 789**	**119 216**
Energy sources		3 874	3 874	3 874	3 874	3 874	3 874	3 874	3 874	3 874	3 874	3 874	3 874	46 488	30 500	35 105
Water management		4 901	4 901	4 901	4 901	4 901	4 901	4 901	4 901	4 901	4 901	4 901	4 901	58 817	49 839	45 011
Waste water management		2 029	2 029	2 029	2 029	2 029	2 029	2 029	2 029	2 029	2 029	2 029	2 029	24 350	16 600	8 000
Waste management		2 642	2 642	2 642	2 642	2 642	2 642	2 642	2 642	2 642	2 642	2 642	2 642	31 700	28 850	31 100
Other													**–**	**–**	**–**	**–**
Total Capital Expenditure - Functional	2	**22 218**	**22 218**	**22 218**	**22 218**	**22 218**	**22 218**	**22 218**	**22 218**	**22 218**	**22 218**	**22 218**	**22 218**	**266 618**	**208 588**	**147 442**
Funded by:																
National Government		8 754	8 754	8 754	8 754	8 754	8 754	8 754	8 754	8 754	8 754	8 754	**8 754**	**105 048**	**80 188**	**74 942**
Provincial Government		750	750	750	750	750	750	750	750	750	750	750	750	9 000	8 000	5 600
District Municipality													–	–	–	–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		608	608	608	608	608	608	608	608	608	608	608	608	7 300	3 000	6 000
Transfers recognised - capital		**10 112**	**10 112**	**10 112**	**10 112**	**10 112**	**10 112**	**10 112**	**10 112**	**10 112**	**10 112**	**10 112**	**10 112**	**121 348**	**91 188**	**86 542**
Borrowing		7 300	7 300	7 300	7 300	7 300	7 300	7 300	7 300	7 300	7 300	7 300	7 300	87 600	69 150	23 000
Internally generated funds		4 806	4 806	4 806	4 806	4 806	4 806	4 806	4 806	4 806	4 806	4 806	4 806	57 670	48 250	37 900
Total Capital Funding		**22 218**	**22 218**	**22 218**	**22 218**	**22 218**	**22 218**	**22 218**	**22 218**	**22 218**	**22 218**	22 218	22 218	266 618	208 588	147 442

References

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

2. Total Capital Expenditure must reconcile to Budgeted Capital Expenditure

GT422 Midvaal - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Cash Receipts By Source													1		
Property rates	26 220	26 220	26 220	26 220	26 220	26 220	26 220	26 220	26 220	26 220	26 220	26 220	314 644	333 523	353 534
Service charges - electricity revenue	46 220	46 220	46 220	46 220	46 220	46 220	46 220	46 220	46 220	46 220	46 220	46 220	554 636	660 352	740 149
Service charges - water revenue	22 057	22 057	22 057	22 057	22 057	22 057	22 057	22 057	22 057	22 057	22 057	22 057	264 679	291 466	311 559
Service charges - sanitation revenue	5 326	5 326	5 326	5 326	5 326	5 326	5 326	5 326	5 326	5 326	5 326	5 326	63 907	67 741	71 806
Service charges - refuse revenue	5 005	5 005	5 005	5 005	5 005	5 005	5 005	5 005	5 005	5 005	5 005	5 005	60 063	71 758	76 781
Rental of facilities and equipment	97	97	97	97	97	97	97	97	97	97	97	97	1 161	1 230	1 304
Interest earned - external investments	3 684	3 684	3 684	3 684	3 684	3 684	3 684	3 684	3 684	3 684	3 684	3 684	44 209	46 242	48 323
Interest earned - outstanding debtors												–			
Dividends received												–			
Fines, penalties and forfeits	300	300	300	300	300	300	300	300	300	300	300	300	3 595	3 811	4 039
Licences and permits	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Agency services												–			
Transfers and Subsidies - Operational	17 214	17 214	17 214	17 214	17 214	17 214	17 214	17 214	17 214	17 214	17 214	17 214	206 570	195 364	208 060
Other revenue	1 247	1 247	1 247	1 247	1 247	1 247	1 247	1 247	1 247	1 247	1 247	1 247	14 962	(68 307)	(39 966)
Cash Receipts by Source	**127 369**	**127 369**	**127 369**	**127 369**	**127 369**	**127 369**	**127 369**	**127 369**	**127 369**	**127 369**	**127 369**	**127 369**	**1 528 427**	**1 603 180**	**1 775 590**
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	9 936	9 936	9 936	9 936	9 936	9 936	9 936	9 936	9 936	9 936	9 936	9 936	119 232	91 918	81 683
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)	608	608	608	608	608	608	608	608	608	608	608	608	7 300	3 000	3 000
Proceeds on Disposal of Fixed and Intangible Assets												–			
Short term loans	7 064	7 064	7 064	7 064	7 064	7 064	7 064	7 064	7 064	7 064	7 064	7 064	84 772	88 925	93 283
Borrowing long term/refinancing	257	257	257	257	257	257	257	257	257	257	257	257	3 078	67 550	21 650
Increase (decrease) in consumer deposits	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
VAT Control (receipts)												–			
Decrease (increase) in non-current receivables												–			
Decrease (increase) in non-current investments												–			
Total Cash Receipts by Source	**145 234**	**145 234**	**145 234**	**145 234**	**145 234**	**145 234**	**145 234**	**145 234**	**145 234**	**145 234**	**145 234**	**145 234**	**1 742 809**	**1 854 573**	**1 975 206**
Cash Payments by Type															
Employee related costs	35 412	35 412	35 412	35 412	35 412	35 412	35 412	35 412	35 412	35 412	35 412	35 409	424 940	442 802	464 627
Remuneration of councillors	1 272	1 272	1 272	1 272	1 272	1 272	1 272	1 272	1 272	1 272	1 272	1 272	15 270	16 049	16 851
Interest	1 981	1 981	1 981	1 981	1 981	1 981	1 981	1 981	1 981	1 981	1 981	1 980	23 767	25 431	27 211
Bulk purchases - electricity	46 354	46 354	46 354	46 354	46 354	46 354	46 354	46 354	46 354	46 354	46 354	46 354	556 242	644 614	744 613
Acquisitions - water & other inventory	15 101	15 101	15 101	15 101	15 101	15 101	15 101	15 101	15 101	15 101	15 101	15 101	181 209	190 089	199 403
Contracted services	21 616	21 616	21 616	21 616	21 616	21 616	21 616	21 616	21 616	21 616	21 616	21 615	259 394	394 562	400 473
Transfers and subsidies - other municipalities												–			
Transfers and subsidies - other												–			
Other expenditure	9 458	9 458	9 458	9 458	9 458	9 458	9 458	9 458	9 458	9 458	9 458	9 456	113 497	117 518	122 241
Cash Payments by Type	**131 194**	**131 194**	**131 194**	**131 194**	**131 194**	**131 194**	**131 194**	**131 194**	**131 194**	**131 194**	**131 194**	**131 187**	**1 574 319**	**1 831 063**	**1 975 419**
Other Cash Flows/Payments by Type															
Capital assets	21 339	21 339	21 339	21 339	21 339	21 339	21 339	21 339	21 339	21 339	21 339	21 339	256 068	193 688	138 542
Repayment of borrowing	3 532	3 532	3 532	3 532	3 532	3 532	3 532	3 532	3 532	3 532	3 532	3 532	42 386	44 463	46 641
Other Cash Flows/Payments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Payments by Type	**156 065**	**156 065**	**156 065**	**156 065**	**156 065**	**156 065**	**156 065**	**156 065**	**156 065**	**156 065**	**156 065**	**156 058**	**1 872 773**	**2 069 214**	**2 160 602**
NET INCREASE/(DECREASE) IN CASH HELD	**(10 831)**	**(10 831)**	**(10 831)**	**(10 831)**	**(10 831)**	**(10 831)**	**(10 831)**	**(10 831)**	**(10 831)**	**(10 831)**	**(10 831)**	**(10 824)**	**(129 964)**	**(214 640)**	**(185 396)**
Cash/cash equivalents at the month/year begin:	560 003	549 172	538 341	527 510	516 679	505 848	495 017	484 186	473 355	462 524	451 694	440 863	560 003	430 039	215 398
Cash/cash equivalents at the month/year end:	549 172	538 341	527 510	516 679	505 848	495 017	484 186	473 355	462 524	451 694	440 863	430 039	430 039	215 398	30 002

References

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

GT422 Midvaal - NOT REQUIRED - municipality does not have entities

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R million		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Financial Performance										
Property rates										
Service charges										
Investment revenue										
Transfer and subsidies - Operational										
Other own revenue										
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)										
Total Revenue (excluding capital transfers and contributions)		–	–	–	–	–	–	–	–	–
Employee costs										
Remuneration of Board Members										
Depreciation and amortisation										
Interest										
Inventory consumed and bulk purchases										
Transfers and subsidies										
Other expenditure										
Total Expenditure		–	–	–	–	–	–	–	–	–
Surplus/(Deficit)		–	–	–	–	–	–	–	–	–
Capital expenditure & funds sources										
Capital expenditure										
Transfers recognised - capital										
Borrowing										
Internally generated funds										
Total sources		–	–	–	–	–	–	–	–	–
Financial position										
Total current assets										
Total non current assets										
Total current liabilities										
Total non current liabilities										
Community wealth/Equity										
Cash flows										
Net cash from (used) operating										
Net cash from (used) investing										
Net cash from (used) financing										
Cash/cash equivalents at the year end										

GT422 Midvaal - Supporting Table SA32 List of external mechanisms

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

References

1. Total agreement period from commencement until end

2. Annual value

GT422 Midvaal - Supporting Table SA33 Contracts having future budgetary implications

Description	Ref	Preceding Years	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework			Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Forecast 2030/31	Forecast 2031/32	Forecast 2032/33	Forecast 2033/34	Total Contract Value
R thousand	1,3	Total	Original Budget	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Parent Municipality:														
Revenue Obligation By Contract	2													
Nedbank		–	1 369	1 436	1 503	1 579	–	–	–	–	–	–	–	5 887
														–
														–
Total Operating Revenue Implication		–	1 369	1 436	1 503	1 579	–	–	–	–	–	–	–	5 887
Expenditure Obligation By Contract	2													
														–
														–
														–
Total Operating Expenditure Implication		–	–	–	–	–	–	–	–	–	–	–	–	–
Capital Expenditure Obligation By Contract	2													
														–
														–
														–
Total Capital Expenditure Implication		–	–	–	–	–	–	–	–	–	–	–	–	–
Total Parent Expenditure Implication		–	–	–	–	–	–	–	–	–	–	–	–	–
Entities:														
Revenue Obligation By Contract	2													
														–
														–
														–
Total Operating Revenue Implication		–	–	–	–	–	–	–	–	–	–	–	–	–
Expenditure Obligation By Contract	2													
														–
														–
														–
Total Operating Expenditure Implication		–	–	–	–	–	–	–	–	–	–	–	–	–
Capital Expenditure Obligation By Contract	2													
														–
														–
														–
Total Capital Expenditure Implication		–	–	–	–	–	–	–	–	–	–	–	–	–
Total Entity Expenditure Implication		–	–	–	–	–	–	–	–	–	–	–	–	–

References

1. Total implication for all preceding years to be summed and total stated in 'Preceding Years' column

2. List all contracts with future financial obligations beyond the three years covered by the MTREF (MFMA s33)

3. For municipalities with approved total revenue not exceeding R250 m - all contracts with an annual cost greater than R500 000. For municipalities with approved total revenue greater than R250 m - all contracts with an annual cost greater than R1million. For municipalities with approved total revenue greater than R500 m - all contracts with an annual cost greater than R5 million

GT422 Midvaal - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		**53 114**	**36 145**	**58 176**	**63 610**	**67 805**	**67 805**	**73 305**	**43 650**	**17 150**
Roads Infrastructure		33 892	14 077	32 606	33 048	32 134	32 134	37 087	32 000	8 000
Roads		33 892	14 077	32 606	33 048	32 134	32 134	37 087	32 000	8 000
Road Structures		–	–	–	–	–	–	–	–	–
Road Furniture										
Capital Spares										
Storm water Infrastructure		–	–	–	1 000	–	–	–	–	–
Drainage Collection		–	–	–	1 000	–	–	–	–	–
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		18 472	20 909	21 007	18 712	20 643	20 643	20 618	6 500	9 000
Power Plants										
HV Substations										
HV Switching Station										
HV Transmission Conductors										
MV Substations										
MV Switching Stations		–	–	–	–	–	–	7 500	–	–
MV Networks		15 350	20 222	21 007	10 212	11 158	11 158	12 118	6 500	7 000
LV Networks		1 486	610	–	–	–	–	1 000	–	2 000
Capital Spares		1 637	77	–	8 500	9 485	9 485	–	–	–
Water Supply Infrastructure		–	–	–	150	140	140	–	150	150
Dams and Weirs										
Boreholes										
Reservoirs										
Pump Stations		–	–	–	–	–	–	–	–	–
Water Treatment Works										
Bulk Mains										
Distribution		–	–	–	150	140	140	–	150	150
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure		750	1 000	3 900	8 200	13 000	13 000	9 600	4 000	–
Pump Station										
Reticulation		–	–	–	–	–	–	600	–	–
Waste Water Treatment Works		750	1 000	3 900	8 200	13 000	13 000	9 000	4 000	–
Outfall Sewers										
Toilet Facilities										
Capital Spares										
Solid Waste Infrastructure		–	160	663	2 500	1 888	1 888	6 000	1 000	–
Landfill Sites		–	160	–	–	–	–	–	–	–
Waste Transfer Stations		–	–	663	2 500	1 888	1 888	1 000	1 000	–
Waste Processing Facilities		–	–	–	–	–	–	5 000	–	–
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		**3 812**	**1 366**	**1 386**	**3 500**	**2 039**	**2 039**	**10 296**	**4 000**	**4 026**
Community Facilities		3 812	1 366	1 386	3 500	2 039	2 039	10 296	4 000	4 026
Halls										
Centres										
Crèches										
Clinics/Care Centres										
Fire/Ambulance Stations		1 627	912	92	–	–	–	–	–	–
Testing Stations										
Museums										
Galleries										
Theatres										
Libraries		–	–	–	–	–	–	100	–	–
Cemeteries/Crematoria										
Police										
Parks		2 185	454	623	1 500	1 709	1 709	10 196	4 000	–
Public Open Space		–	–	–	2 000	330	330	–	–	–
Nature Reserves										
Public Ablution Facilities										
Markets		–	–	670	–	–	–	–	–	4 026
Stalls										
Abattoirs										
Airports										
Taxi Ranks/Bus Terminals										
Capital Spares										
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Indoor Facilities										
Outdoor Facilities										
Capital Spares										
Heritage assets		–	–	–	–	–	–	–	–	–
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas										
Other Heritage										
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property										
Unimproved Property										
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property										
Unimproved Property										
Other assets		**55**	**7 587**	**3 554**	**10 000**	**16 551**	**16 551**	**14 500**	**10 000**	**1 200**
Operational Buildings		55	–	105	–	–	–	4 500	–	200
Municipal Offices		55	–	105	–	–	–	–	–	200
Pay/Enquiry Points										
Building Plan Offices										
Workshops										
Yards										
Stores										
Laboratories										
Training Centres		–	–	–	–	–	–	4 500	–	–
Manufacturing Plant										
Depots										
Capital Spares										
Housing		–	7 587	3 449	10 000	16 551	16 551	10 000	10 000	1 000
Staff Housing										
Social Housing		–	7 587	3 449	10 000	16 551	16 551	10 000	10 000	1 000
Capital Spares										
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets										
Intangible Assets		998	721	2 067	3 000	3 000	3 000	300	500	300
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		998	721	2 067	3 000	3 000	3 000	300	500	300
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications		998	721	2 067	3 000	3 000	3 000	300	500	300
Load Settlement Software Applications										
Unspecified										
Computer Equipment		1 102	1 165	1 799	2 000	2 400	2 400	3 687	2 500	2 000
Computer Equipment		1 102	1 165	1 799	2 000	2 400	2 400	3 687	2 500	2 000
Furniture and Office Equipment		2 814	5 260	2 258	5 120	4 453	4 453	4 220	3 400	600
Furniture and Office Equipment		2 814	5 260	2 258	5 120	4 453	4 453	4 220	3 400	600
Machinery and Equipment		1 298	10 891	4 571	17 390	21 525	21 525	8 280	7 500	2 850
Machinery and Equipment		1 298	10 891	4 571	17 390	21 525	21 525	8 280	7 500	2 850
Transport Assets		10 515	8 012	6 937	17 940	27 470	27 470	23 750	23 050	19 850
Transport Assets		10 515	8 012	6 937	17 940	27 470	27 470	23 750	23 050	19 850
Land		72	391	–	–	–	–	–	–	–
Land		72	391	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals										
Living resources		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection										
Zoological plants and animals										
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection										
Zoological plants and animals										
Total Capital Expenditure on new assets	1	**73 780**	**71 539**	**80 747**	**122 560**	**145 243**	**145 243**	**138 338**	**94 600**	**47 976**

References

GT422 Midvaal - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		**106 118**	**56 551**	**63 781**	**80 999**	**74 267**	**74 267**	**80 687**	**79 089**	**84 416**
Roads Infrastructure		–	–	–	–	–	–	–	–	–
Roads										
Road Structures		–	–	–	–	–	–	–	–	–
Road Furniture										
Capital Spares										
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Drainage Collection										
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		4 789	7 493	17 886	30 200	26 115	26 115	20 770	24 000	19 155
Power Plants										
HV Substations										
HV Switching Station										
HV Transmission Conductors										
MV Substations		240	1 033	690	–	–	–	–	–	–
MV Switching Stations										
MV Networks		3 301	5 385	14 396	23 500	12 510	12 510	20 770	20 000	15 155
LV Networks		–	–	–	–	–	–	–	4 000	4 000
Capital Spares		1 248	1 075	2 799	6 700	13 604	13 604	–	–	–
Water Supply Infrastructure		92 416	43 659	43 559	44 799	43 540	43 540	49 317	35 589	36 761
Dams and Weirs										
Boreholes										
Reservoirs		28 026	–	–	–	–	–	–	–	–
Pump Stations		–	–	–	–	–	–	1 000	1 000	–
Water Treatment Works										
Bulk Mains										
Distribution		64 390	43 659	43 559	44 799	43 540	43 540	48 317	34 589	36 761
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure		5 271	1 832	–	–	–	–	–	–	8 000
Pump Station		837	–	–	–	–	–	–	–	8 000
Reticulation		4 434	1 676	–	–	–	–	–	–	–
Waste Water Treatment Works		–	156	–	–	–	–	–	–	–
Outfall Sewers										
Toilet Facilities										
Capital Spares										
Solid Waste Infrastructure		3 641	3 566	2 336	6 000	4 612	4 612	10 600	19 500	20 500
Landfill Sites		2 083	1 779	–	4 500	3 112	3 112	10 000	19 500	20 000
Waste Transfer Stations		1 559	1 787	2 336	1 500	1 500	1 500	600	–	500
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		**14 470**	**5 985**	**7 630**	**18 248**	**17 816**	**17 816**	**14 643**	**9 099**	**2 500**
Community Facilities		1 500	1 967	2 158	7 100	6 311	6 311	7 300	9 000	2 500
Halls										
Centres										
Crèches										
Clinics/Care Centres										
Fire/Ambulance Stations										
Testing Stations										
Museums										
Galleries										
Theatres										
Libraries		1 500	1 967	1 996	3 000	2 420	2 420	2 300	4 000	2 500

Cemeteries/Crematoria		–	–	162	1 500	1 500	1 500	5 000	5 000	–
Police										
Parks		–	–	–	2 600	2 391	2 391	–	–	–
Public Open Space										
Nature Reserves										
Public Ablution Facilities										
Markets										
Stalls										
Abattoirs										
Airports										
Taxi Ranks/Bus Terminals										
Capital Spares										
Sport and Recreation Facilities		12 970	4 019	5 472	11 148	11 505	11 505	7 343	99	–
Indoor Facilities										
Outdoor Facilities		12 970	4 019	5 472	11 148	11 505	11 505	7 343	99	–
Capital Spares										
Heritage assets		–	–	–	–	–	–	–	–	–
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas										
Other Heritage										
Investment properties		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property										
Unimproved Property										
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property										
Unimproved Property										
Other assets		**65**	**–**	**–**	**500**	**500**	**500**	**–**	**–**	**500**
Operational Buildings		65	–	–	500	500	500	–	–	500
Municipal Offices		65	–	–	–	–	–	–	–	500
Pay/Enquiry Points										
Building Plan Offices										
Workshops										
Yards		–	–	–	500	500	500	–	–	–
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		–	972	489	13 300	12 950	12 950	7 950	4 000	–
Servitudes										
Licences and Rights		–	972	489	13 300	12 950	12 950	7 950	4 000	–
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications		–	972	489	13 300	12 950	12 950	7 950	4 000	–
Load Settlement Software Applications										
Unspecified										
Computer Equipment		8 762	4 726	–	4 700	3 000	3 000	1 650	4 500	4 000
Computer Equipment		8 762	4 726	–	4 700	3 000	3 000	1 650	4 500	4 000
Furniture and Office Equipment		96	–	2 738	915	915	915	800	1 000	400
Furniture and Office Equipment		96	–	2 738	915	915	915	800	1 000	400
Machinery and Equipment		–	–	289	–	–	–	–	–	–
Machinery and Equipment		–	–	289	–	–	–	–	–	–
Transport Assets		4 646	1 692	1 554	5 850	6 490	6 490	5 150	4 300	2 650
Transport Assets		4 646	1 692	1 554	5 850	6 490	6 490	5 150	4 300	2 650
Land		–	–	–	–	–	–	–	–	–
Land										
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals										
Living resources		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection										
Zoological plants and animals										
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection										
Zoological plants and animals										
Total Capital Expenditure on renewal of existing assets	1	**134 156**	**69 925**	**76 479**	**124 512**	**115 937**	**115 937**	**110 880**	**101 988**	**94 466**
Renewal of Existing Assets as % of total capex		*56,0%*	*42,5%*	*45,3%*	*48,0%*	*42,9%*	*42,9%*	*41,6%*	*48,9%*	*64,1%*
Renewal of Existing Assets as % of deprecn"		*99,7%*	*54,9%*	*77,2%*	*88,4%*	*100,4%*	*100,4%*	*93,3%*	*83,3%*	*74,8%*

References

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

GT422 Midvaal - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		**88 102**	**114 493**	**142 301**	**164 035**	**171 074**	**171 074**	**169 390**	**177 672**	**186 063**
Roads Infrastructure		15 851	23 392	34 355	41 030	39 077	39 077	35 942	37 691	39 487
Roads										
Road Structures		4 632	10 609	19 500	19 792	21 671	21 671	16 943	17 722	18 519
Road Furniture										
Capital Spares		11 219	12 783	14 855	21 238	17 405	17 405	19 000	19 969	20 967
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Drainage Collection										
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		22 334	28 949	34 464	40 005	49 444	49 444	49 855	50 587	52 993
Power Plants		–	–	–	–	5 500	5 500	4 500	4 707	4 919
HV Substations										
HV Switching Station										
HV Transmission Conductors										
MV Substations										
MV Switching Stations										
MV Networks		6 536	9 926	13 142	14 265	20 007	20 007	17 329	20 103	21 008
LV Networks		–	–	–	–	–	–	1 500	–	–
Capital Spares		15 798	19 023	21 321	25 740	23 937	23 937	26 526	25 777	27 066
Water Supply Infrastructure		25 310	29 682	34 494	39 043	38 337	38 337	38 847	42 324	44 356
Dams and Weirs										
Boreholes		–	–	–	650	650	650	682	713	745
Reservoirs										
Pump Stations										
Water Treatment Works		–	–	–	–	2 900	2 900	2 727	2 853	2 981
Bulk Mains										
Distribution		7 139	8 759	13 373	13 915	11 892	11 892	11 139	13 220	13 815
Distribution Points										
PRV Stations										
Capital Spares		18 171	20 923	21 122	24 479	22 895	22 895	24 298	25 538	26 814
Sanitation Infrastructure		22 751	31 258	36 465	42 356	42 717	42 717	43 072	45 209	47 407
Pump Station		3 131	4 274	2 899	3 129	2 829	2 829	2 967	3 104	3 244
Reticulation		–	–	–	–	–	–	–	–	–
Waste Water Treatment Works		9 232	15 465	20 622	23 927	24 824	24 824	24 184	25 372	26 594
Outfall Sewers										
Toilet Facilities										
Capital Spares		10 388	11 519	12 944	15 301	15 065	15 065	15 921	16 733	17 570
Solid Waste Infrastructure		–	–	–	100	100	100	100	100	100
Landfill Sites		–	–	–	100	100	100	100	100	100
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		1 857	1 212	2 523	1 500	1 400	1 400	1 574	1 761	1 720
Data Centres		1 857	1 212	2 523	1 500	1 400	1 400	1 574	1 761	1 720
Core Layers										
Distribution Layers										
Capital Spares										
Community Assets		**82**	**1 027**	**2 069**	**3 061**	**2 963**	**2 963**	**2 581**	**2 793**	**2 953**
Community Facilities		82	1 027	2 069	3 061	2 963	2 963	2 581	2 793	2 953
Halls										
Centres										
Crèches										
Clinics/Care Centres										
Fire/Ambulance Stations										
Testing Stations										
Museums										
Galleries										

Theatres									
Libraries	53	971	1 935	3 061	2 963	2 963	2 581	2 793	2 953
Cemeteries/Crematoria	30	56	133	–	–	–	–	–	–
Police									
Parks									
Public Open Space									
Nature Reserves									
Public Ablution Facilities									
Markets									
Stalls									
Abattoirs									
Airports									
Taxi Ranks/Bus Terminals									
Capital Spares									
Sport and Recreation Facilities	–	–	–	–	–	–	–	–	–
Indoor Facilities									
Outdoor Facilities									
Capital Spares									
Heritage assets	–	–	–	–	–	–	–	–	–
Monuments									
Historic Buildings									
Works of Art									
Conservation Areas									
Other Heritage									
Investment properties	–	–	–	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–	–	–	–
Improved Property									
Unimproved Property									
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Improved Property									
Unimproved Property									
Other assets	**965**	**5 667**	**4 486**	**6 610**	**5 679**	**5 679**	**11 211**	**10 603**	**11 215**
Operational Buildings	965	5 667	4 486	6 610	5 679	5 679	11 211	10 603	11 215
Municipal Offices	965	5 667	4 486	6 610	5 679	5 679	11 211	10 603	11 215
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	166	157	103	374	326	326	376	388	405
Furniture and Office Equipment	166	157	103	374	326	326	376	388	405
Machinery and Equipment	–	–	–	–	13	13	–	–	–
Machinery and Equipment	–	–	–	–	13	13	–	–	–
Transport Assets	9 685	13 199	14 397	17 021	18 446	18 446	18 688	19 211	20 048
Transport Assets	9 685	13 199	14 397	17 021	18 446	18 446	18 688	19 211	20 048
Land	–	–	–	–	–	–	–	–	–
Land									
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals									
Living resources	-	-	-	-	-	-	-	-	-
Mature	-	-	-	-	-	-	-	-	-
Policing and Protection									
Zoological plants and animals									
Immature	-	-	-	-	-	-	-	-	-
Policing and Protection									
Zoological plants and animals									

Total Repairs and Maintenance Expenditure	1	**99 001**	**134 543**	**163 356**	**191 100**	**198 501**	**198 501**	**202 246**	**210 667**	**220 685**

R&M as a % of PPE & Investment Property		*5,1%*	*6,7%*	*8,0%*	*8,5%*	*9,7%*	*9,7%*	*10,2%*	*9,3%*	*9,6%*
R&M as % Operating Expenditure		*8,9%*	*10,1%*	*12,1%*	*10,6%*	*11,5%*	*11,5%*	*15,8%*	*11,2%*	*10,9%*

References

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

GT422 Midvaal - Supporting Table SA34d Depreciation by asset class

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Depreciation by Asset Class/Sub-class										
Infrastructure		**113 261**	**105 798**	**74 768**	**115 840**	**85 076**	**85 076**	**89 861**	**92 681**	**95 754**
Roads Infrastructure		33 272	30 695	26 469	34 098	29 819	29 819	31 562	33 029	34 680
Roads		33 272	30 695	26 469	34 098	29 819	29 819	31 562	33 029	34 680
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Drainage Collection										
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		54 008	51 497	32 537	53 329	26 665	26 665	27 383	28 142	28 939
Power Plants										
HV Substations		1 199	1 199	1 201	1 262	1 262	1 262	1 325	1 391	1 461
HV Switching Station		0	31	84	85	85	85	85	85	85
HV Transmission Conductors		1 413	1 411	1 385	1 407	1 407	1 407	1 407	1 407	1 407
MV Substations		1 803	1 802	1 820	2 113	1 913	1 913	1 913	1 913	1 913
MV Switching Stations		506	484	486	483	583	583	583	583	583
MV Networks		7 824	7 890	7 757	8 001	8 001	8 001	8 001	8 001	8 001
LV Networks		41 071	38 536	19 603	39 769	13 205	13 205	13 860	14 553	15 281
Capital Spares		192	145	201	208	208	208	208	208	208
Water Supply Infrastructure		10 445	13 437	14 721	13 949	16 564	16 564	16 564	16 564	16 564
Dams and Weirs		0	0	0	0	0	0	0	0	0
Boreholes		0	691	1 244	1 200	1 259	1 259	1 259	1 259	1 259
Reservoirs		1 817	1 829	1 673	1 792	1 792	1 792	1 792	1 792	1 792
Pump Stations		82	82	81	83	83	83	83	83	83
Water Treatment Works		97	97	99	99	143	143	143	143	143
Bulk Mains		23	22	20	23	23	23	23	23	23
Distribution		8 026	10 323	11 227	10 374	12 876	12 876	12 876	12 876	12 876
Distribution Points										
PRV Stations		400	394	377	379	388	388	388	388	388
Capital Spares										
Sanitation Infrastructure		11 074	11 151	11 259	12 365	11 666	11 666	12 100	12 695	13 319
Pump Station		10 997	11 038	11 012	12 152	11 322	11 322	11 888	12 483	13 107
Reticulation		45	80	178	180	180	180	180	180	180
Waste Water Treatment Works		32	33	70	34	165	165	33	33	33
Outfall Sewers										
Toilet Facilities										
Capital Spares										
Solid Waste Infrastructure		4 462	(982)	(10 218)	2 099	362	362	2 253	2 253	2 253
Landfill Sites		4 462	(1 018)	(10 332)	2 007	131	131	2 022	2 022	2 022
Waste Transfer Stations		–	36	114	92	231	231	231	231	231
Waste Processing Facilities										
Waste Drop-off Points										
Waste Separation Facilities										
Electricity Generation Facilities										
Capital Spares										
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Rail Lines										
Rail Structures										
Rail Furniture										
Drainage Collection										
Storm water Conveyance										
Attenuation										
MV Substations										
LV Networks										
Capital Spares										
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Sand Pumps										
Piers										
Revetments										
Promenades										
Capital Spares										
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Data Centres										
Core Layers										
Distribution Layers										
Capital Spares										
Community Assets		**8 024**	**7 423**	**7 501**	**8 204**	**7 539**	**7 539**	**7 758**	**8 142**	**8 545**
Community Facilities		8 018	7 353	7 422	8 133	7 436	7 436	7 687	8 071	8 474
Halls		7 649	6 889	6 580	7 338	6 300	6 300	6 615	6 946	7 293
Centres		12	12	9	12	12	12	12	12	12
Crèches		–	7	14	16	–	–	–	–	–
Clinics/Care Centres										
Fire/Ambulance Stations										
Testing Stations										
Museums										
Galleries										

Theatres										
Libraries		358	446	819	767	1 096	1 096	1 060	1 113	1 169
Cemeteries/Crematoria										
Police										
Parks										
Public Open Space		–	–	–	–	28	28	–	–	–
Nature Reserves										
Public Ablution Facilities										
Markets										
Stalls										
Abattoirs										
Airports										
Taxi Ranks/Bus Terminals										
Capital Spares										
Sport and Recreation Facilities		6	70	80	71	103	103	71	71	71
Indoor Facilities										
Outdoor Facilities		6	70	80	71	103	103	71	71	71
Capital Spares										
Heritage assets		–	–	–	–	–	–	–	–	–
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas										
Other Heritage										
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property										
Unimproved Property										
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property										
Unimproved Property										
Other assets		**28**	**80**	**230**	**162**	**349**	**349**	**358**	**367**	**376**
Operational Buildings		28	80	155	162	169	169	178	187	196
Municipal Offices		28	80	155	162	169	169	178	187	196
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–
Building Plan Offices		–	–	–	–	–	–	–	–	–
Workshops		–	–	–	–	–	–	–	–	–
Yards		–	–	–	–	–	–	–	–	–
Stores		–	–	–	–	–	–	–	–	–
Laboratories		–	–	–	–	–	–	–	–	–
Training Centres		–	–	–	–	–	–	–	–	–
Manufacturing Plant		–	–	–	–	–	–	–	–	–
Depots		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Housing		–	–	74	–	180	180	180	180	180
Staff Housing		–	–	–	–	–	–	–	–	–
Social Housing		–	–	74	–	180	180	180	180	180
Capital Spares		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets										
Intangible Assets		10	11	12	11	1 237	1 237	1 237	1 237	1 237
Servitudes										
Licences and Rights		10	11	12	11	1 237	1 237	1 237	1 237	1 237
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications		10	11	12	11	1 237	1 237	1 237	1 237	1 237
Load Settlement Software Applications										
Unspecified										
Computer Equipment		1 980	2 560	3 374	3 150	4 491	4 491	4 430	4 652	4 884
Computer Equipment		1 980	2 560	3 374	3 150	4 491	4 491	4 430	4 652	4 884
Furniture and Office Equipment		1 504	1 862	2 433	2 457	3 033	3 033	3 028	3 179	3 338
Furniture and Office Equipment		1 504	1 862	2 433	2 457	3 033	3 033	3 028	3 179	3 338
Machinery and Equipment		2 885	2 973	3 091	3 189	4 405	4 405	3 883	3 883	3 883
Machinery and Equipment		2 885	2 973	3 091	3 189	4 405	4 405	3 883	3 883	3 883
Transport Assets		6 842	6 581	7 697	7 842	9 350	9 350	8 227	8 227	8 227
Transport Assets		6 842	6 581	7 697	7 842	9 350	9 350	8 227	8 227	8 227
Land		–	–	–	–	–	–	–	–	–
Land										
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals										
Living resources		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection										
Zoological plants and animals										
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection										
Zoological plants and animals										
Total Depreciation	1	**134 535**	**127 289**	**99 105**	**140 855**	**115 481**	**115 481**	**118 783**	**122 369**	**126 245**

GT422 Midvaal - Supporting Table SA34e Capital expenditure on the upgrading of existing assets by asset class

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		**25 227**	**20 523**	**10 359**	**7 850**	**2 625**	**2 625**	**15 500**	**11 000**	**5 000**
Roads Infrastructure		6 750	2 283	–	–	–	–	–	–	–
Roads		6 750	2 283	–	–	–	–	–	–	–
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Drainage Collection										
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		–	1 170	802	1 350	961	961	1 500	–	–
Power Plants										
HV Substations										
HV Switching Station										
HV Transmission Conductors		–	1 170	802	1 350	961	961	1 500	–	–
MV Substations										
MV Switching Stations										
MV Networks		–	–	–	–	–	–	–	–	–
LV Networks										
Capital Spares										
Water Supply Infrastructure		2 076	3 273	4 408	1 500	1 664	1 664	5 000	6 000	5 000
Dams and Weirs										
Boreholes										
Reservoirs										
Pump Stations		–	–	–	–	–	–	3 000	2 000	–
Water Treatment Works										
Bulk Mains										
Distribution		2 076	3 273	4 408	1 500	1 664	1 664	2 000	4 000	5 000
Distribution Points										
PRV Stations										
Capital Spares		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		16 401	13 797	5 150	5 000	–	–	5 000	5 000	–
Pump Station		454	2 569	–	–	–	–	–	–	–
Reticulation		15 947	11 228	5 150	5 000	–	–	–	–	–
Waste Water Treatment Works										
Outfall Sewers		–	–	–	–	–	–	5 000	5 000	–
Toilet Facilities										
Capital Spares										
Solid Waste Infrastructure		–	–	–	–	–	–	4 000	–	–
Landfill Sites		–	–	–	–	–	–	4 000	–	–
Waste Transfer Stations										
Waste Processing Facilities										
Waste Drop-off Points										
Waste Separation Facilities										
Electricity Generation Facilities										
Capital Spares										
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Rail Lines										
Rail Structures										
Rail Furniture										
Drainage Collection										
Storm water Conveyance										
Attenuation										
MV Substations										
LV Networks										
Capital Spares										
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Sand Pumps										
Piers										
Revetments										
Promenades										
Capital Spares										
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Data Centres										
Core Layers										
Distribution Layers										
Capital Spares										
Community Assets		**–**	**–**	**–**	**–**	**–**	**–**	**900**	**–**	**–**
Community Facilities		–	–	–	–	–	–	900	–	–
Halls										
Centres										
Crèches										
Clinics/Care Centres										
Fire/Ambulance Stations		–	–	–	–	–	–	–	–	–
Testing Stations										
Museums										
Galleries										
Theatres										
Libraries		–	–	–	–	–	–	900	–	–
Cemeteries/Crematoria										
Police										
Parks										
Public Open Space										
Nature Reserves										
Public Ablution Facilities										

Markets										
Stalls										
Abattoirs										
Airports										
Taxi Ranks/Bus Terminals										
Capital Spares										
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Indoor Facilities										
Outdoor Facilities										
Capital Spares										
Heritage assets		–	–	–	–	–	–	–	–	–
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas										
Other Heritage										
Investment properties		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property										
Unimproved Property										
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property										
Unimproved Property										
Other assets		**6 270**	**2 639**	**501**	**4 700**	**6 207**	**6 207**	**1 000**	**1 000**	**–**
Operational Buildings		6 270	2 639	501	4 700	6 207	6 207	1 000	1 000	–
Municipal Offices		6 270	2 639	501	4 700	6 207	6 207	1 000	1 000	–
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		–	–	680	–	–	–	–	–	–
Computer Equipment		–	–	680	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment										
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Transport Assets										
Land		–	–	–	–	–	–	–	–	–
Land										
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals										
Living resources		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection										
Zoological plants and animals										
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection										
Zoological plants and animals										
Total Capital Expenditure on upgrading of existing assets	1	**31 497**	**23 162**	**11 540**	**12 550**	**8 832**	**8 832**	**17 400**	**12 000**	**5 000**
Upgrading of Existing Assets as % of total capex		*13,2%*	*14,1%*	*6,8%*	*4,8%*	*3,3%*	*3,3%*	*6,5%*	*5,8%*	*3,4%*
Upgrading of Existing Assets as % of deprecn"		*23,4%*	*18,2%*	*11,6%*	*8,9%*	*7,6%*	*7,6%*	*14,6%*	*9,8%*	*4,0%*

References

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

GT422 Midvaal - Supporting Table SA35 Future financial implications of the capital budget

Vote Description	Ref	2024/25 Medium Term Revenue & Expenditure Framework			Forecasts			
R thousand		Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Present value
Capital expenditure	1							
Vote 01 - Executive & Council		–	–	–				
Vote 02 - Corporate Services		5 290	5 100	4 400				
Vote 03 - Financial Services		2 000	–	–				
Vote 04 - Development & Planning		10 000	10 000	5 026				
Vote 05 - Health		–	–	–				
Vote 06 - Community And Social Services		34 869	22 399	9 350				
Vote 07 - Public Safety		4 200	11 000	–				
Vote 08 - Sport And Recreation		–	–	–				
Vote 09 - Environmental Protection		–	–	–				
Vote 10 - Waste Water Management		24 350	16 600	8 000				
Vote 11 - Solid Waste Management		31 700	28 850	31 100				
Vote 12 - Roads And Transport		44 187	34 300	9 450				
Vote 13 - Water Services		58 817	49 839	45 011				
Vote 14 - Electrical Services		51 205	30 500	35 105				
Vote 15 - Other		–	–	–				
List entity summary if applicable								
Total Capital Expenditure		**266 618**	**208 588**	**147 442**	**–**	**–**	**–**	**–**
Future operational costs by vote	2							
Vote 01 - Executive & Council								
Vote 02 - Corporate Services								
Vote 03 - Financial Services								
Vote 04 - Development & Planning								
Vote 05 - Health								
Vote 06 - Community And Social Services								
Vote 07 - Public Safety								
Vote 08 - Sport And Recreation								
Vote 09 - Environmental Protection								
Vote 10 - Waste Water Management								
Vote 11 - Solid Waste Management								
Vote 12 - Roads And Transport								
Vote 13 - Water Services								
Vote 14 - Electrical Services								
Vote 15 - Other								
List entity summary if applicable								
Total future operational costs		–	–	–	–	–	–	–
Future revenue by source	3							
Exchange Revenue		83 513	87 470	91 538				
Service charges - Electricity		616 262	711 937	822 586				
Service charges - Water		294 205	314 641	336 503				
Service charges - Waste Water Management		71 008	75 268	79 784				
Service charges - Waste Management		66 300	70 941	75 907				
Agency services								
List other revenues sources if applicable		782 517	787 934	829 776				
List entity summary if applicable								
Total future revenue		1 913 804	2 048 192	2 236 094	–	–	–	–
Net Financial Implications		**(1 647 186)**	**(1 839 604)**	**(2 088 652)**	**–**	**–**	**–**	**–**

References

1. Summarise the total capital cost until capital project is operational (MFMA s19(2)(a))

2. Summary of future operational costs from when projects operational (present value until the end of each asset's useful life) (MFMA s19(2)(b))

3. Summarise the future revenue from when projects are operational, including municipal tax and tariff implications, (present value until the end of asset's useful life)

2022 Budget – Supporting Table B.SD Detailed capital budget

Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Asset Class	Asset Sub Class	New asset or upgrade	GPS Longitude	GPS Latitude	Audited Outcome 2020/21	Current Year 2021/22 Full Year Forecast	Budget Year +1 2022/23	Budget Year +2 2023/24	Budget Year +3 2024/25
Parent municipality:															
List all capital projects grouped by Function															
Administrative and Corporate Support	Bulk water meters - Leeuhof Rd	5/2/5/2/2/2/1/1/1

GT422 Midvaal - Supporting Table SA37 Projects delayed from previous financial year/s

R thousand													Current Year 2023/24		2024/25 Medium Term Revenue & Expenditure Framework		
Function	Project name	Project number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Lattitude	Previous target year to complete	Original Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Parent municipality:																	
List all capital projects grouped by Function																	
Water Distribution	**Bulk Water Meters**	**01001002004007_0**	**UPGRADING**	*d responsive econ*	*nclusion and Access*	**SUSTAINABLE LIV**	*Water Supply Infrastructure*	*Distribution*	*WHOLE OF MUNICIPALITY*	*0*	*0*		**1 999**	**1 019**	**1 500**	**1 000**	**–**
Water Distribution	**Bulk Water Meters - Water Loss Programme**	**01001002004007_0**	**UPGRADING**	*d responsive econ*	*nclusion and Access*	**SUSTAINABLE LIV**	*Water Supply Infrastructure*	*Distribution*	*WHOLE OF MUNICIPALITY*	*0*	*0*		**–**	**145**	**–**	**–**	**–**
Water Distribution	**Pressure Management Infrastructure**	**01001002004007_0**	**UPGRADING**	*d responsive econ*	*nclusion and Access*	**SUSTAINABLE LIV**	*Water Supply Infrastructure*	*Distribution*	*WHOLE OF MUNICIPALITY*	*0*	*0*		**998**	**500**	**500**	**–**	**–**
Water Distribution	**Reservior Refurbishment - W/L Programme**	**01001002004007_0**	**UPGRADING**	*d responsive econ*	*nclusion and Access*	**SUSTAINABLE LIV**	*Water Supply Infrastructure*	*Distribution*	*WHOLE OF MUNICIPALITY*	*0*	*0*		**1 410**	**–**	**–**	**–**	**–**
Water Distribution	**Upgrade Water Supply**	**01001002004007_0**	**UPGRADING**	*d responsive econ*	*nclusion and Access*	**SUSTAINABLE LIV**	*Water Supply Infrastructure*	*Distribution*	*WARD 05*	*0*	*0*		**–**	**–**	**–**	**3 000**	**5 000**
Entities:																	
List all capital projects grouped by Entity																	
Entity Name																	
Project name																	

References

List all projects with planned completion dates in current year that have been re-budgeted in the MTREF

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

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

ATCO Gibson - Supportive Table 0.000 Consolidated detailed operational analysis

Thousand

Function	Project description	Project function	Type	MTEF Service Outcome	UGF	Core Strategic Objectives	Asset Class	Asset Sub Class	Ward location	GPS longitude	GPS latitude	Prior year outcomes: Audited Outcome 2022/23	Current Year 2023/24 Full Year Forecast	2024/25 Medium Term Budget Year 2024/25
Internal service delivery														
Administration and Corporate Support	Corporate Governance of ICT - Business Continuity Planning													
Administration and Corporate Support	Operational Municipal Exercise Cost	FG00 3	Municipal Revenue Costs	Sound administration and financial sustainability	Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0			
Administration and Corporate Support	Operational Municipal Exercise Cost	FG00 0000	Municipal Revenue Costs	Sound administration and financial sustainability	Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	42 125	33 218	35 823
Administration and Corporate Support	Operational Municipal Exercise Cost	FG00 0000	Municipal Revenue Costs	Sound administration and financial sustainability	Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	3 342	4 100	4 319
Administration and Corporate Support	Accounting Transactions	0000000000 - 000	Work Streams	Sound administration and financial sustainability	Institution and Governance	GOOD GOVERNANCE			WHOLE OF MUNICIPALITY	0	0	-	-	-
Administration and Corporate Support	Accounting Transactions	0000000000 - 000	Work Streams	Sound administration and financial sustainability	Institution and Governance	GOOD GOVERNANCE			WHOLE OF MUNICIPALITY	0	0	-	-	-
Administration and Corporate Support	Accounting Transactions	0000000000 - 000	Work Streams	Sound administration and financial sustainability	Institution and Governance	COMMUNICATION & CUSTOMER CARE			WHOLE OF MUNICIPALITY	0	0	-	-	-
Administration and Corporate Support	Revenue	0000000000 - 000	Work Streams	Sound administration and financial sustainability	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	-	-	-
Administration and Corporate Support	Communication And Development	FG00000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	341	-	-
Administration and Corporate Support	Capacity	FG00000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	-	-	-
Administration and Corporate Support	Capacity	FG00000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	5	15	15
Administration and Corporate Support	Events And Orientations	FG00000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	-	-	1 000
Administration and Corporate Support	Relations Control	FG00000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	COMMUNICATION & CUSTOMER CARE			WHOLE OF MUNICIPALITY	0	0	-	-	1 000
Administration and Corporate Support	Buildings	0000000000000000	Preventative Maintenance	Effective and development oriented	Institution and Governance	FINANCIAL STABILITY	Community Facilities	Libraries	WHOLE OF MUNICIPALITY	0	0	3 000	3 000	4 000
Administration and Corporate Support	Buildings	0000000000000000	Preventative Maintenance	Effective and sustainable water	Institution and Governance	FINANCIAL STABILITY	Community Facilities	Cemeteries/Crematoria	WHOLE OF MUNICIPALITY	0	0	-	-	-
Administration and Corporate Support	Buildings	0000000000000000	Preventative Maintenance	Effective and sustainable water	Institution and Governance	FINANCIAL STABILITY	Operational Buildings	Operational Buildings	WHOLE OF MUNICIPALITY	0	0	-	-	-
Administration and Corporate Support	Furniture And Office Equipment	FG00000000	Corrective Maintenance	Effective and development oriented	Governance	FINANCIAL STABILITY	Furniture And Office Equipment	Furniture And Office Equipment	WHOLE OF MUNICIPALITY	0	0	-	-	-
Administration and Corporate Support	Buildings	0000000000000000	Preventative Maintenance	Effective and development oriented	Institution and Governance	FINANCIAL STABILITY	Operational Buildings	Municipal Offices	WHOLE OF MUNICIPALITY	0	0	1 400	-	-
Administration and Corporate Support	Buildings	0000000000000000	Preventative Maintenance	Effective and development oriented	Institution and Governance	FINANCIAL STABILITY	Operational Buildings	Municipal Offices	WHOLE OF MUNICIPALITY	0	0	-	-	-
Administration and Corporate Support	Transport Assets	0000000000000000	Corrective Maintenance	Effective and development oriented	Governance	FINANCIAL STABILITY	Transport Assets	Transport Assets	WHOLE OF MUNICIPALITY	0	0	-	-	4 000
Administration and Corporate Support	Transport Assets	0000000000000000	Corrective Maintenance	Effective and development oriented	Governance	FINANCIAL STABILITY	Transport Assets	Transport Assets	WHOLE OF MUNICIPALITY	0	0	-	-	-
Bazar And Council	Operational Municipal Exercise Cost	FG00 3	Municipal Revenue Costs	Sound administration and financial sustainability	Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	-	-	-
Bazar And Council	Operational Municipal Exercise Cost	FG00 0000	Municipal Revenue Costs	Sound administration and financial sustainability	Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	12 248	12 248	12 842
Bazar And Council	Accounting Transactions - Income	0000000000 - 000	Work Streams	Sound administration and financial sustainability	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	-	-	-
Bazar And Council	Accounting Transactions - Expenditure	0000000000 - 000	Work Streams	Sound administration and financial sustainability	Institution and Governance	COMMUNICATION & CUSTOMER CARE			WHOLE OF MUNICIPALITY	0	0	-	-	-
Bazar And Council	Mayoral/Councillors Minor Conversions	0000000000 - 000	Work Streams	Sound administration and financial sustainability	Institution and Governance	COMMUNICATION & CUSTOMER CARE			WHOLE OF MUNICIPALITY	0	0	340	410	375
Bazar And Council	Mayoral/Councillors Minor Conversions	0000000000 - 000	Work Streams	Sound administration and financial sustainability	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	1	1	1
Bazar And Council	Mayoral/Councillors Minor Conversions	0000000000 - 000	Work Streams	Sound administration and financial sustainability	Institution and Governance	COMMUNICATION & CUSTOMER CARE			WHOLE OF MUNICIPALITY	0	0	225	225	225
Bazar And Council	Meetings	0000000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	841	910	957
Bazar And Council	Governance Functions	0000000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	GOOD GOVERNANCE			WHOLE OF MUNICIPALITY	0	0	1	1	1
Bazar And Council	Social Events And Functions	0000000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	GOOD GOVERNANCE			WHOLE OF MUNICIPALITY	0	0	100	100	100
Bazar And Council	Workshops And Sessions	0000000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	GOOD GOVERNANCE			WHOLE OF MUNICIPALITY	0	0	-	-	-
Bazar And Council	Workshops And Sessions	0000000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	GOOD GOVERNANCE			WHOLE OF MUNICIPALITY	0	0	-	-	-
Bazar And Council	Workshops And Sessions	0000000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	GOOD GOVERNANCE			WHOLE OF MUNICIPALITY	0	0	-	-	12
Bazar And Council	Workshops And Sessions	0000000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	GOOD GOVERNANCE			WHOLE OF MUNICIPALITY	0	0	25	10	10
Bazar And Council	Workshops And Sessions	0000000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	-	-	40
Bazar And Council	Workshops And Sessions	0000000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	-	-	-
Bazar And Council	Workshops And Sessions	0000000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	21	21	21
Bazar And Council	Workshops And Sessions	0000000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	10	10	10
Bazar And Council	Workshops And Sessions	0000000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	56	56	56
Bazar And Council	Workshops And Sessions	0000000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	-	-	-
Bazar And Council	Workshops And Sessions	0000000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	-	-	-
Bazar And Council	Workshops And Sessions	0000000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	FINANCIAL STABILITY	Operational Buildings	Municipal Offices	WHOLE OF MUNICIPALITY	0	0	-	-	-
Bazar And Council	Transport Assets	0000000000000000	Preventative Maintenance	Effective and development oriented	Governance	FINANCIAL STABILITY	Transport Assets	Transport Assets	WHOLE OF MUNICIPALITY	0	0	2 000	1 000	1 000
Business Services - Town Secretary	Operational Municipal Exercise Cost	FG00 3	Municipal Revenue Costs	Sustainable, effective and efficient	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	-	-	-
Business Services - Town Secretary	Operational Municipal Exercise Cost	FG00 0000	Municipal Revenue Costs	Sustainable, effective and efficient	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	14	14	14
Business Services - Town Secretary	Workshops And Sessions	0000000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	GOOD GOVERNANCE			WHOLE OF MUNICIPALITY	0	0	200	200	207
Business Services - Town Secretary	Electrical Equipment	0000000000000000	0000 - 00 - office equipment	Effective and sustainable water	Institution and Governance	FINANCIAL STABILITY	Electrical Infrastructure	Power Plants	WHOLE OF MUNICIPALITY	0	0	9 500	4 500	-
Business Services - Town Secretary	Furniture And Office Equipment	FG00000000	Corrective Maintenance	Effective and development oriented	Governance	FINANCIAL STABILITY	Furniture And Office Equipment	Furniture And Office Equipment	WHOLE OF MUNICIPALITY	0	0	-	-	-
Finance	Operational Municipal Exercise Cost	FG00 3	Municipal Revenue Costs	Sound administration and financial sustainability	Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	14	14	14
Finance	Operational Municipal Exercise Cost	FG00 0000	Municipal Revenue Costs	Sound administration and financial sustainability	Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	17 645	17 170	17 170
Finance	Accounting Transactions	0000000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	1 000	1 000	1 000
Finance	Cash Management	0000000000 - 000	Work Streams	Sustainable, effective and efficient	Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	500	500	500
Finance	Interest Commission	0000000000 - 000	Work Streams	Sustainable, effective and efficient	Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	50	50	50
Finance	Buildings	0000000000000000	Preventative Maintenance	Effective and development oriented	Institution and Governance	FINANCIAL STABILITY	Community Facilities	Libraries	WHOLE OF MUNICIPALITY	0	0	-	-	-
Finance	Furniture And Office Equipment	FG00000000	Corrective Maintenance	Effective and development oriented	Governance	FINANCIAL STABILITY	Furniture And Office Equipment	Furniture And Office Equipment	WHOLE OF MUNICIPALITY	0	0	-	-	-
Finance	Buildings	0000000000000000	Preventative Maintenance	Effective and development oriented	Governance	FINANCIAL STABILITY	Operational Buildings	Municipal Offices	WHOLE OF MUNICIPALITY	0	0	-	-	-
Finance	Transport Assets	0000000000000000	Corrective Maintenance	Effective and development oriented	Governance	FINANCIAL STABILITY	Transport Assets	Transport Assets	WHOLE OF MUNICIPALITY	0	0	-	-	3
Finance	Transport Assets	0000000000000000	Corrective Maintenance	Effective and development oriented	Governance	FINANCIAL STABILITY	Transport Assets	Transport Assets	WHOLE OF MUNICIPALITY	0	0	-	-	-
Fleet Management	Operational Municipal Exercise Cost	FG00 3	Municipal Revenue Costs	Sound administration and financial sustainability	Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	-	-	-
Fleet Management	Operational Municipal Exercise Cost	FG00 0000	Municipal Revenue Costs	Sound administration and financial sustainability	Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	1 112	2 400	2 697
Fleet Management	Furniture And Office Equipment	FG00000000	Corrective Maintenance	Effective and development oriented	Governance	FINANCIAL STABILITY	Furniture And Office Equipment	Furniture And Office Equipment	WHOLE OF MUNICIPALITY	0	0	-	50	50
Fleet Management	Machinery And Equipment	FG00000000	Corrective Maintenance	Effective and development oriented	Governance	FINANCIAL STABILITY	Machinery And Equipment	Plant and Equipment	WHOLE OF MUNICIPALITY	0	0	-	-	-
Fleet Management	Transport Assets	0000000000000000	Corrective Maintenance	Effective and development oriented	Governance	FINANCIAL STABILITY	Transport Assets	Transport Assets	WHOLE OF MUNICIPALITY	0	0	3 374	3 500	4 000
Fleet Management	Transport Assets	0000000000000000	Preventative Maintenance	Effective and development oriented	Governance	FINANCIAL STABILITY	Transport Assets	Transport Assets	WHOLE OF MUNICIPALITY	0	0	-	100	100
Human Resources	Operational Municipal Exercise Cost	FG00 3	Municipal Revenue Costs	Sound administration and financial sustainability	Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	-	-	-
Human Resources	Operational Municipal Exercise Cost	FG00 0000	Municipal Revenue Costs	Sound administration and financial sustainability	Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	19 863	21 330	22 719
Human Resources	Operational Municipal Exercise Cost	FG00 0000	Municipal Revenue Costs	Sound administration and financial sustainability	Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	55	55	58
Human Resources	Accounting Transactions	0000000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	-	-	-
Human Resources	Human Resources Development	0000000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	100	100	104
Human Resources	Human Resources Management	0000000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	-	-	-
Human Resources	Human Resources Management	0000000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	-	-	-
Human Resources	Transport Assets	0000000000000000	Preventative Maintenance	Effective and development oriented	Governance	FINANCIAL STABILITY	Transport Assets	Transport Assets	WHOLE OF MUNICIPALITY	0	0	-	-	-
Information Technology	Operational Municipal Exercise Cost	FG00 0000	Municipal Revenue Costs	Sound administration and financial sustainability	Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	33 501	34 564	37 033
Information Technology	Operational Municipal Exercise Cost	FG00 0000	Municipal Revenue Costs	Sound administration and financial sustainability	Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	1	1	1
Marketing, Customer Relations, Public Relations	Operational Municipal Exercise Cost	FG00 3	Municipal Revenue Costs	Sound administration and financial sustainability	Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	-	-	-
Marketing, Customer Relations, Public Relations	Operational Municipal Exercise Cost	FG00 0000	Municipal Revenue Costs	Sound administration and financial sustainability	Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	1 140	800	1 186
Marketing, Customer Relations, Public Relations	Operational Municipal Exercise Cost	FG00 0000	Municipal Revenue Costs	Sound administration and financial sustainability	Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	1	1	1
Marketing, Customer Relations, Public Relations	Communication And Development	FG00000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	-	50	50
Marketing, Customer Relations, Public Relations	Marketing Events And Functions	0000000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	GOOD GOVERNANCE			WHOLE OF MUNICIPALITY	0	0	-	100	100
Marketing, Customer Relations, Public Relations	Marketing Events	0000000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	GOOD GOVERNANCE			WHOLE OF MUNICIPALITY	0	0	-	100	100
Property Services	Operational Municipal Exercise Cost	FG00 3	Municipal Revenue Costs	Sound administration and financial sustainability	Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	2 610	3 564	3 680
Property Services	Operational Municipal Exercise Cost	FG00 0000	Municipal Revenue Costs	Sound administration and financial sustainability	Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	1	1	1
Property Services	Buildings	0000000000000000	Preventative Maintenance	Effective and development oriented	Institution and Governance	FINANCIAL STABILITY	Operational Buildings	Municipal Offices	WHOLE OF MUNICIPALITY	0	0	-	200	-
Property Services	Transport Assets	0000000000000000	Preventative Maintenance	Effective and development oriented	Governance	FINANCIAL STABILITY	Transport Assets	Transport Assets	WHOLE OF MUNICIPALITY	0	0	-	-	70
Public Services	Operational Municipal Exercise Cost	FG00 3	Municipal Revenue Costs	Sound administration and financial sustainability	Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	-	-	-
Public Services	Operational Municipal Exercise Cost	FG00 0000	Municipal Revenue Costs	Sound administration and financial sustainability	Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	3 374	4 300	4 571
Public Services	Furniture And Office Equipment	FG00000000	Corrective Maintenance	Effective and development oriented	Governance	FINANCIAL STABILITY	Furniture And Office Equipment	Furniture And Office Equipment	WHOLE OF MUNICIPALITY	0	0	-	50	50
Public Services	Buildings	0000000000000000	Preventative Maintenance	Effective and development oriented	Institution and Governance	FINANCIAL STABILITY	Operational Buildings	Municipal Offices	WHOLE OF MUNICIPALITY	0	0	-	100	100
Public Services	Transport Assets	0000000000000000	Preventative Maintenance	Effective and development oriented	Governance	FINANCIAL STABILITY	Transport Assets	Transport Assets	WHOLE OF MUNICIPALITY	0	0	-	-	70
Community Parks Initiative Nerine	Operational Municipal Exercise Cost	FG00 3	Municipal Revenue Costs	Sound administration and financial sustainability	Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	-	-	-
Community Parks Initiative Nerine	Operational Municipal Exercise Cost	FG00 0000	Municipal Revenue Costs	Sound administration and financial sustainability	Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	22 521	23 551	23 551
Community Parks Initiative Nerine	Environmental Health	0000000000 - 000	Work Streams	Sustainable environmental assets and	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	200	200	200
Community Parks Initiative Nerine	Parks	0000000000 - 000	Work Streams	Sustainable environmental assets and	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	100	100	104
Community Parks Initiative Nerine	Parks Maintenance	FG00000 - 0000	Work Streams	Sustainable environmental assets and	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	1 000	1 000	1 000
Community Parks Initiative Nerine	Parks Programmes	FG00000 - 0000	Work Streams	Sustainable environmental assets and	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	481	1 100	624
Community Parks Initiative Nerine	Nurse	0000000000 - 000	Work Streams	Effective and development oriented	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	2 000	2 000	2 082
Community Parks Initiative Nerine	Bursaries	0000000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	FINANCIAL STABILITY	Community Facilities	Libraries	WHOLE OF MUNICIPALITY	0	0	-	-	-
Community Parks Initiative Nerine	Buildings	0000000000000000	Preventative Maintenance	Effective and development oriented	Institution and Governance	FINANCIAL STABILITY	Operational Buildings	Municipal Offices	WHOLE OF MUNICIPALITY	0	0	-	-	-
Community Parks Initiative Nerine	Transport Assets	0000000000000000	Corrective Maintenance	Effective and development oriented	Governance	FINANCIAL STABILITY	Transport Assets	Transport Assets	WHOLE OF MUNICIPALITY	0	0	30	30	30
Community Parks Initiative Nerine	Transport Assets	0000000000000000	Corrective Maintenance	Effective and development oriented	Governance	FINANCIAL STABILITY	Transport Assets	Transport Assets	WHOLE OF MUNICIPALITY	0	0	47	50	50
Community Parks Initiative Nerine	Transport Assets	0000000000000000	Corrective Maintenance	Effective and development oriented	Governance	FINANCIAL STABILITY	Transport Assets	Transport Assets	WHOLE OF MUNICIPALITY	0	0	120	120	120
Cemeteries, Funeral Parlours And Crematoria	Operational Municipal Exercise Cost	FG00 3	Municipal Revenue Costs	Sound administration and financial sustainability	Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	100	100	100
Cemeteries, Funeral Parlours And Crematoria	Burials	0000000000 - 000	Work Streams	Sustainable and sustainable water	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	-	-	-
Cemeteries, Funeral Parlours And Crematoria	Buildings	0000000000000000	Preventative Maintenance	Effective and development oriented	Institution and Governance	FINANCIAL STABILITY	Operational Buildings	Municipal Offices	WHOLE OF MUNICIPALITY	0	0	-	-	-
Recreational Facilities	Operational Municipal Exercise Cost	FG00 3	Municipal Revenue Costs	Sound administration and financial sustainability	Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	-	-	-
Recreational Facilities	Operational Municipal Exercise Cost	FG00 0000	Municipal Revenue Costs	Sound administration and financial sustainability	Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	3 000	1 000	4 000
Recreational Facilities	Community Facilities Initiatives	0000000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	COMMUNICATION & CUSTOMER CARE	Community Facilities	Libraries	WHOLE OF MUNICIPALITY	0	0	-	-	500
Recreational Facilities	Buildings	0000000000000000	Preventative Maintenance	Effective and development oriented	Institution and Governance	FINANCIAL STABILITY	Community Facilities	Libraries	WHOLE OF MUNICIPALITY	0	0	-	-	-
Recreational Facilities	Furniture And Office Equipment	FG00000000	Corrective Maintenance	Effective and development oriented	Governance	FINANCIAL STABILITY	Furniture And Office Equipment	Furniture And Office Equipment	WHOLE OF MUNICIPALITY	0	0	-	-	-
Recreational Facilities	Buildings	0000000000000000	Preventative Maintenance	Effective and development oriented	Institution and Governance	FINANCIAL STABILITY	Operational Buildings	Municipal Offices	WHOLE OF MUNICIPALITY	0	0	-	-	-
Fire Fighting And Protection	Operational Municipal Exercise Cost	FG00 3	Municipal Revenue Costs	Sound administration and financial sustainability	Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	-	-	-
Fire Fighting And Protection	Operational Municipal Exercise Cost	FG00 0000	Municipal Revenue Costs	Sound administration and financial sustainability	Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	12	12	12
Fire Fighting And Protection	Operational Municipal Exercise Cost	FG00 0000	Municipal Revenue Costs	Sound administration and financial sustainability	Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	18 710	18 710	18 710
Fire Fighting And Protection	Fire Work	0000000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	1	1	1
Fire Fighting And Protection	Fire Work	0000000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	FIRE & WATER TRANSPORTATION			WHOLE OF MUNICIPALITY	0	0	1 000	1 000	1 000
Fire Fighting And Protection	Furniture And Office Equipment	FG00000000	Corrective Maintenance	Effective and development oriented	Governance	FINANCIAL STABILITY	Furniture And Office Equipment	Furniture And Office Equipment	WHOLE OF MUNICIPALITY	0	0	-	50	50
Fire Fighting And Protection	Transport Assets	0000000000000000	Corrective Maintenance	Effective and development oriented	Governance	FINANCIAL STABILITY	Transport Assets	Transport Assets	WHOLE OF MUNICIPALITY	0	0	-	50	50
Fire Fighting And Protection	Transport Assets	0000000000000000	Corrective Maintenance	Effective and development oriented	Governance	FINANCIAL STABILITY	Transport Assets	Transport Assets	WHOLE OF MUNICIPALITY	0	0	1 200	1 100	1 000
Libraries And Archives	Operational Municipal Exercise Cost	FG00 3	Municipal Revenue Costs	Sound administration and financial sustainability	Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	-	-	-
Libraries And Archives	Operational Municipal Exercise Cost	FG00 0000	Municipal Revenue Costs	Sound administration and financial sustainability	Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	1	1	1
Libraries And Archives	Operational Municipal Exercise Cost	FG00 0000	Municipal Revenue Costs	Sound administration and financial sustainability	Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	14	14	14
Libraries And Archives	Accounting Transactions	0000000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	-	-	-
Libraries And Archives	Cemetery Buildings Development	0000000000 - 000	Work Streams	Sustainable and sustainable water	Institution and Governance	GOOD GOVERNANCE			WHOLE OF MUNICIPALITY	0	0	-	-	-
Libraries And Archives	Child Programmes	FG00000000 - 0	Work Streams	Sustainable and sustainable water	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	-	-	-
Libraries And Archives	Child Programmes	FG00000000 - 0	Work Streams	Sustainable and sustainable water	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	200	-	100
Libraries And Archives	Library Programmes	FG00000000 - 0	Work Streams	Sustainable and sustainable water	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	-	-	-
Libraries And Archives	Library Programmes	FG00000000 - 0	Work Streams	Sustainable and sustainable water	Institution and Governance	FINANCIAL STABILITY			WHOLE OF MUNICIPALITY	0	0	-	-	-
Libraries And Archives	Library Programmes	FG00000000 - 0	Work Streams	Sustainable and sustainable water	Institution and Governance	GOOD GOVERNANCE			WHOLE OF MUNICIPALITY	0	0	-	-	100
Libraries And Archives	Library Programmes	FG00000000 - 0	Work Streams	Sustainable and sustainable water	Institution and Governance	GOOD GOVERNANCE			WHOLE OF MUNICIPALITY	0	0	-	-	-
Libraries And Archives	Library Programmes	FG00000000 - 0	Work Streams	Sustainable and sustainable water	Institution and Governance	COMMUNICATION & CUSTOMER CARE			WHOLE OF MUNICIPALITY	0	0	200	200	-
Libraries And Archives	Library Programmes	FG00000000 - 0	Work Streams	Sustainable and sustainable water	Institution and Governance	COMMUNICATION & CUSTOMER CARE			WHOLE OF MUNICIPALITY	0	0	-	-	200
Libraries And Archives	Community Facilities Initiatives	0000000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	SUSTAINABLE TRANSPORTATION	Community Facilities	Libraries	WHOLE OF MUNICIPALITY	0	0	100	200	250
Libraries And Archives	Community Facilities Initiatives	0000000000 - 000	Work Streams	Sustainable, effective and efficient	Institution and Governance	SUSTAINABLE TRANSPORTATION	Community Facilities	Libraries	WHOLE OF MUNICIPALITY	0	0	-	-	-
Libraries And Archives	Buildings	0000000000000000	Preventative Maintenance	Effective and development oriented	Institution and Governance	FINANCIAL STABILITY	Community Facilities	Libraries	WHOLE OF MUNICIPALITY	0	0	-	-	-
Libraries And Archives	Buildings	0000000000000000	Preventative Maintenance	Effective and sustainable water	Institution and Governance	FINANCIAL STABILITY	Community Facilities	Cemeteries/Crematoria	WHOLE OF MUNICIPALITY	0	0	-	-	-
Libraries And Archives	Buildings	0000000000000000	Preventative Maintenance	Effective and development oriented	Institution and Governance	FINANCIAL STABILITY	Operational Buildings	Municipal Offices	WHOLE OF MUNICIPALITY	0	0	100	100	-
Libraries And Archives	Furniture And Office Equipment	FG00000000	Corrective Maintenance	Effective and development oriented	Governance	FINANCIAL STABILITY	Furniture And Office Equipment	Furniture And Office Equipment	WHOLE OF MUNICIPALITY	0	0	-	-	-
Libraries And Archives	Capital Spares	0000000000000000	0000	Effective and resources consumed	Growth	FINANCIAL STABILITY	Information and Communication Infrastructure	Capital Spares	WHOLE OF MUNICIPALITY	0	0	-	-	-
Libraries And Archives	Capital Spares	0000000000000000	0000	Effective and resources consumed	Growth	FINANCIAL STABILITY	Information and Communication Infrastructure	Capital Spares	WHOLE OF MUNICIPALITY	0	0	-	-	100
Libraries And Archives	Transport Assets

Annexure B
Capital Budget Summary
2024/2025

SUMMARY CAPITAL BUDGET			
FUND	**Budget 24/25**	**Budget 25/26**	**Budget 26/27**
DAC	6,800,000	8,000,000	5,600,000
Developers	6,000,000	3,000,000	6,000,000
FFRG	2,200,000		
INEP	29,888,000	16,500,000	17,000,000
Leases	23,100,000	25,550,000	21,400,000
Loans	64,500,000	42,000,000	-
MIG	34,561,087	28,168,999	30,432,957
NDPG	10,000,000	10,000,000	1,000,000
Own Funding	57,670,000	49,850,000	39,500,000
WSIG	30,599,000	21,519,000	22,509,000
Energy Efficiency GRANT		4,000,000	4,000,000
Donation	1,300,000		
Grand Total	**266,618,087**	**208,587,999**	**147,441,957**

Annexure C
Capital Budget Project List
2024/2025

Vote No	Vote Description	Budget 2024/2025 R
01106460020F5H40ZZHO	OFFICE FURNITURE	500,000
01106460020F5L09ZZHO	RECORDING EQUIPMENT	20,000
01306191420F5L71ZZHO	WEBSITE REDESIGN	450,000
01306470020F5L78ZZHO	COMPLAINTS KIOSK	70,000
01356191420F5K47ZZHO	SOFTWARE APPLICATION	1,000,000
01356460020F5H03ZZHO	AIR CONS	100,000
01356470020F5H27ZZHO	NETWORKS&COMPUTER RELATED HARDWARE	1,650,000
01356470020F5K89ZZHO	LAPTOPS & DESKTOPS (MOBILE DEV REFURBISH	1,500,000
02156460020F5G66ZZHO	STORES EQUIPMENT & SHELVING	2,000,000
03056474020NDJ43ZZWM	ECONOMIC INFRASTR / URBAN REGENERATION	10,000,000
05056151020GBH74ZZ09	RFID SECURITY SYSTEM-MEYERTON	300,000
05056460020GBJ67ZZ09	LIBRARY FURN & EQUIPMENT - MEYERTON-NEW	400,000
05056470020GBH68ZZ09	ITC HARDWARE (COMPUTORS) - NEW	1,900,000
05056473520GBH62ZZ09	MEYERTON LIBRARY BOOKS (DAC)	800,000
05056473520GBR77ZZWM	RENEWABLE ENERGY FOR LIBRARIES	400,000
05056473520GBR78ZZWM	CANTILEVER LIFT	200,000
05056600420GBL48ZZHO	MOTOR VEHICLE	900,000
05106473520GBH60ZZ15	HOK LIBRARY BOOKS (DAC)	250,000
05156473520GBH59ZZ11	DE DEUR LIBRARY BOOKS (DAC)	200,000
05206473520GBH63ZZ04	RANDVAAL LIBRARY BOOKS (DAC)	250,000
05256473520GBH64ZZ10	SICELO LIBRARY BOOKS (DAC)	250,000
05306473520GBH61ZZ06	LAKESIDE LIBRARY BOOKS (DAC)	300,000
05306473520GBR76ZZ06	CARPORTS FOR LAKESIDE LIBRARY	300,000
05356473520GBH58ZZ01	BANTU BONKE LIBRARY BOOKS (DAC)	250,000
07106420420GRL02ZZWM	MEDIUM PUMPER FIRE ENFINE	2,200,000
07106460020F5H29ZZWM	REPLACEMENT OF CCTV CAMERAS	400,000
07106460020F5H41ZZWM	RADIOS AND REPEATER	350,000
07106460020F5H44ZZWM	NEW CCTV CAMERAS	1,250,000
08056420420F4H99ZZWM	TRUCK	3,300,000
08056420420F4J17ZZWM	LDV'S (REPLACEMENTS)	1,000,000
08056450020F4L65ZZWM	BOBCAT	600,000
08056456020F5H08ZZWM	CHAINSAWS	80,000
08056456020F5K06ZZWM	NEW MACHINERY AND EQUIPMENT	400,000
08056473520F5J65ZZWM	PARKS & INFRASTRUCTURE DEVELOPMENT	1,500,000
08056473520FGL70ZZWM	PARKS & INFRASTRUCTURE DEVELOPMENT	8,695,652
08156456020F5K06ZZ11	NEW MACHINERY AND EQUIPMENT	150,000
08156473520FGJ42ZZ06	LAKESIDE SPORT CENTRE (MIG)	7,343,257
08206473520FPL40ZZWM	UPGRADE & EXTENSION CEMETERIES MIDVAAL	5,000,000
10056191420F5L72ZZWM	AUTOMATION OF INDUSTRIAL METER READING	4,500,000
10056449420F5G61ZZWM	SEWERAGE EXTENSION	600,000
10056449420FPL68ZZ10	UPGR SEWER OUTFLOW BELL RD-RAILWAY LINE	5,000,000
10056449420FQK68ZZWM	SEWER CONNECTIONS NEW	2,000,000
10056456020FPK46ZZWM	RENEWABLE ENERGY	5,000,000
10056456420F5K05ZZWM	EQUIPMENT & TOOLS	250,000
10106449420FPD13ZZWM	PUMPSTATION REFURBISHMENT AND UPGRADE -	7,000,000
11056420420F4J48ZZWM	GRADER	2,800,000
11056456020F5H14ZZWM	ROLLER COMPACTOR	250,000
11056456020F5K50ZZWM	EQUIPMENT	150,000

11056472420FGD94ZZWM	GRAVEL TO TAR (MIG)NEW	10,086,957
11056472420FPL54ZZWM	ROADS REHABILITATION	15,000,000
11056472420FPL55ZZWM	GRAVEL TO TAR	12,000,000
11056600420F5G43ZZWM	4 TON TRUCK	1,800,000
11056600420F5L15ZZWM	12 TON ROLLER	1,500,000
11106600420F4L49ZZWM	MOTOR VEHICLE (SEDAN)	600,000
12056191420F5L36ZZWM	SOFTWARE APPLICATION	2,000,000
12056444420FGJ33ZZWM	SICELO/HIGHBURY (VALLEY SETTLEMENTS) RES	8,217,830
12056444420FNJ44ZZWM	AGED BULK WATER PIPE REPLACEMENT	24,099,000
12056444420FNJ45ZZWM	REFURBISHMENT/REPLACEMENT-SUPPLY VALVES	2,500,000
12056444420FNJ46ZZWM	BULK WATER METERS	1,500,000
12056444420FPH89ZZ02	RISSIVILLE WATER NETWORK (NEW)	2,500,000
12056446020F5D89ZZWM	WATER METER REPLACEMENT PROGRAMME	5,000,000
12056446020FNL69ZZWM	WATER METER REPLACEMENT PROGRAMME	2,000,000
12056446020FNR47ZZWM	PRESSURE MANAGEMENT INFRASTRUCTURE	500,000
12056446420F5L74ZZWM	PUMPSTATION REFURBISHMENT AND UPGRADE -	3,000,000
12056446420F5L75ZZWM	CHLORINE BOOSTER STATION	1,000,000
12056448020FPL56ZZWM	TELEMETRY OF WATER SUPPLY & DISTRIBUTION	3,000,000
12056448020FPL57ZZ01	REFURB VAAL MARINA WATERTREATMENT PLANT	1,000,000
12056456020F5K06ZZHO	NEW MACHINERY AND EQUIPMENT	1,500,000
12056474020F5L79ZZWM	FENCING	1,000,000
13056420420F4K30ZZWM	LAND CRUISERS	850,000
13056430020FQH78ZZWM	ELECTRICITY METERING	1,000,000
13056430020FQH80ZZWM	NEW CONNECTIONS	1,000,000
13056430020FQK67ZZWM	HIGHMAST & STREET LIGHTS: UNSERVICED AR	2,000,000
13056430020FTJ29ZZ11	SAVANNA CITY ELECTR. NETWORK	11,655,392
13056430020FTJ30ZZ08	SICELO ELECTRIFICATION NETWORK	10,117,608
13056430020FTL80ZZ11	SAVANNA CITY ELECTR. EXT 3&4	975,000
13056430020FTL81ZZ11	SAVANNA CITY ELECTR. DOORNKUIL	7,140,000
13056432020FPL67ZZWM	CONTROL ROOM	7,500,000
13056433020FPK61ZZWM	TRANSFORMERS	1,500,000
13056456420F5K05ZZWM	EQUIPMENT & TOOLS	500,000
13056600420F4L12ZZWM	CHERRY PICKER	2,250,000
14056421420F4L66ZZWM	LOW BED TRAILER	1,800,000
14056450020F5K92ZZWM	ADDITIONAL LANDFILL SITE	7,500,000
14056450020F5K94ZZWM	SAVANNA TRANSFER STATIONS	1,000,000
14056450020F5L45ZZWM	WEIGHBRIDGE	4,000,000
14056450020F5L76ZZWM	SCHOONGEZICHT LANDFILL SITE	2,500,000
14056450020F5L77ZZWM	WOODCHIPPER	5,000,000
14056600420F4L24ZZWM	FRONT END LOADER	3,500,000
15056470020FGJ82ZZWM	LAPTOPS	217,391
17056420420F4J07ZZWM	COMPACTOR (REFUSE TRUCK)	2,800,000
17056420420F4K72ZZWM	4 TON TRUCK X2	1,200,000
17056420420F4L82ZZWM	EXCAVATOR	400,000
17056420420F4L83ZZWM	GRAB TRUCK	2,000,000
05206473520GBR79ZZ04	FENCE RANDVAAL LIBRARY	50,000
05306473520GBR80ZZ06	FENCE LAKESIDE LIBRARY	50,000
03056474020F5R81ZZ11	HEINEKEN CONTAINER SKILLS DEV CENTRE	3,200,000
03056474020HCR81ZZ11	HEINEKEN CONTAINER SKILLS DEV CENTRE	1,300,000
		266,618,087

Annexure D
Tariff Schedule for 2024/2025

ANNEXURE “D”

TARIFFS

2024/2025 FINANCIAL YEAR

MIDVAAL
LOCAL MUNICIPALITY

INDEX

1. Property Rates Tariffs
2. Electricity Tariffs
3. Water Tariffs
3.1 Civil Services – Bulk Contribution Tariffs
4. Sanitation Services Tariffs
5. Cleansing and Solid Waste Tariffs
6. Hire of City Halls Tariffs – Bantu Bonke, Sicelo and Lakeside 1
6.1 Hire of City Halls Tariffs – Meyerton City Hall
6.2 Hire of City Halls Tariffs – Rothdene Hall
6.3 Hire of City Halls Tariffs – Vaal Marina Community Hall
7. Outdoor Advertisements and Building By-Laws Tariffs
8. National Building Regulations and By-Laws Tariffs
9. Determination of Fees for Land Use Applications Tariffs
10. Fire & Rescue Tariffs
11. Protection Services Tariffs
12. Grass Cutting Tariffs
13. Standard Public Amenities By-Laws Tariffs (Swimming Pools)
14. Cemeteries Tariffs – Meyerton, Old Kookrus and Riversdal
14.1 Cemeteries Tariffs – Meyerton South & Kookrus New
14.2 Cemeteries Tariffs – New Kookrus Extention
15. Issuing of certificates and furnishing of information Tariffs
16. Libraries Tariffs
17. Finance Sundry Tariffs
18. Development Planning and Housing: Law Enforcement Tariffs
19. Wayleave Tariffs

20. New Solid Waste Tariffs Schedule 1

21. Schedule 1 of Offences and Penalties: Waste Management

PROPERTY RATES TARIFFS FOR 2024/2025 FINANCIAL YEAR, EFFECTIVE 1 JULY 2024

No	Tariff Code	Policy Ref	Property Category	Rate Ratio (to residentia	Tariff 2024/2025	Impermissible	Reductions	Exemptions	Rebate	
CATEGORIES OF PROPERTIES AS PER PROPERTY RATES POLICY										
1	RES001	9.1.8	Residential properties	1:1	0.0115378	15 000		135 000		EYE111
2	IND001		Industrial properties	1:2	0.023076					SAV001
3	BUS001		Business and Commercial properties	1:2	0.023076					SAV008
4	AGR001		Agricultural properties	1:0.25	0.002884					
5	MIN001		Mining Properties	1:2	0.023076					
6	POS001		Properties owned by an organ of state and used for public service purposes	1:2	0.023076					
7	PSI001	9.1.7	Public Service Infrastructure properties	Exempt				100%		
8	PBO001	9.1.1	Properties owned by Public Benefit Organisations and used for specified public benefit activities	Exempt				100%		Tariff Codes: Include
9	PRO001	9.1.4	Protected areas	Exempt				100%		ASP001
10	MUN001	9.1.2	Municipal properties	Exempt				100%		DEV001
11	PMM001	9.1.3	Public monuments and memorials	Exempt				100%		EDU001
12	UNR001		Unregistered Properties (Administrative Purposes)	Exempt				100%		OLD001
13	COM001	9.1.5	Communal land and Land Reform Beneficiaries	Exempt				100%		PEN001
14	POW001	9.1.6	Place of Worship and Vicarage	Exempt				100%		PEN002
15	VAC001		Vacant Land	1:3	0.034613					SAV000
CATEGORIES OF OWNERS QUALIFYING FOR ADDITIONAL REBATES										
16		9.3.7	Approved Indigents and Poor Households	As per Council's Indigent Policy					100% Indigents and for Poor Households 50% and 25% as per Indigent Policy	
17		9.3.1	Pensioners earning a combined income the maximum of 4 times old age pension	Residential property owners who are over 60 years of age, who are both permanent occupiers and the sole owners of the property concerned whose aggregate household income does not exceed the maximum of 4 times old age pension					100% up to R1 300 000 property value	
18		9.3.1	Pensioners earning a combined income of the maximum of 5 times old age pension	Residential property owners who are over 60 years of age, who are both permanent occupiers and the sole owners of the property concerned whose aggregate household income does not exceed the maximum of 5 times old age pension					50% up to R1 300 000 property value	
19		9.3.2	Sports grounds used for amateur sports	Application Based					75%	
20		9.3.3	Old Age Institutions registered at the Department of Welfare	Application Based					85%	
21	RESAGR	9.3.4	Residential property owners residing on agriculatural holdings	Owners of small holdings (with property type agricultural holdings / farms)					50% up to R750 000 property value	
22		9.3.5	Privately Owned Schools	Application Based					50%	
23	RESFLP	9.3.6	FLISP	First time owners of Government Flisp Housing who qualified for government subsidy. Once the Flisp subsidy beneficiary sells the property, the new property owner will not qualify for the rebate unless he/she is also a Flisp subsidy beneficiary.					75% up to R500 000 property value	
24	BREW01	9.4.1	Developer Incentive	Application Based					10%	
25	SAV005	9.4.1	Developer Incentive	Application Based					75%	
26		9.4.2 to 9.4.3	Special Development rebate on Residential, Business/Commercial and Industrial.	As per Council's Property Rates Policy						
27		9.3.8	Pensioners, Indigent households, Flisp properties and Residential properties in terms of a Natural Disaster.	As per Council's Property Rates Policy					Council to determine Amount and the Period	

Assessment Rates is Non Vatable

Z. MHLONGO
EXECUTIVE DIRECTOR FINANCE

MIDVAAL LOCAL MUNICIPALITY								
ITEM	DESCRIPTION Electricity		2023/2024 (R) VAT EXCL			2024/2025 (R) VAT EXCL		PERCENTAGE INCREASE %
	THE TARIFFS LISTED BELOW ARE VALID FROM 1 JULY 2024							12.70 %
	PART 1 : SUPPLY OF ELECTRICITY							
1	1. AVAILABILITY CHARGES							
1.1	Except as provided in 1.2 the following availability charge per month or part thereof, shallbe payable monthly by the owner, per erf or other area and per meter, with or without improvements, which is or, in the opinion of the Council, can be connected to the network, whether electricity is consumed or not.							
1.1.1	Erven used or intended to be used for individual residential or religious purposes, per erf and per meter where more than one meter per erf exists							
	Single phase supplies (EBE821)	R	-		R	0.00		0.00
	Three phase supplies (EBE825)	R	-		R	0.00		0.00
1.1.2	Erven used or intended to be used for flats, businesses, industries or other purposes of which the anticipated maximum demand is less than 100 kVA per erf and permeter where more than one meter per erf exists							
	(EBE811) (EBE841) (RV0304)	R	-		R	0.00		0.00
	If the maximum demand is 100 kVa and above the Non-Domestic Supplies tariffs will apply							
1.1.3	Erven used or intended to be used for flats, industries or other purposes of which the anticipated maximum demand is at least 100 Kva (EBE812)	R	-		R	0.00		0.00
1.1.4	Flats and townhouses individually metered by the council,per dwelling unit (EBE813)	R	-		R	0.00		0.00
1.1.5	Agricultural consumers, per supply point:							
	Single phase supplies (EBE831)	R	-		R	0.00		0.00
	Three phase supplies (EBE832)	R	-		R	0.00		0.00
1.1.6	Every other erf or piece of land used or intended to be used for purposes not mentioned in 1.1.1 to 1.1.5	R	-		R	0.00		0.00
1.2	1.2 EXCLUSIONS							
	The charge set out in sub item 1.1 shall not be payable by the following consumers:							
1.2.1	Township owners in respect of an erf or other areas where such township owner has made an interest-free loan to the Council for the construction of an electricity supply scheme, until such erf or other area is sold or building plans in respect thereof are approved in terms of the Council's Building By-laws, or the economical portion of the loan has been repaid by the Council to the township owner							
2	DOMESTIC SUPPLIES - CONVENTIONAL AND PREPAY METERS							
2.1	Consumer falling within the following classifications shall pay for the electricity supplied to them on the basis set out below regardless of the meter- reading period,an energy charge for the consumption of electricity, since the previous meter reading, per kWh							
	Availability charges per meter per month							
	Single phase supplies (EBE821)	R	-		R	0.00		0.00
	Three phase supplies (EBE825)	R	-		R	0.00		0.00
	The above charges will not apply to registered indigents.							
2.1.1	Private residences, each flat or town house where it is separately metered by council and used as such. EEL051, VAO460, WAO441, EELLOW							
	0 to 50 units- c/per unit		155.85	c		175.42	c	12.70%
	51 to 350 units-c/ per unit		200.11	c		225.52	c	12.70%
	351 to 600 units-c/ per unit		274.42	c		309.27	c	12.70%
	Above 600 units-c/ per unit		319.30	c		359.85	c	12.70%
2.1.2	Flats and town houses (where consumption for each flat or town house complex is metered on a single meter for the complex by the Council) (EEL060) c/per unit		336.75	c		379.53	c	12.70%

ITEM	DESCRIPTION		2023/2024			2024/2025		PERCENTAGE
	Electricity		[R] VAT EXCL			[R] VAT EXCL		INCREASE %
	Availability charges for complex per meter per month if the maximum demand is < 100 kVA If the maximum demand is ≥ 100 kVA then Non-Domestic Supplies tariffs will apply	R			R			
	If the maximum demand is ≥ 100 kVA then Non-Domestic Supplies tariffs will apply							
2.1.3	Charitable institutions, supported by voluntary subscriptions or contributions.(EEL047) per unit		322.04	c		362.93	c	12.70%
	Availability charges for complex per meter per month if the maximum demand is < 100 kVA If the maximum demand is ≥ 100 kVA then Non-Domestic Supplies tariffs will apply	R			R			
2.1.4	Provincial Hospitals (EEL048) c/ per unit		322.04	c		362.93	c	12.70%
	Availability charges for complex per meter per month if the maximum demand is < 100 KVA If the maximum demand is ≥ 100 kVA then Non-Domestic Supplies tariffs will apply	R			R			
2.1.5	Churches and Church halls (EEL049) per unit		322.04	c		362.93	c	12.70%
	Availability charges for complex per meter per month if the maximum demand is < 100 KVA	R			R			
3	**NON-DOMESTIC SUPPIES**							
3.1	Consumers with the following general classifications shall pay for electricity on the basis set out in 3.2							
3.1.1	Businesses (EEL052)							
3.1.2	Industries							
3.1.3	Nursing homes, private hospitals, hotels and boarding houses							
3.1.4	Recreation halls, clubs, schools and hostels							
3.1.5	Mixed loads for domestic and non-domestic purposes							
3.1.6	All purposes not expressly specified in 2 or 3.1.1 to 3.1.5							
3.2	Regardless of the meter-reading period, an energy charge for the consumption of electricity, since the previous meter reading, per kWh and where the maximum demand is < 100 VA(EEL028) (EEL052)(EEL069) (WAO442) (VA0052)(VA0462)c/ per unit		335.02	c		377.56	c	12.70%
	Availability charges per meter per month	R			R			
	Provided that if the notified or registered maximum demand exceeds 100 kVA, the charge shall be calculated in terms of 3.3							
3.2.1	This tariff provides for existing commercial pre-paid consumers who have paid all the relevant connection or transfer fees for the electrical connection(service cable, electricity meter, ready board etc.) and where availability charges are levied.							
	60 Amp connection - cost c-per kWh (EEL028)		335.02	c		377.56	c	12.70%
	Availability charge per meter per month	R			R			
3.3	Where the notified maximum demand is at least 100 kVA, the charges for electricity consumed shall be calculated in accordance with the provisions of a two-part tariff based upon metered demand and energy as set out in 3.3.1 and 3.3.2							
	Regardless of the meter-reading period, the following charges shall be levied for the consumption of electricity where the electricity is supplied or made available at a separate point of supply, per month or part thereof.							
	Availability charge per meter per month	R	-		R	0.00		0.00
3.3.1 a	**Low Voltage Demand**. When the supply is furnished at the nominal voltage of 400 Volts between phases, per kVA, (EEL041) (WAO444),(EEL034) (EEL077)	R	222.88		R	251.19		12.70%
3.3.1 b	**Medium Voltage Demand**. When the supply is furnished at a nominal phase to phase voltage of 11 000 volts, per kVA. (EEL042) (EEL074)	R	218.04		R	245.73		12.70%
3.3.2 a	**Low Voltage.** Regardless of the metering period, an energy charge for the consumption of electricity, since the previous meter reading, per kWh (EEL061) (EEL062) (EEL054), (WA0443)		246.53			277.84	c	12.70%
3.3.2 b	**High Voltage.** Regardless of the metering period, an energy charge for the consumption of electricity, since the previous meter reading, per kWh (EEL053) (EEL075)		248.27	c		279.80	c	12.70%

ITEM	DESCRIPTION		2023/2024			2024/2025		PERCENTAGE
	Electricity		(R) VAT EXCL			(R) VAT EXCL		INCREASE %
4	**TIME OF USE SUPPLIES**							
4.1	**MIDVAAL OFF-PEAK TARIFF**							
	Where the monthly maximum demand exceeds 25 kVA and the consumer requests that an off-peak tariff be applied the following charges will apply:							
4.1.1	Regardless of the meter-reading period, the following charges shall be levied for the consumption of electricity where the electricity is supplied or made available at a separate point of supply, per meter per month or part thereof.							
	Availability charges per meter per month	R	-		R	0.00		0.00
4.1.2	A demand charge, per kVA (Registered between 0600 and 2200)							
(a)	**Low Voltage Demand**. When the supply is furnished at the nominal voltage of 400 volts between phases, per kVA (EEL065)	R	481.92		R	543.13		12.70%
(b)	**Medium Voltage Demand**. When the supply is furnished at a nominal phase to phase of 11 000 volts, per kVA (EEL066)	R	459.02		R	517.32		12.70%
4.1.3	Regardless of the meter-reading period, an energy charge for the consumption of electricity, since the previous meter reading, c per kWh		153.83	c		173.37	c	12.70%
4.2	**MIDVAAL MEGAFLEX TARIFF**							
	This tariff is available to customers who can shift their load to defined time periods and of whom the monthly maximum demand is at least 1 MW and will not be applicable to supplies being fed from rural networks.							
	Availability charge per meter per month	R	-		R	0.00		0.00
4.2.1	**SUMMER PERIOD (SEPTEMBER TO MAY)**							
(a)	Peak hours c per kWh (EEL081)		370.82	c		417.92	c	12.70%
(b)	Standard hours c per kWh (EEL82) .		166.40	c		187.53	c	12.70%
(c)	Off-peak hours c per kWh (EEL083)		130.98	c		147.61	c	12.70%
(d)	Maximum demand charge per kVA (EEL088) (30 minute integrating period)	R	146.48		R	165.08		12.70%
4.2.3	**WINTER PERIOD (JUNE TO AUGUST)**							
(a)	Peak hours c per kWh (EEL085)		559.33	c		630.36	c	12.70%
(b)	Standard hours c per kWh (EEL086) .		231.63	c		261.03	c	12.70%
(c)	Off-peak hours c per kWh (EEL087) .		140.20	c		158.01	c	12.70%
(d)	Maximum demand charge R per kVA (EEL088) (30 minute integration period)	R	146.48		R	165.08		12.70%
4.2.4	Reactive energy charge R per kVArh (EEL089)		69.52	c		78.35	c	12.70%
	For all kVArh supplied in access of 30% (0.96PF) of kWh recorded during peak and standard periods. The excess reactive energy is determined per 30 minutes integrating period.							

ITEM	DESCRIPTION		2023/2024			2024/2025		PERCENTAGE
	Electricity		[R] VAT EXCL			[R] VAT EXCL		INCREASE %
4.3	**MIDVAAL MINIFLEX TARIFF**							
	This tariff is available to consumers who can shift their load to defined periods and of whom the monthly maximum demand is between 200 kVA and 5000 kVA.							
	Availability charges R per meter per month	R	-		R	0.00		0.00
4.3.1	**SUMMER PERIOD (SEPTEMBER TO MAY)**							
(a)	Peak hours c per kWh (EEL091)		408.19	c		460.03	c	12.70%
(b)	Standard hours c per kWh (EEL092)		205.43	c		231.52	c	12.70%
(c)	Off-peak hours c per kWh (EEL093)		129.11	c		145.51	c	12.70%
4.3.2	**WINTER PERIOD (JUNE TO AUGUST)**							
(a)	Peak hours per kWh (EEL094)		827.98	c		933.14	c	12.70%
(b)	Standard hours per kWh (EEL095)		277.64	c		312.90	c	12.70%
(c)	Off-peak hours per kWh (EEL096)		148.67	c		167.55	c	12.70%
4.3.3	Reactive energy charge per kVArh (EEL097) supplied in excess of 30% (0.96PF) of the kWh recorded during the entire billing period. The excess reactive energy is determined using the billing period totals.		54.78	c		61.74	c	12.70%
4.4	**CONVERSION SURCHARGE**							
	When a consumer elects to change from the Non-Domestic tariff to either the Megaflex of Miniflex tariff the actual savings achieved and paid over to the consumer as follows:							

PERIOD	TO CONSUMER	RETAINED COUNCIL
YEAR 1	10%	90%
YEAR 2	28%	72%
YEAR 3	46%	54%
YEAR 4	64%	36%
YEAR 5	82%	18%

THE TIMES FOR MEGAFLEX AND MINIFLEX ARE THE SAME AS THE ESKOM TIMES

ITEM	DESCRIPTION		2023/2024			2024/2025		PERCENTAGE
	Electricity		IRI VAT EXCL			IRI VAT EXCL		INCREASE %
	TIME FOR SUMMER PERIOD (SEPTEMBER TO MAY)							
(a)	Peak hours from 7:00 to 10:00 and 18.00 to 20:00 weekdays							
(b)	Standard hours from 6:00 to 7:00 and 10:00 to 18:00 and 20:00 to 22:00 weekdays.							
	From 7:00 to 12:00 and 18:00 to 20:00 Saturdays							
(c)	Off-peak hours from 22:00 to 6:00 weekdays.							
	12:00 to 18:00, and 20:00 to 7:00 on Saturdays and all Sunday.							
	TIME FOR WINTER PERIOD (JUNE TO AUGUST)							
(a)	Peak hours from 6:00 to 9:00 and 17:00 to 19:00 weekdays							
(b)	Standard hours from 9:00 to 17:00 and 19:00 to 22:00 weekdays.							
	From 7:00 to 12:00 and 18:00 to 20:00 Saturdays							
(c)	Off-peak hours from 22:00 to 6:00 weekdays.							
	12:00 to 18:00, and 20:00 to 7:00 on Saturdays and all Sunday.							
5.	GENERAL LIGHTING AND ITINERANT SUPPLIES							
	In the case of itinerant consumers such as circuses, merry-go-rounds, amusement parks and persons carrying on construction work or for general lighting, the charges payable per month or part thereof shall be as follows:							
5.1	Fixed charge for availability of supply, whether taken or not	R	887.79		R	1000.54		12.70%
5.2	Regardless of the meter-reading period, an energy charge for the consumption of electricity, since the previous meter reading per kWh (EEL055)		559.41	c		630.45	c	12.70%
6	ELECTRICITY SUPPLIES TO CONSUMERS OUTSIDE THE MUNICIPAL AREA							
	Electricity supply to consumers outside the municipal area where supply is available from the Council's main network shall be charged at the applicable tariff. (EEL056)(EEL058)							
7	AGRICULTURAL SUPPLIES							
7.1	STANDARD							
	This tariff is applicable to consumers of electricity for agricultural purposes on farms and agricultural land within the municipal area. Regardless of the meter-reading period, an energy charge for the consumption of electricity, since the previous meter reading, c/ per kWh (EEL056) (EEL057)		362.10	c		408.09	c	12.70%
	AVAILABILITY CHARGE PER METER PER MONTH							
(a)	Single phase supplies (EBE831)	R	-		R	0.00		0.00
(b)	Three Phase Supplies (EBE832)	R	-		R	0.00		0.00
	Where monthly consumption of energy exceeds 10 000 kWh per month, the provisions of item 3.2 and 3.3 shall apply							
7.2	NITE SAVE							
	For all consumers with 20 hectares or more under irrigation, with written approval of the Council :							
	Availability charge R per meter per month							
(a)	Single phase supply (EBE831)	R	-		R	0.00		0.00
(b)	Three phase supply (EBE832)	R	-		R	0.00		0.00
7.2.1	For all electricity consumed between 06:00 and 22:00 during weekdays, an energy charge per kWh		362.21	c		408.22	c	12.70%
7.2.2	For all electricity consumed between 22:00 and 06:00 during weekdays, over weekends and during Megeflex public holidays, per kWh		177.10	c		199.50	c	12.65%
8	BULK SUPPLIES							
	This tariffs contained in this item are only applicable to major bulk consumers, that is consumers with a maximum demand figure of at least 2000 kVA and who contributed pro rata (maximum demand of consumer divided by the maximum demand of all consumers who will be supplied from the main substation) to the capital outlay expenditure in respect of the main substation and main supply cables. Regardless of the meter-reading period, the following charges shall be levied for the consumption of electricity where the electricity is supplied or made available at a separate point of supply.							
	Availability charge R per meter per month or part thereof	R	-		R	0.00		0.00

ITEM	DESCRIPTION		2023/2024			2024/2025		PERCENTAGE
	Electricity		IRI VAT EXCL			IRI VAT EXCL		INCREASE %
8.1	A kVA demand charge							
(a)	**Low Voltage Demand**. When the supply is furnished at the nominal voltage of 400 volts between phases, R per kVA (EEL071)	R	229.13		R	258.22		12.70%
(b)	**Medium Voltage Demand**. When the supply is furnished at a nominal phase to phase voltage of 11 000 volts, R per kVA (EEL072) (EEL074)	R	224.15		R	252.62		12.70%
8.2(a)	**Low Voltage**. Regardless of the meter-reading period, an energy charge, for the consumption of electricity, since the previous meter reading, c per kWh (EEL076)		253.43			285.62	c	12.70%
8.2(b)	**High Voltage**. Regardless of the meter-reading period, an energy charge, for the consumption of electricity, since the previous meter reading, c per kWh (EEL076)		255.23	c		287.64	c	12.70%
8.3	Where a developer develops an area for business purposes and do not use electricity, a Notified Maximum Demand charge on the unused capacity for which the Council have paid Eskom , to secure capacity for the development will be payable by the developer until the notified capacity have been utilised, R per kVA	R	44.59		R	50.25		12.70%
	Demand of at least 5000kV and is located in the Graceview Supply area							
	Customers located in the Graceview supply area registering a demand of more than 5000kVA with a load factor of 75% or more will be charged for actual electricity consumed at ESKOM11kV Megaflex Key Customer tariff as if supplied directly by ESKOM plus a 15% surcharge. The tariff will be updated as and when the Eskom tariffs changes.		15.00	%		15.00	%	0.00%
9	**HEINEKEN BREWERY**							
	Heineken brewery will be charged for actual electricity consumed at the ESKOM 11 kV Megaflex Key Customer tariff as if applied directly by ESKOM. The tariffs will be updated as and when ESKOM tariffs change. No additional charge will be levied in respect of the bulk electricity supply infrastructure already paid for by them.							
10	**MUNICIPAL SUPPLIES**							
	Regardless of the meter-reading period, an energy charge for the consumption of electricity, since the previous meter-reading period, per c kWh(EEL059) (VAO461) (ELSTRL)		239.05	c		269.41	c	12.70%

ITEM	DESCRIPTION		2023/2024			2024/2025		PERCENTAGE
	Electricity		[R] VAT EXCL			[R] VAT EXCL		INCREASE %
Part II	PART II : GENERAL CHARGES							
1.	TESTING AND INSPECTION							6.00 %
	Meters will be tested upon requests by the consumers after payment of the following fees per meter							
1.1	Single phase meter	R	766.87		R	812.88		6.00%
1.2	Three phase meter	R	766.87		R	812.88		6.00%
1.2.1	Electro mechanical	R	1 212.44		R	1285.18		6.00%
1.2.2	Actual cost plus 10% administrative fee for electronic and programmable Actual cost plus 10% administrative fee for electronic and programmable type of meters		10.00	%		10.00	%	0.00%
2.	For the initial inspection and testing of an installation on request of the customer		FREE			FREE		
3.	For any subsequent inspection and testing where the installation failed to pass the initial test or was not ready for the initial test, for each inspection and test	R	697.15		R	738.98		6.00%
4	COMPLAINTS							
	Where an employee of the Council is called to a consumer's premises to attend to a complaint of failure of light and power, no charge shall be made if the Council's equipment is found to be faulty, but if the defect has been caused by a fault in the consumer's equipment for which the Council is not responsible, the following charges will be made							
4.1	Residential	R	719.88		R	763.08		6.00%
4.2	Business and industrial	R	959.34		R	1016.90		6.00%
4.3	Where material such as fuses etc. has to be replaced, the full cost thereof plus 10% will be for the account of the consumer.		10.00	%		10.00	%	0.00%
5	SERVICE CONNECTIONS							
5.1	The owner of the premises concerned shall make application for the installation or reinstatement of a service connection in a form prescribed by the engineer.							
5.2	A non standard service connection shall be installed at the expense of the owner and the cost thereof as determined by the Council's engineer shall be paid to the Council before supply is authorised.							

ITEM	DESCRIPTION		2023/2024			2024/2025		PERCENTAGE
	Electricity		[R] VAT EXCL			[R] VAT EXCL		INCREASE %
5.3	New single phase 60 A -Pre-paid meter connection	R	8 661.12		R	9 180.79		6.00%
5.4	New or upgrading to a three phase 60 A connection	R	18 618.76		R	19 735.89		6.00%
	Three phase pre-paid meter/Conventional (business only)	R	2 686.53		R	2 847.73		6.00%
5.5	New or upgrading to a three phase 80 A connection will be based on three single phase supplies of 13.8kVA each, resulting in a contribution based on the allowable capacity for the stand.							
5.6	Where developers paid for the infrastructure and the kiosks is on the erf boundary (e.g. Eye of Africa) Excluding sectional title developments:							
5.6.1	New single phase 60 A -Pre-paid meter connection	R	4 754.78		R	5 040.07		6.00%
5.6.2	New or upgrading to a three phase 60 A connection	R	10 541.81		R	11 174.31		6.00%
	Three phase pre-paid meter/Conventional (business only)	R	2 686.53		R	2 847.73		6.00%
5.7	Administration fee 10%		10.00	%		10.00	%	0.00%
5.7.1	Change over to three phase prepaid electrical meter	R	2 686.53		R	2993.28		6.00%
5.7.2	Change over to single phase prepaid electrical meter	R	1 457.12		R	1 690.11		6.00%
5.7.3	Three phase pre-paid meter including CIU/Keypad, labour and transport	R	2 686.53		R	2 993.28		6.00%
5.7.4	Single phase pre-paid meter including CIU/Keypad, labour and transport	R	1 457.12		R	1 690.11		6.00%
5.7.5	CIU/ Keypad	R			R	639.32		6.00%
5.8	Registration and sealing of meters if consumer obtain meter from contractor	R	534.76		R	566.85		6.00%
5.9	Every part of the service connection shall remain the property of the Council.							
5.10	Notwithstanding the fact that the service connection to an approved electrical installation may already have been completed, the Council may in its absolute discretion refuse to supply electricity to that installation until all amounts due to the Council by the same consumer in respect of that or any other service connection, whether or not on the same premises, have been paid.							
5.11	No owner shall be entitled to require more than one service connection for a supply to any premises even if it comprises or occupies more than one stand. The engineer may, however, subject to such conditions as he thinks fit to impose on the owner, provide more than one service connection to a premise and where more than one service connection is so provided, it shall be unlawful to interconnect them							
5.12	The applicant for a service connection shall, before work on his installation is commenced, furnish the Council with such indemnity as it may specify.							
5.13	The engineer may, notwithstanding any indemnity given in terms of paragraph 5.12 refuse to install a service connection until he is satisfied that no person is entitled to object to such installation.							
5.14	The levy for all connections includes the cost to the consumer of all material, meters, equipment, transport and labour which to the reasonable estimate of the Council's Engineer, will be required to establish the connection plus an amount of 10% of such costs for administrative fees.		10.00	%		10.00	%	0.00%
	Wayleave							
5.1.5	Application for a wayleave for all municipal services	R	N/A			N/A		See Wayleave Tariff Schedule
6	**BULK SUPPLY CONTRIBUTIONS**							
6.1	Erf Quota is defined as the authorised maximum demand (AMD) of each individual erf. Housing units in a group development will only be allowed a 20 Amp circuit breaker, if a larger capacity circuit breaker is required, a recalculation of the extra capacity above the 20 Amp capacities needed , will be done and the developer will have to pay the extra amount, before the connection will be made, at a rate of per 5 Amp	R	4 176.21		R	4426.79		6.00%
	The above also apply after completion of a project and the consumer within the development request an increase in capacity.							
	Note: Over and above the bulk contribution the developer must pay the connection fees as applicable for the particular application							
	Housing units must incorporate alternative energy technology to be able keep the load within the 20 Amp limitations.							
	AMD = ZMD x N x C							
	Where AMD = Authorised maximum demand							
	ZMD = Zoned maximum demand (13.8 kVa)							
	N = Number of housing units C = Housing factor according to the table below							
6.1.1	Zoned maximum demand (ZMD) per erf and is determined by the Town-planning Scheme and is as follows:							
(i)	Residential 1,or Special and Undetermined, for a specific use which, in the opinion of the Executive Director: Engineering Services, is in accordance with Residential, on which only one or, at the most two, dwelling-units per erf, may be erected. **13.8 kVA per potential dwelling**							
(ii)	Multiple Residential, Residential 2 or Special or Undetermined, for a specific use which in the opinion of the Executive Director: Engineering Services, is in accordance with Multiple Residential. **13.8 kVA per potential dwelling**							

ITEM	DESCRIPTION	2023/2024	2024/2025	PERCENTAGE
	Electricity	(R) VAT EXCL	(R) VAT EXCL	INCREASE %
	For blocks or groups of housing units: The number of potential dwelling units is calculated in accordance with the permissible floor space ratio as determined in the Town planning Scheme and where each dwelling-unit has an area of 100 m², or the number of dwelling-units as determined by the Scheme.			
	1 unit = 1,00			
	2 units = 0,72			
	3 units = 0,62			
	4 units = 0.57			
	5 units = 0,53			
	6 to 10 units = 0,50			
	11 to 20 units = 0.48			
	21 to 30 units = 0,47			
	31 to 40 units = 0.46			
	41 to 50 units = 0.45			
	More than 50 units = 0.40			
	The final rating and the provision of a single connection point will be at the discretion of the Executive Director: Engineering Services. Where there are twelve dwelling-units or more (including the service connection)at a density of twenty dwelling-units or more per hectare, and where the Municipality does not take over the internal electrical network, the premises will be provided with a single connection point. These dwelling-units will be rated at the next, lower kVA rating for the specific area.			
	The final rating and the provision of a single connection point will be at the discretion of the Executive Director: Engineering Services.			
(iii)	Businesses or Special and Undetermined, for a specific use which, in the opinion of the Executive Director: Engineering Services, is in accordance with business.			
	7 kVA per 100 m² of potential floor area			
(iv)	Industrial and Light Industrial or Special and Undetermined, for a specific use which is in the opinion of the Executive Director: Engineering Services, is in accordance with Industrial and Light Industrial.			
	2.5 kVA per 100 m² of potential floor area.			
(v)	Agricultural or Special and Undetermined, for a specific use which, in the opinion of the Executive Director: Engineering Services, is in accordance with Agricultural.			
	13.8 kVA per erf			
(vi)	Any other use not referred to in (i), (ii), (iii), (iv) or (v) of the above : **0 kVA per erf**			
6.2	**QUOTA CHARGES**			
6.2.1	**General**			
	The scales of the tariff for the supply of electricity as detailed in the Schedule. Supply of Electricity Part 1 are based on the costs associated with the provision of the supply to the various groups of consumers in the normal electrically developed areas within the Midvaal electricity supplied area. Where the supply needs to be provided to new premises or groups of premises or where an existing customer applies for an increased supply, the cost of extending the distribution and reticulation networks within the Municipality that is not recovered from the tariff for the supply of electricity as set out in the Schedule : Supply of Electricity Part I must be paid by the developer/consumer as an external engineering service.			
	The developer of a township must provide for and install the full quota allocated per erf for which an application has been made in respect of the distribution and reticulation systems. If the distribution and reticulation systems are not fully installed, the developer must compensate the Municipality for the difference between the allocated quota and the set quota at the prevailing quota charge. This is deemed to be contributions for external engineering services. The existing quota of the property prior to the latest application for development is used as a credit in the calculation. This quota is calculated in the same way as mentioned above			
6.2.2	Determining charges			
	The quota charge is finally determined by the actual level at which the development connects to the supply system. The charge is calculated as follows			
	Q = [(Dn - De) C]			
	Q = quota charge payable in rand			
	Dn = Sum of new development property ADMDs in kVA			
	De =Sum of existing development property ADMDs in kVA			
	C = Contribution per kVA at connection level as indicated in 6.2 3 below			
6.2.3	**Contributions**			
	The quota charge, which does not include the connection cost, must be such as to cover the possible existing or future capital liabilities incurred or to be incurred by the Municipality in supplying the distribution and/or reticulation network to increase the quota to the premises or group of premises. The contributions per kVA at the different connection levels are as follows: (if in a particular development the contribution will not cover the infrastructure to be installed the Director: Electrical will determine the cost, witch will be payable by the developer)			

ITEM	DESCRIPTION		2023/2024			2024/2025		PERCENTAGE
	Electricity		[R] VAT EXCL			[R] VAT EXCL		INCREASE %
(i)	**Low-voltage connections**							
(a)	For connections made at a metering cubicle/distribution kiosk, per kVA	R	4 136.80		R	4 385.01		6.00%
(b)	For connections made to the low-voltage distribution network, per kVa	R	3 840.81		R	4 071.26		6.00%
(c)	For connections made to the low-voltage busbars within miniature and communal substations, as well as to the outgoing terminals of the 11000/400 V transformer on rural lines, per kVA	R	3 354.54		R	3 555.82		6.00%
(ii)	**Medium-voltage connections**							
	For connections made at the 11kV distribution network:							
(a)	Taken from the 11 kV distribution network, per kVA	R	3 005.70		R	3 186.04		6.00%
(b)	Taken directly from the 11 kV switchgear of a satellite- or 88kV substation, per kVA	R	2 635.71		R	2 793.86		6.00%
(c)	Taken directly from the 11 kV switchgear of a 88kV substation where the developer provides the substation, per kVA	R	2 396.10		R	2 539.87		6.00%
	In instances where township owners/developers have already paid a quota charge during township establishment, or where a quota charge was paid at the time of scheme amendments, subdivision or consent use, a quota charge is payable for every kVA by which the notified maximum demand indicated by the end consumer or his or her authorised representative exceeds the allocated quota which has already been paid for.							
	Once payment, calculated at the applicable connection level, has been received, this notified maximum demand will then become the new AMD of the erf.							
7	**NETWORK FEASIBILITY LOAD STUDY**							
	For all subdivisions or developments where such a development has, to the reasonable discression of the Executive Director: Engineering Services, an impact on the electrical network, the applicant will have to obtain at his cost a feasibility report from Council's Electrical consultants regarding the impact of the development of the overall network.							
8	**TESTING OF CABLES, SWITCHGEAR, ETC**							
	Cables, switchgear, etc. will be tested on request from a consumer at:							
	a fee for the first two hours or part there of	R	2 156.49		R	2 285.88		6.00%
	and a further amount per hour or part thereoff or each additional hour that the Council's employee spends in testing the equipment	R	1 078.25		R	1142.94		6.00%

ITEM	DESCRIPTION		2023/2024			2024/2025		PERCENTAGE
	Electricity		[R] VAT EXCL			[R] VAT EXCL		INCREASE %
9	**DEPOSITS Not Vatable**							
	The following deposits shall be payable when application for a connection is made:							
9.1	The Government of the Republic of South Africa (including the Gauteng Provincial Administration and the South African Transport Services) or any other class of consumer approved by the Council :		FREE			FREE		
9.2	Consumers above 30 000 kVA: a deposit based on a **half of one month's consumption**							
9.3	Consumers above 10 000 kVA but under 30 000 kVA a deposit based on **one and a half month's consumption.**							
9.4	Consumers above 6 000 kVA but under 10 000 kVA: a deposit based on **two month's consumption.**							
9.5	Consumers of dwellings and town houses (excluding users with pre-paid meters)which amount, if insufficient, shall be increased to the average consumption of three months after the consumption of three months has been determined:							
	initial deposit	R	3 354.54		R	3 555.82		6.00%
			-			-		
9.6	Consumers of flats (excluding users with pre-paid meters) an initial deposit,	R	2 156.49		R	2 285.88		6.00%
	which amount, if insufficient, shall be increased to the average consumption of three months after the consumption of three months has been determined.							
9.7	Other consumers (excluding users with pre-paid meters): **a deposit based on the consumption of three consecutive months**; provided that the deposit of a consumer who has obtained a connection before 19 October 1983 as well as a consumer who is the owner of the building and whose supply has not been disconnected because of non-payment, or has not appeared on the warning list for two consecutive months, shall be based on the **consumption of two consecutive months.**							
9.8 a.	Beneficiaries of Provincial funded RDP housing is exempted from paying a deposit for the opening of an Electricity account		Exempted			Exempted		
b.	The deposit for Electricity become payable at the promulgated Tariff upon approval of building plans to improve the RDP properties.							
9,9	SSEG Application fee	R	1 590.00		R	1685.4		6.00%

VALUE ADDED TAX
All tariffs are subject to VAT

*** IMPORTANT NOTE**
Tariffs containing three or more decimals will be rounded off to the nearest last two decimals. Where only two decimals are shown in the tariffs, no rounding off will take place. On the Residential sliding scale tariffs, no rounding off is applicable.

P MAGODI
EXECUTIVE DIRECTOR ENGINEERING

MIDVAAL LOCAL MUNICIPALITY					
ITEM	TARIFF CODE	DESCRIPTION WATER	2023/2024 [R] VAT EXCL	2024/2025 [R] VAT EXCL	Percentage Increase
		THE TARIFFS LISTED BELOW ARE VALID FROM 1 JULY 2024			7.00%
		WATER CONSUMPTION LEVEL 1 TARIFFS			
1.		DEFINITIONS			
		For the purposes of this tariffs, "month" means a calendar month or a period between two consecutive readings of the meter, providing that the period shall not be less than 10 days. No minimum charges shall be levied in respect of meter reading covering a period of less than 15 days. Provided that, except with the consent or at the request of the consumer, not more than 12 readings shall be taken within a period of one calendar year in respect of the same meter.			
2.		Availability Charges			
(2.1)		Except as provided in sub-item 2, the following availability charges per month or part thereof shall be payable by the owner per erf, stand, lot or other area, with or without improvements, which is, or in the opinion of the Council, can be connected to the main, whether water is consumed or not.			
(a)	EBW721	Erven used or intended for purposes set out in item 3(1)	0.00	0.00	-100.00%
(b)	EBW741	Erven used or intended for purposes of flats and multi-family dwellings, per erf	0.00	0.00	-100.00%
(c)	EBW721	Erven used or intended for purposes set out in item 3(3)	0.00	0.00	-100.00%
(d)	EBW711	Erven used or intended for purposes set out in item 3(4)	0.00	0.00	-100.00%
(e)		Erven used or intended for purposes set out in item 3(5)	0.00	0.00	-100.00%
(f)	EBW731	Agricultural Holdings	0.00	0.00	-100.00%
(g)	EBW711	Erven used or intended for purposes set out above	0.00	0.00	-100.00%
(h)		Approved Indigents	-	-	0.00%
(2.2)		The charge set out in sub item (1) shall not be payable by a township owner in respect of an erf, stand, holding or other area of which the water supply scheme has been constructed by himself at his own expense until such erf, stand, holding or other area has been transferred or until building plans are approved by the Council on such area			
(2.3)		The charge set out sub-item (1) shall be payable by the owner or occupier (where liability shall be joint or several) of such erf, stand, premises or other area			
3.		CHARGES FOR THE SUPPLY OF WATER			
		Irrespective of the meter reading period, the following charges will apply.			
(3.1)		Domestic (private residences) per kl, per month			
(a)		Residential: Conventional and Prepaid			
	WAIND	0-6 Indigent households	-	-	0.00%
	WAIND	7-12 Indigent households	38.43	41.12	7.00%
	RV0331, DD0331, EWA001, WA0331, RV0380, SAVWA1;	0-12 Non indigent households	38.43	41.12	7.00%
	RV0331, DD0331, EWA001, WA0331, RV0380, SAVWA1; WAIND;	13 - 20kl	42.35	45.31	7.00%
		21 - 30kl	47.86	51.21	7.00%
		31 - 45kl	50.80	54.36	7.00%
		45+kl	52.77	56.46	7.00%
(b)	VA0450	Vaal Marina Holiday Township			
		0 - 30 kl	28.16	See below	
		31 kl +	38.24	See below	
		0 - 12kl		33.31	
		13 - 20kl		37.23	
		21 - 30kl		39.31	
		31 - 45kl		44.82	
		45+kl		46.02	

ITEM	TARIFF CODE	DESCRIPTION WATER	2023/2024 [R] VAT EXCL	2024/2025 [R] VAT EXCL	Percentage Increase
(i)		Provided that where an erf is sub-divided into more than one			
		residential portion, each of which has a separate entrance,			
		each portion shall be metered separately			
(ii)		Provided that where a private residence is put to more than			
		one use, the highest tariff in respect of such different uses			
	VA0452	shall apply, unless the portions put to such different uses			
		have been provided with separate meters.			
(3.2)		Flats and multi-family dwellings, if each dwelling			
		is not separately metered, per kl or part thereof			
(a)	EWA012; RV0012	Residential Areas	35.85	38.36	7.00%
(b)	VA0451; VA0452	Vaal Marina Holiday Town(bulk), Resorts	26.03	0.00	-100.00%
	VA0451; VA0452	Vaal Marina Holiday Town(bulk), Resorts		30.89	
(3.3)	EWA007	Charitable institutions, NGO's, PBO's, NPO's, churches, church halls,			
	RVO007	social, athletic and sports clubs, public hospitals, schools and school hostels,			
	EWA007	except race courses, sports grounds or halls used for profit, per kl or part thereof	35.85	38.36	7.00%
(3.4)	EWA003	The water supplied to any Manufacturing, Industrial or			
	VAO002	Business which interalia includes the following:			
	WAO002	Shops, offices, banks, garages, tearooms, butcheries,			
	DDO002	bakeries, laundries, restaurants, hotels, private hostels,			
	EIK002	boarding houses, lodging-houses, industrial compounds,			
	EWA002	married and single quarters (if supplied through one meter),			
	RVO002	race courses, sport grounds or halls used for profit, theatres,			
	EWA008	workshops and temporary supplies per kl or part thereof.	47.85	51.20	7.00%
	EWA013				
(3.5)	RVO006	Heineken Breweries - Randwater purchase price + R0.025 per kl			
(3.6)		Informal settlements where water is supplied by			
		a stand pipe per kl or part thereof	0.00	0.00	0.00%
(3.7)		For any quantity of non-potable (grey) water			
		supply to consumers per kl or part thereof	47.85	51.20	7.00%
(3.8)	EWA009	For any quantity of non-potable (grey) water			
		supply to consumers in areas outside the			
		municipality the same rate as (3.7) plus 25%.			
(3.9)	EWA004	Charges for the supply of water to municipal departments	14.18	15.17	7.00%
(3.10)		Water Leak Adjustment Tariff applicable to residential tariffs	21.32	22.81	7.00%
(3.11)	EWA014	Township Developers can apply for a special consumption tariff during the			
		development of the project. The Project must be bigger than 50 Hectares.	31.84	34.07	7.00%
		(The tariff is based on Business/Industrial Tariff Less 25%)			
(3.12)	EWA015	Sport Clubs leasing land from Council	22.59	24.17	7.00%
(3.13)		Water Tanker Delivery charge per hour	288.29	588.50	104.13%
4.		**CHARGES FOR CONNECTING WATER SUPPLY**			
(4.1)		For the supply and laying of the following			
		connection pipe and installation of the meter up to a maximum of 3 metres			
		including connecting the supply per contractor			
		20 mm	4 331	4 634	7.00%
		25 mm	6 172	6 604	7.00%
		50 mm	20 518	21 954	7.00%
		80 mm	29 234	31 280	7.00%
		100 mm	38 113	40 781	7.00%
		For the supply and laying of the above connections (4.1) and installation of the meter whose length is more than 3 metres and/or where a road crossing is required.		At cost	
(4.2)		Fire and other connections not specified herein. Estimated			

ITEM	TARIFF CODE	DESCRIPTION WATER	2023/2024 [R] VAT EXCL	2024/2025 [R] VAT EXCL	Percentage Increase
		average costs as determined by the ED: Engineering Services			
		plus 15%. Such costs shall be certified by the ED: Engineering			
		Services and such certificate shall be prima			
		facie evidence of the correctness thereof.			
(4.3)		Prepaid Connection Costs for a new pre-paid connection	10 828	11 586	7.00%
		Prepaid water meter installation including converting conventional water meter to prepaid water meter.	4 914	5 258	7.00%

ITEM	TARIFF CODE	DESCRIPTION WATER	2023/2024 [R] VAT EXCL	2024/2025 [R] VAT EXCL	Percentage Increase
5.		CHARGES IN CONNECTION WITH METERS			
(5.1)		For a special or unnecessary duplication reading of a meter	336	360	7.00%
(5.2)		For the moving of the meter on the same line or removal at the request of a consumer per household meter supplied by the Council	2 166	2 318	7.00%
(5.3)		For the testing of a meter up to and including 25 mm supplied by the Council, in cases where it is found that the meter does not show an error of more than 5% either way Contractor's fee plus 50% Administration fee.			
(5.4)		For the testing of meters of sizes 40 - 150 mm supplied by the Council, in cases where it is found that the meter does not show an error of more than 5% either way Contractor's fee plus 50% Administration fee.			
(5.5)		For the testing of Council meters of all sizes from 15mm to 150mm In cases where it was found that the meter is faulty, the meter test fee will be fully refunded to the customer.	1 625	1 738	7.00%
(5.6)		Rental per portable meter per month or part thereof	283	303	7.00%
(5.7)		Refundable deposit per portable meter	9 214	9 859	7.00%
(5.8)		Charges for installing a water restrictor For the provision and installation of a water restrictor valve at household connections, when required by the Municipality.	1 002	1 073	7.00%
6.		DEPOSITS			6.00%
		The following initial deposits shall be payable when application for delivering of water to a premise is made:			
(6.1)		For flats, dwellings and town houses (excluding users with prepaid meters) which amount if insufficient, shall be increased to the average consumption of three months after the consumption of three months has been determined.	1 696	1 798	6.00%
(6.2)		For businesses/industries (excluding users with prepaid meters) which amount if insufficient, shall be increased to the average consumption of three months after the consumption of three months has been determined.	6 459	6 846	6.00%
(6.3)		All other consumers (excluding users with prepaid meters) which amount if insufficient, shall be increased to the average consumption of three months after the consumption of three months has been determined.	1 696	1 798	6.00%
(6.4) a.		Beneficiaries of Provincial funded RDP housing is exempted from paying a deposit for the opening of a Water account			
b.		The deposit for Water become payable at the promulgated Tariff upon approval of building plans to improve the RDP properties.			
		BOREHOLES			
		Registration of borehole	New	1 000	
7.		GENERAL			
(7.1)		Composite supplies: Where a supply is taken for various uses through one meter, the highest relevant tariff shall apply to the whole of the consumption. If the supply is arranged so that each type of consumer is separately metered, the relevant tariff applicable to each shall be charged.			
(7.2)		For the purposes of the charges payable in terms of item 3, meter readings shall be taken in gallons where necessary and converted to kl on the basis of 220 gallons being equal to 1 kl.			
(7.3)		Where the Council is called out to private premises to attend to a complaint regarding a leakage in the Council's water system and it is found that the leakage is in the water system within the premises for which			

ITEM	TARIFF CODE	DESCRIPTION WATER	2023/2024 [R] VAT EXCL	2024/2025 [R] VAT EXCL	Percentage Increase
		the Council is not responsible.	698	740	6.00%
(7.4)		Application for a wayleave for all municipal services	N/A	N/A	See Wayleave Tariff Schedule

ITEM	TARIFF CODE	DESCRIPTION WATER	2023/2024 [R] VAT EXCL	2024/2025 [R] VAT EXCL	Percentage Increase
8.		**WATER RESTRICTION TARIFFS**			
		The Municipality may be required to restrict (other than the debt			
		management restrictions) the demand and usage of water by its consumers in			
		drought, water shortage, and disaster and water crisis situations.			
		The restriction may take the form of voluntary restriction by consumers			
		where upon they reduce the consumption or usage on their own, pressure			
		reduction, installation of water management devices, rationing and/or water			
		cuts at given times. In all cases the water restriction tariffs shall apply.			
		Should water restriction be declared by Council or its delegated authority;			
		the percentage increase shall apply and be payable as follows in			
		respect of uses listed in the following items.			
		The increase shall be with effect from the date as pronounced by the Council			
		or the delegated authority.			
		Level 2 Water Restriction Tariffs			
		In the event that Midvaal Local Municipality imposes a level 2 Water Restriction, The Water Restriction Tariff below will apply.			
		Level of consumption (all categories of residential users)			
		Consumption 0 - 20kl	0%	0%	0.00%
		Consumption 21 - 30kl	10%	10%	0.00%
		Consumption 31 - 45kl	20%	20%	0.00%
		Consumption > 45kl	30%	30%	0.00%
					0.00%
		All other categories of users for any consumption in excess of levels as approved by Council should water restrictions be applied	25%	25%	0.00%
		Level 3 Water Restriction Tariffs			
		In the event that Midvaal Local Municipality imposes a level 3 Water Restriction, The Water Restriction Tariff below will apply.			
		Level of consumption (all categories of residential users)			
		Consumption 0 - 20kl	5%	5%	0.00%
		Consumption 21 - 30kl	15%	15%	0.00%
		Consumption 31 - 45kl	25%	25%	0.00%
		Consumption > 45kl	35%	35%	0.00%
		All other categories of users for any consumption in excess of levels as approved by Council should water restrictions be applied	30%	30%	0.00%

THE FOLLOWING MUST BE NOTED:

1. The Midvaal Local Municipality shall have the right to restrict the water supply to any customer who has unsettled debt with the Municipality.
2. The figures quoted in this Schedule of Tariffs EXCLUDE Value Added Tax.
3. These tariffs shall be read in conjunction with the By-laws for the Supply of Water Services published by the Midvaal Local Municipality.

P MAGODI
EXECUTIVE DIRECTOR: ENGINEERING SERVICES

2024/05/13

Capital Contribution Unit Rates (all excl. VAT)

			Streets		Stormwater		Water		Sewer	
			Unit	Rate	Unit	Rate	Unit	Rate	Unit	Rate
Vacant / Open Space	01	POS / Agricultural / Road Reserves	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
Residential	10a	Res 1 (>= 4 001m²)	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	10b	Res 1 (4 000 - 2 001m²)	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	10c	Res 1 (2 000 - 1 751m²)	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	10d	Res 1 (1 750 - 1 501m²)	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	10e	Res 1 (1 500 - 1 001m²)	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	10f	Res 1 (1 000 - 751m²)	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	10g	Res 1 (750 - 551m²)	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	10h	Res 1 (550 - 450m²)	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	10i	Res 1 Give Away/RDP (<450m²)	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	10j	Res 1 (2nd dwelling / granny flat)	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	11	Res 2 Duplexes & Simplexes	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	12	Res 3 Flats	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	13	Retirement Village	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	14	Holiday home	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	15	Mobile home or park	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
Accommodation	21	Hostel	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	22	Guest house	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	23	Boarding house	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	24	Economy hotel	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	25	Hotel or Lodge	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	26	Motel	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
Community Facilities	31	Public Library	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
Educational	41	Crèche or Nursery School	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	42	Preparatory School	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	43	Primary school	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	44	Secondary school	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	45	Day-care / After-school centre	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	46	Private school	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	47	Technical College	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	48	University	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
Places of Public Worship	51	Church	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	52	Synagogue	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
Places of Refreshment	61	Restaurants	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	62	Drive-in Restaurant	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	63	Take-away / Fast Food	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
Recreation & Entertainment	71	Cinema	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
Sport	81	Fitness centre / Gym	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	82	Golf course	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	83	Sport stadiums	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	84	Tennis Courts	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
Medical	91	Private hospital	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	92	Public hospital	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	93	Nursing home	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	94	Medical Centre	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	95	CBD medical office	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	96	Suburban medical office	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	97	Dentist	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
Offices	101	CBD offices	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	102	Sub-urban offices	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	103	Research & Development Centres	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
Businesses	111	Conference Centres	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	112	Financial (Banks etc)	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	113	Building materials	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	114	Bakery / Dairy	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	115	Hardware/Paint Shop	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	116	Nursery	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
Shopping Centres	121a	Local < 1 000m²	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	121b	Local < 2 500m²	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	122a	Neighbourhood < 5 000m²	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	122b	Neighbourhood < 10 000m²	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	122c	Neighbourhood < 15 000m²	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	123a	Community < 20 000m²	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	123b	Community < 30 000m²	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	124a	Regional < 50 000m²	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	124b	Regional < 75 000m²	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	124c	Regional < 100 000m²	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
Motor related	131	Filling Station	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	132	Garage	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	133	New & Used car sales	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	134	Vehicle spares / tyres	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
Commercial	141	Warehousing	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	142	Wholesale	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
Industrial	151	Light industries	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	152	Factory	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	153	Transport undertaking	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	154	Industrial Park	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	155	Small industries < 10 000m²	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47
	156	Medium industries < 35 000m²	trip	3 688,15	100m² area	1 276,65	kl	3 546,29	kl	10 071,47

MIDVAAL LOCAL MUNICIPALITY					
ITEM	TARIFF CODE	DESCRIPTION SANITATION	2023/2024 [R] VAT EXCL	2024/2025 [R] VAT EXCL	% Increase
		THE TARIFFS LISTED BELOW ARE VALID FROM 1 JULY 2024			
1		GENERAL RULES REGARDING CHARGES			
1.1		The word "month" in this schedule means a calendar month or part thereof and the charges in respect of each month shall be due and payable on the same date as the general assessment rates:			
		provided that the charges imposed in terms of item 6 of			
		this schedule shall be payable monthly in arrear.			
1.2		Where any person who is required to furnish a return in terms of this Schedule			
		or to provide such other information as may be necessary to enable the Council to			
		determine the charges to be made under this Schedule fails to do so within 30 days			
		after having been called upon to do so by notice in writing, he shall pay such charges			
		as the Council shall assess on the best information available to it.			
1.3		The charges levied under items 2 and 3 of this schedule shall remain effective			
		in the case of buildings wholly unoccupied or in course of demolition, until such			
		date as the Council is requested to seal the opening to the Council's sewer.			
1.4		The owner of premises situated outside the municipality which is directly			
		connected to the Council's sewer and not through the sewer of any other local			
		authority, shall be liable to pay all the charges set out or referred to in this			
		schedule and, in addition, a surcharge of 25% thereon.			
2.		CHARGES IN RESPECT OF AVAILABLE SEWERS			
2.1		For the purposes of this item of this Schedule : "piece of land"			
		means any erf, stand, subdivision, lot area, agricultural land			
		or any defined portion, with of without improvements			
		"ecclesiastical purposes" means a church building,			

ITEM	TARIFF CODE	DESCRIPTION SANITATION	2023/2024 [R] VAT EXCL	2024/2025 [R] VAT EXCL	% Increase
		church hall, parsonage or church office.			
2.2		The owner of every piece of land shall, when such a piece of			
		land has a frontage to any sewer of the Council or where such piece of			
		land is or, in the opinion of the Council, can be connected to any			
		such sewer pay to the Council the following charges per month.			
(a)		In terms of every piece of land zoned in terms of the Council's Town			
		Planning Scheme, as amended from time to time for residential			
		purposes and in respect of every piece of land used or acquired			
		or reserved for ecclesiastical of charitable purposes, per erf:			
(1)	EBS111, DBS001, DBS002, WA0440, WA0441, VA0445	Undeveloped Land	149.55	158.52	6.00%
(a)	RV0440	Approved Indigents			
	RV0440,	Developed residential land - all areas			
	VA0440, Sicelo, SAVABS, SAVBSE				
(b)		In terms of every piece of land zoned in terms of the			
		Council's Town Planning Scheme, as amended from time to			
	EBS141, EBS151, EBS143	time for residential 2, 3 and 4 purposes, per flat per townhouse			
(c)		In respect of every piece of land zoned for agricultural			
		holding in terms of the Council's Town Planning Scheme,			
	VA0441, WA0442	as amended from time to time, per agricultural holding	477.16	505.78	6.00%
(d)	EBS111, EBS124, EYE001, EBS143, EYE002	In respect of every piece of land other than those specified	149.55	158.52	6.00%
	RV0440	in (a), (b) or (c) above, per 1000 m² or part thereof	134.27	142.33	6.00%
		Kliprivier Business Park	1 840.72	1 951.16	6.00%
		Provided that no such charges shall exceed this			
	EBS123, SAVBSE, EBS124	amount per month for Meyerton, Risiville	4 544.53	4 817.21	6.00%
		Provided that no such charges shall exceed this amount per			
	RV0441, DBS002, WA0441, VA0445	month for Randvaal, Walkerville, De Deur and Vaal Marina	1 548.25	1 641.15	6.00%
(e)		Where the Council constructs an outfall sewer to drain one or			

ITEM	TARIFF	DESCRIPTION	2023/2024	2024/2025	%
	CODE	SANITATION	[R] VAT EXCL	[R] VAT EXCL	Increase
		more townships and where such sewer traverses farmland or land laid out as			
		agricultural holdings and such farmland or holdings are not intended at the			

ITEM	TARIFF CODE	DESCRIPTION SANITATION	2023/2024 [R] VAT EXCL	2024/2025 [R] VAT EXCL	% Increase
		time of construction of the sewer tube served by such sewer,			
		the Council may, for such period or periods as it determine, exempt			
		any owner of such farmland or agricultural holding from the payment			
		of the charges laid out in terms of items 2 (2) (c) and (d) provided			
		that if any such owner voluntary desires to be connected to such			
		sewer, he shall, from the date of connection, be liable for the			
		payment of all applicable sewerage charges as set out in this Schedule.			
3.		**SEWER SERVICES CHARGES**			
		In addition to the charges specified in item 2 above, the following			
		applicable charges shall monthly be paid by the owner of any			
		premises which are connected to the Council's sewerage system:			
3.1	DSL001, ESE211, EYE003 RV0206, RV0204, WA0224, VA0223, VA0224 SAVSE, SAVASEA, SAVISE, SICELO	**Residential 1 erven, for each dwelling-house**	294.56	312.23	6.00%
		Approved Indigents			
3.2		**Residential 2, 3 & 4 erven for each flat/ townhouse**	249.03	263.97	6.00%
	VA0223, RV0206, ESE221	Provided that where rooms are let solely for residential			
		purposes without the provision of food, every two such rooms			
		or part thereof under one roof shall be regarded as a flat.			
3.3		**Business and Industrial premises** in respect of the total of the areas of			
		the building measured externally at each floor, including the basement			
(a)	ESE283, RV0205, VA0225, SAVSEA, DSL002, ESE0233	Up to 2000 m², per 100 m² or part thereof:	145.01	153.71	6.00%

ITEM	TARIFF CODE	DESCRIPTION SANITATION	2023/2024 [R] VAT EXCL	2024/2025 [R] VAT EXCL	% Increase
(b)	ESE233, RV0205, SAVSEA	Over 2000 m², per 2000 m² or part thereof:	1 450.08	1 537.08	6.00%

ITEM	TARIFF CODE	DESCRIPTION SANITATION	2023/2024 [R] VAT EXCL	2024/2025 [R] VAT EXCL	% Increase
		Provided that no such charges shall exceed this amount per month for			
(i)	ESE233	Meyerton, Risiville and Duncanville	18 302.90	19 401.07	6.00%
(ii)	RV0205, WA0225	Randvaal, Walkerville, De Deur and Vaal Marina	5 082.43	5 387.38	6.00%
3.4		**Flats and Business premises under one roof** in respect of the			
		total of the areas of the building measured externally at each			
		floor, including basement available for business premises:			
(a)	ESE243	Up to 2000 m², per 100 m² or part thereof	145.01	153.71	6.00%
(b)	ESE243	Over 2000 m², per 2000 m² or part thereof	1 450.08	1 537.08	6.00%
3.5		**Private hotels, boarding-houses and lodging houses:**			
		For every 100 m² or part thereof of the total area of the building at			
	ESE263	each floor, measured externally, including basement and outbuildings.	145.01	153.71	6.00%
3.6		**Hotels and clubs without outdoor sporting facilities**(licensed			
		Under the Liquor Act, 1977) and business premises under the same roof.			
		For every 100 m² or part thereof of the total area of the building			
		at each floor, measured externally, including basement and			
	ESE253	outbuildings, available for hotel or club purposes.	218.84	231.97	6.00%
3.7	ESE282	**For each church**	134.27	142.33	6.00%
3.8	ESE292	**Church hall** per hall	134.27	142.33	6.00%
3.9	ESE303	**Halls from which revenue is derived.** For every 100 m² or part thereof			
		of the total of the area of the building at each floor, including basement.	145.01	153.71	6.00%
3.10		**Charitable institutions** (as referred to in the Welfare Organisation Act,			
		Act, 1949) for every 10 inmates or part of 10, based on the			
	ESE313	average daily total during the preceding calendar year.	59.91	63.50	6.00%
3.11		**Schools, crèches, nursery schools and colleges** for every 50			
		persons or part of 50 comprising staff, scholars and workers, based			
	ESE323, RV0442	on the average daily total during the preceding calendar year.	124.96	132.46	6.00%
3.12		**Boarding schools and school hostels.** For every 20 persons			
		or part of 20 comprising staff, scholars and workers, based			
	ESE333	on the average daily total during the preceding calendar year.	177.65	188.31	6.00%

ITEM	TARIFF CODE	DESCRIPTION SANITATION	2023/2024 [R] VAT EXCL	2024/2025 [R] VAT EXCL	% Increase
3.13		**Sports clubs, excluding school sport grounds.** In respect of			
		every 300 enrolled members or part of 300, based on the			
	ESE343	average daily total during the preceding calendar year.	419.28	444.43	6.00%
3.14		**Hospitals, nursing homes, maternity or nursing homes:**			
(a)	ESE351	Per each bed available for patients during the preceding calendar year, calculated on the monthly average of beds	80.56	85.40	6.00%
(b)	ESE353	Per each staff member and worker, resident or non-resident, calculated on on the monthly average of persons in service during the preceding calendar year	38.86	41.19	6.00%
3.15	ESE363	**Prison.** For every 10 inmates or part of 10 including staff lodged, based on the average daily total during the preceding calendar year	145.01	153.71	6.00%
3.16	ESE373	**Private owned compounds or hostels** accommodating more than five boarders. For every 10 boarders or part of 10 which the compound /hostel are capable of accommodating, based on the accommodation available at the end of the preceding calendar year.	145.01	153.71	6.00%
		(Certified returns shall be furnished to the Council by the persons in charge of the organisation, institution, etc. as mentioned from item (10) up to and including item (16)			
3.17	ESE383	**Power stations.** For every 200 m² or pert thereof of the total area of the building at each floor, including basement	145.01	153.71	6.00%
3.18	ESE393	**Public conveniences.** For every 10 m² or part thereof occupied	145.01	153.71	6.00%
3.19	ESE403	**Storage premises.** If used exclusively for the purposes of a storage business per 100 m² or part thereof of the total area, excluding storage area, of the building at each floor, measured externally, including basement.	145.01	153.71	6.00%
4.		**VOLUME CHARGE**			
		A user discharging effluent per kl	19.63	20.81	6.00%
		Effluent Rate: Step Tariff			
		Unit			
		Step 01 4	184.68	195.76	6.00%
		Step 02 49	45.90	48.66	6.00%
		Step 03 199	41.63	44.13	6.00%
		Step 04 499	37.36	39.60	6.00%
		Step 05 0	32.03	33.95	6.00%
		DISCHARGE OF SEPTIC TANK SEWAAGE AT-MUNICIPAL WWTW			
		Domestic per kl	New	20.81	
		Industrial per kl	New	30.00	

ITEM	TARIFF	DESCRIPTION	2023/2024	2024/2025	%
	CODE	SANITATION	[R] VAT EXCL	[R] VAT EXCL	Increase

ITEM	TARIFF CODE	DESCRIPTION SANITATION	2023/2024 [R] VAT EXCL	2024/2025 [R] VAT EXCL	% increase
5.		**INDUSTRIAL EFFLUENTS**			
5.1		Industrial Effluent Discharge Permit			6.00%
5.2		In respect of industrial effluent, the tariff			
		specified in items 5.3.2 shall be payable by the user.			
5.3		**Industrial Effluent Treatment Charge**			
5.3.1		**Calculation of Industrial Effluent Treatment Charge**			
		The following provisions apply with regard to and for purposes of			
		calculating the treatment charge provided for in item 5.3.2			
(a)		The owner or occupier of any premises from which industrial			
		effluent is discharged shall, in addition to any other charges			
		provided for in these tariffs of in any other law, pay to the			
		Council a charge calculated in accordance with the provisions			
		of these tariffs in respect of each month during which such			
		discharge takes place.			
(b)		Each user discharging effluent into the Council's sewage			
		disposal system shall test such industrial effluent, on a regular			
		schedule as provided for in the permit to discharge industrial			
		effluent, and report the results to the Council.			

ITEM	TARIFF CODE	DESCRIPTION SANITATION	2023/2024 [R] VAT EXCL	2024/2025 [R] VAT EXCL	% increase
(c)		The Council shall in its entire discretion conduct analysis of			
		industrial effluence at random. The values obtained by the			
		Council shall be taken as correct and used to calculate the			
		treatment charge. Whenever a sample is taken by the Council,			
		one half thereof shall be made available to the user, if required			
		at the time when the sample was taken.			
(d)		The average of the values of the different analysis results of 24			
		hourly composite or grab samples of the effluent, taken during			
		the relevant month and as prescribed in terms of the permit			
		referred to in sub paragraph (b) above will be used to determine			
		the treatment charge payable.			
		Should the user not accept the values obtained from the said			
		analysis intended in this sub paragraph the user may request			
		further tests at the cost of such user to be done by a laboratory			
		acceptable to the Council and the user.			
(e)		Should the user fail to submit to the Council timeously the			
		results required in terms of sub paragraph (b) above, the results			
		obtained by the Council from the last test results submitted in			
		terms of the provisions of sub paragraph (b) shall remain applicable.			
(f)		In the absence of any direct measurement, the quantity of			
		industrial effluent discharged during a period shall be			
		determined by the Council taking into consideration the			
		quantity of the water consumed on the premises for domestic			
		purposes, the quantity lost to the atmosphere during the			
		process of manufacture and the quantity present in the final			

ITEM	TARIFF CODE	DESCRIPTION SANITATION	2023/2024 [R] VAT EXCL	2024/2025 [R] VAT EXCL	% Increase
		product produced on the premises.			
(g)		If a meter metering the quantity of water consumed on the			
		premises is proven to be defective, the appropriate adjustments			
		shall be made to the quantity of industrial effluent discharged when			
		calculated as prescribed in sub paragraph (f) and the defective			
		meter shall be repaired or replaced as soon as possible.			
(h)		For the purpose of calculation of the quantity of industrial			
		effluent discharged from each point of discharge of industrial			
		effluent as aforesaid, the total quantity of water consumed on			
		the premises shall be allocated amount the several points of			
		discharge as accurately as is reasonably practical after			
		consultation between the Council and the users of the relevant			
		premises.			
(i)		The owner or occupier of premises where an industrial effluent			
		meter is installed, shall ensure that the meter is calibrated annually.			
5.3.2		**Treatment charge**			
		The owner or occupier of any premises on which any trade or industry			
		is carried out and from which, as a result of such trade and industry or			
		of any process incidental thereto, any effluent (herein after referred to			
		as "industrial effluent") is discharged into the Council's sewage disposal			
		system, shall in addition to any other fee or charges for which such owner			
		or occupier may be liable for in terms of these tariffs, also pay to the			
		Council a treatment charge, being an amount calculated on the industrial			
		effluent discharged, the strengths and the permitted (allowed) concern-			
		trations of the industrial effluent discharged during the relevant month			
		and in accordance with the following formula:			
		Ti = C/12 (Qi/Qt)[a + b(CODi/CODt) + c(Pi/Pt) + d(Ni/Nt) + e(Ssi/SSt)]			
		Ti = Charges per month for the treatment of industrial effluent.			
		C = Total operational budget for the purification works			

ITEM	TARIFF CODE	DESCRIPTION SANITATION	2023/2024 [R] VAT EXCL	2024/2025 [R] VAT EXCL	% Increase
		Ql = Sewage flow(as defined in the Council's Sanitation Services by-laws)			
		originating from the user in kl per day determined for the relevant month.			
		Qt = Annual total sewage inflow (as defined in the Council's Sanitation			
		Services by-laws) to the Council's sewage disposal system in kl per day.			
		a = portion of the fixed cost of treatment.			
		b = portion of the costs directly related to the removal of chemical oxygen demand.			
		CODl = Average chemical oxygen demand of the settled sewage			
		originating from the user in mg per litre determined for the relevant month.			
		CODt = Annual average chemical oxygen demand of the settled sewage			
		in the total inflow to the Council's sewage disposal system in mg per liter.			
		c = portion of costs directly related to the removal of phosphates.			
		Pl =Average Ortho-phosphate concentration originating from the user			
		in mg Phosphorus per litre determined for the relevant month.			
		Pl =Annual average Ortho-phosphate concentration originating from the			
		user in mg Phosphorus per litre determined for the relevant month.			
		d = portion of the costs directly related to the removal of ammonia.			
		Nl = Average Ammonia originating from the user in mg Nitrogen			
		per litre determined for the relevant month.			
		Nt = Annual average Ammonia concentration of the sewage in the total			
		inflow to the Council's sewage disposal system in mg Nitrogen per litre.			
		e = portion of the costs directly related to the removal of suspended solids.			
		Ssl = Average suspended solids concentration originating from			
		the user in mg per litre determined for the relevant month.			
		SSt = Annual average suspended solids concentration of the sewage in the			
		total inflow to the Council's sewage disposal system in mg per litre.			

ITEM	TARIFF CODE	DESCRIPTION SANITATION	2023/2024 [R] VAT EXCL	2024/2025 [R] VAT EXCL	% Increase
		For calculating of the treatment charges according to the above			
		formula the following system values will apply:			
		Qt 7			
		CODt 551			
		Pt 5.8			
		Nt 25.5			
		SSt 259			
		a 0.29			
		b 0.46			
		c 0.05			
		d 0.05			
		e 0.15			
6.		**ERWAT (KLIPRIVIER BUSINESS PARK) COSTS PLUS 10%**			
		These tariffs apply to e.g.. the following uses: business, commercial and industrial properties.			
		Tariff summary **Tariff per kl**			
		0 - 200 kl/month	11.38	12.06	6.00%
		201 - 1 000 kl/month	8.94	9.48	6.00%
		1 001 - 2 500 kl/month	5.24	5.56	6.00%
		2 501 - 5 000 kl/month	2.57	2.72	6.00%
		5 001 - 25 000 kl/month	2.31	2.44	6.00%
		25 001 - 50 000 kl/month	2.16	2.29	6.00%
		50 001 or more kl/month	1.15	1.22	6.00%
		These tariffs listed in 6 shall be levied in respect of each sewer connection			
		provided to the premises on which a use intended in this item is being exercised.			
		The relevant tariffs listed in this item shall be levied cumulatively.			
7.		**SUPPLY OF TREATED SEWAGE EFFLUENT**			
7.1		The charges payable in respect of any connection, including any extension			
		extension of the main which may be necessary for the supply of treated			
		sewage effluent, shall amount to the actual cost of material and labour			
		used for such a connection, plus a surcharge of 10% on such amount.			
7.2		For the supply of treated sewage effluent			
		for gardening purposes, per kl or part thereof	5.17	5.48	6.00%
8.		**SELLING OF SEWAGE SLUDGE**			
		Decomposed sewage sludge may be purchased from the Council			
		if it's available provided that			
(a)		the purchaser removes the sludge from the silt dry-beds at own costs; and			

ITEM	TARIFF CODE	DESCRIPTION SANITATION	2023/2024 [R] VAT EXCL	2024/2025 [R] VAT EXCL	% Increase
(b)		the purchaser undertakes in writing to use the sludge according			
		to the guidelines set by the Department of National Health			
		1 ton	30.68	32.52	6.00%
		Above 1 ton and up to 3 tons	57.27	60.70	6.00%
		Above 3 tons and up to 6 tons	118.62	125.74	6.00%
		Above 6 tons	174.87	185.36	6.00%
9.		**WORK CHARGES**			
9.1		Sealing of opening, when a drainage installation is disconnected			
		from a sewer, per opening: cost of labour and material + 10%			
9.2		Additional connections to mid block sewers and sewers adjacent to side			
		or street boundaries per property: cost of labour and material + 10%			
9.3		Connections involving street crossings: cost of labour and material + 10%			
10.		**UNNECESSARY CALL-OUT CHARGES**	725.13	768.64	6.00%
		When the Council is called out to attend to a complaint regarding a blockage in			
		the Council's sewerage system and it is found that the blockage is in the sewerage			
		systems within the premises for which system the Council is not responsible.			
11.		**INSPECTION FEES**			
11.1		In respect of a specific contravention of the by-laws of the Council whether			
		continuous or interrupted during a period of 12 months			
		First inspection			
		First follow-up inspection subsequent to a notice of rectification	764.92	810.82	6.00%
		2nd follow-up inspection subsequent to the notice of rectification intended above	2 272.27	2 408.60	6.00%
		3rd or subsequent follow-up inspection subsequent			
		to the notice of rectification intended above	6 197.09	6 568.92	6.00%
11.2		In respect of locating Council manholes, private connections			
		and acceptance by the Council of new sewer infrastructure,			
		installations and connections during a period of 12 months			
		First inspection on the site	764.92	810.82	6.00%
		First follow-up inspection on the site intended above	2 272.27	2 408.60	6.00%
		3rd follow-up inspection on the site intended above	6 197.09	6 568.92	6.00%

ITEM	TARIFF CODE	DESCRIPTION SANITATION	2023/2024 [R] VAT EXCL	2024/2025 [R] VAT EXCL	% Increase
12.		READING OF EFFLUENT METERS ON REQUEST			
		Should a consumer require that a meter be read at any other time			
		other than the time appointed by the Executive Director: Engineering			
		Services or his nominee, this charge for each such reading.	681.07	721.93	6.00%
		CHARGES FOR SEWER CONNECTING			
		For the supply and laying of a sewer pipeline	3 736.25	3 960.43	6.00%
		ranging from 110 mm- 200mm up to a maximum of 3 metres			
		For the supply and laying of the above connections whose length is more than 3 metres and/or where a road crossing is required.		At cost	
13,		GENERAL			
(13.1)		Application for a wayleave for all municipal services	N/A	N/A	See Wayleave Tariff Schedule

The abovementioned tariffs exclude VAT

P MAGODI
EXECUTIVE DIRECTOR ENGINEERING

MIDVAAL LOCAL MUNICIPALITY

ITEM	TARIFF CODE	DESCRIPTION	2023/2024	2024/2025	PERCENTAGE
		CLEANSING AND SOLID WASTE	[R] VAT EXCL	[R] VAT EXCL	INCREASE %
		THE TARIFFS LISTED BELOW ARE VALID FROM 1 JULY 2024			7.00%
1.		REMOVAL OF DOMESTIC USE			
		From residential dwellings 1 in plastic bags with a conserving capacity			
		of not more than 0.1 m³ with a maximum of 6 bags per dwelling or			
		town house per removal. Monthly tariff			
a.	ERF521, RV0110, WA0111, SAVARF,DD0111, SU0101,VA0110, EYE005, VA0110, SAVIRF	Meyerton / Risiville, Randvaal / Vaal Marina, Walkerville / De Deur / Savanna City/Eye of Africa	256.82	274.80	7.0%
b.	DLS001, SAVRFL, SICELO	Lakeside Estates / Sicelo/ Bantu Bonke / Savanna Low Cost Housing	128.41	137.40	7.0%
c.	VA0111	Resorts in Vaal Marina and Suikerbosrand (Bulk Resorts)	190.55	203.89	7.0%
1.2	ERF541	From flats and other (res 2, 3 and 4): once per week per residential unit	190.55	203.89	7.0%
1.3		From agricultural holdings in plastic bags with a conservancy capacity			
		of not more than 0.1 m³ with a maximum of 6 plastic bags per agricultural			
	ERF571; DD0112, RV0106, EIK001, WA0113	Agricultural holding, once per week	256.82	274.80	7.0%
1.4		From farm portions in plastic bags with a conservancy capacity of not			
		more than 0.1 m³ with a maximum of 6 bags per agricultural holding,			
	ERF571	once per week	256.82	274.80	7.0%
1.5	ERF522	Non-Sectional Title properties containing Living Rooms with shared facilities	52.78	56.47	7.0%
1.6		Replacement of lost/damaged and worn out 240lt bin	1 394.69	1492.31	7.0%
1.7	MUN001	Departmental refuse	256.82	274.80	7.0%
2.		REMOVAL OF BUSINESS AND DRY INDUSTRIAL REFUSE			
2.1		In plastic bags with a conserving capacity of not more than 0.1 m³			
		compacted or un-compacted, with a maximum of 4 bags			

a.	ERF511, DD0110, VA0112, SU0102, RV0160,	One removal per week	298.28	319.16	7.00%
b.	SAVREF	Savanna city business refuse	298.28	319.16	7.00%
c.	ERF514	Two removals per week / Once a week removal o of between 4 and 10 bags.	571.63	611.64	7.00%
d.	ERF515	Three removals per week / Once a week removal of between 10 and 20 bags.	834.65	893.07	7.00%
e.	ERF516	Daily removals	1 571.96	1682.00	7.00%
2.2		In containers with a conserving capacity of not more than 2.5 m³ p/month			
a.	ERF561	One removal per week	2 429.40	2599.46	7.00%
b.		Two removals per week	4 048.90	4332.33	7.00%
c.		Three removals per week	6 430.80	6880.95	7.00%
d.		Daily removals	12 147.06	12997.36	7.00%
2.3		Rental of the above mentioned container with a conservancy capacity of not			
		more than 2.5 m³ per month	642.04	686.98	7.00%
3.		**REMOVAL OF BUSINESS AND RESIDENTIAL REFUSE IN CONTAINERS WITH A CAPACITY OF NOT MORE**			
		THAN 6 m³ FOR RENTAL LONGER THAN ONE WEEK			
3.1					
a.		Rental per week or part thereof	205.03	219.39	7.00%
b.	EBINS, RV0102	Rental per month	762.17	815.52	7.00%
c.	ERF512, RV0106, RV0103	Removal by means of compactor, per removal	1 097.68	1174.52	7.00%
d.	ERF513, RV0104	Removal by means of a skip loader, per removal	1 501.55	1606.66	7.00%
e.	MUN002	Departmental refuse	762.17	815.52	7.00%
4.		**REMOVAL OF BUSINESS AND RESIDENTIAL REFUSE IN CONTAINERS WITH A CON**			
		SERVANCY CAPACITY OF NOT MORE THAN 30 m³ FOR RENTAL PERIOD LONGER			
		THAN ONE WEEK			
4.1					
a.	EBINS	Removal of 15 m³ skip bin, per removal	3 096.31	3313.05	7.00%
b.		Removal of 18 m³ skip bin, per removal	3 810.84	4077.60	7.00%
c.		Removal of 30 m³ skip bin, per removal	6 192.61	6626.10	7.00%
5.		**REMOVAL AND DISPOSAL OF CONDEMNED FOODSTUFFS**			
5.1	EBINS	Per removal, per m³ or part thereof	273.39	292.53	7.00%
6.		**REMOVAL AND DISPOSAL OF BUILDING RUBBLE**			
6.1		Per removal, per m³ or part thereof	227.83	243.78	7.00%
7.		**REMOVAL AND DISPOSAL OF GARDEN REFUSE**			
7.1		Per removal, per m³ or part thereof	200.91	214.97	7.00%

8		UN-PROCLAIMED TOWNSHIPS			
8.1		From residential dwellings 1 in plastic bags with a conserving capacity of not			
		more than 0.1 m³ with a maximum of 6 bags per dwelling or town house			
		per weekly removal, per month	200.91	214.97	7.00%
9.	REHAB	DUMPING AT TRANSFER STATIONS/LANDFILL SITES(NON-WEIGHBRIDGE)			
9.1	BRREHA	(INCLUDES A TARIFF PER TON REHABILITATION LEVY)	24.87	26.61	7.00%
9.2	DISPOSAL	Dumping of household and garden refuse by residents of Midvaal			
9.3	BRDISP	Dumping of waste by Non-residents per 1m3	171.90	183.93	7.00%
9.4		Dumping of waste by Non-residents			
a.		Per skip bin non municipal per bin	1 615.47	1728.55	7.00%
b.		Non-household or garden refuse - 1 ton vehicle with/without trailer	171.90	183.93	7.00%
c.		3 ton vehicle	439.08	469.81	7.00%
d.		Larger than 3 ton vehicle	1 474.64	1577.87	7.00%
e.		Single Axle Tipper	1 213.68	1298.64	7.00%
f.		Double Axle Tipper	1 474.64	1577.87	7.00%
g.		Articulated Tipper Trailer	2 113.29	2261.22	7.00%
10.		DUMPING AT TRANSFER STATIONS / LANDFILL SITES (WEIGHBRIDGE)			
		DESCRIPTION			
a.		Tariff for the dumping of household and garden refuse by residents of Midvaal			
b.		General and non-hazardous industrial dry solid waste by the			
		general public and contractors in excess of 1000 kg	335.53	359.02	7.00%
c.		Disposal of clean compostable garden refuse by the general public			
		and contractors in excess of 1000 kg	91.12	97.50	7.00%
d.		Disposal of general and non-hazardous industrial dry solid waste			
		by the general public and contractors, from outside the boundaries of			
		the municipality in excess of 1000 kg	853.30	913.03	7.00%
e.		Clean building rubble up to 1000kg			
f.		Clean soil, usable as cover material up to 5000kg			
g.		Clean building rubble in excess of 1000kg	227.83	243.78	7.00%
h		Clean soil, usable as cover material in excess of 5000kg	455.64	487.54	7.00%
11.		DISPOSAL OF WASTE BY REGISTERED LANDFILL USERS			
11.1		Non-Weighbridge			
a.		Per skip bin non municipal	1 316.22	1408.36	7.00%
b.		Non-household or garden refuse - 1 ton vehicle with/without trailer	96.78	103.56	7.00%
c.		3 ton vehicle	243.89	260.97	7.00%
d.		Larger than 3 ton vehicle	855.55	915.44	7.00%
e.		Single Axle Tipper	712.30	762.16	7.00%
f.		Double Axle Tipper	745.22	797.38	7.00%
g.		Articulated Tipper Trailer	1 083.95	1159.82	7.00%
12		ILLEGAL DUMPING			
12.1		Cleaning of Illegal Dumping on private vacant stands & Open Spaces (Rate per hour)	1 792.24	1917.69	7.00%

13		**GENERAL NOTES:**			
a.		The charge in respect of any refuse removal service rendered and not provided			
		for elsewhere in this tariff charges shall be negotiated with Midvaal LM.			
b.		The Municipality reserves the right to refuse the rendering of any service if the			
		rendering thereof is impractical.			
c.		The Municipality will not refund any monies unless the user gives notification			
		in writing. Rebates will only be backdated to a maximum of three months from			
		the date of written notification.			
d.		Additional service will be charged at the full monthly collection service fee.			

T. MNGUNI
EXECUTIVE DIRECTOR SOCIAL SERVICES

MIDVAAL LOCAL MUNICIPALITY

ITEM	DESCRIPTION	2023/2024	2024/2025	PERCENTAGE	2024/2025
	BANTU BONKE/SICELO HALL/LAKESIDE MPC	[R] VAT EXCL	[R] VAT EXCL	INCREASE	[R] VAT INCL
	THE TARIFFS LISTED BELOW ARE VALID FROM 1 JULY 2024				
1	Balls, Dance, Parties, Social and Similar functions from 8:00- 24:00	567.41	601.45	6%	691.70
	1.1 A refundable breakage deposit is payable on all Halls/side halls	673.80	714.22	6%	714.20
	bookings confirm on deposit (NO VAT)				
2	Concerts and films	283.70	300.73	6%	345.80
3	Bazaars, fun-fairs, selling and promotions, per occasion	283.70	300.73	6%	345.80
4	Church services and meetings per occasion:				
	4.1 Church services and non-political meetings	283.70	300.73	6%	345.80
	4.2 Political meeting or gatherings	283.70	300.73	6%	345.80
5	Gatherings/functions in support of a religion, educational and bona fide	25% Disc	25% Disc	25% Disc	25% Disc
	registered charitable organisations - provided/written application is				
	approved				
6	Hiring of the halls for cultural practices or any other cultural group	428.23	453.93	6%	522.00
	or any other sporting code that falls under the control a Local Amateur				
	Sports Council, with the understanding that the use of the hall not to				
	be to the disadvantage of any other: per month for a maximum				
	use 3x per week for 2 hour sessions				
	6.1 A refundable breakage deposit is payable (NO VAT)	600.00	636.00	6%	636.00
7	Use of the hall for municipal and governmental gatherings	Free	Free	Free	Free
8	Hiring of the piano/organ				
	A refundable breakage deposit is payable NO VAT	Not available	Not available	Not available	Not available
9	Levying of fees for the cleaning of the hall and accessories	R393/function	R416/function	R416/function	R416/function
10	Hiring of the moveable stage	Not available	Not available	Not available	Not available
	1. A refundable breakage deposit is payable (NO VAT)				
11	Hiring for bona fide community activities relevant to youth, elderly,	141.85	150.36	6%	172.90
	disabled, gender @ R100 per occasion, maximum 2 hours once				
	a week. Permission will be denied for future use if facility is left dirty				
	damaged				
12	Hiring of tables and chairs, Round Tables	R53.00/table	R57.00/table	6%	65.60
	Square Tables	R40.00/table	R42.00/table	6%	50.60
	Chairs	Free	Free	Free	Free
13	Hiring of Council cutlery				
	A refundable deposit of a breakage is payable when cutlery	360.00	380.00	6%	380.00
	and crockery is issued (NO VAT).				
	300 Dinner Plates	2.15	2.15	each	no increase
	300 Side Plates	1.15	1.15	each	no increase
	300 Cups and saucers	2.15	2.15	each	no increase
	300 Dinner knives	0.80	0.80	each	no increase
	300 Dinner forks	0.80	0.80	each	no increase
	300 Desert forks	0.80	0.80	each	no increase
	300 Cake forks	0.80	0.80	each	no increase
	300 Table/desert spoons	0.80	0.80	each	no increase
	300 Tea spoons	0.80	0.80	each	no increase
	300 Soup spoons	2.15	2.15	each	no increase
	300 Soup/desert bowls	2.15	2.15	each	no increase
	25 Sugar bowls	2.15	2.15	each	no increase
	25 Milk jugs	2.15	2.15	each	no increase
	50 Water/Juice jugs	2.15	2.15	each	no increase
	30 Salt and pepper sets	2.15	2.15	each	no increase
	Bain- marie with 8 Bowls	60.00	60.00	each	no increase
	10 Salad bowls	2.80	2.80	each	no increase
	10 Salad spoons	1.50	1.50	each	no increase
	10 Serving spoons	1.50	1.50	each	no increase
	1 Urn 25 Lt	40.00	40.00	each	no increase
	1 Urn 10 Lt	40.00	40.00	each	no increase

T. MNGUNI
EXCECUTIVE DIRECTOR: SOCIAL SERVICES

MIDVAAL LOCAL MUNICIPALITY

ITEM	DESCRIPTION	2023/2024	2024/2025	PERCENTAGE	2024/2025
	MEYERTON CITY HALL	[R] VAT EXCL	[R] VAT EXCL	INCREASE	[R] VAT INCL
	THE TARIFFS LISTED BELOW ARE VALID FROM 1 JULY 2024				
1	Balls, Dance, Parties, Social and Similar functions from 8:00- 24:00	R2 837.04	R3 007.26	6%	R3 458.30
	1.1 A refundable breakage deposit is payable on all Halls/side halls	R673.80	R714.22	6%	R714.20
	bookings confirm on deposit				
2	Concerts and films	R992.96	R1 052.54	6%	R1 210.40
3	Bazaars, fun-fairs, selling and promotions, per occasion	R992.96	R1 052.54	6%	R1 210.40
4	Church services and meetings per occasion:				
	4.1 Church services and non-political meetings	R992.96	R1 052.54	6%	R1 210.40
	4.2 Political meeting or gatherings	R992.96	R1 052.54	6%	R1 210.40
5	Gatherings/functions in support of a religion, educational and bona fide	25% Disc	25% Disc		25% Disc
	registered charitable organisations - provided/written application is				
	approved				
6	Hiring of the halls for cultural practices or any other cultural group	R1 060.00	R1 123.60	6%	R1 292.10
	or any other sporting code that falls under the control a Local Amateur				
	Sports Council, with the understanding that the use of the hall not to				
	be to the disadvantage of any other: per month for a maximum				
	use 3x per week for 2 hour sessions				
	6.1 A refundable breakage deposit is payable NO VAT	R600.00	R636.00	6%	R636.00
7	Use of the hall for municipal and governmental gatherings	Free	Free	Free	Free
8	Hiring of the piano/organ				
	A refundable breakage deposit is payable	Not available	Not available	Not available	Not available
9	Levying of fees for the cleaning of the hall and accessories	R496.48	R526.27	6%	R605.20
10	Hiring of the moveable stage	R153.23	R162.42	6%	R186.80
	1. A refundable breakage deposit is payable (NO VAT)	R673.80	R714.22	6%	R600.00
11	Hiring for bona fide community activities relevant to youth, elderly,				
	disabled, gender @ R100 per occasion, maximum 2 hours once				
	a week. Permission will be denied for future use if facility is left dirty				
12	Hiring of kitchen				
13	Hiring of tables and chairs, Round Tables	R53.00/table	R57.00/table	6%	R65.60
	Square Tables	R40.00/table	R45.00/table	6%	R51.80
	Chairs	Free	Free		Free
14	Hiring of Council cutlery				
	A refundable deposit of a breakage is payable when cutlery	R360.00	R380.00	6%	R380.00
	and crockery is issued (NO VAT).				
	300 Dinner Plates	R2.15	R2.15	each	No increase
	300 Side Plates	R1.15	R1.15	each	No increase
	300 Cups and saucers	R2.15	R2.15	each	No increase
	300 Dinner knives	R0.80	R0.80	each	No increase
	300 Dinner forks	R0.80	R0.80	each	No increase
	300 Desert forks	R0.80	R0.80	each	No increase
	300 Cake forks	R0.80	R0.80	each	No increase
	300 Table/desert spoons	R0.80	R0.80	each	No increase
	300 Tea spoons	R0.80	R0.80	each	No increase
	300 Soup spoons	R2.15	R2.15	each	No increase
	300 Soup/desert bowls	R2.15	R2.15	each	No increase
	25 Sugar bowls	R2.15	R2.15	each	No increase
	25 Milk jugs	R2.15	R2.15	each	No increase
	50 Water/Juice jugs	R2.15	R2.15	each	No increase
	30 Salt and pepper sets	R2.15	R2.15	each	No increase
	Bain- marie with 8 Bowls	R60.00	R60.00	each	No increase
	10 Salad bowls	R2.80	R2.80	each	No increase
	10 Salad spoons	R1.50	R1.50	each	No increase
	10 Serving spoons	R1.50	R1.50	each	No increase
	1 Urn 25 Lt	R40.00	R40.00	each	No increase
	1 Urn 10 Lt	R40.00	R40.00	each	No increase

S CAVE
EXECUTIVE DIRECTOR CORPORATE SERVICES

MIDVAAL LOCAL MUNICIPALITY

ITEM	DESCRIPTION	2023/2024	2024/2025	PERCENTAGE	2024/20254
	ROTHDENE HALL	[R] VAT EXCL	[R] VAT EXCL	INCREASE	[R] VAT INCL
	THE TARIFFS LISTED BELOW ARE VALID FROM 1 JULY 2024				
1	Balls, Dance, Parties, Social and Similar functions from 8:00- 24:00	992.96	1052.54	6%	1210.40
	1.1 A refundable breakage deposit is payable on all Halls/side halls	635.66	673.80	6%	565.70
	bookings confirm on deposit				
2	Concerts and films	635.66	673.80	6%	774.90
3	Bazaars, fun-fairs, selling and promotions, per occasion	635.66	673.80	6%	774.90
4	Church servies and meetings per occasion:	0.00	0.00		
	4.1 Church services and non-political meetings	635.66	673.80	6%	774.90
	4.2 Political meeting or gatherings	635.66	673.80	6%	774.90
5	Gatherings/functions in support of a religion, educational and bona fide	25% Disc	25% Disc	25% Disc	25% Disc
	registered charitable organisations - provided/written application is				
	approved				
6	Hiring of the halls for cultural practices or any other cultural group	769.48	815.65	6%	938.00
	or any other sporting code that falls under the control a Local Amateur				
	Sports Council, with the understanding that the use of the hall not to				
	be to the dissadvantage of any other: per month for a maximum				
	use 3x per week for 2 hour sessions				
	6.1 A refundable breakage deposit is payable No VAT	600	636.00	6%	600.00
7	Use of the hall for municipal and governmental gatherings	Free	Free	Free	Free
8	Hring of the piano/organ				
	A refundable breakage deposit is payable NO VAT	Not available	Not available	Not available	Not available
9	Levying of fees for the cleaning of the hall and accessories	R496	526.27	6%	605.20
10	Hiring of the moveable stage				
	1. A refundable breakage deposit is payable NO VAT	Not available	Not available	Not available	Not available
11	Hiring for bonafide community activities relevant to youth, elderly,				
	disabled, gender @ R100 per occasion, maximum 2 hours once	133.82	141.85	6%	163.10
	a week. Permission will be denied for future use if facility is left dirty				
	damaged				
12	Hiring of tables and chairs, Round Tables	R53.00/table	R57.00/table	6%	65.60
	Square Tables	R40.00/table	R45.00/table	6%	51.80
	Chairs	Free	Free	Free	Free
13	Hiring of Council cutlery				
	A refundable deposit of a breakage is payable when cutlery	360.00	380	6%	380.00
	and rockery is issued.				
	300 Dinner Plates	2.15	2.15	each	No increase
	300 Side Plates	1.15	1.15	each	No increase
	300 Cups and saucers	2.15	2.15	each	No increase
	300 Dinner knives	0.8	0.8	each	No increase
	300 Dinner forks	0.8	0.8	each	No increase
	300 Desert forks	0.8	0.8	each	No increase
	300 Cake forks	0.8	0.8	each	No increase
	300 Table/desert spoons	0.8	0.8	each	No increase
	300 Tea spoons	0.8	0.8	each	No increase
	300 Soup spoons	2.15	2.15	each	No increase
	300 Soup/desert bowls	2.15	2.15	each	No increase
	25 Sugar bowls	2.15	2.15	each	No increase
	25 Milk jugs	2.15	2.15	each	No increase
	50 Water/Juice jugs	2.15	2.15	each	No increase
	30 Salt and peper sets	2.15	2.15	each	No increase
	Bain- marie with 8 Bowls	60	60	each	No increase
	10 Salad bowls	2.8	2.8	each	No increase
	10 Salad spoons	1.5	1.5	each	No increase
	10 Serving spoons	1.5	1.5	each	No increase
	1 Urn 25 Lt	40	40	each	No increase
	1 Urn 10 Lt	40	40	each	No increase

S. CAVE
EXECUTIVE DIRECTOR CORPORATE SERVICES

MIDVAAL LOCAL MUNICIPALITY

ITEM	DESCRIPTION	2023/2024	2024/2025	Percentage	2024/2025
	VAAL MARINA COMMUNITY HALL	VAT EXCL	VAT EXCL	% Increase	VAT INCL
	THE TARIFFS LISTED BELOW ARE VALID FROM 1 JULY 2024				
1	Balls, Dance, Parties, Social and Similar functions from 8:00- 24:00	816.32	865.30	6%	995.10
	1.1 A refundable breakage deposit is payable on all Halls/side halls	635.66	673.80	6%	673.80
	bookings confirm on deposit				
2	Concerts and films	468.38	496.48	6%	571.00
3	Bazaars, fun-fairs, selling and promotions, per occasion	468.38	496.48	6%	571.00
4	Church servies and meetings per occasion:				
	4.1 Church services and non-political meetings	468.38	496.48	6%	571.00
	4.2 Political meeting or gatherings	468.38	496.48	6%	571.00
5	Gatherings/functions in support of a religion, educational and bona fide	25% Disc	25% Disc	25% Disc	25% Disc
	registered charitable organisations - provided/written application is				
	approved				
6	Hiring of the halls for cultural practices or any other cultural group	816.32	865.30	6%	701.50
	or any other sporting code that falls under the control a Local Amateur				
	Sports Council, with the understanding that the use of the hall not to				
	be to the dissadvantage of any other: per month for a maximum				
	use 3x per week for 2 hour sessions				
	6.1 A refundable breakage deposit is payable NO VAT	600.00	636.00	6%	600.00
7	Use of the hall for municipal and governmental gatherings	Free	Free	Free	
8	Hring of the piano/organ				
	A refundable breakage deposit is payable NO VAT	Not available	Not available	Not available	Not available
9	Levying of fees for the cleaning of the hall and accessories	496.48	R526.27	6%	605.20
10	Hiring of the moveable stage	Not available	Not available	Not available	Not available
	1. A refundable breakage deposit is payable	Not available	Not available	Not available	Not available
11	Hiring for bonafide community activities relevant to youth, elderly,	144.53	153.20	6%	176.20
	disabled, gender @ R100 per occasion, maximum 2 hours once				
	a week. Permission will be denied for future use if facility is left dirty				
	damaged				
12	Hiring of tables and chairs, Round Tables	R53.00/table	R57.00/table	6%	65.60
	Square Tables	R40.00/table	R45.00/table	6%	51.80
	Chairs	Free	Free	Free	Free
13	Hiring of Council cutlery				
	A refundable deposit of a breakage is payable when cutlery	360.00	360.00	6%	380.00
	and rockery is issued.				
	300 Dinner Plates	2.15	2.15	each	No increase
	300 Side Plates	1.15	1.15	each	No increase
	300 Cups and saucers	2.15	2.15	each	No increase
	300 Dinner knives	0.80	0.8	each	No increase
	300 Dinner forks	0.80	0.8	each	No increase
	300 Desert forks	0.80	0.8	each	No increase
	300 Cake forks	0.80	0.8	each	No increase
	300 Table/desert spoons	0.80	0.8	each	No increase
	300 Tea spoons	0.80	0.8	each	No increase
	300 Soup spoons	2.15	2.15	each	No increase
	300 Soup/desert bowls	2.15	2.15	each	No increase
	25 Sugar bowls	2.15	2.15	each	No increase
	25 Milk jugs	2.15	2.15	each	No increase
	50 Water/Juice jugs	2.15	2.15	each	No increase
	30 Salt and peper sets	2.15	2.15	each	No increase
	Bain- marie with 8 Bowls	60.00	60	each	No increase
	10 Salad bowls	2.80	2.8	each	No increase
	10 Salad spoons	1.50	1.5	each	No increase
	10 Serving spoons	1.50	1.5	each	No increase
	1 Urn 25 Lt	40.00	40	each	No increase
	1 Urn 10 Lt	40.00	40	each	No increase

S. CAVE
EXECUTIVE DIRECTOR CORPORATE SERVICES

MIDVAAL LOCAL MUNICIPALITY							
ITEM	DESCRIPTION	2023/2024	INCREASE	PERCENTAGE	2024/2025	INCREASE	PERCENTAGE
	OUTDOOR ADVERTISING APPLICATIONS	[R] VAT INCL	FACTOR	INCREASE = 6%	[R] VAT INCL	FACTOR	INCREASE = 6%
	THE TARIFFS LISTED BELOW ARE VALID FROM 1 JULY 2024						
1.	**CLASS 1 ADVERTISMENTS**						
	SUPER BILLBOARDS, CUSTOM-MADE BILLBOARDS, LARGE						
1.1.	**NEW APPLICATIONS**	R 2 580	1.06	6.00%	R 2 735	1.06	6.00%
	Application fee per sign						
1.2.	**APPLICATIONS FOR AMENDMENTS**	R 1 291	1.06	6.00%	R 1 369	1.06	6.00%
	Application fee per sign						
1.3.	**APPLICATIONS FOR EXTENSION OF TIME PERIOD**	R 903	1.06	6.00%	R 957	1.06	6.00%
	Application fee per sign						
	Inspection fee per m² of the total face of each sign applicable to class 1	R 256	1.06	6.00%	R 271	1.06	6.00%
2	**CLASS 2 ADVERTISMENTS**						
	LARGE POSTERS AND ADVERTISEMENTS ON STREET FURNITURE						
2.1	**NEW APPLICATIONS**	R 731	1.06	6.00%	R 775	1.06	6.00%
	Application fee per poster or sign						
2.2	**APPLICATIONS FOR AMENDMENTS**	R 367	1.06	6.00%	R 389	1.06	6.00%
	Application fee per poster or sign						
2.3	**APPLICATIONS FOR EXTENSION OF TIME PERIOD**	R 561	1.06	6.00%	R 595	1.06	6.00%
	Application fee per poster or sign						

K.

ITEM	DESCRIPTION	2023/2024	INCREASE	PERCENTAGE	2024/2025	INCREASE	PERCENTAGE
	OUTDOOR ADVERTISING APPLICATIONS	[R] VAT INCL	FACTOR	INCREASE = 6%	[R] VAT INCL	FACTOR	INCREASE = 6%
3	BANNERS AND FLAGS FOR FUNCTIONS OR EVENTS						
	LAW ENFORCEMENT UNIT						
4	BANNERS AND FLAGS FOR THE DISPLAY OF NAME, CORP, SYMBOL AND NATURE OF ENTERPRISES AND STREETSCAPES						
	NEW APPLICATIONS						
4.1	*Application fee*	R 1 236	1.06	6.00%	R 1 310	1.06	6.00%
	per enterprise per sign with a minimum fee of						
	APPLICATIONS FOR AMENDMENTS						
4.2	*Application fee*	R 853	1.06	6.00%	R 904	1.06	6.00%
	per enterprise per sign with a minimum fee of						
4.3	APPLICATIONS FOR EXTENSION OF TIME PERIOD	R 731	1.06	6.00%	R 775	1.06	6.00%
	Application fee per enterprise per sign with a minimum fee of						
5	SUBURBAN ADVERTISEMENTS						
5.1	NEW APPLICATIONS	R 364	1.06	6.00%	R 386	1.06	6.00%
	Application fee per sign						
5.2	APPLICATIONS FOR AMENDMENTS	R 244	1.06	6.00%	R 259	1.06	6.00%
	Application fee per sign						
5.3	APPLICATIONS FOR EXTENSION OF TIME PERIOD	R 185	1.06	6.00%	R 196	1.06	6.00%
	Application fee per sign						
6	ESTATE AGENT'S BOARDS						
	LAW ENFORCEMENT UNIT						
7	SALE OF GOODS OR LIVESTOCK (AUCTION SALES)						
	LAW ENFORCEMENT UNIT						
	PAVEMENT POSTERS AND NOTICES						
8	CATEGORY 1,2,3,4 & 5 POSTERS						
	CATEGORY 1 POSTERS IN RESPECT OF PUBLIC, CHARITABLE, RELIGIOUS OR EDUCATIONAL EVENTS						
	CATEGORY 1 POSTERS IN RESPECT OF CULTURAL, POLITICAL, SOCIAL, SPORTING OR RECREATIONAL EVENTS						

k.

ITEM	DESCRIPTION	2023/2024	INCREASE	PERCENTAGE	2024/2025	INCREASE	PERCENTAGE
	OUTDOOR ADVERTISING APPLICATIONS	[R] VAT INCL	FACTOR	INCREASE = 6%	[R] VAT INCL	FACTOR	INCREASE = 6%
	LAW ENFORCEMENT UNIT						
9	PROJECT AND DEVELOPMENT BOARDS (If not exempted under section 9)						
9.1	NEW APPLICATIONS	R 1 236	1.06	6.00%	R 1 310	1.06	6.00%
	Application fee						
	per m2 of the total face of the display with a minimum fee of						
9.2	APPLICATIONS FOR AMENDMENTS	R 853	1.06	6.00%	R 904	1.06	6.00%
	Application fee						
	per m^2 of the total face of the display with a minimum fee of						
9.3	APPLICATIONS FOR EXTENSION OF TIME PERIOD	R 731	1.06	6.00%	R 775	1.06	6.00%
	Application fee						
	per m^2 of the total face of the display with a minimum fee of						
10	TEMPORARY WINDOW SIGNS						
	Exempted						
11	STREET NAME ADVERTISEMENTS						
	Prohibited						
12	NEIGHBOURHOOD WATCH AND SIMILAR SCHEMES						
	Exempted						
13	PRODUCT REPLICAS AND THREE-DIMENSIONAL SIGNS						
13.1	NEW APPLICATIONS	R 1 236	1.06	6.00%	R 1 310	1.06	6.00%
	Application fee						
	per m^2 of the total face of each sign with a minimum fee of						

k.

ITEM	DESCRIPTION	2023/2024	INCREASE	PERCENTAGE	2024/2025	INCREASE	PERCENTAGE
	OUTDOOR ADVERTISING APPLICATIONS	[R] VAT INCL	FACTOR	INCREASE = 6%	[R] VAT INCL	FACTOR	INCREASE = 6%
13.2	APPLICATIONS FOR AMENDMENTS	R 853	1.06	6.00%	R 904	1.06	6.00%
	Application fee						
	per m^2 of the total face of each sign with a minimum fee of						
13.3	APPLICATIONS FOR EXTENSION OF TIME PERIOD	R 731	1.06	6.00%	R 775	1.06	6.00%
	Application fee						
	per m^2 of the total face of each sign with a minimum fee of						
14	CLASS 3 ADVERTISEMENTS						
	SKY SIGNS						
	Prohibited						
15	ROOF SIGNS						
15.1	NEW APPLICATIONS	R 1 236	1.06	6.00%	R 1 310	1.06	6.00%
	Application fee						
15.2	*Inspection fee*	R 244	1.06	6.00%	R 259	1.06	6.00%
	Applicatble to all roof Signes per m^2 of the total face of each sign						
15.3	APPLICATIONS FOR AMENDMENTS	R 853	1.06	6.00%	R 904	1.06	6.00%
	Application fee						
15.4	APPLICATIONS FOR EXTENSION OF TIME PERIOD	R 731	1.06	6.00%	R 775	1.06	6.00%
	Application fee						
16	FLAT SIGNS						
16.1	NEW APPLICATIONS	R 1 236	1.06	6.00%	R 1 310	1.06	6.00%
	Application fee						
16.2	APPLICATIONS FOR AMENDMENTS	R 853	1.06	6.00%	R 904	1.06	6.00%
	Application fee						

K.

ITEM	DESCRIPTION	2023/2024	INCREASE	PERCENTAGE	2024/2025	INCREASE	PERCENTAGE
	OUTDOOR ADVERTISING APPLICATIONS	[R] VAT INCL	FACTOR	INCREASE = 6%	[R] VAT INCL	FACTOR	INCREASE = 6%
16.3	APPLICATIONS FOR EXTENSION OF TIME PERIOD	R 731	1.06	6.00%	R 775	1.06	6.00%
	Application fee						
16.4	*Inspection fee*	R 244	1.06	6.00%	R 259	1.06	6.00%
	per m^2 of the total face of each sign applicable to all flat signs						
17	PROJECTING SIGNS						
17.1	NEW APPLICATIONS	R 1 236	1.06	6.00%	R 1 310	1.06	6.00%
	Application fee						
17.2	APPLICATIONS FOR AMENDMENTS	R 855	1.06	6.00%	R 906	1.06	6.00%
	Application fee						
17.3	APPLICATIONS FOR EXTENSION OF TIME PERIOD	R 731	1.06	6.00%	R 775	1.06	6.00%
	Application fee						
17.4	*Inspection fee*	R 244	1.06	6.00%	R 259	1.06	6.00%
	per m^2 of the total face of each sign applicable to Projecting Signs						
18	VERANDA, BALCONY, CANOPY AND UNDERAWNING SIGNS						
	(If not exempted under Section 9)						
18.1	NEW APPLICATIONS	R 367	1.06	6.00%	R 389	1.06	6.00%
	Application fee per sign						
18.2	APPLICATIONS FOR AMENDMENTS	R 244	1.06	6.00%	R 259	1.06	6.00%
	Application fee per sign						
18.3	APPLICATIONS FOR EXTENSION OF TIME PERIOD	R 124	1.06	6.00%	R 131	1.06	6.00%
	Application fee per sign						
19	SIGNS PAINTED ON WALLS AND ROOFS						
	Prohibited						

K.

ITEM	DESCRIPTION	2023/2024	INCREASE	PERCENTAGE	2024/2025	INCREASE	PERCENTAGE
	OUTDOOR ADVERTISING APPLICATIONS	[R] VAT INCL	FACTOR	INCREASE = 6%	[R] VAT INCL	FACTOR	INCREASE = 6%
20	**WINDOW SIGNS**						
	Exempted						
21	**SIGNS INCORPORATED IN THE FABRIC OF A BUILDING**						
	Exempted						
22	**ADVERTISMENTS ON FORECOURTS OF BUSINESS PREMISES**						
	NEW APPLICATIONS	R 1 236	1.06	6.00%	R 1 310	1.06	6.00%
	Application fee per enterprise per annum						
23	**MISCELLANEOUS SIGNS FOR RESIDENTIAL ORIENTED LAND USE AND COMMUNITY SERVICE (If not exempted under Section 9)**						
23.1	**NEW APPLICATIONS**	R 731	1.06	6.00%	R 775	1.06	6.00%
	Application fee per sign						
23.2	**APPLICATIONS FOR AMENDMENTS**	R 367	1.06	6.00%	R 389	1.06	6.00%
	Application fee per sign						
23.3	**APPLICATIONS FOR EXTENSION OF TIME PERIOD**	R 367	1.06	6.00%	R 389	1.06	6.00%
	Application fee per sign						
24	**ON-PREMISES BUSINESS SIGNS**						
24.1	**NEW APPLICATIONS**						
	Application fee	R 225	1.06	6.00%	R 239	1.06	6.00%
	Fee per m^2 of the total face of the advertisement with a minimum fee of R274.32						

K.

ITEM	DESCRIPTION	2023/2024	INCREASE	PERCENTAGE	2024/2025	INCREASE	PERCENTAGE
	OUTDOOR ADVERTISING APPLICATIONS	[R] VAT INCL	FACTOR	INCREASE = 6%	[R] VAT INCL	FACTOR	INCREASE = 6%
	APPLICATIONS FOR AMENDMENTS						
24.2	*Application fee*	R 123	1.06	6.00%	R 130	1.06	6.00%
	Fee per m^2 of the total face of the advertisement wit a minimum fee of R223.56						
	APPLICATIONS FOR EXTENSION OF TIME PERIOD						
24.3	*Application fee*	R 123	1.06	6.00%	R 130	1.06	6.00%
	Fee per m^2 of the total face of the advertisement with a minimum fee of R149.04						
	ADVERTISEMENTS ON TOWERS, BRIDGES, GANTRIES AND						
25	PYLONS						
25.1	NEW APPLICATIONS	R 2 437	1.06	6.00%	R 2 583	1.06	6.00%
	Application fee per sign						
25.2	APPLICATIONS FOR AMENDMENTS	R 686	1.06	6.00%	R 727	1.06	6.00%
	Application fee per sign						
25.3	APPLICATIONS FOR EXTENSION OF TIME PERIOD	R 853	1.06	6.00%	R 904	1.06	6.00%
	Application fee per sign						
25.4	Inspection fee	R 244	1.06	6.00%	R 259	1.06	6.00%
	per m^2 of the total face of each sign applicable on Towers, Bridges, Gantries & Pylons						
	CLASS 4 ADVERTISEMENTS						
26	SPONSORED ROAD TRAFFIC PROJECTS						
	Exempted						
27	SERVICE FACILITY SIGNS						
27.1	NEW APPLICATIONS	R 2 438	1.06	6.00%	R 2 584	1.06	6.00%
	Application fee per sign						
27.2	APPLICATIONS FOR AMENDMENTS	R 1 217	1.06	6.00%	R 1 290	1.06	6.00%
	Application fee per sign						

K.

ITEM	DESCRIPTION	2023/2024	INCREASE	PERCENTAGE	2024/2025	INCREASE	PERCENTAGE
	OUTDOOR ADVERTISING APPLICATIONS	[R] VAT INCL	FACTOR	INCREASE = 6%	[R] VAT INCL	FACTOR	INCREASE = 6%
27.3	APPLICATIONS FOR EXTENSION OF TIME PERIOD	R 853	1.06	6.00%	R 904	1.06	6.00%
	Application fee per sign						
27.4	*Inspection fee*	R 244	1.06	6.00%	R 259	1.06	6.00%
	per m^2 of the total face of each sign applicable to Services Facility signs						
28	TOURISM SIGNS						
28.1	NEW APPLICATIONS	R 367	1.06	6.00%	R 389	1.06	6.00%
	Application fee per sign						
28.2	APPLICATIONS FOR AMENDMENTS	R 244	1.06	6.00%	R 259	1.06	6.00%
	Application fee per sign						
28.3	APPLICATIONS FOR EXTENSION OF TIME PERIOD	R 185	1.06	6.00%	R 196	1.06	6.00%
	Application fee per sign						
29	FUNCTIONAL ADVERTISEMENTS BY PUBLIC BODIES						
	Exempted						
30	CLASS 5 ADVERTISEMENTS						
	AERIAL SIGNS						
30.1	NEW APPLICATIONS	R 1 217	1.06	6.00%	R 1 290	1.06	6.00%
	Application fee per sign						
30.2	APPLICATIONS FOR EXTENSION OF TIME PERIOD	R 731	1.06	6.00%	R 775	1.06	6.00%
	Application fee per sign						

K.

ITEM	DESCRIPTION	2023/2024	INCREASE	PERCENTAGE	2024/2025	INCREASE	PERCENTAGE
	OUTDOOR ADVERTISING APPLICATIONS	(R) VAT INCL	FACTOR	INCREASE = 6%	(R) VAT INCL	FACTOR	INCREASE = 6%
31	**VEHICULAR ADVERTISEMENT**						
	Exempted - LAW ENFORCEMENT UNIT						
32	**TRAILER ADVERTISEMENT**						
	LAW ENFORCEMENT UNIT						
33	**All tariffs shown, excludes 15% VAT.**						
34	**All fees levied in terms hereof, are payable in advance.**						

K. MOKWENA
EXECUTIVE DIRECTOR:DEVELOPMENT AND PLANNING

OUTDOOR ADVERTISING TARIFFS FOR 2023 - 2024

MIDVAAL LOCAL MUNICIPALITY

ITEM	DESCRIPTION	2023/2024	INCREASE	PERCENTAGE	2024/2025	INCREASE	PERCENTAGE
	BUILDING CONTROL APPLICATIONS	[R] VAT INCL	FACTOR	INCREASE = 6%	[R] VAT INCL	FACTOR	INCREASE = 6%
	THE TARIFFS LISTED BELOW ARE VALID FROM 1 JULY 2024						
	TARIFFS FOR THE PRE EVALUATION OF SKETCHES OR PRELIMENARY DRAWINGS						
1.1	Charges for the examination of preliminary plans in terms of section A3 of the Regulations shall be valued at 50 % of the charges payable in terms of item 2 below, which ever is applicable	50.00%			50.00%		
	TARIFFS FOR ALL APPLICATIONS SUBMITTED VIA THE WEB MODULE						
1.2	Charges for the evaluation of applications in terms of Item 2 and Item 4 - 8 received electronically via the Web Module shall be valued at 20% less than the fees charged for Counter submissions	20.00%			20.00%		
	TARIFFS FOR THE EVALUATION OF BUILDING PLAN APPLICATIONS FOR RESIDENTIAL,						
	These tariffs are charged for building plans (new buildings and additions). The floor area of a building is calculated from the external surface to the opposite external surface of the wall as per section C of SANS 10400						
	0 - 50m²	R 442	1.06	6.00%	R 468	1.06	6.00%
	Inspection Fee (Residential & Non -Residential) PER OCCUPANCY	R 442	1.06	6.00%	R 468	1.06	6.00%
	50m² to 100m²	R 885	1.06	6.00%	R 938	1.06	6.00%
	Inspection Fee (Residential) PER OCCUPANCY	R 885	1.06	6.00%	R 938	1.06	6.00%
	Inspection Fee (Residential & Non -Residential) PER OCCUPANCY	R 973	1.06	6.00%	R 1 031	1.06	6.00%
	101m² - 1 000m² = p/m²	R 14	1.06	6.00%	R 15	1.06	6.00%
	Inspection Fee (Residential) PER OCCUPANCY	R 885	1.06	6.00%	R 938	1.06	6.00%
	Inspection Fee (Residential & Non -Residential) PER OCCUPANCY	R 1 770	1.06	6.00%	R 1 876	1.06	6.00%
2.1	1 001m² - 10 000m² = p/m²	R 12	1.06	6.00%	R 13	1.06	6.00%
	Inspection Fee (Residential) PER OCCUPANCY	R 885	1.06	6.00%	R 938	1.06	6.00%
	Inspection Fee (Residential & Non -Residential) PER OCCUPANCY	R 1 770	1.06	6.00%	R 1 876	1.06	6.00%
	10 001m² - 100 000m² (Fixed Rate)	R 150 397	1.06	6.00%	R 159 421	1.06	6.00%
	Inspection Fee (Residential) PER OCCUPANCY	R 885	1.06	6.00%	R 938	1.06	6.00%
	Inspection Fee (Residential & Non -Residential) PER OCCUPANCY	R 1 770	1.06	6.00%	R 1 876	1.06	6.00%
	100 001m² - 200 000m² (Fixed Rate)	R 185 784	1.06	6.00%	R 196 931	1.06	6.00%
	Inspection Fee (Residential) PER OCCUPANCY	R 885	1.06	6.00%	R 938	1.06	6.00%
	Inspection Fee (Residential & Non -Residential) PER OCCUPANCY	R 1 770	1.06	6.00%	R 1 876	1.06	6.00%
	200 001m² - No Limit (Fixed Rate)	R 221 172	1.06	6.00%	R 234 442	1.06	6.00%
	Inspection Fee (Residential) PER OCCUPANCY	R 885	1.06	6.00%	R 938	1.06	6.00%
	Inspection Fee (Residential & Non -Residential) PER OCCUPANCY	R 1 770	1.06	6.00%	R 1 876	1.06	6.00%
	TARIFFS FOR THE EVALUATION OF BUILDING PLAN APPLICATIONS FOR EXISTING / AS-BUILT RESIDENTIAL, BUSINESS,COMMERCIAL, INDUSTRIAL & RURAL DEVELOPMENT						
2.2	These tariffs are charged as per section 2.1 above + 30 % for building plans submitted on existing / as-built structures after commencement/completion of such structures. The floor area of a building is calculated from the external surface to the opposite external surface of the wall as per section C of SANS 10400	130.00%			130.00%		
	TARIFFS FOR THE (CALL OUT) INSPECTION OF EXISTING / AS-BUILT RESIDENTIAL, BUSINESS,COMMERCIAL, INDUSTRIAL & RURAL DEVELOPMENT						
2.3	These inspections are performed on request of the property owner and/or routine inspections as per section 2.1 above + 30 % for inspectiong the existing / as-built structures after commencement/completion of such structures.	130.00%			130.00%		

K.

ITEM	DESCRIPTION	2023/2024	INCREASE	PERCENTAGE	2024/2025	INCREASE	PERCENTAGE
	BUILDING CONTROL APPLICATIONS	[R] VAT INCL	FACTOR	INCREASE = 6%	[R] VAT INCL	FACTOR	INCREASE = 6%
3	TARIFFS FOR INSPECTIONS IN TERMS OF ITEM 1 AND 2 ABOVE						
	Callout for each additional inspection neccesitated by non compliance with a requirement	R 531	1.06	6.00%	R 563	1.06	6.00%
	Callout for each additional inspection for building plan clearance	R 531	1.06	6.00%	R 563	1.06	6.00%
4	TARIFFS FOR THE APPROVAL OF STATE (FULLY AND PARTLY) FUNDED HOUSING PROJECTS						
	Individual single units ≤ 50m² per type/unit	R 194	1.06	6.00%	R 206	1.06	6.00%
	Callout inspection on a State/Municipal funded project ≤ 500 units ≤ 50m² per batch of 50 units	R 584	1.06	6.00%	R 619	1.06	6.00%
	Callout inspection on a State/Municipal funded project ≥ 500 units ≤ 50m² per batch of 50 units	R 354	1.06	6.00%	R 375	1.06	6.00%
	Individual single units ≥ 50m² per type/unit, Charges per type	R 376	1.06	6.00%	R 399	1.06	6.00%
	Callout inspection on a State/Municipal funded project ≤ 500 units ≥ 50m² per batch of 50 units	R 973	1.06	6.00%	R 1 031	1.06	6.00%
	Callout inspection on a State/Municipal funded project ≥ 500 units ≥ 50m² per batch of 50 units	R 973	1.06	6.00%	R 1 031	1.06	6.00%
	Blocks of flats (Walk-up) with individual flats are ≤ 50m² per flat/occupancy	R 98	1.06	6.00%	R 104	1.06	6.00%
	Blocks of flats (Walk-up) with individual flats are ≥ 50m² per flat/occupancy, charges per type	R 197	1.06	6.00%	R 208	1.06	6.00%
	Callout inspection on each block of flats with units ≤ 50m² per flat	R 617	1.06	6.00%	R 654	1.06	6.00%
	Callout inspection on each block of flats with units ≥ 50m² per flat	R 1 121	1.06	6.00%	R 1 188	1.06	6.00%
5	TARIFFS FOR THE EVALUATION OF MINOR BUILDING WORK APPLICATIONS ON RESIDENTIAL, BUSINESS,COMMERCIAL, INDUSTRIAL & RURAL PROPERIES						
	Minor Building work as contemplated in section 13 of the Act and defined in SANS 10400, National Building regulations. Should any of the minor buildings be submitted simultaniously with an applications as per item 2 above, the minor building work tariff shall not be applicable or charged.						
	the erection of any –						
	Internal alterations to any building or structure not affecting the existing floor area	382	1.06	6.00%	R 405	1.06	6.00%
	Boundary walls adjacent to any street front	382	1.06	6.00%	R 405	1.06	6.00%
	Boundary walls along any side or rear boundary of a property	382	1.06	6.00%	R 405	1.06	6.00%
	Poultry house not exceeding 10 m2 in area,	164	1.06	6.00%	R 174	1.06	6.00%
	Aviary not exceeding 20 m2 in area,	164	1.06	6.00%	R 174	1.06	6.00%
	Solid fuel store not exceeding 10 m2 in area and 2 m in height,	164	1.06	6.00%	R 174	1.06	6.00%
	Tool shed not exceeding 10 m2 in area,	164	1.06	6.00%	R 174	1.06	6.00%
	Child's playhouse not exceeding 5 m2 in area,	164	1.06	6.00%	R 174	1.06	6.00%
	Cycle shed not exceeding 5 m2 in area,	164	1.06	6.00%	R 174	1.06	6.00%
	Greenhouse not exceeding 15 m2 in area	164	1.06	6.00%	R 174	1.06	6.00%
	Open-sided car, caravan or boat shelter of shadenet where such shelter does not exceed 18m² in area and does not encroach over any building line	164	1.06	6.00%	R 174	1.06	6.00%
	Open-sided car, caravan or boat shelter of metal sheeting or a carport where such shelter or carport exceeding 18m² in area but does not encroach over any building line	707	1.06	6.00%	R 750	1.06	6.00%
	Any free-standing wall constructed of masonry, concrete, steel, aluminium or timber or any wire fence where such wall or fence does not 1.8m in height at any point above ground level and does not retain soil	707	1.06	6.00%	R 750	1.06	6.00%
	Any Pergola, Open Porch and / or Build Braai	707	1.06	6.00%	R 750	1.06	6.00%
	Private swimming pool,	707	1.06	6.00%	R 750	1.06	6.00%
	Change room, not exceeding 10 m2 in area, at a private swimming pool;	707	1.06	6.00%	R 750	1.06	6.00%
	The replacement of a roof or part thereof with the same or similar material;	707	1.06	6.00%	R 750	1.06	6.00%
	The conversion of a door into a window or a window into a door without increasing the width of the opening	164	1.06	6.00%	R 174	1.06	6.00%
	The making of an opening in a wall which does not affect the structural safety of the building concerned	164	1.06	6.00%	R 174	1.06	6.00%
	The partitioning or the enlarging of any room by the erection or demolition of an internal wall if such erection or demolition does not affect ther structural safety of the buildig concerned	164	1.06	6.00%	R 174	1.06	6.00%
	The erection of any solar water heater not exceeding 6 m2 in area on any roof or 12 m2 when erected other than on any roof	328	1.06	6.00%	R 347	1.06	6.00%
	The erection of any other building where the nature of the erection is such that in the opinion of the Building Control Officer it is not necessary for the applicant to submit, with his application, plans prepared in full conformity with the Regulations ***	328	1.06	6.00%	R 347	1.06	6.00%
	Tariffs are charged as per section 2.1 above where any minor building works encroach over any building lines. The floor area of a minor building works structure is calculated from the external surface/covering to the opposite external surface/covering of the wall/covering as per section C of SANS 10400						

K.

ITEM	DESCRIPTION BUILDING CONTROL APPLICATIONS	2023/2024 [R] VAT INCL	INCREASE FACTOR	PERCENTAGE INCREASE = 6%	2024/2025 [R] VAT INCL	INCREASE FACTOR	PERCENTAGE INCREASE = 6%
6	**TARIFFS FOR THE EVALUATION OF PLANS FOR BUILDINGS/STRUCTURES THAT HAVE A SPECIAL CHARACTER ON RESIDENTIAL, BUSINESS,COMMERCIAL, INDUSTRIAL & RURAL PROPERIES**						
	Buildings or structures such as ; Factory shafts, elevators, chimneys, elevated security watchrooms, masts and towers.	R 5 308	1.06	6.00%	R 5 627	1.06	6.00%
7	**LP GAS AND OTHER HAZARDOUS FUEL INSTALLATION APPLICATIONS**						
	This application includes all types of gas and fuel installations on any property as required in terms of Part T of SANS 10400	R 1 061	1.06	6.00%	R 1 125	1.06	6.00%
	No inspection charge because the inspection is done by the fire department.	R 0	1.06		R 0	1.06	
8	**TARIFFS FOR THE EVALUATION OF PLANS FOR TEMPORARY BUILDINGS ON RESIDENTIAL, BUSINESS,COMMERCIAL, INDUSTRIAL & RURAL PROPERIES FOR WHICH A PERMIT IS ISSUED**						
	The permit for any temporary building or structure is valid for 6 months from date of issue and renewable on written request Temporary buildings may include a builders hut, security hut, tool shed, storage container or any structure intended to be used for a limited specified period within 6 months and completely demolished thereafter Permit per structure/unit - Fixed Price	R 328	1.06	6.00%	R 348	1.06	
9	**APPLICATIONS FOR APPROVAL OF PREVIOUSLY APPROVED PLANS THAT HAVE LAPSED**						
	For consideration of approving previously approved plans that have lapsed provided that the application is submitted within 6 months of the lapsed date of the original plan Renewal of a building plan application = **Inspection fees + 35% of tariff** in terms of item 2 and 4 - 8	35.00%			35.00%		
10	**CANCELLATION OF ANY APPLICATION ON OWNERS REQUEST**						
	Cancellation of any application on the owner's written request within 6 months from date of approval, **30%** of the initial application fee may be refunded	30.00%			30.00%		
11	**CANCELLATION OF AN APPLICATION DUE TO NON APPROVAL**						
	When any application was submitted for consideration but cannot be considered for approval, **20%** of the initially paid application fee interms of item 2 above may be refunded on written request by the owner within 6 months from date of non-approval letter.	20.00%			20.00%		
12	**PROVISIONAL AUTHORISATION TO COMMENCE BUILDING WORK - 7(6) Application**						
	This authorisation may only be granted with the favourable comment from Town planning, Properties & Engineering departments and the consent of the Executive Director: Development, Planning & Housing	R 5 918	1.06	6.00%	R 6 273	1.06	6.00%
13	**PROVISIONAL AUTHORISATION TO COMMENCE BUILDING WORK ON FULLY AND PARTLY SUBSIDISED HOUSING PROJECTS - 7(6) Application**						
	This authorisation may be granted per **(50 units as per schedule 4 above)** only with the favourable comment from Town planning, Properties & Engineering departments and the consent of the Executive Director: Development, Planning & Housing	R 6 194	1.06	6.00%	R 6 566	1.06	6.00%
14	**PROVISIONAL AUTHORISATION TO OCCUPY A BUILDING**						
	This authorisation may only be granted with the favourable comment of the Building Control Officer and the submitted completion certificate/s of the supervising engineer on site	R 6 135	1.06	6.00%	R 6 503	1.06	6.00%
15	**AUTHORISATION FOR DEMOLITION WORK**						
	This authorisation may only be granted with the favourable comment of all relevant departments and the consent of the Executive director: Development, Planning & Housing and the South African Heritage Resources Agency (when applicable)	R 1 239	1.06	6.00%	R 1 313	1.06	6.00%

K.C

ITEM	DESCRIPTION	2023/2024	INCREASE	PERCENTAGE	2024/2025	INCREASE	PERCENTAGE
	BUILDING CONTROL APPLICATIONS	[R] VAT INCL	FACTOR	INCREASE = 6%	[R] VAT INCL	FACTOR	INCREASE = 6%
16	**APPLICATION FOR AN OCCUPATION CERTIFICATE**						
	When an application is received for the issuing of a Certificate of Occupancy for any structure, ad the structure is found to be compliant, no fee is charged.	No Cost	No Cost	No Cost	No Cost	No Cost	No Cost
17	**APPLICATION FOR A CERTIFICATE OF OCCUPANCY WITHIN THE SPECIFIED TIMEFRAME FROM DATE OF PLAN APPLICATION APPROVAL**						
	When an applicant applies for a COO within 24 Months from date of application approval and the works is found to be compliant and the COO is issued within the same 24 months, the applicant is entitled to 10% refund of such application fee as an incentive. Should the applicant not apply for the 10% refund within the same 24 months period, the applicant will automatically forfeit the refund.	10.00%			10.00%		
	When an applicant applies for a COO within 12 Months from date of application approval and the works is found to be compliant and the COO is issued within the same 12 months, the applicant is entitled to 20% refund of such application fee as an incentive. Should the applicant not apply for the 20% refund within the same 12 months period, the applicant will automatically forfeit the refund.	20.00%			20.00%		
18	**EXEMPTIONS**						
	The following applications are exempted from submission fees;	No Cost	No Cost	No Cost	No Cost	No Cost	No Cost
	Applications in respect of any building to be erected by the state or on behalf of the state. In this context "State" means an "Organ of State" as defined in Section 239 of the Constitution. This is interpreted as those institutions which are an intrinsic part of Government and those institutions outside the public service which are controlled by the State.	No Cost	No Cost	No Cost	No Cost	No Cost	No Cost
	Building plans for all buildings and structures managed by the Local Authority, erected for and by the Local Authority. (Plans must be submitted and approved prior to construction.)	No Cost	No Cost	No Cost	No Cost	No Cost	No Cost
	Building Plans submitted on existing structures for which can be proven to exist for longer than 30 years for which the plans does not exist or requires newly drawn plans for record purposes because of outdated and non legible plans dated 30 years ago	No Cost	No Cost	No Cost	No Cost	No Cost	No Cost
19	**ADMINISTRATION FEE, PRINTS AND COPIES OF DOCUMENTATION AND MONTHLY STATISTICS**						
	Copies of monthly building statistics and schedules of approved plans per month per item copy	R 177	1.06	6.00%	R 188	1.06	6.00%
	Copies of Archive documents from previously submitted Applications / documentation (Admin fee + paper size as per schedule 20 and /or 21	R 83	1.06	6.00%	R 88	1.06	6.00%
	Softcopy record of own application documentation via e-mail / drop-box subject to formal application	No Cost	No Cost	No Cost	No Cost	No Cost	No Cost
20	**B & W 2D/ LINE DRAWING ON BOND PAPER:**						
	Size A4 =	R 8	1.06	6.00%	R 9	1.06	6.00%
	Size A3 =	R 12	1.06	6.00%	R 13	1.06	6.00%
	Size A2 =	R 24	1.06	6.00%	R 25	1.06	6.00%
	Size A1 =	R 35	1.06	6.00%	R 37	1.06	6.00%
	Size A0 =	R 71	1.06	6.00%	R 76	1.06	6.00%

K.

ITEM	DESCRIPTION	2023/2024	INCREASE	PERCENTAGE	2024/2025	INCREASE	PERCENTAGE
	BUILDING CONTROL APPLICATIONS	[R] VAT INCL	FACTOR	INCREASE = 6%	[R] VAT INCL	FACTOR	INCREASE = 6%
	Colour 2D/Line/GIS/POSTER ON BOND/COATED PAPER:						
	Size A4 =	R 10	1.06	6.00%	R 10	1.06	6.00%
21	Size A3 =	R 20	1.06	6.00%	R 21	1.06	6.00%
	Size A2 =	R 70	1.06	6.00%	R 74	1.06	6.00%
	Size A1 =	R 112	1.06	6.00%	R 119	1.06	6.00%
	Size A0 =	R 213	1.06	6.00%	R 226	1.06	6.00%
22	**All tariffs shown, includes 15% VAT.**						
23	**All fees levied in terms hereof, are payable in advance.**						

K. RASEPAE
BUILDING CONTROL OFFICER

K. MOKWENA
EXECUTIVE DIRECTOR: DEVELOPMENT AND PLANNING

BUILDING CONTROL APPLICATION TARIFFS FOR 2024 - 2025

ITEM	DESCRIPTION	2023/2024	2024/2025	2024/2025	2024/2025
	Development & Planning (Land Use Applications)	VAT INCL	PERCENTAGE INCREASE %	CALCULATED AMOUNT	VAT INCL
		(ROUNDED OFF)			(ROUNDED OFF)
	THE TARIFFS LISTED BELOW ARE VALID FROM THE FULL IMPLEMENTATION OF SPLUMA BY NOTICE OF THE MM				
.	A. DETERMINATION OF FEES PAYABLE IN TERMS OF THE SPATIAL PLANNING AND LAND USE MANAGEMENT ACT (ACT 16 OF 2013)				
1	Application for establishment of a township.*	8774.68	6.00	9301.16	9301.00
2	Application for an amendment of a township application.*	5536.38	6.00	5868.56	5869.00
3	Application for extension of boundaries of an approved township.*	6413.00	6.00	6797.78	6798.00
4	Application for phasing of Township application.*	6413.00	6.00	6797.78	6798.00
5	Application for the merger of townships.*	6072.74	6.00	6437.10	6437.00
6	Amendment or cancellation in whole or in part of a general plan.*	3033.72	6.00	3215.74	3216.00
7	Application for rezoning (Amendment of a Land Use Scheme).* - excluding promulgation costs.	6552.92	6.00	6946.10	6946.00
8	Application for rezoning (Amendment of a Land Use Scheme).* - including promulgation costs.	7748.60	6.00	8213.52	8214.00
9	Cost for Muncipality to promulgate new rights on behalf of applicant/owner if he/she failed to promulgate when instructed . *	Does not exist anymore	Zero	Does not exist anymore	Does not exist anymore
10	Application for removal, amendment or suspension of a restrictive or obsolete condition, servitude or reservation registered against the title of the land.*	1894.22	6.00	2007.87	2008.00
11	Application for consolidation of any land.*	1894.22	6.00	2007.87	2008.00
12	Application for subdivion of any land (10 or less portions).*	6754.32	6.00	7159.58	7160.00
13	Application for subdivion of any land (11 or more portions).*	8433.36	6.00	8939.36	8939.00
14	Application for consent of the Council for any land use purpose or deviation in terms of the land use scheme or existing scheme which does not constitute a land development application.*	2373.34	6.00	2515.74	2516.00
15	Application for written consent of the Council for any land use purpose or deviation in terms of the land use scheme or existing scheme which does not constitute a land development application.*	1198.86	6.00	1270.79	1271.00
16	Application in terms of Section 92 for exemption from complying with any provision of the Midvaal Local Municipality Planning and Land Use Management By-Law.*	842.70	6.00	893.26	893.00
17	Application for excision.*	1198.86	6.00	1270.79	1271.00
18	The withdrawal of an approved subdivision/consolidation/written consent/consent use application.	1010.18	6.00	1070.79	1071.00
19	The amendment of the conditions on which the consolidation/subdivision was approved.*	1072.72	6.00	1137.08	1137.00
20	An amendment of the approved consolidation or subdivision plan.*	1072.72	6.00	1137.08	1137.00

KC

	C. PROPERTY SECTION				
39	PARK CLOSURES.*	9468.98	6.00	10037.12	10037.00
40	STREET CLOSURES.*	9468.98	6.00	10037.12	10037.00
41	Administration fees - New applications for the selling and leasing of Council property.*	631.76	6.00	669.67	670.00
42	Fees payable to Council to give notice to adjacent owners (per property)	50.00	6.00	53.00	53.00
	D. PROVISION OF INFORMATION				
43	Extraction from LAND USE scheme, per page (Size A4).*	108.12	6.00	114.61	115.00
44	Issue of Zoning certificates, each.*	108.12	6.00	114.61	115.00
45	Inspection of any deed, document/any relative particulars, including the issuing of a printout.*	164.30	6.00	174.16	174.00
46	Issue of a Surveyor General (SG) Diagram.*	135.00	0.00	50.00	50.00
47	Compilation of a Locality Plan.*	154.76	6.00	164.05	164.00
48	Copy of a locality plan.*	36.04	6.00	38.20	38.00
	E. CHARGES FOR PLANS & MAPS - PLOTTING & PRINTING				
	(i) BLACK & WHITE 2D/LINE DRAWING ON BOND PAPER*				
49	SIZE A4	7.50	6.00	7.50	8.00
50	SIZE A3	15.90	6.00	16.85	17.00
51	SIZE A2	28.62	6.00	30.34	30.00
52	SIZE A1	38.16	6.00	40.45	40.00
53	SIZEA0	76.32	6.00	80.90	81.00
	(ii) COLOUR 2D/LINE/GIS/POSTER ON BOND/COATED PAPER*				
54	SIZE A3	12.72	6.00	13.48	14.00
55	SIZE A2	19.08	6.00	20.22	20.00
56	SIZE A1	76.32	6.00	80.90	81.00
57	SIZE A0	200.34	6.00	212.36	212.00

KC

	(iii) COLOUR GIS/POSTER ON GLOSS PAPER*				
58	SIZE A3	94.34	6.00	100.00	100.00
59	SIZE A2	175.96	6.00	186.52	187.00
60	SIZE A1	328.60	6.00	348.32	348.00
61	SIZE A0	605.26	6.00	641.58	642.00

***NOTE: Applicable to all aplications - Areas forming part of Economic Revitalisation Zone as contained in the Midvaal land Use Scheme, 2023. limited to 50% rebate.**

DEFINITION: "Areas forming part of Economic Revitalisation Zone as contained in the Midvaal Land Use Scheme, 2023. limited to 50% rebate", refers to the Economic Revitalisation Zones contained in the Midvaal Land Use Scheme (SLUS) made up of the following areas:
Sicelo, Meyerton Farms, Lakeside, Mamello, Ohenimuri, Witkop (Daleside) & Savanna City.

Tariffs are effective from 1 July 2024

..... Date 06/05/2024

K. MOKWENA
EXECUTIVE DIRECTOR DEVELOPMENT AND PLANNING

KC

MIDVAAL LOCAL MUNICIPALITY

ITEM	DESCRIPTION	2023/2024	2024/2025	PERCENTAGE
	Tariffs for Protection Services-(Fire)	INCL VAT	INCL VAT	INCREASE
	THE TARIFFS LISTED BELOW ARE VALID FROM 1 JULY 2024			
1	EXTINGUISHING OF FIRES (As listed below)			
A	Call out fee per incident			
1	Industrial Fire (High Risk)	R2 997.89	R 3177.80	6%
2	Industrial Fire (Low Risk)	R 1496.72	R 1586.50	6%
3	Residential	R 749.74	R 794.70	6%
4	Institutions	R 749.74	R 794.70	6%
5	Public Assembly	R 749.74	R 794.70	6%
6	Commercial	R 749.74	R 794.70	6%
7	Storage	R 749.74	R 794.70	6%
8	Shack or Informal housing	R 150.2	R 159.20	6%
9	Heavy Motor Vehicle Fire	R 749.74	R 794.70	6%
10	Motor vehicle, motor bike, trailer with content	R 301.99	R 320.10	6%
11	Train	R 1412.24	R 1497.00	6%
12	Lamp or electrical poles	R 301.99	R 320.10	6%
13	Transformers	R 749.74	R 794.70	6%
14	Tyres or Stacks of tyres	R 2997.89	R 3177.80	6%
15	Water used per Kilo litre	R 30.	R 31.80	6%
16	Where damping down is necessary	R 599.54	R 635.50	6%
B	Personnel			
1	Per Senior Officer(DIV OFF & ABOVE)	R 281.96	R 298.90	6%
2	Per Officer	R 216.03	R 229.00	6%
3	Per Senior Fireman	R 173.1	R 183.50	6%
4	Per Junior Fireman	R 123.17	R 130.60	6%
	(Times above to be calculated from the time that the personnel left the station until the fire has been reported as extinguished)			
C	Fire Vehicles - Per Vehicle			
	Fire Vehicles to be calculated per hour or part thereof from the time the vehicle has been dispatched until the fire has been reported as extinguished	R 1508.27	R 1598.80	6%
D	Material used- Foam per litre			
	Real cost of the fire extinguishing material used Silvex	R 133.03	R 141.00	6%
	including VAT and as certified by the Chief Fire Hi-Exp	R 107.27	R 113.70	6%
	Officer plus 20% Flame Block	R 77.27	R 81.90	6%
2	GRASS-, BUSH- AND RUBBISH FIRES			
A	Call out fee - Calculate the flat rate			
1	Grass fires - Flat rate (Sedibeng) per call	R 2103.57	R 2229.80	6%
2	Rubbish fires- Flat rate(Sedibeng) Per call	R 2103.57	R 2229.80	6%
3	Grass fires - Flat rate (residential) per call - account sent to owner	R 2103.57	R 2229.80	6%
4	Rubbish fires- Flat rate(Residential) Per call- Account sent to owner	R 2103.57	R 2229.80	6%
5	Bales of feed or Hey stacks	R 2997.89	R 3177.80	6%
6	Where dumping down is necessary	R 599.54	R 635.50	6%

ITEM	DESCRIPTION	2023/2024	2024/2025	PERCENTAGE
	Tariffs for Protection Services-(Fire)	INCL VAT	INCL VAT	INCREASE
3	HAZARDOUS MATERIAL INCIDENTS			
	OIL SPILLAGES ECT			
A	Call out fee	R 2997.89	R 3177.80	6%
B	Personnel			
1	Per Senior Officer	R 298.92	R 316.90	6%
2	Per Officer	R 228.96	R 242.70	6%
3	Per Senior Fireman	R 183.49	R 194.50	6%
4	Per Junior Fireman	R 130.59	R 138.40	6%
C	Vehicles - Per Vehicle			
	Fire Vehicles to be calculated per hour or part thereof from the time the vehicle has been dispatched until the service is reported to be completed	R 1508.27	R 1598.80	6%
1	Per kilometre (Travelled to and from the incident per utility vehicle) (AA Tariffs)	R 7.21	R 7.60	6%
2	Per portable pump (Real working time of pump per hour)	R 150.2	R 159.20	6%
3	Per Fire hose (Per hour or part thereof)	R 31.59	R 33.50	6%
4	Per ladder used per call	R 150.2	R 159.20	6%
4	PROTECTION SERVICES (STANDBY SERVICES)			
	Where the presence of the Fire department is compulsory with a Fire Vehicle and crew the company responsible for the situation will be liable for the account			
A	Call out fee			
		R 1508.27	R 1598.80	6%
B	Personnel			
1	Per Senior Officer	R 281.96	R 298.90	6%
2	Per Officer	R 216.03	R 229.00	6%
3	Per Senior Fireman	R 173.1	R 183.50	6%
4	Per Junior Fireman	R 123.17	R 130.60	6%
C	Vehicles - Per Vehicle			
	Fire Vehicles to be calculated per hour or part there off from the time the vehicle has been dispatch until the service is reported to be completed	R 1508.27	R 1598.80	6%
1	Per kilometre (Travelled to and from the incident per	R 7.21	R 7.60	6%
	utility vehicle) (AA tariffs)			
2	Per portable pump (Real working time of pump per hour)	R 150.2	R 159.20	6%
3	Per Fire hose (Per hour or part thereof)	R 31.59	R 33.50	6%
4	Per ladder used per call	R 150.2	R 159.20	6%
5	FILLING OF SWIMMING POOLS AND WATER TANKS			
1	Flat rate of:	R 2296.7	R 2434.50	6%
2	Swimming Pools	R 2296.7	R 2434.50	6%
3	Water tanks drinking water less than 6kl charge per kl	R 30.	R 31.80	6%
4	Water tanks drinking water more than 6kl charge per flat rate	R 2296.7	R 2434.50	6%
5	Water per Kilo Litre	R 30.	R 31.80	6%

ITEM	DESCRIPTION	2023/2024	2024/2025	PERCENTAGE
	Tariffs for Protection Services-(Fire)	INCL VAT	INCL VAT	INCREASE
6	**Assisting FPA in Combating Fires**			
1	Reservoirs, Dams, rivers etc. relating to assist in grass fire combatting no charge for the FPA			
7	**OTHER SERVICES**			
A	**Pumping of water from property:**			
1	Light pump with a capacity of up to 1125 1/min,	R 1130.38	R 1198.20	6%
	per hour or part thereof			
2	Medium pump with a capacity of up to 2250 1/min,	R 1508.27	R 1598.80	6%
	per hour or part thereof			
3	Heavy pump with a capacity of up to 4500 1/min,	R 1508.27	R 1598.80	6%
	per hour or part thereof			
4	Per Officer	R 201.82	R 213.90	6%
5	Per Senior Fireman	R 161.65	R 171.30	6%
6	Per Junior Fireman	R 114.48	R 121.30	6%
B	**Using Compressor per hour or part thereof**	R 177.44	R 188.10	6%
1	Per Officer	R 216.03	R 229.00	6%
2	Per Senior Fireman	R 173.1	R 183.50	6%
3	Per Junior Fireman	R 123.17	R 130.60	6%
8	**Any other duty not mentioned under item 6**			
A	**Call out Fee**			
		R 301.99	R 320.10	6%
B	**Personnel**			
	Per Officer	R 216.03	R 229.00	6%
	Per Senior Fireman	R 173.1	R 183.50	6%
	Per Junior Fireman	R 123.17	R 130.60	6%
C	**Vehicles - Per Vehicle**			
	Fire Vehicles to be calculated per hour or part there off from the time the vehicle has been dispatch until the service is reported to be completed	R 1130.38	R 1198.20	6%
	Per kilometre (Travelled to and from the incident per utility vehicle (AA Tariffs)	R 7.21	R 7.60	6%
9	**Firebreaks - where businesses and community needs Fire Breaks**			
1	flat Rate	632.61	R 670.60	6%
2	Where the services of a Fire pump is needed- Flat Rate	632.61	R 670.60	6%
10	**SPECIAL EVENTS**			
	When a Fire Vehicle and Crew are required for standby purposes			
1	CALL OUT FEE PER EVENT	R 1508.27	R 1598.80	6%
2	FIRE VEHICLE	R 1508.27	R 1598.80	6%
3	PER OFFICER	R 216.03	R 229.00	6%
4	PER SENIOR FIRE FIGHTER	R 173.1	R 183.50	6%
5	PER JUNIOR FIRE FIGHTER	R 123.17	R 130.60	6%
6	First hour normal call out fee, fire vehicle and personnel fees apply there after they are calculated at 10% per hour			

ITEM	DESCRIPTION	2023/2024	2024/2025	PERCENTAGE
	Tariffs for Protection Services-(Fire)	INCL VAT	INCL VAT	INCREASE
11	FIRE SAFETY			
A	**Inspection on request(limited to two inspections)**			
1	Certificate of Compliance - Fire Safety Requirements	R 301.99	R 320.10	6%
2	Residential	R 223.13	R 236.50	6%
3	Institutions	R 223.13	R 236.50	6%
4	Public Assembly	R 223.13	R 236.50	6%
5	Commercial	R 301.99	R 320.10	6%
6	Storage	R 301.99	R 320.10	6%
7	Industry	R 301.99	R 320.10	6%
8	Per kilometre (Travelled to and from the incident per utility vehicle (AA Tariffs)	R 7.21	R 7.60	6%
9	Inspection on request	R 301.99	R 320.10	6%
10	50% payable on re issue of Certificate of compliance			
B 1	**Re-inspection of premises. After two inspections - per re-inspection**			
1	Trade Licenses/Certificate of Compliance			
2	Residential	R 301.99	R 320.10	6%
3	Institutions	R 223.13	R 236.50	6%
4	Public Assembly	R 223.13	R 236.50	6%
5	Commercial	R 301.99	R 320.10	6%
6	Storage	R 301.99	R 320.10	6%
7	Industry	R 301.99	R 320.10	6%
C	**Compiling & Issuing of :**			
1	Compliance Certificate	R 301.99	R 320.10	6%
2	Occupancy Certificate	R 301.99	R 320.10	6%
3	Inspection on request	R 301.99	R 320.10	6%
4	Special event Clearance Certificate	R 293.41	R 311.00	6%
5	Km travelled to and from (AA Tariffs)	R 7.21	R 7.60	6%
D	**Transport permits- Issuing of certificates**			
	In respect of quantities in E1-E5			
	In respect of quantities			
1	Up to including 2500 litres	R 150.2	R 159.20	6%
2	Up to including 5000 litres	R 211.79	R 224.50	6%
3	Up to including 25 000 litres	R 326.16	R 345.70	6%
4	Up to including 50 000 litres	R 449.33	R 476.30	6%
5	Exceeding 50 000 litres	R 493.75	R 523.40	6%
6	Per kilometre (Travelled to and from the incident per utility vehicle (AA Tariffs)	R 7.21	R 7.60	6%
7	Inspection on request	R 301.99	R 320.10	6%
8	50% payable on re issue of transport permits			
E	**Certificate of Registration Flammable liquids/Gas**			
	Class:0, I ,II,III - Issuing of certificates of registration			
1	Up to including 2500 litres	R 178.93	R 189.70	6%
2	Up to including 5000 litres	R 356.16	R 377.50	6%
3	Up to including 25 000 litres	R 1794.47	R 1902.10	6%
4	Up to including 50 000 litres	R 3593.19	R 3808.80	6%
5	up to including 100 000 litres	R 4033.83	R 4275.90	6%
6	Bulk Depots exceeding 100 000	R 4531.82	R 4803.70	6%
7	Per Spray Booth	R 178.93	R 189.70	6%
8	Per Flammable liquid Store	R 178.93	R 189.70	6%
9	Per Spray Booth	R 178.93	R 189.70	6%
10	Per Flammable liquid / Paint Store	R 178.93	R 189.70	6%
11	Per kilometre (Travelled to and from the incident per utility vehicle (AA Tariffs)	R 7.21	R 7.60	6%
12	Inspection on request	R 301.99	R 320.10	6%
13	50% payable on re-issue of Certificate of registration			

ITEM	DESCRIPTION	2023/2024	2024/2025	PERCENTAGE
	Tariffs for Protection Services-(Fire)	INCL VAT	INCL VAT	INCREASE
F	FIRE RISK ASSESSMENTS			
1	Fire Risk Assessment (PER HOUR)	R 781.33	R 828.20	6%
2	Fire Risk Assessment insurance (Per Hour)	R 781.33	R 828.20	6%
3	Fire Risk and insurance (PER DAY)	R 6477.87	R 6866.50	6%
G	COMPILING / PRINT REPORT			
1	Emergency Preparedness (evacuations)	R 556.61	R 590.00	6%
2	Fire Risk Assessment	R 875.77	R 928.30	6%
3	Fire Risk insurance report	R 875.77	R 928.30	6%
H	FIRE REPORT PUBLIC & INSURANCE			
1	Fire Investigation cause and origin determination full report per hour	R 556.61	R 590.00	6%
2	PRELIMANARY FIRE REPORT	R 140.34	R 148.80	6%
3	Compiling /print report full Fire investigation	R 875.77	R 928.30	6%
I	TRAINING			
1	Administration fee per person per course	R 357.75	R 379.20	6%

E LENSLEY
EXECUTIVE DIRECTOR PUBLIC SAFETY AND ROADS

MIDVAAL LOCAL MUNICIPALITY

ITEM	DESCRIPTION	2023/2024	2024/2025	Percentage Increase
	Protection Services: Traffic Department	[R] VAT INCL	[R] VAT INCL	
	THE TARIFFS LISTED BELOW ARE VALID FROM 1 JULY 2024			
1	Attendance of Traffic Officer/s per occasion for an hour or part thereof + vehicle	134.51	142.60	6%
2	For an hour or part thereof after hours at time and half (@ 1-1/2) and vehicle	214.65	227.50	6%
3	Attendance of Traffic Officer/s during public holidays/Sundays. Double time (x2) + vehicle	286.20	303.40	6%
4	Patrol vehicle attendance of patrol for an hour or part thereof	749.74	794.70	6%
5	Towing fee cost plus 10% to defray handling costs:			
	Storage fees for impounded vehicles per day	191.75	203.30	6%
6	Copies of accident report	257.58	273.00	6%
7	Traffic escorts per hour or part thereof			
	Funerals	No charge	No Charge	
	Abnormal vehicles: Vehicle cost + km traveling @ R4.50 per km	749.84	794.80	6%
8	Temporary road closure:			
	Filming	749.84	794.80	6%
	Flea markets	749.84	794.80	6%
	Attendance of Traffic Officer/s per occasion for an hour or part thereof + vehicle	134.51	142.60	6%
	For an hour or part thereof after hours at time and half (@ 1-1/2)and vehicle	214.65	227.50	6%
	Attendance of Traffic Officer/s during public holidays/Sundays. Double time (x2) + vehicle	286.20	303.40	6%
9	Residential Road closure application fee: New Tariff	3 374.93	3 577.40	6%

E LENSLEY
EXECUTIVE DIRECTOR PUBLIC SAFETY AND ROADS

MIDVAAL LOCAL MUNICIPALITY

ITEM	DESCRIPTION Grass Cutting of Vacant Stands	2023/2024 VAT INCL	2024/2025 VAT INCL	PERCENTAGE INCREASE
	THE TARIFFS LISTED BELOW ARE VALID FROM 1 JULY 2024			
1	Grass cutting up to 1 000 m²	R 2 867.00	R 3 039.00	6%
2	Grass cutting over 1 000 m² per additional 1000 m²	R 982.90	R 1 041.90	6%

T. MNGUNI
EXECUTIVE DIRECTOR COMMUNITY SERVICES

MIDVAAL LOCAL MUNICIPALITY

ITEM	DESCRIPTION	2023/2024	2024/2025	Percentage
	SWIMMING POOL TARIFFS	Vat Incl	Vat Incl	Increase
	THE TARIFFS LISTED BELOW ARE VALID FROM 1 JULY 2024			
	(Children under 5 years: Free (must be accompanied by an Adult)			
	(Children under 12 years: (must be accompanied by an Adult)			
1	Single Admission Ticket: Adult	R 16.00	17.00	6%
2	Single Admission Ticket: Scholars	R 12.00	13.00	6%
3	Season Tickets for School Groups (Monday - Friday: 10h00 to 14h00)	R 1 876.00	1 989.00	6%
4	Monthly Tickets: Adults	R 142.00	151.00	6%
5	Monthly Tickets: Scholars	R 76.00	80.00	6%
6	Clubs-Diving (Weekends: Sat 07h00 - 10h00 and Sun 07h00 - 12h00	R 697.00	738.00	6%
7	Clubs Hockey: Weekdays: Monday to Friday 19h00 - 22h00	R 715.00	758.00	6%
8	Clubs-Swimming Club: Weekdays: Monday to Friday 16h00 - 17h30	R 715.00	758.00	6%
9	Once off usage of Swimming Pool (Irregular Hours)	R 1 877.00	1 990.00	6%
	Closed on Mondays for General public			
	Tuesdays to Saturdays: 10h00 - 18h00			
	Sundays 12h00 to 18h00			
	Public Holidays: Closed for General Public.			

T. MNGUNI
EXECUTIVE DIRECTOR SOCIAL SERVICES

MIDVAAL LOCAL MUNICIPALITY

ITEM	DESCRIPTION	2023/2024	2024/2025	PERCENTAGE
	Cemeteries: Meyerton ; Old Kookrus & Riversdal	VAT INCL	VAT INCL	INCREASE
	THE TARIFFS LISTED BELOW ARE VALID FROM 1 JULY 2024			
1	Plot Reservation	R684.97	R 726.10	6%
2	Transferral Rights	R684.97	R 726.10	6%
3	Permit: Headstone & Monumental Section	R684.97	R 726.10	6%
4	Ashes Burial or Scattered	R684.97	R 726.10	6%
5	Niché	R1848.	R 1 958.90	6%
6	Exhumation	R9061.52	R 9 605.20	6%
	Weekday Openings & Re-openings (Monday to Friday)			
	Monumental			
1	Child Size	R2737.56	R 2 901.80	6%
2	Standard Opening & Re-Openings - 6ft	R5162.41	R 5 472.20	6%
3	8ft Opening & Re-Opening	R6343.57	R 6 724.20	6%
4	Casket Opening & Re-Openings	R6343.57	R 6 724.20	6%
5	Casket, 8ft Opening & Re-Openings	R7523.03	R 7 974.40	6%
6	Child section/ Dome 6ft Opening	R3443.94	R 3 650.60	6%
7	Special Request/ Dome 6ft Opening	R6087.58	R 6 452.80	6%
8	Special Request/ Dome 8ft Opening	R7480.42	R 7 929.20	6%
	Headstone			
1	Child Size	R2213.39	R 2 346.20	6%
2	Standard Opening & Re-Openings - 6ft	R2591.81	R 2 747.30	6%
3	8ft Opening & Re-Opening	R3773.07	R 3 999.50	6%
4	Casket Opening & Re-Openings	R3773.07	R 3 999.50	6%
5	Casket, 8ft Opening & Re-Openings	R4950.94	R 5 248.00	6%
6	Child Section/ Dome 6ft Opening	R2951.04	R 3 128.10	6%
7	Special Request/ Dome 6ft Opening	R3239.36	R 3 433.70	6%
8	Special Request/ Dome 8ft Opening	R4717.00	R 5 000.00	6%
	Weekend Openings & Re-Openings (Saterday & Sunday)			
	Monumental			
1	Child Size	R5198.45	R 5 510.40	6%
2	Standard Opening & Re-Openings - 6ft	R6063.52	R 6 427.30	6%
3	8ft Opening & Re-Opening	R7179.17	R 7 609.90	6%
4	Casket Opening & Re-Openings	R7179.17	R 7 609.90	6%
5	Casket, 8ft Opening & Re-Openings	R8289.84	R 8 787.20	6%
6	Child section/ Dome 6ft Opening	R 6 931.34	R 7 347.20	6%
7	Special Request/ Dome 6ft Opening	R 7 579.00	R 8 033.70	6%
8	Special Request/ Dome 8ft Opening	R 8 973.96	R 9 512.40	6%
	Headstone			
1	Child Size	R4982.11	R 5 281.00	6%
2	Standard Opening & Re-Openings - 6ft	R5247.53	R 5 562.40	6%
3	8ft Opening & Re-Opening	R6428.79	R 6 814.50	6%
4	Casket Opening & Re-Openings	R6428.79	R 6 814.50	6%
5	Casket, 8ft Opening & Re-Openings	R7606.67	R 8 063.10	6%
6	Child Section/ Dome 6ft Opening	R6643.02	R 7 041.60	6%
7	Special Request/ Dome 6ft Opening	R6559.28	R 6 952.80	6%
8	Special Request/ Dome 8ft Opening	R8035.86	R 8 518.00	6%
	PLEASE NOTE TARIFF FOR NON-RESIDENT IS 30 % ADDED ON TO			

T. MNGUNI
EXECUTIVE DIRECTOR COMMUNITY SERVICES

MIDVAAL LOCAL MUNICIPALITY

ITEM	DESCRIPTION	2022/2023	2024/2025	INCREASE
	Cemeteries: Meyerton South & Kookrus New - HEADSTONE ONLY	Vat Incl	Vat Incl	%
	THE TARIFFS LISTED BELOW ARE VALID FROM 1 JULY 2024			
1	Plot Reservation	R 684.97	R 726.10	6%
2	Transferral Rights	R 684.97	R 726.10	6%
3	Permit: Headstone & Monumental Section	R 684.97	R 726.10	6%
4	Ashes Burial or Scattered	R 684.97	R 726.10	6%
5	Indigent	R 948.70	R 1 005.60	6%
6	Pauper	R 948.70	R 1 005.60	6%
7	Exhumation	R 9 061.52	R 9 605.20	6%
	Weekday Openings & Re-openings (Monday to Friday) Headstone only			
1	Child Size	R 671.09	R 711.40	6%
2	Standard Opening & Re-Openings - 6ft	R 788.85	R 836.20	6%
3	8ft Opening & Re-Opening	R 1 702.68	R 1 804.80	6%
4	Casket Opening & Re-Openings	R 1 702.68	R 1 804.80	6%
5	Casket, 8ft Opening & Re-Openings	R 2 575.27	R 2 729.80	6%
6	Child Section/Dome 6ft Opening	R 1 208.00	R 1 280.50	6%
7	Special Request/ Dome 6ft Opening	R 1 331.00	R 1 410.90	6%
8	Special Request/ Dome 8ft Opening	R 2 872.60	R 3 045.00	6%
	Weekend Openings & Re-Openings (Saterday & Sundays) Headstone Only			
1	Child Size	R 1 970.86	R 2 089.10	6%
2	Standard Opening & Re-Openings - 6ft	R 2 213.39	R 2 346.20	6%
3	8ft Opening & Re-Opening	R 3 392.95	R 3 596.50	6%
4	Casket Opening & Re-Openings	R 3 392.95	R 3 596.50	6%
5	Casket, 8ft Opening & Re-Openings	R 4 572.63	R 4 847.00	6%
6	Child Section/ Dome 6ft Opening	R 2 628.00	R 2 785.70	6%
7	Special Request/ Dome 6ft Opening	R 2 766.60	R 2 932.60	6%
8	Special Request/ Dome 8ft Opening	R 4 240.00	R 4 494.40	6%
	PLEASE NOTE TARIFF FOR NON-RESIDENT IS 30 % ADDED ON TO NORMAL FEE			

T. MNGUNI
EXECUTIVE DIRECTOR COMMUNITY SERVICES

MIDVAAL LOCAL MUNICIPALITY

ITEM	DESCRIPTION	2023/2024	2024/2025	INCREASE
	Cemeteries: New Kookrus Extension- HEADSTONE & MONUMENTAL	Vat Incl	Vat Incl	%
	THE TARIFFS LISTED BELOW ARE VALID FROM 1 JULY 2024			
1	Plot Reservation	R 684.97	R 726.10	6%
2	Transferral Rights	R 684.97	R 726.10	6%
3	Permit: Headstone & Monumental Section	R 684.97	R 726.10	6%
4	Ashes Burial or Scattered	R 684.97	R 726.10	6%
5	Indigent	R 948.70	R 1 005.60	6%
6	Pauper	R 948.70	R 1 005.60	6%
7	Exhumation	R 9 061.52	R 9 605.20	6%
	Weekday Openings & Re-openings (Monday to Friday) Headstone only			
1	Child Size	R 671.09	R 711.40	6%
2	Standard Opening & Re-Openings - 6ft	R 788.85	R 836.20	6%
3	8ft Opening & Re-Opening	R 1 702.68	R 1 804.80	6%
4	Casket Opening & Re-Openings	R 1 702.68	R 1 804.80	6%
5	Casket, 8ft Opening & Re-Openings	R 2 575.27	R 2 729.80	6%
6	Child Section/Dome 6ft Opening	R 1 208.00	R 1 280.50	6%
7	Special Request/ Dome 6ft Opening	R 1 331.00	R 1 410.90	6%
8	Special Request/ Dome 8ft Opening	R 2 872.60	R 3 045.00	6%
	Weekend Openings & Re-Openings (Saterday & Sundays) Headstone Only			
1	Child Size	R 1 970.86	R 2 089.10	6%
2	Standard Opening & Re-Openings - 6ft	R 2 213.39	R 2 346.20	6%
3	8ft Opening & Re-Opening	R 3 392.95	R 3 596.50	6%
4	Casket Opening & Re-Openings	R 3 392.95	R 3 596.50	6%
5	Casket, 8ft Opening & Re-Openings	R 4 572.63	R 4 847.00	6%
6	Child Section/ Dome 6ft Opening	R 2 628.00	R 2 785.70	6%
7	Special Request/ Dome 6ft Opening	R 2 766.60	R 2 932.60	6%
8	Special Request/ Dome 8ft Opening	R 4 240.00	R 4 494.40	6%
	Weekday Openings & Re-openings (Monday to Friday)			
	Monumental			
1	Child Size	R2737.56	R 2 901.80	6%
2	Standard Opening & Re-Openings - 6ft	R5162.41	R 5 472.20	6%
3	8ft Opening & Re-Opening	R6343.57	R 6 724.20	6%
4	Casket Opening & Re-Openings	R6343.57	R 6 724.20	6%
5	Casket, 8ft Opening & Re-Openings	R7523.03	R 7 974.40	6%
6	Child section/ Dome 6ft Opening	R3443.94	R 3 650.60	6%
7	Special Request/ Dome 6ft Opening	R6087.58	R 6 452.80	6%
8	Special Request/ Dome 8ft Opening	R7480.42	R 7 929.20	6%
	Weekend Openings & Re-Openings (Saterday & Sunday)			
	Monumental			
1	Child Size	R5198.45	R 5 510.40	6%
2	Standard Opening & Re-Openings - 6ft	R6063.52	R 6 427.30	6%
3	8ft Opening & Re-Opening	R7179.17	R 7 609.90	6%
4	Casket Opening & Re-Openings	R7179.17	R 7 609.90	6%
5	Casket, 8ft Opening & Re-Openings	R8289.84	R 8 787.20	6%
6	Child section/ Dome 6ft Opening	R6931.34	R 7 347.20	6%
7	Special Request/ Dome 6ft Opening	R7579.	R 8 033.70	6%
8	Special Request/ Dome 8ft Opening	R8973.96	R 9 512.40	6%

PLEASE NOTE TARIFF FOR NON-RESIDENT IS 30 % ADDED ON TO NORMAL

T. MNGUNI
EXECUTIVE DIRECTOR COMMUNITY SERVICES

MIDVAAL LOCAL MUNICIPALITY

ITEM	DESCRIPTION	2023/2024	2024/20254	PERCENTAGE	2024/20254
	ISSUING OF CERTIFICATES	[R] VAT Excl	[R] VAT Excl	INCREASE %	[R] VAT Incl
				6.00%	
	THE TARIFFS LISTED BELOW ARE VALID FROM 1 JULY 2024				
1	Copies of Voters roll of any Ward, for each copy	R727.82	R771.5	6.00%	R887.20
2	Copies of valuation roll, per copy	R622.16	R659.5	6.00%	R758.40
3	Any certificate in terms of the Local Government Ordinance, 1939,	R71.62	R75.9	6.00%	R87.30
	or any other Ordinance applicable to the Council, each:				
4	The furnishing, in writing in accordance with the records of the Council	R49.34	R52.3	6.00%	R60.10
	of any information not provided for in these tariffs relating to the				
	properties situated within the municipality, including the search of the				
	name or address or both of the owner, according to the written				
	inquiry in the manner determined by the Municipal Manager from				
	time to time, each:				
5	Inspection of any deed, document or diagram or any relative	R49.34	R52.3	6.00%	R60.10
6	Endorsements on declaration by purchaser forms, each	R63.36	R67.2	6.00%	R77.20
7	For any certificate, information, extract from or perusal of a	R72.79	R77.2	6.00%	R88.70
	document or record for which no explicit provision has been made				
	in these tariffs, each:				
8	Minutes of the Council Meetings including the Budget: provided	R492.99	R522.6	6.00%	R601.00
	singular extracts only will entail a search fee and cost per page				
	each:				
9	Alphabetical numerical computer printed address lists, each	R727.82	R771.5	6.00%	R887.20
	Alphabetical numerical address lists, each Compact Disk	R228.89	R242.6	6.00%	R279.00
10	Photocopies at one of the printing offices, each:				
	Size A4	R5.75	R6.1	6.00%	R7.00
	Size A3	R8.55	R9.1	6.00%	R10.40
11	Photocopies of Council documents, Size A4:	R5.87	R6.2	6.00%	R7.20
	Photocopies of Council documents, Size A3:	R8.73	R9.2	6.00%	R10.60
12	Requests for Access/ Information in terms of promotion of Access				
	to information Act, 2000:				
	Access fee	R68.42	R72.5	6.00%	R83.40
	Search fee	R68.42	R72.5	6.00%	R83.40
	Copy charges (as Above in Item 10.)				

S CAVE
EXECUTIVE DIRECTOR CORPORATE SERVICES

MIDVAAL LOCAL MUNICIPALITY

ITEM	DESCRIPTION	2023/2024	2024/2025	Comments	PERCENTAGE
	Midvaal Libraries	VAT INCL.	VAT INCL.		INCREASE %
	THE TARIFFS LISTED BELOW ARE VALID FROM 01 JULY 2024				
1	Adult Membership - Midvaal Residents	Free	Free		0.00%
2	Adult Membership - Non-Midvaal Residents	106.00	112.36		6.00%
3	Child Membership - Midvaal Residents	Free	Free		0.00%
4	Child Membership - Non-Midvaal Residents	57.00	60.00		6.00%
5	Family Membership - Midvaal Residents	Free	Free		0.00%
6	Family Membership - Non-Midvaal Residents	201.00	213.00		6.00%
7	Pensioners - Over 60	Free	Free		0.00%
8	Block Loans (Schools/Home Based Schools)	Free	Free		0.00%
9	Fines (Books, Videos, CDs etc) per item per week or part thereof	2.00	3.00		6.00%
10	Media Lost Items	Replacement Va	Replacement Value		Variable
11	Lost User Cards	38.00	40.00		6.00%
12	Photocopies A4 Black & White	3.00	4.00		6.00%
13	Photocopies A4 Coloured	6.50	6.50	No increase for the next 3 years	0.00%
14	Photocopies A3 Black & White	3.00	3.00	Due to coinbox and rounding it is recommended that 3.00 be charged	
15	Photocopies A3 Coloured	16.00	17.00		6.00%
16	Computer printouts per page: black & white	3.00	4.00	Cost to council is the same for a photocopy as a print out	6.00%
17	Computer printouts per page: coloured	8.00	8.00	No increase for the next 3 years	0.00%
18	Hiring of Activity Room (Meyerton, Randvaal & De Deur only) 8 AM-12 PM OR 1 PM-5PM	Tarrifs be as per Meyerton small hall	Tarrifs be as per Meyerton small hall		6.00%
19	Scan to email	5.00 for the first 10 pages (or part thereof) then 1.00 per page thereafter	5.00 for the first 10 pages (or part thereof) then 1.00 per page thereafter	No increase	0.00%

T. MNGUNI
EXECUTIVE DIRECTOR SOCIAL SERVICES

MIDVAAL LOCAL MUNICIPALITY

FINANCE SUNDRY TARIFFS EFFECTIVE FROM 1 JULY 2024

ITEM	DESCRIPTION	2023/2024 EXCL VAT	2024/2025 EXCL VAT	PERCENTAGE INCREASE %	2024/2025 INCL VAT
				6%	
1.	Warning Notices (disconnection notice hand delivered)	175.40	175.40	0%	201.71
2.	Final Notices (handover to attorney - posted to customer)	61.40	61.40	0%	70.60
3.	Admin Fees Arrear account Water: Restrict	250.00	250.00	0%	287.50
4.	Admin Fees Arrear account Electricity: Disconnect	250.00	250.00	0%	287.50
5.	Confirmation of disconnection status	61.40	65.08	6%	74.84
6.	Dishonoured Cheque: Bank Rate	170.00	N/A	N/A	N/A
7.	Refer to Drawer Cheque: Bank rate	170.00	N/A	N/A	N/A
8.	Post Dated Cheque: Bank Rate	170.00	N/A	N/A	N/A
9.	Assessment Rates Admin Fee (requesting clearance figures)	62.00	65.72	6%	75.58
10.	Clearance Certificate	92.00	97.52	6%	112.15
11.	Valuation Certificate	44.00	46.64	6%	53.64
12.	Unauthorised Consumption Admin Levy (illegal connection or tampering with a meter)	4 681.11	4 961.98	6%	5 706.28
13.	Unauthorised Consumption Admin Levy (illegal connection or tampering with Bulk meter supply)	56 180.00	59 550.80	6%	
14.	Meter reading on request of customer	182.41	193.36	6%	222.36
15	**Printed Bid Document Fees: (Amount Rounded up)**				0.00
15.1	0 to 100 Pages	258.26	273.76	6%	314.80
15.2	101 to 200 Pages	362.61	384.37	6%	442.00
15.3	201 To 300 Pages	517.39	548.43	6%	630.70
15.4	300 Pages and Above	776.52	823.11	6%	946.60
15.5	E-mailed Bid Document Fees	0.00	0.00	0%	0.00
16.	Interest on arrears. Prime rate (from time to time) Plus 2%				0

All abovementioned Tariffs excludes VAT

Z MHLONGO
EXECUTIVE DIRECTOR FINANCE

MIDVAAL LOCAL MUNICIPALITY

ITEM	DESCRIPTION	2023/2024	INCREASE	PERCENTAGE	2024/2025	INCREASE	PERCENTAGE
	Development & Planning Department: Law Enforcement Unit	(R) VAT INCL	FACTOR	INCREASE	(R) VAT INCL	FACTOR	INCREASE
	THE TARIFFS LISTED BELOW ARE VALID FROM 1 JULY 2024						
	Trade license:						
	Business premises (once off)	623	1.06	6.00%	660	1.06	6.00%
	Food caravan	429	1.06	6.00%	454	1.06	6.00%
	Monthly subscription	161	1.06	6.00%	170	1.06	6.00%
	Health facilities or entertainment	385	1.06	6.00%	408	1.06	6.00%
	Providing massage	642	1.06	6.00%	680	1.06	6.00%
	Keeping three or more snooker/billiard tables/s	484	1.06	6.00%	513	1.06	6.00%
	Night club	964	1.06	6.00%	1021	1.06	6.00%
1	Cinema and theatre	484	1.06	6.00%	513	1.06	6.00%
	Issuing of duplicate Trade licenses as above:						
	Premises	401	1.06	6.00%	425	1.06	6.00%
	Food caravan	214	1.06	6.00%	227	1.06	6.00%
	Amending or revoking licensing conditions:						
	Premises	401	1.06	6.00%	425	1.06	6.00%
	Food caravan	214	1.06	6.00%	227	1.06	6.00%
	Hawkers license/application:						
	CBD	493	1.06	6.00%	523	1.06	6.00%
	Outside areas	323	1.06	6.00%	342	1.06	6.00%
	Monthly subscription:						
	Trading Stalls (Meyer Street)	219	-	6.00%	232	1.06	6.00%
	CBD	119	1.06	6.00%	126	1.06	6.00%
2	Outside areas	96	1.06	6.00%	102	1.06	6.00%
	Hawking at pension pay point (per day)	52	1.06	6.00%	58	1.06	6.00%
	Impounding fee	468	1.06	6.00%	496	1.06	6.00%
	Storage fee consumable	135	1.06	6.00%	143	1.06	6.00%
	Storage fee non-consumable	135	1.06	6.00%	143	1.06	6.00%
	Traveling distance per km from where impound takes place to Office	12	1.06	6.00%	13	1.06	6.00%
	Posters impounded	54	1.06	6.00%	57	1.06	6.00%
	Mobile signs						
3							
	Aerial signs:	247	1.06	6.00%	262	1.06	6.00%
	Aerial signs per 24 hours or part thereof, per aerial sign						
	Trailer advertisement						
	Single sided trailer advetisement for the first square metre	261	1.06	6.00%	276	1.06	6.00%
	or part thereof						
	Thereafter for each square metre or part thereof per month	37	1.06	6.00%	39	1.06	6.00%
	Double sided trailer signs on which identical	261	1.06	6.00%	276	1.06	6.00%
	advertisements appear						
4	For the first square metre or part thereof of the advertisement	261	1.06	6.00%	276	1.06	6.00%
	area, thereafter for each square metre or part thereof per						
	month						
	Signs on trailers on which advertisements of different	261	1.06	6.00%	276	1.06	6.00%
	organizations appear						
	For the first square metre or part thereof the	261	1.06	6.00%	276	1.06	6.00%
	advertisement area, therafter for each square metre or						
	part thereof per organization per month						
	Posters						
	Posters or any placard advertising any product or services	278	1.06	6.00%	294	1.06	6.00%
	or announcing the sale of goods.						
	Deposit (Refundable)						
	Rental	135	1.06	6.00%	143	1.06	6.00%

R

ITEM	DESCRIPTION	2023/2024	INCREASE	PERCENTAGE	2024/2025	INCREASE	PERCENTAGE
	Development & Planning Department: Law Enforcement Unit	[R] VAT INCL	FACTOR	INCREASE	[R] VAT INCL	FACTOR	INCREASE
	Posters for National, Provincial and Local Government	15312	1.06	6.00%	16230	1.06	6.00%
	Election and activities						
5							
	Advertising board/signs:						
	Registration fee per annum	632	1.06	6.00%	670	1.06	6.00%
	Sticker per board	12	1.06	6.00%	13	1.06	6.00%
	Outdoor advertising:						
	Banners - Loch Street - Rental (no deposit)	529	1.06	6.00%	561	1.06	6.00%
	Banner - Mimosa Street - Deposit and rental	529	1.06	6.00%	561	1.06	6.00%
	Banner application - Henley on Klip - Deposit and rental	529	1.06	6.00%	561	1.06	6.00%
	* Refundable deposit						

All tariffs are payable in advance with submission of the application or prior to the issuing of any permit / licence and are including 15% VAT

K. RAPEPE
BUILDING CONTROL OFFICER

K. MORWENA
EXECUTIVE DIRECTOR: DEVELOPMENT AND PLANNING

TRADING LICENSES AND MOBILE ADVERTISING - LAW ENFORCEMENT TARIFFS FOR 2024- 2025

WAYLEAVE Tariffs 2024/20254

Item No	Description	Tariff 2023/2024	Tariff 2024/2025
1	Wayleave Application Fees (single project for one area)	R1500.00 (incl.VAT @ 15 %)	R1500.00 (incl.VAT @ 15 %)
2	Wayleave Application Fees (Multiple projects for one area)	R2500.00 (incl.VAT @ 15 %)	R2500.00 (incl.VAT @ 15 %)
3	Wayleave Application Fees (single project for different areas not adjacent)	R3500.00 (incl.VAT @ 15 %)	R3500.00 (incl.VAT @ 15 %)
4	Class 3 Roads per m2	R1 500.00 (incl.VAT @ 15 %)	R1 500.00 (incl.VAT @ 15 %)
5	Class 4 Roads per m2	R1 200.00 (inc. VAT @ 15 %)	R1 200.00 (inc. VAT @ 15 %)
6	Class 5 Roads per m2	R1 100.00 (incl. VAT @ 15 %)	R1 100.00 (incl. VAT @ 15 %)
	Verge Reinstatement Costs		
7.	Unpaved footway/Gravel	R1000 (incl. VAT @ 15 %)	R1000 (incl. VAT @ 15 %)
8.	Kerbing Lm	R900.00 (inc. VAT @ 15%)	R900.00 (inc. VAT @ 15%)
9.	Brick Paving (paved footways) per m2	R600.00 (incl. VAT @ 15%)	R600.00 (incl. VAT @ 15%)
10.	Tar road riding surfacing per m2	R1500.00 (incl. VAT @ 15 %)	R1500.00 (incl. VAT @ 15 %)
11.	DCP Testing	R500 (incl. VAT @ 15%) per test if by MLM	R500 (incl. VAT @ 15%) per test if by MLM
12.	Reinspection fees	R3000 (incl. VAT @ 15%) per inspection (Where previous inspection had failed and work re-done)	R3000 (incl. VAT @ 15%) per inspection (Where previous inspection had failed and work re-done)
	Fines/Penalties		
13	Fine for no Wayleave approval and related documents on site	R150 000.00 (incl. VAT @ 15%)	R150 000.00 (incl. VAT @ 15%)
14.	Penalty for exceeding the time allowed to do work in terms of the Wayleave approval, per day	R10 000.00 (incl. VAT @ 15%) – per day	R10 000.00 (incl. VAT @ 15%) – per day
15	Penalty for failed reinstatements done by Agent/Service Deartment per event	R14 000.00 (incl. VAT @ 15%) – per day	R14 000.00 (incl. VAT @ 15%) – per day
16	Penalty for exceeding the time allowed in terms of the Temporary Road Closure Approval, per day	R10 000.00 (incl. VAT @ 15%) – per day	R10 000.00 (incl. VAT @ 15%) – per day
17	Fine for having temporary closed a road without written permission from the Roads and Storm-water Department	R200 000.00(incl. VAT @ 15%)	R200 000.00(incl. VAT @ 15%)
18	Holding Deposit\s (Refundable or portion refundable)	To be calculated by each MLM Service Dept. • Roads and Stormwater • Water and Sanitation • Electricity	To be calculated by each MLM Service Dept. · Roads and Stormwater · Water and Sanitation · Electricity

P Magodi
Executive Director: Engineering Services

ENVIRONMENTAL HEALTH PROPOSED TARIFFS AND CHARGES

TARIFF OF CHARGES 2024/2025 WITH EFFECT FROM 1 JULY 2024 (EXCLUDING VAT)

		2023/2024	2024/2025	
	FINES			
	PUBLIC HEALTH HAZARDS AND PUBLIC HEALTH NUISANCES			
1	Causing of public health hazard or nuisances		1,500.00	New
	FOOD			
2	Failure to operate a food handling premises with a valid certificate of acceptability		1,000.00	New
3	Failure to comply with standards and requirements for food Premises including butcheries (handling of meat), and caterers		1,000.00	New
4	Failure to comply with standards and requirements for the storage and transport of food		500.00	New
5	Failure to comply with general requirements for vending carts		500.00	New
	WATER POLLUTION			
6	Failure to comply with wastewater runoff and disposal from premises which may impact on public health		1,000.00	New
7	Dumping/littering and/or disposal of any waste in an unauthorised area		1,000.00	New
8	Failing to maintain uninterrupted and adequate water supply to premises		1,000.00	New

	SANITARY SERVICES			
9	Failure to maintain the fat/grease trap in good order		1,500.00	New
10	Failure to comply with condition of toilets, urinals, backyards and refuse areas		1,500.00	New
11	Failure to keep drains, sanitary fitments, and sewer systems in good order		1,500.00	New
	CHILD – CARE FACILITIES			
12	Failure to comply with the environmental health requirements of childcare services		2,000.00	New
	DISPOSAL OF THE DEAD			
13	Failure to operate funeral undertaker's premises without a valid certificate of competence		2,000.00	New
14	Failure to comply with the conditions of certificate of competence for funeral undertakers and mortuary		2,000.00	New
	BURIAL SITES AND BURIALS			
15	Failure to comply with the minimum requirements for a crematorium facility		2,500.00	New
16	Failure to comply with the requirements for transportation of mortal remains		2,500.00	New
	KEEPING OF ANIMALS			
17	Failure to comply with the requirements for premises of keeping of animals		1,000.00	New
	SCHEDULED TRADES			

18	Conducting a scheduled trade operation without approval		2,500.00	New
	CHARGES – ADMIN FEE			
	FOOD			
1	**Administration fees for issuance of COA**			
2	Issuing of Amendment, Renewal or Duplicate Certificate of Acceptability		600.00	New
3	Application fee for caterers' events permit		400.00	New
4	Re-inspection of a food premises for the removal of a prohibition		200.00	New
	DISPOSAL OF THE DEAD		500.00	New
5	Issuing Certificate of competence in respect of funeral undertakers and mortuaries (COC)			
6	Permit to operate a crematorium		700.00	New
7	Renewal of Certificate of Competence (COC) in respect of funeral undertakers and mortuaries		700.00	New
8	Duplicate certificate of Certificate of Competency (COC)		650.00	New
9	Re-inspection of a mortuaries/funeral undertakers premises for the removal of a prohibition		650.00	New
			650.00	New

T. MNGUNI

EXECUTIVE DIRECTOR SOCIAL SERVICES

SCHEDULE 1 OF OFFENCES AND PENALTIES WASTE MANAGEMENT	
DESCRIPTION	**FINE**
Operative a vehicle for the conveyance of waste upon a public road unless the vehicle has a body of adequate size and construction for the type of waste being transported.	R600
Fail to maintain a vehicle used for the conveyance of waste in a clean sanitary and roadworthy condition at all times.	R1000
Fail to cover loose waste on an open vehicle with a tarpaulin or suitable net.	R600
Cause or permit waste being transported in or through the municipal area to become detached, leak or fall from a vehicle transporting it, except at a waste disposal of that waste.	R600
Burning waste either in a public or private place, for the purpose of disposing of that waste.	R1000
Incinerate waste either in a public or private place, except in an incinerator at a place where the relevant National or Provincial authorities permit such incineration, or at a place designated by the Council for that purpose.	R2000
Bring liquor or intoxicating or narcotic substance onto a waste disposal facility or enter such facility under the influence of liquor or such substance.	R500
Enter a waste disposal of waste in terms of these By-laws, unless authorised to do so by the Council then only at such times and subject to such conditions as the Council or such person may impose.	R500
Dispose of waste at a disposal facility where the disposal of the waste concerned is not permitted.	R2000
Light a fire on a waste disposal facility without the prior written consent of the person in charge of that facility	R2000
Storing waste for more than 90 consecutive days	R1500
Collect or transport of business (bulk containerised waste streams without having obtained authorisation from the Council, and being in possession of a licence authorising such collection and transportation	R1000
Collect or transport of industrial waste streams without having obtained authorisation from the council, and being in possession of a licence authorising such collection and transportation.	R2000
Collect or transport of special industrial waste streams without having obtained authorisation from the Council, and being in possession of a licence authorising such collection and transportation.	R2000
Collect or transport of hazardous waste streams listed without having obtained authorisation from the Council, and being in possession of a licence authorising such collection and transportation.	R2000
Collect or transport of recyclable waste streams without having obtained authorisation from the Council, and being in possession of a licence authorising such collection and transportation.	R2000
Collect or transport of health care risk waste streams without having obtained authorisation from the Council, and being in possession of a licence authorising such collection and transportation.	R2000

Collect or transport of building waste streams listed without having obtained authorisation from the Council, and being in possession of a licence authorising such collection and transportation.	R2000
Licence holder fails to display Council sticker confirming that Licensee is authorised to collect and transport the category of waste specified on licence.	R500
Licence holder intentionally or negligently operate in contravention of condition of the licence concerned.	R1500
Fail or refuse to give information, when required to do so in terms of these By-laws, or give false or misleading information.	R1500
Fail to take all reasonable steps to prevent a contravention of these By-law, by act or an omission of his or her employee acting in the course and scope of his or her duties.	R2000
Collect or transport waste except in a properly constructed, watertight vehicle or in a suitable container that prevents spillage of waste, the suitability of the vehicle to be dependent on the waste stream, to be collected or transported, as specified in the National Road Act, 1996.	R2000
Illegal dumping of waste or causing a nuisance	R2000- R500 000
Clearing of illegal dump in a building or vacant plot	R2000-R10 000

T. MNGUNI

EXECUTIVE DIRECTOR COMMUNITY SERVICES

ENVIRONMENTAL HEALTH PROPOSED TARIFFS AND CHARGES

TARIFF OF CHARGES 2024/2025 WITH EFFECT FROM 1 JULY 2024 (EXCLUDING VAT)

		2023/2024	2024/2025	
	FINES			
	PUBLIC HEALTH HAZARDS AND PUBLIC HEALTH NUISANCES			
1	Causing of public health hazard or nuisances		1,500.00	New
	FOOD			
2	Failure to operate a food handling premises with a valid certificate of acceptability		1,000.00	New
3	Failure to comply with standards and requirements for food Premises including butcheries (handling of meat), and caterers		1,000.00	New
4	Failure to comply with standards and requirements for the storage and transport of food		500.00	New
5	Failure to comply with general requirements for vending carts		500.00	New
	WATER POLLUTION			
6	Failure to comply with wastewater runoff and disposal from premises which may impact on public health		1,000.00	New
7	Dumping/littering and/or disposal of any waste in an unauthorised area		1,000.00	New
8	Failing to maintain uninterrupted and adequate water supply to premises		1,000.00	New
	SANITARY SERVICES			
9	Failure to maintain the fat/grease trap in good order		1,500.00	New
10	Failure to comply with condition of toilets, urinals, backyards and refuse areas		1,500.00	New
11	Failure to keep drains, sanitary fitments, and sewer systems in good order		1,500.00	New
	CHILD – CARE FACILITIES			
12	Failure to comply with the environmental health requirements of childcare services		2,000.00	New
	DISPOSAL OF THE DEAD			
13	Failure to operate funeral undertaker's premises without a valid certificate of competence		2,000.00	New
14	Failure to comply with the conditions of certificate of competence for funeral undertakers and mortuary		2,000.00	New
	BURIAL SITES AND BURIALS			
15	Failure to comply with the minimum requirements for a crematorium facility		2,500.00	New

16	Failure to comply with the requirements for transportation of mortal remains		2,500.00	New
	KEEPING OF ANIMALS			
17	Failure to comply with the requirements for premises of keeping of animals		1,000.00	New
	SCHEDULED TRADES			
18	Conducting a scheduled trade operation without approval		2,500.00	New
	CHARGES – ADMIN FEE			
	FOOD			
1	Administration fees for issuance of COA		600.00	New
2	Issuing of Amendment, Renewal or Duplicate Certificate of Acceptability		400.00	New
3	Application fee for caterers' events permit		200.00	New
4	Re-inspection of a food premises for the removal of a prohibition		500.00	New
	DISPOSAL OF THE DEAD			
5	Issuing Certificate of competence in respect of funeral undertakers and mortuaries (COC)		700.00	New
6	Permit to operate a crematorium		700.00	New
7	Renewal of Certificate of Competence (COC) in respect of funeral undertakers and mortuaries		650.00	New
8	Duplicate certificate of Certificate of Competency (COC)		650.00	New
9	Re-inspection of a mortuaries/funeral undertakers premises for the removal of a prohibition		650.00	New

T. MNGUNI

EXECUTIVE DIRECTOR COMMUNITY SERVICES

Annexure E
Tariff By-Law
2024/2025

TARIFF BY-LAW

FINANCIAL YEAR

MIDVAAL
LOCAL MUNICIPALITY

MIDVAAL LOCAL MUNICIPALITY
TARIFF BY-LAW

To provide for the adoption of a by-law to give effect to the implementation and enforcement of its tariff policy and the general power to levy and recover fees, charges and tariffs, and for matters incidental thereto.

Preamble

WHEREAS, subject to the provisions of subsections (2), (3) and (4) thereof, section 229(1) of the Constitution of the Republic of South Africa empowers a municipality to impose -

(a) rates on property and surcharges on fees for services provided by or on behalf of the municipality, and

(b) if authorised by national legislation, other taxes, levies and duties appropriate to local government or to the category of local government into which that municipality falls.

WHEREAS in terms of section 74(1) of the Local Government: Municipal Systems Act, 32 of 2000 ("**Municipal Systems Act**"), a municipal council must adopt and implement a tariff policy on the levying of fees for municipal services provided by the municipality itself or by way of service delivery agreements, and which complies with the provisions of the Municipal Systems Act, the Local Government: Municipal Finance Management Act, 56 of 2003 and any other applicable legislation.

WHEREAS in terms of section 75(1) of the Municipal Systems Act, a municipal council must adopt by-laws to give effect to the implementation and enforcement of its tariff policy.

WHEREAS in terms of section 75(2) of the Municipal Systems Act, by-laws adopted in terms of subsection 75(1) may differentiate between different categories of users, debtors, service providers, services, service standards and geographical areas as long as such differentiation does not amount to unfair discrimination.

WHEREAS in terms of section 75A of the Municipal Systems Act, a municipality may-

(a) levy and recover fees, charges or tariffs in respect of any function or services of the municipality, and

(b) recover collection charges and interest on any outstanding amount.

BE IT THEREFORE ENACTED by the Municipal Council of the Midvaal Local Municipality, acting in terms of section 156 read with 229 of the Constitution of the Republic of South Africa, and section 11 of the Municipal Systems Act as follows:

1. Definitions

In this By-Law, unless the context indicates otherwise—

"**Constitution**" means the Constitution of the Republic of South Africa, 1996 as amended from time to time;

"**Council**" means the Municipal Council of the Midvaal Local Municipality, a municipal council envisaged in terms of section 157 (1) of the Constitution;

"**Credit Control and Debt Collection By-law and policy**" means the Credit Control and Debt Collection Policy as required in terms of section 96(b) and 97 and 98 of Municipal Systems Act;

"**Municipality**" means the Midvaal Local Municipality a local municipality contemplated in terms of section 155 of the Constitution, and established in terms of the Municipal Structures Act read with section 2 of the Municipal Systems Act;

"Municipal Structures Act" means the Local Government: Municipal Structures Act, 117 of 1998 as amended from time to time;

"Municipal Systems Act" means the Local Government: Municipal Systems Act, 32 of 2000 as amended from time to time;

"Tariff" means fees, charges or any other tariffs levied by the Municipality in respect of any function or service provided by the Municipality which includes a surcharge on such tariff, excluding rates levied by the Municipality in terms of the Local Government: Municipal Property Rates Act, 6 of 2004 as amended from time to time;

"Tariff policy" means the tariff policy adopted by Council in terms of this By-law.

2. Adoption and implementation of Tariff Policy

(1) The Council shall adopt and implement a tariff policy on the levying of fees for a municipal service provided by the Municipality or by way of service delivery agreements, which complies with the provisions of the Municipal Systems Act, the Local Government: Municipal

Finance Management Act, 56 of 2003 and any other applicable legislation.

(2) The tariff policy adopted in terms of subsection (1) must be reviewed on an annual basis by Municipality;

(3) The Municipality shall not be entitled to impose tariffs other than in terms of a valid tariff policy.

3. Guiding principles in the determination of tariffs

(1) The Tariff Policy must reflect and be informed by the following principles as prescribed by section 74 of the Municipal Systems Act –

(a) users of municipal services should be treated equitably in the application of tariffs;

(b) the amount individual users pay for services should generally be in proportion to their use of that service;

(c) poor households must have access to at least basic services through—

i. tariffs that cover only operating and maintenance costs;

ii. special tariffs or life line tariffs for low levels of use or consumption of services or for basic levels of service; or

iii. any other direct or indirect method of subsidisation of tariffs for poor households;

(d) tariffs must reflect the costs reasonably associated with rendering the service, including capital, operating, maintenance, administration and replacement costs, and interest charges;

(e) tariffs must be set at levels that facilitate the financial sustainability of the service, taking into account subsidisation from sources other than the service concerned;

(f) provision may be made in appropriate circumstances for a surcharge on the tariff for a service;

(g) provision may be made for the promotion of local economic development through special tariffs for categories of commercial and industrial users;

(h) the economical, efficient and effective use of resources, the recycling of waste, and other appropriate environmental objectives must be encouraged;

(i) the extent of subsidisation of tariffs for poor households and other categories of users should be fully disclosed.

4. The Tariff Policy

(1) The Municipality's tariff policy shall, *inter alia* -

(a) apply to all tariffs imposed by the Municipality;

(b) reflect the principles prescribed by section 74 of the Municipal Systems Act;

(c) specify the manner in which the principles prescribed by section 74 of the Municipal Systems Act are to be implemented;

(d) specific the basis for differentiation, if any, between different categories of users, debtors, service providers, services, service standards, geographical areas long as such differentiation does not amount to unfair discrimination; and

(e) include any further enforcement mechanisms the Municipality may wish to impose in addition to those contained in the Credit Control and Debt Collection By-law and Policy.

5. Application of By-law

(1) This by-law shall only apply to tariffs applicable to the Council and municipal entities in respect of which the municipality is the parent municipality for –

(a) Fees, surcharges on fees, charges and tariffs in respect of municipal services, such as –

i. provision of water;
ii. refuse removal;
iii. sewerage;
iv. removal and purification of sewerage;
v. electricity consumption;
vi. municipal services provided through prepaid meters;
vii. all other related costs for services rendered in terms of the service;
viii. interest which has accrued or will accrue in respect of money due and payable to the Council;
ix. collection charges in those cases where the Council is responsible for

(aa) the rendering of municipal accounts in respect of any one or more of the municipal services;

(bb) the recovery of amounts due and payable in respect thereof, irrespective whether the municipal services, or any of them, are provided by the Council itself or by a service utility with which it has concluded a service provider agreement to provide a service on the Municipality's behalf.

4. Enforcement of Tariff Policy

The Council's tariff policy shall be enforced through the Credit Control and Debt Collection By-Law and policy, and any further enforcement mechanism stipulated in the Council's tariff policy.

5. Short title and commencement

This By-law is referred to as the Tariff By-law, and takes effect on the date on which it is published in the *Provincial Gazette*

Approved and Signed by:

Director: Income

Mr. Arie Meiring

Signature **Date** 16/1/2024

Chief Financial Officer

Mr. Zakhele Ntando Mhlongo

Signature **Date** 18/01/24

Annexure F
Tariff Policy
2024/2025

TARIFF POLICY

2024/2025 FINANCIAL YEAR

MIDVAAL
LOCAL MUNICIPALITY

TABLE OF CONTENTS

TABLE OF CONTENTS 1
ABBREVIATIONS 2
1. PURPOSE OF THIS DOCUMENT 3
2. DEFINITIONS 4
3. Abbreviations 17
4. CONSTITUTIONAL AND LEGAL BACKGROUND 18
5. APPROVAL AND EFFECTIVE DATE 18
6. POLICY AMENDMENT 18
7. RELATIONSHIP WITH OTHER POLICIES 18
8. REFERENCES 19
9. BASIC PRINCIPLES TO BE CONSIDERED IN DETERMINATION OF A TARIFF STRUCTURE 20
10. FACTORS TO BE CONSIDERED IN THE DETERMINATION OF A TARIFF STRUCTURE 22
11. FREE BASIC SERVICES 28
13. ELECTRICITY TARIFF POLICY 38
14. WATER TARIFF POLICY 43
15. REFUSE TARIFF POLICY 45
16. SEWERAGE TARIFF POLICY 47
17. PROPERTY RATES POLICY 48
18. SUNDRY TARIFFS 48
19. WATER LEAK ADJUSTMENT 49
20. POLICY IMPLEMENTATION 52

ABBREVIATIONS

MLM	Midvaal Local Municipality
AO	Accounting Officer
CFO	Chief Financial Officer
MFMA	Local Government: Municipal Finance Management Act, 56 of 2003
MPRA	Municipal Property Rates Act
MSA	Municipal Systems Act, 32 of 2000
PPE	Property, Plant and Equipment
SCM	Supply Chain Management
VAT	Value Added Tax
IBT	Inclining Block Tariff
kWh	Kilowatt per Hour (Kilowatt Hour)
KVA	Kilo-volt-- Ampere
KL	Kilolitre
c/kWh	Cent per Kilowatt Hour
R/kWh	Rand per Kilowatt Hour
NERSA	National Energy Regulator Of South Africa

1. PURPOSE OF THIS DOCUMENT

1.1. The purpose of this Tariff Policy is to:

1.1.1. ensure that Tariffs imposed by Midvaal comply with all applicable legislation;

1.1.2. prescribe the accounting and administrative policies and procedures relating to the determining and levying of tariffs by the Midvaal Local Municipality;

1.1.3. ensure that all Tariffs are determined in accordance with the principles prescribed by section 74 of the Municipal Systems Act;

1.1.4. ensure that all municipal services are provided in an equitable and financially sustainable manner;

1.1.5. ensure that poor households have access to basic municipal services through tariffs determined in accordance with the Municipal Systems Act; and

1.1.6. prescribe the procedures required to ensure the effective planning and management of tariffs.

1.2. In setting its annual tariffs, the Council shall:

1.2.1. at all times take due cognisance of the tariffs applicable elsewhere in the economic region;

1.2.2. consider the impact that the tariffs may have on local economic development;

1.2.3. move towards implementing cost reflective tariffs, having due regard of the impact that this may have on Midvaal residents and businesses.

2. DEFINITIONS

For the purpose of this Policy, any word or expression to which a meaning has been assigned in the Act, shall bear the same meaning in this Policy, and unless the context indicates otherwise –

"Accommodation" means a premises or building in an accommodation establishment, a room, dwelling / house or second dwelling unit, self-catering room, self-catering apartment or free standing building let to transient guests consisting of three or more lettable units;

"Accommodation Establishments" – consists of one or more of the following lettable types of accommodation, consisting of three or more lettable units –

(a) "Camping" is defined by a property used for erection of tents or other temporary structures for temporary accommodation for visitors or holiday-makers, which includes ablution, cooking and other facilities that are reasonably and ordinarily related to camping, for use of such visitors, and includes a caravan park, whether publicly or privately owned, but which excludes the alienation of land on the basis of time sharing, sectional title share blocks or individual subdivision; and excludes resort accommodation or mobile homes;

(b) "Bed and Breakfast" is defined by a dwelling-house or second dwelling in which the owner of the dwelling supplies lodging and meals for compensation to transient guests who have permanent residences elsewhere; provided that the primary use of the dwelling-house concerned shall remain for the living accommodation of a single family and where not more than 3 guest rooms are provided;

(c) "Guest House" is defined by a dwelling-house with a maximum of 10 rooms or second dwelling which is used for the purpose of supplying lodging and meals to transient guests for compensation, in an establishment which exceeds the restrictions of a bed and breakfast establishment and may

include business meetings, training sessions and conference facilities for resident guests;

(d) “Self-catering Accommodation” is defined by a house, cottage, chalet, bungalow, flat, studio, apartment, villa, or similar accommodation where facilities and equipment are provided for guests to cater for themselves. The facilities should be adequate to cater for the maximum advertised number of residents that the facility can accommodate; the accommodation is for non-permanent residents and transient guests;

(e) “Self-catering Apartments” is defined by a building or group of buildings consisting of separate accommodation units, each incorporating a kitchen/kitchenette facility, and which may include other communal facilities for the use of non-permanent transient guests, together with outbuildings as are normally used therewith; which are rented for residential purposes and may include holiday flats; but does not include a hotel, dwelling-house, second dwelling or group house;

(f) “Backpackers Accommodation” (accommodation and communal facilities in a building or free standing buildings for transient guests) is defined by a building where lodging is provided, and may incorporate cooking dining and communal facilities for the use of lodgers, together with such outbuildings as are normally used therewith and includes a building in which dormitories / rooms / beds are rented for residential purposes, youth hostel, and backpackers’ lodge; but does not include a hotel, dwelling house, second dwelling or group house;

(g) “Boarding House” a dwelling–house or second dwelling which is used for the purpose of supplying lodging with or without meals or self-catering to non-permanent / permanent residents for compensation; provided that the primary use of the dwelling-house shall remain for the living accommodation of a single family;

"Account" means an account rendered to a Customer specifying charges for municipal services provided by the **Municipality** or any authorised and contracted

service provider in terms of a duly concluded service delivery agreement, and which account may include assessment rates and levies;

“Accounting Officer” means the municipal manager of the Municipality as envisaged in terms of Section 60 of the Municipal Finance Management Act;

“Annual Budget” shall mean the budget approved by the Council for any particular financial year, and shall include any adjustments to such budget;

“Annually” means once every Financial Year;

"Arrangement" means a written agreement entered into between the Municipality and the customer whereby specific repayment parameters are agreed to in relation to the settlement of such customer’s payable tariffs. Such arrangement does not constitute a credit facility envisaged in terms of section 8(3) of the National Credit Act but is deemed to be Incidental Credit as envisaged in terms of section 4(6)(b) read with section 5(2) and (3) of the National Credit Act;

"Arrears" means those rates and service charges that have not been paid by the due date and for which no arrangement has been made;

"Authorised Representative" means a person or representative legally appointed by the Municipality to act or to fulfill a duty on its behalf;

“**Basic charge**” also referred to as minimum charge, is the recovery of the distribution and billing-related costs, which include having a distribution system in place, plus the cost of the meter, servicing and reading the meter, mailing the bills and maintaining customer records;

“Basic Municipal Services” shall mean a municipal service necessary to ensure an acceptable and reasonable quality of life, which service – if not provided – would endanger public health or safety or the environment;

"Billing Date" means the date upon which the monthly statement is generated and

debited to the customer's account;

"Borehole" means a hole sunk into the earth for the purpose of locating, abstracting or using subterranean water and includes a spring;

"Business and Commercial Property" means –

(a) property used for the activity of buying, selling or trading in commodities or services and includes any office or other accommodation on the same property, the use of which is incidental to such activity; or

(b) property on which the administration of the business of private or public entities take place.

"By-law" shall mean the Tariff By-Law adopted and implemented by the Council in terms of section 75 of the Municipal Systems Act, and which shall be binding on the Municipality and on the persons and institutions to which it applies;

"Calendar year" shall mean 12 consecutive months of a financial year; Commencing 1 July

"Category" –

(a) in relation to a property, means a category of properties determined in terms of section 8(2) of the Municipal Property Rates Act;

(b) in relation to the owners of property, means a category of owners determined in terms of section 15(2) of the Municipal Property Rates Act.

"Chief Financial Officer" means the person appointed as the Chief Financial Officer of the Municipality, or his or her nominee;

"CPI" shall mean the Consumer Price Index (CPI) as determined and gazetted from time to time by Statistics South Africa;

"Consolidated Account" means an account which is a consolidation of any separate accounts of a person who is liable for payment to the Municipality;

"Council" means the Municipal Council of the Midvaal Local Municipality, a municipal council envisaged in terms of section 157 of the Constitution;

"Councillor" shall mean a member of the Council;

"Credit Control" means all the functions relating to the collection of monies owed by ratepayers and the users of municipal services;

"Customer" means the occupier of any premises or their authorised agent to which the Municipality has agreed to supply or is actually supplying municipal services to or, if no occupier can be identified or located, the registered owner of the premises. Reference to "Customer" for the purposes of this Tariff Policy shall include natural and juristic persons;

"Day / Days" means calendar days, inclusive of Saturdays, Sundays and public holidays;

"Debt Collectors" means an external person or entity appointed by the Municipality to collect monies due and payable to the Municipality, subject to the conditions contained herein;

"**Deeds Registries Act**" means the Deeds Registries Act 47 of 1937

"Defaulter" means any person who owes arrears to the Municipality;

"Delivery Date" shall mean the date on which the periodic account is delivered to the customer or 3 days after **the** date the account was posted, whichever is the first;

"Domestic Customer or User" of municipal services shall mean the person or household which municipal services are rendered in respect of "Residential Property" as defined below;

"Due Date" in relation to –

(a) rates due in respect of any immovable property, means:

- the date for payment indicated on the account or the 7th of each month in the case where rates are levied on a monthly basis; or

(b) should such day fall on a Saturday, Sunday or public holiday the due date will remain the 7th of the month.

"Dwelling" means a building, structure or place of shelter to live in or conduct business from;

"Electricity Charges" means service charges in respect of the provision of electricity;

"Financial Year" shall mean a year ending on 30 June;

"Immovable Property" also includes –

(a) an undivided share in immovable property, and

(b) any right in immovable property.

"Implementing Authority" means the Municipal Manager or his or her nominee, acting in terms of section 100 of the Local Government: Municipal Systems Act 32 of 2000;

"Indigent Customer" means the head of an indigent household:-

(a) who applied for and has been declared indigent in terms of Council's Indigent Support Policy for the provision of services by the Municipality; and

(b) who makes application for indigent support in terms of Municipality's Indigent Support Policy on behalf of all members of his or her household;

"Indigent Support Policy" means the Indigent Support Policy adopted by the Council;

"Indigent Support Programme" means a structured program for the provision of indigent support subsidies to qualifying indigent customers in terms of the Council's Indigent Support Policy;

"Integrated Development Plan" shall mean a plan formulated and approved as envisaged in Section 25 of the Municipal Systems Act;

"Industrial Property" – means property used for construction, repair, trade or manufacturing, production, assembly or processing of finished or partially finished products from raw materials or fabricated parts on such a large scale that capital and labour are significantly involved, and includes any office or other accommodation on the same property, the use of which is incidental to such activity;

"Interest" means the charge levied on Arrears, calculated as the prime rate, charged by the bank which holds the Municipality's primary bank account, plus two percent or such other percentage as may be determined by Council from time to time;

"Local Community" – in relation to the Municipality –

(a) means that body of persons comprising –

- the residents of the Municipality;
- the ratepayers of the Municipality as defined by the Municipal Systems Act;
- any civic organisations and non-governmental, private sector or labour organisations or bodies which are involved in local affairs within the Municipality; and
- visitors and other people residing outside the Municipality, who,

because of their presence in the Municipality, make use of services or facilities provided by the Municipality; and

(b) includes, more specifically, the poor and other deprived sections of such body of persons;

“Market Value” – in relation to a property, means the value of the property determined in accordance with section 46 of the Municipal Property Rates Act;

“Month” means one of twelve months of a calendar year;

"Monthly Average Consumption" means the monthly average consumption in respect of a property calculated on the basis of the average consumption over the preceding twelve months on the respective property or should it be a newly developed property a projected average consumption per month for a property in the Municipality having a similar sized development thereon;

“Municipality” or **“Municipal Area”** shall, where appropriate, mean the geographic area, determined in terms of the Local Government: Municipal Demarcation Act 27 of 1998 as the municipal area pertaining to the Municipality;

“the Municipality” means Midvaal Local Municipality;

“Municipal Council” shall mean the Municipal Council of Midvaal Local Municipality as referred to in section 157 of the Constitution;

"Municipal Finance Management Act” or “MFMA” means the Local Government: Municipal Finance Management Act, 56 of 2003;

"Municipal Pay Point" means any municipal office in the area of jurisdiction of the Municipality designated by Council for such purposes, or any such other places as the Chief Financial Officer may from time to time designate;

"Municipal Property Rates Act” means the Local Government: Municipal

Property Rates Act, 6 of 2004;

"Municipal Manager" means the Municipal Manager of the Midvaal Local Municipality or his or her nominee acting in terms of power delegated to him or her by the said Municipal Manager with the concurrence of the Council;

"Municipal Service" means a service that a Municipality in terms of its powers and functions provides or may provide for the benefit of the local community irrespective of whether –

> **such a service is provided or to be provided, by the Municipality through an internal mechanism contemplated in section 76 of the Municipal Systems Act; or by engaging an external mechanism contemplated in section 76 of the Municipal Systems Act; and**
>
> **fees, charges or tariffs are levied in respect of such a service or not;**

"Municipal Systems Act" means the Local Government: Municipal Systems Act, 32 of 2000 as amended from time to time**;**

"Municipal Tariff" or "Tariff" shall mean a tariff for services which the Municipality may set for the provision of a service to the local community, and may include a surcharge on such service. "**Tariffs for major services**" shall mean tariffs set for the supply and consumption or usage of electricity, water, sewerage and refuse removal, and minor tariffs shall mean all other tariffs, charges, fees, rentals or fines levied or imposed by the Municipality in respect of other services supplied including services incidental to the provision of the major services;

"Occupier" means any person who occupies, controls or resides on any premises, or any part of any premises without regard to the title under which he or she so occupies it;

“Open Space” - means land that is used as a park, garden, for passive leisure or maintained in its natural state and that is zoned as open space;

"Owner" in relation to immovable property means –

(a) the person in whom is vested the legal title thereto provided that:-

(i) the lessee of immovable property which is leased for a period of not less than thirty years, whether the lease is registered or not, shall be deemed to be the owner thereof;

(ii) the occupier of immovable property occupied under a service servitude or right analogous thereto, shall be deemed to be the owner thereof;

(b) if the owner is deceased or insolvent or has assigned his or her estate for the benefit of his creditors, has been placed under curatorship by order of court or is a company being wound up or under judicial management, the person in whom the administration of such property is vested as executor, administrator, trustee, assignee, curator, liquidator or judicial manager, as the case may be, shall be deemed to be the owner thereof;

(c) if the owner is absent from the Republic or if his address is unknown to the Municipality, any person who as agent or otherwise receives or is entitled to receive the rent in respect of such property, or if the Municipality is unable to determine who such person is, the person who is entitled to the beneficial use of such property;

"Person" means, as the context indicates, a natural and juristic person, including any department of state, statutory bodies or foreign embassies;

"Premises" includes any piece of land, the external surface boundaries of which are delineated on:

(a) A general plan or diagram registered in terms of the Land Survey Act, (9 of

1927) or in terms of the Deed Registry Act, 47 of 1937; or

(b) A sectional plan registered in terms of the Sectional Titles Act, 95 of 1986, and which is situated within the area of jurisdiction of the Municipality.

"Prescribed" means prescribed by this policy and where applicable by Council or the Municipal Manager;

"Prescribed debt" means debt that becomes extinguished by prescription in terms of the Prescription Act 68 of 1969;

"Private Open Space" means land that is privately owned and used for practising of sport, play or leisure facilities or used as a botanical garden, cemetery or nature area and which is joined as Private Open Space;

"Privately Owned Townships Serviced by the Owner" – means single properties (group housing or single residential erven), situated in an area not ordinarily being serviced by the Municipality, divided through subdivision or township establishment in (ten or more) full-title stands and / or sectional title units and where all rates-related services inclusive of installation and maintenance of streets, roads, sidewalks, lighting, storm water drainage facilities, parks and recreation facilities, are installed at the full cost of the developer and are rendered and maintained by the residents, Home owners association or management companies / bodies of such estate;

"Property" – means immovable property registered under separate title in terms of the provisions of the Deeds Registries Act, in the name of a person, including, in the case of a sectional title scheme, a sectional title unit registered in the name of a person and includes unregistered land if the right of ownership can be determined;

"Rateable Property" shall mean property on which the Municipality may in terms of Section 2 of the Municipal Property Rates Act levy a rate, but excluding property fully excluded from the levying of rates in terms of Section 17 of that Act;

“Ratepayer” shall mean a person who is liable to the Municipality for the payment of (a) rates on property in the Municipality; (b) any other tax, duty or levy imposed by the Municipality; or (c) fees for services provided either by the Municipality or in terms of a service delivery agreement;

"Rates" means a municipal rate on property envisaged in section 229 (1) of the Constitution read with the Municipal Property Rates Act and the Local Government: Municipal Finance Management Act 56 of 2003;

“Rebate” in relation to a rate payable on a property, shall mean a discount granted in terms of Section 15 of the Municipal Property Rates Act on the amount of the rate payable on the property;

“Reduction” - in respect of a rate payable on a property, means the lowering of the amount for which the property was valued and the rating of that property at that lower amount;

"Refuse Charges" means service charges in respect of the collection and disposal of refuse;

"Registered Owner" means that person, natural or juristic, in whose name the property is registered in terms of the Deeds Registry Act;

"Responsible Person" means any person other than the registered owner of an immovable property who is legally responsible for the payment of municipal service charges;

“Residential Property” shall mean a property included in the valuation roll in terms of Section 48(2)(b) of the Municipal Property Rates Act, 2004 as residential and/or improved property that: -

(a) is used predominantly (60% or more) for residential purposes, including any adjoining property registered in the name of the same owner and used together with such residential property as if it were one property. Any such

grouping shall be regarded as one residential property for rate rebate or valuation reduction purposes, if still used dominantly for residential purposes;

(b) is a unit registered in terms of the Sectional Title Act, 95 of 1986, and is used predominantly for residential purposes;

(c) is owned by a share-block company and is used predominantly for residential purposes;

(d) is a residence used for residential purposes situated on a property used for educational purposes;

(e) is property which is included as residential in a valuation list in terms of section 48(2)(b) of the Municipal Property Rates Act;

(f) are retirement schemes and life right schemes used predominantly (60% or more) for residential purposes;

(g) vacant properties (empty stands), hotels, hostels, old-age homes and accommodation establishments, irrespective of their zoning or intended use, have been specifically excluded from this property category;

"Service Charges" means the fees levied by the Municipality in terms of its tariff policy for any municipal services rendered in respect of an immovable property and includes any penalties, interest or surcharges levied or imposed in terms of this policy;

"Service Delivery Agreement" means an agreement between the Municipality and an institution or persons mentioned in section 76(b) of the Municipal Systems Act;

"Sewerage Charges" means service charges in respect of the provision of sewerage collection and treatment of infrastructure;

"Sundry Customer Accounts" means accounts raised for miscellaneous charges

for services provided by the Municipality or charges that were raised against a person as a result of an action by a person, and were raised in terms of Council's policies, bylaws and decisions;

"Supervisory Authority" means the Executive Mayor of the Municipality or his or her nominee, acting in terms of Section 99 of the Municipal Systems Act;

"Surcharge" means a charge raised on and above a normal Tariff based either on a percentage or a fixed amount which is imposed in accordance with the provisions of the Municipal Systems Act and any other applicable legislation;

"Tariff Policy" means a Tariff Policy adopted by the Council in terms of Section 74 of the Municipal Systems Act;

"User" means the owner or occupier of a property in respect of which municipal services are being provided by the Municipality or a service provider whether in terms of service delivery agreement.

"Vacant Property" – means any land without any improvements thereon;

"Water Charges" means service charges in respect of the provision of water whether by the Municipality or a service provider in terms of a service delivery agreement.

3. Abbreviations

Kl – Kilolitre, 1000 litres
kVa – KiloVolt Ampere
kWh – Kilowatt Hour

4. CONSTITUTIONAL AND LEGAL BACKGROUND

4.1. In terms of section 62 (1)(f) of the Local Government: Municipal Finance Management Act (MFMA), Act 56 of 2003, the Accounting Officer (AO) of a Municipality is responsible for managing the financial administration of the Municipality and must for this purpose take all reasonable steps to ensure that, *inter alia*, the Municipality has and implements a tariff policy referred to in section 74 of the Municipal Systems Act.

4.2. In terms of section 74 of the Municipal Systems Act, the Council hereby adopts this tariff policy on the levying of fees for municipal services provided by the Municipality itself or by way of service delivery agreements.

5. APPROVAL AND EFFECTIVE DATE

The Policy will be effective as from 1 July 2024

6. POLICY AMENDMENT

In terms of section 16 read with 17(1)(e) of the MFMA, this Tariff Policy shall be reviewed on an annual basis and the reviewed policy tabled to Council for approval together with the adoption of the Medium-Term Revenue and Expenditure Framework ("**MTREF**") for the following year.

7. RELATIONSHIP WITH OTHER POLICIES

This Tariff Policy needs to be read in conjunction with other relevant adopted policies of the Municipality, including the following:

- Delegation of Powers;
- Enterprise Risk Management Policy;
- Credit Control and Debt Collection Policy;

- Property Rates Policy;
- Funding, Borrowing and Reserves Policy;
- Cash Management and Investment Policy
- Long Term Financial Plan Policy;
- Indigent Support Policy;
- Budget Implementation and Monitoring Policy;
- Free Basic Electricity Policy
- Free Basic Water Policy.

8. REFERENCES

The following references were observed in compiling this document:

- Municipal Finance Management Act, 2003;
- Municipal Systems Act;
- Municipal Property Rates Act 6, 2004 as amended;
- Municipal Property Rates Policy, as reviewed annually;
- Constitution of the Republic of South Africa, 1996 as amended; and
- Municipal Budget and Reporting Regulations, 2008.

9. BASIC PRINCIPLES TO BE CONSIDERED IN DETERMINATION OF A TARIFF STRUCTURE

9.1. All Tariffs imposed by the Municipality in terms of this Tarif Policy must comply with the principles prescribed by section 74(2) of the Municipal Systems Act.

9.2. Tariffs imposed by the Municipality shall be viewed as user charges which in terms of section 5(2) of the Municipal Systems Act must be paid promptly by members of the local community and not as taxes, and therefore the ability to pay of the relevant customer or user of the services to which such tariffs relate, shall not be considered as a relevant criterion (except in the case of the indigent relief measures approved by the Municipality from time to time).

9.3. The Municipality shall ensure that its Tariffs are uniformly and equitably applied throughout the municipal region.

9.4. Tariffs for the four major services rendered by the Municipality, namely Electricity, Water, Sewerage and Refuse Removal, shall as far as possible recover the expenses associated with the rendering of each service concerned, and where feasible, generate a reasonable surplus as determined in each annual budget. Such surplus shall be applied in relief of property rates or both for the future capital expansion of the service concerned, or any other non-economical services as may be determined by the Municipality.

9.5. The Tariff which a particular Customer or User pays in terms of this Tariff Policy shall therefore be directly related to the standard of service received and the quantity of the particular service used or consumed.

9.6. The Municipality shall develop, approve and at least annually review an indigent support programme for the municipal area. This programme shall set out clearly the Municipality's cost recovery policy in respect of the tariffs which it levies on registered indigents, and the implications of such policy for the tariffs which it imposes on other Users and Customers in the municipal region.

9.7. In line with the principles embodied in the Constitution, read with section 74(3) of the Municipal Systems Act and other legislation pertaining to local government, and in the case of electricity approval by NERSA, the Municipality may differentiate between different categories of users and Customers in regard to the tariffs which it levies. Such differentiation shall at all times be fair and shall be fully disclosed in each annual budget.

9.8. The Municipality's Tariff policy shall be transparent, and the extent to which there is cross-subsidisation between categories of Customers or users shall be evident to all Customers or users of the service in question.

9.9. The Municipality further undertakes to ensure that its tariffs shall be easily explainable and understood by all Customers and users affected by the Tariff Policy concerned.

9.10. The Municipality also undertakes to render its Municipal Services cost effectively in order to ensure the best possible cost of service delivery.

9.11. In the case of conventional metering systems for electricity and water, the consumption of such services shall be properly metered by the Municipality and meters shall be read, wherever circumstances reasonably permit, on a monthly basis. The charges levied on Customers shall be proportionate to the quantity of the service which they consume. In addition, the Municipality shall levy a monthly fixed charge for electricity and water services.

9.12. In adopting what is fundamentally a two-part tariff structure, namely a fixed basic charge coupled with a charge based on consumption, the Municipality believes that it is properly attending to the demands which both future expansion and variable demand cycles and other fluctuations will make on service delivery.

9.13. In case of vacant stands, where the services are available but not connected, the Municipality shall levy a monthly availability charge which is levied because of fixed costs such as the capital and maintenance costs and insurance of infrastructure available for immediate connection. This principle also applies to vacant stands in areas serviced through conservancy or septic tanks.

9.14. The Municipality's Tariffs for electricity services will be determined to ensure that those customers who are mainly responsible for peak demand, and therefore for the incurring by the Municipality of the associated demand charges from Eskom, will have to bear the costs associated with these charges. To this end the Municipality shall therefore install demand meters to measure the maximum demand of such customers during certain periods. These bulk customers shall therefore pay the relevant demand charge as well as an energy charge directly related to their actual consumption of electricity during the relevant metering period.

10. FACTORS TO BE CONSIDERED IN THE DETERMINATION OF A TARIFF STRUCTURE

10.1. Financial factors

10.1.1. The primary purpose of a tariff structure is to recover the actual costs of the rendering of a particular service, during each of the Municipality's specific financial years.

10.1.2. In order to determine the tariffs which must be charged for the supply of the four major services as specified in clause 9.4 , the

Municipality shall identify all the costs of operation of the undertakings concerned, including specifically the following:-

10.1.2.1 Cost of bulk purchases in the case of water and electricity.

10.1.2.2 Distribution costs.

10.1.2.3 Distribution losses in the case of electricity and water.

10.1.2.4 Depreciation expenses.

10.1.2.5 Maintenance of infrastructure and other fixed assets.

10.1.2.6 Cost of approved indigent relief measures and cross subsidising of low consumption.

10.1.2.7 Administration and service costs, including:-

- service charges levied by other departments such as finance, human resources and legal services;

- reasonable general overheads, such as the costs associated with the Office of the Municipal Manager;

- adequate contributions to the provisions for bad debts and obsolescence of stock; and

- all other ordinary operating expenses associated with the service concerned including, in the case of the electricity service, the cost of providing street lighting in the

municipal area.

(**Note**: the costs of the democratic process in the Municipality – that is, all expenses associated with the political structures of the Municipality – shall form part of the expenses to be financed from property rates and general revenue, and shall not be included in the costing of the major services of the Municipality).

10.1.3. The intended surplus to be generated for the financial year. Surplus to be applied:-

10.1.3.1. as an appropriation to capital reserves; and/or

10.1.3.2. generally, in relief of rates.

10.2. **Socio-economic factors**

10.2.1. In addition to the principles recorded in section 74(2) of the Municipal Systems Act, Tariffs should also support business initiatives aimed at creating jobs or contribute to the economy of the municipal area.

10.2.2. Section 74(3) of the Municipal Systems Act provides for differentiation between different categories of users, debtors, service providers, services, service standards, geographical areas and other matters for tariff purposes as long as the differentiation does not amount to unfair discrimination.

10.2.3. Accordingly, this Tariff Policy differentiates in the manner set out below.

10.2.4. Users can be divided into the following categories: -

10.2.4.1 Users who are unable to make any contribution towards the consumption of services and who are fully

subsidised;

10.2.4.2 Users who are able to afford a partial contribution and who are partially subsidised only; and

10.2.4.3 Users who can afford to pay for the cost of the services.

10.2.5. It is important to identify these categories and to plan the tariff structures accordingly.

10.2.6. Subsidies are currently derived from two sources namely:-

10.2.6.1. Contributions from National Government: National Government makes an annual contribution according to a formula, which is primarily based on information obtained from Statistics South Africa by means of census surveys. If this contribution is judiciously utilised it will subsidise all indigent households who qualify in terms of the Council policy.

10.2.6.2. Contributions from own funds: The Council can, if the contribution of National Government is insufficient, provide in its own operational budget for such support. Such action will in all probability result in increased tariffs for the larger users. Any subsidy must be made known publicly.

10.2.6.3. To make provision for subsidisation, the tariff structure is formulated as follow**:-**

10.2.6.3.1 Free services (within prescribed limits and guidelines);

10.2.6.3.2 Lower tariffs for users who qualify in

terms of particular guidelines, for example to recover the operational costs of the service only; and

10.2.6.3.3 Full tariff payable with a subsidy that is transferable from sources as mentioned above.

10.2.6.3.4 .

10.2.6.4. For the avoidance of doubt, the categories of users eligible for subsidisation in terms of the above paragraph does not include users that fall under the category of customers that can afford the full tariff. Such customers or users shall be charged for services in relation to their consumption of the service.

10.3. Minimum service levels

It is important that minimum service levels be determined in order to calculate and develop an affordable tariff package available to all potential users.

10.4. Credit control

10.4.1 It is not possible to successfully formulate a tariff structure without consideration of the stipulations of an effective credit control system. Income is provided for in the budget and the payment level must be realistic taking into account current payment levels and past trends. It is therefore important to continuously ensure that users indeed pay punctually. Non-payment has a direct effect in that the provision for debt impairment, in accordance with current payment levels, must be provided for as expenditure in the budget.

10.4.2 However, it is also a fact that there are consumers who are

unable to pay. Tariffs must therefore provide access to a minimum level of basic services for all users. It should furthermore be supplemented with a practical policy for indigents. This will ensure the sustainable delivery of services. In addition, adequate provision should be made on an annual basis for debt impairment and working capital in accordance with current payment levels.

10.5. Package of services

The accounts for rates and services must not be viewed in isolation. Such accounts must be considered jointly to determine the most affordable amount that the different users can pay as a total account. The basic costs of a service must first of all be recovered and then only can surpluses be manipulated to determine the most economic package for the user with due allowance for future events in regard to a particular service.

10.6. Historical and future user patterns

It is important to keep accurate consumption statistics for the purpose of determining tariffs. Consumption determines tendencies, which ultimately have an influence on tariffs within a structure. Provision should be made in the process for growth and seasonal use, as well as for unforeseen events that may have an impact on tariffs.

10.7. User groups

10.7.1. Users are traditionally divided into user groups as set out below:-

10.7.1.1. Domestic (Residential);

10.7.1.2. Businesses / Commercial;

10.7.1.3. Industries / Bulk customers;

10.7.1.4. Farm properties (agricultural);

10.7.1.5. Accommodation establishments (including guest houses);

10.7.1.6. Municipal consumption (departmental charges);

10.7.1.7. Institutions that may be directly subsidised for example retirement homes, schools and hostels, sport organisations, etcetera; and

10.7.1.8. Special arrangements for specific developments as may be determined by Council from time to time.

10.7.2. continuous effort should be made to group together those users who have more or less the same access to a specific service.

11. FREE BASIC SERVICES

11.1. Underlying principle

11.1.1. Free basic municipal services refers to those municipal services necessary to ensure an acceptable and reasonable quality of life and which service, if not provided, could endanger public health or safety or the environment.

11.1.2. In terms of the Constitution all customers should have access to basic services. Typically, the following parameters will be applied: -

11.1.2.1. The extent of the monthly indigent support granted to indigent households must be based on budgetary allocations for a particular financial year and the tariffs determined for each financial year.

11.1.2.2. The general threshold for indigent support is restricted to qualifying households with a combined income amount, and or or certain property value determined by Council at the beginning of every financial year and will be applied for the duration of that particular financial year.

12. TARIFF STRUCTURES FOR VARIOUS SERVICES

12.1. It is essential that a compromise be reached between the following needs with regard to the determination of a tariff structure:

12.1.1. The need to reflect costs as accurately as possible in order to achieve cost effectiveness;

12.1.2. The need to ensure equality and fairness between user groups;

12.1.3. The need for a practically implementable tariff;

12.1.4. The need to use appropriate metering and provisioning technology;

12.1.5. The need for an understandable tariff; and

12.1.6. The user's ability to pay.

12.2. Taking into consideration the abovementioned points the tariff structure of the following services is set out below:-

Electricity
Water
Refuse Removal
Sewerage
Property Rates.

12.3. **Electricity**

12.3.1. To calculate the tariff for electricity, the actual cost incurred in the supply of electricity to the local community has to be taken into consideration. The principle of basic levies as well as per unit tariff for electricity is determined by the cost structure. This cost structure consists of the following components:-

12.3.2. Fixed costs: It represents that portion of expenses that must be incurred irrespective of the fact whether or not any electricity has been sold, for example the salary of staff who have been appointed permanently with specific tasks relating to the provision of electricity, costs of capital, maintenance cost and insurance that is payable in respect of the infrastructure. These costs must be recovered whether any electricity is used or not. The costs are therefore recovered by means of a fixed levy per period (normally levied as a monthly basic charge) in order to ensure that these costs are covered**.**

12.3.3. Variable costs: It relates to the physical provision of electricity according to consumption / demand and must be financed by means of a unit tariff which is payable per kWh/KVA electricity consumed.

12.3.4. Surplus: The tariffs for these services are determined in such a way that a net trading surplus is realised. Any trading surplus is used to subsidise the tariffs of rate funded services.

12.3.5. The following tariff structures were used for the determination of tariffs in relation to this Service:-

Inclining block tariff (IBT) tariff structure where customer's consumption is divided into blocks and each subsequent block has a higher energy rate (c/kWh). The tariff structure is in

accordance with NERSA in order to protect / cross-subsidise low income domestic customers and to promote energy efficiency.

Single rate energy tariff (all costs expressed in a single cent/kWh charge).

12.3.6. Two part tariff for Industrial and Bulk Customers. Demand charge and a variable charge related to metered kWh consumption):-

Energy rate (c/kWh);

Demand charge (R/KVA month – recovers capital costs elements.

12.3.7. Special tariff arrangements determined and approved by Council from time to time for specific developments and/or informal settlements.

12.4. **Water**

12.4.1. Water is a scarce commodity with little alternatives available (contrary to electricity). Tariff structures should therefore be aimed at the reduction of consumption. In order to restrict consumption, an inclining block rate tariff structure with a basic fee is applied.

12.4.2. In accordance with section 74(2) of the Municipal Systems Act, the amount that users pay for water services should generally be in proportion to their use of water services. Tariffs must be set at levels that facilitate the sustainability of the service. Thus, this Tariff Policy shall include a sliding scale tariff structure.

12.4.3. To calculate the tariff for water, the actual cost incurred in the supply of water to the community, has to be taken into consideration. The principle of basic levies as well as a kilolitre

tariff for water is determined by the cost structure.

12.4.4. Similar to Electricity, this cost structure consists of the following components:-

12.4.4.1 Fixed costs: It represents that portion of expenses that must be incurred irrespective of the fact whether or not any water has been sold, for example the salary of staff who have been appointed permanently with specific tasks relating to the provision of water, costs of capital and insurance that is payable in respect of the infrastructure. These costs must be recovered whether any water is used or not. The costs are therefore recovered by means of a fixed levy per period (normally on a monthly basis) in order to ensure that these costs are covered.

12.4.4.2 Variable costs: It relates to the physical provision of water according to demand and must be financed by means of a unit tariff which is payable per kilolitre water consumed.

12.4.4.3 Surplus: The tariffs for these services are determined in such a way that a net trading surplus is realised. Any trading surplus is used to subsidise the tariffs of rate funded services.

12.4.5 The following tariff structures were used for the determination of tariffs:-

12.4.5.2 Special tariff arrangements determined and approved by Council from time to time for specific developments and/or informal settlements.

12.4.6 Should the levy imposed by the Municipality pursuant to the availability charge for the supply of water fall into arrears due to non- payment by the fractional owner, credit control procedures as stipulated in the credit control policy will follow.

12.4.7 **Payment for Water Connection**

The fees prescribed in the tariff to all consumers that receive or want to receive water services will be for each individual stand payable by the owner in full before such a connection will be made to the water system.

12.4.8 **Relocation of water service**

12.4.8.2 The cost for the relocation of the water meter will be at the customer's account and at the prescribed water tariff

12.4.8.3 The cost for the termination/removal of the water services will be for the Customer's account and shall be charged at the prescribed water tariff.

12.4.9 **Notification of boreholes**

12.4.9.2 The municipality or its authorised agent may, by public notice, require –

12.4.9.2.1 A Customer or User who has an existing borehole or who wants to drill a new borehole to pay a prescribed borehole registration fee

12.5. **Refuse Removal**

12.5.1. Refuse removal is an economic service and tariff calculations should be based on the actual cost incurred in delivering the service.

12.5.2. A Customer who chooses to do their own refuse removal will still be liable for paying the applicable refuse tariff.

12.5.3. The tariff levied by Midvaal Local Municipality is based on the category of property as determined in the municipal valuation roll.

12.5.3.1 If Refuse removal fees were erroneously levied or not levied on a property, it shall be adjusted in accordance with the effective date of the General Valuation Roll or subsequent Supplementary Roll if applicable.

12.5.4. The following tariff structures were used for the determination of tariffs in relation to this service:-

12.5.4.1. Residential (domestic customers) – maximum of one removal per week (black bag system).

12.5.4.2. Business / Commercial / Industrial (Non – Bulk) – maximum of two removals per week.

12.5.4.3. Business / Commercial / Industrial (Bulk) - maximum of three removals per week.

12.5.4.4. Business / Commercial / Industrial (Bulk) - four or more, with a maximum of seven removals per week.

12.5.4.5. Additional removals – More than the maximum removals as per 12.5.4.1 to 12.5.4.4.

12.5.5 A service charge is payable on all properties (as per category as detailed in the schedule of tariffs), where the rendering of the service is available, whether or not the service is utilised by the

customer.

12.5.6 Special tariff arrangements may be determined and approved by Council from time to time for specific developments and/or informal settlements.

12.5.7 Where fractional ownership of a property occurs, the owner will be levied refuse based on their fractional share in that property.

12.5.8 Should the levy for refuse fall into arrears due to non-payment by the fractional owner, credit control procedures as stipulated in the Credit Control Policy will follow.

12.6 Sewerage

12.6.1 Sewer service is an economic service and tariff calculations should be based on the actual cost incurred in delivering the service.

12.6.2 The following tariff structures were basically used for the determination of tariffs:-

12.6.2.1 Tariff arrangements determined and approved by Council from time to time for specific developments.

12.6.2.2 A sewer charge is payable on all properties (as per category as detailed in the schedule of tariffs), where a connection to the sewer network is possible, whether or not the service is utilised by the customer. This fee aims to recoup capital and maintenance costs of networks as well as certain fixed administrative costs in respect of such properties.

12.6.2.3 The sewer charge will be payable as from date of registration of property and or,

12.6.3.1 If a Sewer charge was erroneously levied or not levied on a property, it shall be adjusted in accordance with the effective date of the General Valuation Roll or subsequent Supplementary Roll if applicable.

12.6.2.4 If the owner connects and improve the property the sewer charge will be adjusted from the date of the connection.

12.6.2.5 Owners of vacant stands in an area serviced through conservancy tanks, septic tanks or French drains only will not pay the availability tariff.

12.6.2.6 Where the fractional ownership of a property occurs, the owner will be levied a sewer charge for sewerage based on their fractional share in that property.

12.6.2.7 Should the levy of the availability charge for sewerage fall into arrears due to non-payment by the fractional owner, credit control procedures as stipulated in the credit control policy will follow.

12.7 Property Rates

12.7.1 The rate levied by the Municipality will be a cent amount in the Rand based on the market value of the property.

12.7.2 In terms of the Municipal Property Rates Act , the Municipality may levy different rates for different categories of rateable property. Differential rating among the various property categories will be done by way of setting different cent amount in the rand for each property category and by way of reductions and rebates as provided for in the Municipality's property rates policy.

12.7.3 In terms of section 17 (1) (e) of the MFMA the Municipality's property rates policy must be reviewed on annual basis and the

reviewed policy tabled to Council for approval as part of the budget process.

13. ELECTRICITY TARIFF POLICY

Electricity is supplied under a distribution license, granted by NERSA for a specific area of jurisdiction, which regulates *inter alia* the following aspects:-

- Classification of customer categories.

- Permissible tariff structure options are determined at a national level and distributors are obliged to apply these structures to attain uniformity.

- All tariff structures and tariffs must be approved by NERSA prior to application thereof by a distributor.

13.1 Domestic Customers and Accommodation Establishments

- This tariff covers the supply of electricity for domestic use in private dwellings, flats and chalets with separate meters and includes churches, schools, welfare buildings, hospitals, halls or similar premises.

- This tariff is applied for circuit breaker sizes not in excess of 63A single phase or 63A three phase. Should customers require supplies in excess hereof, the Commercial Customer or Bulk Supply tariff will be applicable. A phased approach will be implemented to convert existing customers who have traditionally been charged at different tariffs towards these criteria.

<u>Customers with conventional meters</u>

13.1.1 One part tariff:

- Energy rate (c/kWh). The energy rate is charged on an inclining block tariff per unit based on the number of kWh consumed which is determined as follows:-

Block 1: 0 to 50 kWh
Block 2: 51 to 350 kWh
Block 3: 351 to 600 kWh
Block 4: >600 kWh

Pre-paid customers

Prepaid users are charged based on a one part tariff:-

13.1.2 One part tariff:

Energy rate (c/kWh). The energy rate is charged on an inclining block tariff per unit based on the number of kWh consumed which is determined as follows:-

Block 1: 0 to 50 kWh
Block 2: 51 to 350 kWh
Block 3: 351 to 600 kWh
Block 4: >600 kWh

13.1.3 Energy rate (c/kWh). The energy rate is charged on an inclining block tariff per unit based on the number of kWh purchased, which is determined as follows:-

Block 1: 0 to 50 kWh
Block 2: 51 to 350 kWh
Block 3: 351 to 600 kWh
Block 4: >600 kWh

13.1.4 Should the customer have any municipal arrears, the auxiliary payment system may be activated for the gradual payment of the arrears as a percentage of purchases.

13.1.5 Registered Indigents receive a number of kWh units fully subsidised every month, as determined by Council on an annual basis. Where possible, Council may limit the supply to indigent customers to a 20A single phase capacity.

13.2 Commercial / Business Customers

13.2.1 This tariff covers the supply of electricity to shops, office buildings, hotels, clubs, industrial undertakings, builder's supplies or similar premises.

13.2.2 The tariff is normally for circuit breaker sizes not in excess of 63A single phase or 100A three phase. Should customers require supplies in excess hereof, the Bulk Supply tariff will be applicable. A phased approach will be implemented to convert existing customers who have traditionally been charged at different tariffs towards these criteria.

13.3 Customers with conventional meters

13.3.1 Customers with conventional meters are billed as follows:-

One part tariff:

13.3.2 Energy rate (c/kWh). The energy rate is charged at a single rate tariff per unit based on the number of kWh consumed.

13.4 Pre-paid customers

13.4.1 Prepaid users, if applicable, are charged on a one part tariff:

13.4.2 Energy rate (c/kWh). The energy rate is charged on a single rate per unit based on the number of kWh purchased.

13.4.3 Should the customer have any municipal arrears, the auxiliary payment system may be activated for the gradual payment of the arrears as a percentage of purchases.

13.5 **Industrial / Bulk Customers**

13.5.1 The Bulk Supply tariff is for Customers with a notified maximum demand of 71kVA or more or who require a supply greater than a 100Amp three phase circuit breaker size.

13.5.2 These customers are billed as follows:-

Two part tariff.

Demand charge (R/kVA month – recovers capital costs elements).

13.5.3 Energy rate (c/kWh). The energy rate is charged at a single rate tariff per unit based on the number of kWh consumed.

13.6 Farm properties (Agriculture)

These customers are billed as per the tariffs applicable which have been determined by the Council by special agreement with a specific group of farmers in the past.

13.7 Streetlights

An energy rate (c/kWh) will be applied per streetlight metering point.

13.8 Special Arrangements

Other tariffs may be applicable which has been determined by the Town Electrical Engineer or Council by special agreement with specific Clients. This will only be considered when special circumstances prevail.

13.9 Departmental

The respective Commercial and Bulk Supply tariffs, for consumption only, will be determined by Council on an annual basis. Tariff to be determined by the specific department applicable, only on the energy.

13.10 Electricity sundry tariffs

All other electricity related services offered by the Council are charged at a tariff as determined by the Council annually during the budget process.

14. WATER TARIFF POLICY

14.1 Domestic / Commercial / Business / Accommodation Establishments

14.1.1 Customers are billed as follows:-

Registered Indigents receive their basic levy for water fully subsidised every month, as determined by Council on an annual basis.

14.1.2 Domestic customers are billed for consumption based on the amount of water used by way of a step tariff per kilolitre usage in the following blocks:-

0 to 6 kl – Indigent households
7 to 12 kl – Non Indigents
0 to 12 kl – Non Indigents
to 20 kl – Non Indigents
21 to 30 kl – Non Indigents
31 to 45 kl – Non Indigents
>45 kl – Non Indigents

14.2 Old Age Homes / Schools / Sports Clubs / Charitable institutions

14.2.1 Customers are billed as follows:-

Customers are billed for consumption based on the amount of water used by way of fixed tariff per kilolitre usage.

14.3 All other Customers

All other customers are billed as follows:-

14.3.1 Customers are billed for consumption at a fixed tariff per kilolitre

based on the number of kilolitres consumed.

14.4 **Special Arrangements**

14.4.1 Where two or more dwellings / flats / offices / accommodation establishment units are feeding from one main water connection to a property, the customers are billed as follows:-

14.4.2 Customers in 14.4.1 are billed for consumption based on the amount of water used by way of a fix tariff per kilolitre usage.

14.5 **Water Restrictions**

14.5.1 The availability of bulk water resources will be monitored throughout the year by Council.

14.5.2 When so required, Council will take a resolution to implement water restrictions.

14.5.3 Any penalties payable on water consumption as a result of water restrictions will be implemented in the month following the Council resolution; regardless of the meter reading dates (water consumed prior to the resolution date may therefore also be subject to penalties).

14.6 **<u>Pre-Paid Water</u>**

Domestic Pre-paid Water meters will also be charged on the same Sliding scale as normal conventional Meters. Customers can apply for the installation of a Pre-paid water meter at the applicable tariff as per Council promulgated tariffs, subject to the availability of Pre-paid water meters. This will only apply to Residential customers.

14.7 Departmental

The respective Commercial and Bulk Supply tariffs, for consumption only, will be determined by Council on an annual basis. Tariff to be determined by the specific department applicable only to the water consumption.

14.8 Water Sundry Tariffs

All other water related services offered by the Council are charged at a tariff as determined by the Council annually during the budget process.

15. REFUSE TARIFF POLICY

15.1 Refuse Removal Tariffs

15.1.1 The Council has determined the following categories for refuse removal:-

15.1.1.1 Residential (domestic customers) – maximum of one removal per week;

15.1.1.2 Flats / Townhouses – levy for each unit – removal once a week (domestic)

15.1.1.3 Business / Commercial / Industrial (Non – Bulk) – maximum of two removals per week. Businesses situated in residential areas will only be serviced once a week.

15.1.1.4 Business / Commercial / Industrial (Bulk) - maximum of three removals per week.

15.1.1.5 Business / Commercial / Industrial (Bulk) - four or more, with a maximum of seven removals per week.

15.1.1.6 Additional removals – More than the maximum removals as per 15.1.1.1 to 15.1.1.5 above.

15.1.2 Registered Indigents receive their refuse removal service fully subsidised every month, as determined by Council on an annual basis.

15.1.3 Refuse removal charges will apply to developed properties.

15.2 Special Arrangements

15.2.1 Where two or more customers on a premises make use of the compulsory solid waste disposal service the customers are billed as per the category in clause 15.1.1.1 above.

15.2.2 Special tariff arrangements determined and approved by Council from time to time for specific developments. In terms of the current arrangements, all developments with ten or more units that have created a central collection point for refuse as agreed with the Municipality may qualify for a reduced tariff as determined by the Municipality on an annual basis. The Body Corporate or individual owners may apply in writing for a rebate. If approved, a rebate of 20% will be applied. If no application is received the full charges will be levied.

15.3 Departmental

Tariffs will be determined by Council on an annual basis. Tariff to be determined by the specific department applicable.

15.4 Refuse Removal Sundry Tariffs

All other refuse removal related services offered by the Council are charged

at a tariff as determined by the Council annually during the budget process.

16. SEWERAGE TARIFF POLICY

16.1. Sewerage Systems

16.1.1. A sewerage charge is payable on all properties (as per category as detailed in the schedule of tariffs), where a connection to the sewer network is possible, whether or not the service is utilised by the customer.

16.1.2. The charge will be payable as from date of registration of property and the charge will differ between developed and undeveloped properties.

16.1.3. Registered Indigents receive their levy for sewerage service fully subsidised every month, as determined by Council on an annual basis.

16.2. Special Arrangements

16.2.1. Where two or more dwellings / flats / offices / accommodation establishment units are feeding from one main sewerage connection to a property, the customers are billed as follows:-

A charge is payable on all dwellings that are connected to the sewerage network based on the size of the smallest water connection (20 mm).

16.2.2. In the case of accommodation establishments, a charge is payable on all units / dwellings that are connected to the sewerage network based on the size of the smallest water connection (20 mm), based on the following formula:-

Flats / Townhouses – each unit pays a sewer charge

16.3. **Departmental**

Tariffs will be determined by Council on an annual basis. Tariffs to be determined by the specific department applicable.

16.4. **Sewerage sundry tariffs**

All other sewerage related services offered by the Council are charged at a tariff as determined by the Council annually during the budget process.

17. PROPERTY RATES POLICY

17.1. **Property Rates tariffs**

Property rates are levied as determined by Council from time to time and is covered in the Property Rates Policy and By-law of the Municipality.

17.2. **Property Rates sundry tariffs**

All other property tax related services offered by the Council are charged at a tariff as determined by the Council annually during the budget process.

18. SUNDRY TARIFFS

18.1. Various sundry tariffs are applied to recoup the costs of sundry services to the public. All such tariffs are based on cost of supply, but individual tariffs may be set at:

18.1.1. Subsidised levels;

18.1.2. Levels reflecting actual cost; or

18.1.3. Levels producing surpluses.

18.1.4. The level at which the Council sets a sundry service tariff, takes into account factors such as:

18.1.4.1. Affordability;

18.1.4.2. Socio-economic circumstances;

18.1.4.3. Utilisation of amenities and resources;

18.1.4.4. National and regional agreements and provisions; and

18.1.4.5. any other factors influencing such decisions.

18.2. Sundry tariffs and structures will be revised at least once a year, during the annual budgeting process.

19. WATER LEAK ADJUSTMENT

19.1. **Definition of a water leak**

19.1.1. Water leak – is crack or flaw that permits water to escape or pass through the pipes. The water will be wasted with or without detection .

19.1.2. Responsibility for repairs of water leaks

19.2. **Customer**

19.2.1. The Customer remains responsible for any water leak that occurred from the meter to their property**.**

19.2.2. The Customer is responsible for effecting the repair of the pipes in his/her/its property.

19.2.3. Should the Customer discover any water leak, he/she/it must take immediate steps to stop the loss of water by turning off the water supply.

19.2.4. The plumber is the best person to call to mend domestic leaks and repair pipes and connections.

19.3. **Midvaal Local Municipality**

19.3.1. The water leaks on the streets or on council property remains the responsibility of the Municipality.

19.3.2. Midvaal Local Municipality will not charge its customers to repair pipes on the streets.

19.3.3. The consumers should not allow anyone trying to claim money from them for repairing council water pipes.

19.3.4. Even though the water leak is on council or municipality's side, consumers are requested to report the water leak.

19.4. **Water leak adjustment tariff**

19.4.1. If a Customer determines that its water bill has gradually been getting larger and does not decrease throughout several meter reading cycle, you may have a water leak.

19.4.2. Midvaal Local Municipality has a water leak tariff, as promulgated in the water tariffs of the municipality that may give you a discount on your bill, depending upon the nature of the water leak.

19.4.3. If the water leak is determined to be the customer's responsibility, the customer should repair the water leak and submit the documentation of repair (receipts for labour, supplies and equipment and an affidavit if the leak was fixed by the owner) to the municipality billing office.

19.4.4. Once the documentation has been reviewed and approved, the documentation will be processed immediately and adjustment made if merited.

19.4.5. The amount and time period to which the adjustment can be applied varies depending on the nature of water leak

19.4.6. Any request for water leak adjustment must be made within 30 days of the water leak repair.

19.5. **The adjustment support criteria**

19.5.1. Water leak adjustment is only applicable to residential properties, churches and non governmental organisations (NGOs)

19.5.2. The need to adjust a water bill may be evident by a customer complaint of excessive billing or evidence of water leakage on the consumer side of the meter.

19.5.3. To qualify for water leak adjustment, the usage must be at least 100% above the average monthly usage.

19.5.4. Customers are only allowed one water leak adjustment in a twelve (12) months period, unless otherwise waived by action of the Municipal Council.

19.5.5. The water department of the Municipality will first determine that the meter has been read properly.

19.5.6. Adjustment will only be made if the leak was detected within three (3) months.

19.5.7. Customer will still pay for the average consumption at the normal tariff.

19.5.8. The Municipality will only adjust the portion that exceeds the average usage per month, and will adjust retrospectively up to a maximum of six (6) months.

19.6. Adjustment on water bills will not be made on the following:

19.6.1. Any type of faulty customer plumbing;

19.6.2. More than one occurrence per any twelve (12) month period;

19.6.3. Customer did not take immediate steps after detection of the water leak to prevent further loss of water;

19.6.4. The customer did not provide proof of the repair of the water leak; and

19.6.5. Meter was tampered with in any way.

20. POLICY IMPLEMENTATION

20.1. The policy will be effective 1 July 2024

20.2. This policy is to be reviewed annually and approved by Council together with the adoption of the MTREF for the following year.

Annexure G
Property Rates By-Law
2024/2025

PROPERTY RATES BY-LAWS

PROPERTY RATES BY-LAWS

By-law

To give effect to the implementation of the Midvaal Local Municipality's Rates Policy and to provide for matters incidental thereto.

Preamble

WHEREAS section 6(1) of the Local Government: Municipal Property Rates Act, 2004 (6 of 2004) as amended, requires a municipality to adopt By-laws to give effect to the implementation of its Rates Policy;

AND WHEREAS section 6(2) of the Local Government: Municipal Property Rates Act, 2004 (6 of 2004) as amended, provides that By-laws adopted in terms of section 6(1) may differentiate between distinct categories of properties; and distinct categories of owners of properties liable for the payment of rates.

BE IT THEREFORE ENACTED by the Council of the Midvaal Local Municipality, as follows: -

1. Definitions

In this By-law any word or expression to which a meaning has been assigned in the Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004) shall bear the same meaning and unless the context indicates otherwise –

"**Act**" means the Local Government: Municipal Property Rates Act, 2004 (6 of 2004) as amended;

"**Council**" means the Council of the Midvaal Local Municipality; and

"**rate**" or "**rates**" means a municipal rate on property as envisaged in section 229 of the Constitution of the Republic of South Africa.

2. Adoption and implementation of Property Rates Policy

(1) The Council shall adopt and implement a property rates policy consistent with the Act on the levying of rates on rateable properties within the jurisdiction of the municipality; and

(2) The Council shall not be entitled to levy rates other than in terms of its property rates policy.

3. Contents of Property Rates Policy

The Council's Property Rates policy shall, *inter alia:*

(1) Apply to all rates levied by the Council pursuant to the adoption of its Annual Budget;

(2) Comply with the requirements for:

(a) the adoption and contents of a property rates policy specified in section 3 of the Act;

(b) the process of community participation specified in section 4 of the Act; and

(c) the annual review of a Property Rates Policy specified in section 5 of the Act.

(3) Specify any further principles, criteria and implementation measures consistent with the Act for the levying of rates which the Council may adopt; and

(4) Include such further enforcement mechanisms, if any, as the Council may wish to impose.

4. Enforcement of Property Rates Policy

The Council's Property Rates Policy shall be enforced through the Credit Control and Debt Collection By-law and Policy and any further enforcement mechanisms stipulated in the Act.

5. Short title and commencement

This By-law is the Property Rates By-law and takes effect on its date of promulgation in the *provincial gazette*.

Approved and Signed by:

1. Arie Meiring – Director: Income
   Signature: _____ Date: 19/1/2024

2. Zakhele Mhlongo – Executive Director: Financial Services
   Signature: _____ Date: 22/01/24

Annexure H
Property Rates Policy
2024/2025

PROPERTY RATES POLICY

EFFECTIVE 1 JULY 2024

As per Section 3 of Local Government: Municipal Property Rates Act, 6 of 2004, as amended

MIDVAAL
LOCAL MUNICIPALITY

TABLE OF CONTENTS

ITEM NO	ITEM DESCRIPTION	PAGE NO
	PREAMBLE	3
	SECTION A	
1	Introduction	4
2	Objective	4
3	Definitions	5
4	Purpose of Policy	13
5	Principles	14
	SECTION B	
6	Criteria for Categories of Property for the purpose of levying differential rates	14
	SECTION C	
7	Criteria for differential rating of different categories of properties	18
	SECTION D	
8	Criteria for exemptions, Rebates and Reductions	19
9	Granting of Exemptions, Rebates and Reductions Other Exemptions	20
10	Cost to Municipalities due to Exemptions, Rebates, Reductions, Exclusions	23
	SECTION E	
11	Criteria for Increasing of Rates	24
	SECTION F	
12	Liability for Rates by Property Owners	25
13	Rate Ratio's	26
14	Amount due for Rates	27
15	Phasing in of Rates	27
16	Frequency of valuations	28
17	Date of valuations	28
18	Inspection of and objections to the valuation roll	28
19	Special rating Area	29
20	Annual Review of Rates Policy	29
21	The effective date of Rates Policy	29
	ADDENDUM	
	Legal Requirements that all Municipalities must Comply with	30

PREAMBLE

WHEREAS the Constitution of the Republic of South Africa, 1996 empowers the Council to imposes rates on property in their Municipal area;

AND WHEREAS section 3 of the Local Government: Municipal Property Rates Act, 2004 (6 of 2004) as amended determines that the council of a municipality must adopt a rates policy in accordance to the determination of the Act;

AND WHEREAS the Council must, in terms of section 5(1) of the Act, annually review, and may, if necessary, amend the rates policy;

AND WHEREAS this policy does not contain all provisions of the Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004) as amended, but lists the key provisions that the municipality deems necessary for ratepayers to be aware of so that they fully understand rating issues that will affect them and must therefore be read in conjunction with, and is subject to the stipulations of the Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004) and any regulation promulgated in terms thereof from time to time;

NOW THEREFORE the following policy on the levying of property tax is adopted.

SECTION A

1. INTRODUCTION

The Local Government: Municipal Property Rates Act (2004) as amended requires Municipalities to develop and adopt rates policies consistent with the Act on the levying of rates on rateable property in the municipality. All inputs or representations received on the draft policy of Midvaal Local Municipality where considered in drafting the final policy.

The municipality needs a reliable source of revenue to provide basic services and perform its functions. Property rates are the most important source of general revenue for the municipality. Revenue from property rates is used to fund services that benefit the community as a whole as opposed to individual households. These include for example installing and maintaining streets, roads, sidewalks, lighting, and storm drainage facilities; and building and operating, parks, recreational facilities and cemeteries. Property rates revenue is also used to fund municipal administration, such as computer equipment and stationery, and costs of governance, such as council and community meetings, which facilitate community participation on issues of Integrated Development Plans (IDPs) and municipal budgets.

Municipal property rates are set, collected, and used locally. Revenue from property rates is spent within a municipality, where the citizens and voters have a voice in decisions on how the revenue is spent as part of the Integrated Development Plans (IDPs) and budget processes, which a municipality invites communities to input prior municipal council adoption of the budget.

2. OBJECTIVE

In developing and adopting this rates policy, the Council has sought to give effect to the sentiments expressed in the preamble of the Property Rates Act, namely that:

2.1 The Constitution enjoins local government to be developmental in nature, in addressing the service delivery priorities of our country and promoting the economic and financial viability of our municipalities;

2.2 There is a need to provide local government with access to a sufficient and buoyant source of revenue necessary to fulfill its developmental responsibilities;

2.3 Revenues derived from property rates represent a critical source of income for municipalities to achieve their constitutional objectives, especially in areas neglected in the past because of racially discriminatory legislation and practices; and

2.4 It is essential that municipalities exercise their power to impose rates within a statutory framework which enhances certainty, uniformity and simplicity across the nation and which takes account of historical imbalances and the burden of rates on the poor.

2.5 In applying its rates policy, the Council shall adhere to all the requirements of the Act including any regulations promulgated interms of the Act.

The objective of this policy is also to ensure that:

2.6 All persons liable for property rates are treated fairly, equitably and reasonably;

2.7 Rates are levied in accordance with the market value of the property;

2.8 That rate will be based on the value of all rateable property and the amount required by the municipality to fulfill its developmental responsibility as well as to balance the operational budget, taking into account the surplus obtained from the trading and economical services and the amounts required to cover the costs of exemptions, reductions and rebates which the Council approves from time to time;

3. DEFINITIONS

"Act" means the Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004) as amended and includes the regulations made in terms of Section 83 of the Act;

"Agricultural Property" means property that is used primarily for agricultural purposes but, without derogating from section 9, excludes any portion thereof that is used commercially for the hospitality of guests, and excludes the use of the property for the purpose of eco-tourism or for the trading in or hunting of game;

"Business and commercial property" means:

(a) Property used for the activity of buying, selling or trade in commodities, goods or services and includes any office or other accommodation on the same erf, the use of which is incidental to such activity, or

(b) Property on which administration of business of private or public entities take place: and “business and commercial properties” has a corresponding meaning;

“Category”-

(a) in relation to property, means a category of properties determined in terms of section 8; and

(b) in relation to owners of properties, means a category of owners determined in terms of section 15 (2);

"Certificate of occupancy" means the certificate issued by the Council in terms of the National Building Regulations and Building Standards Act, 1977 (Act 103 of 1977);

"Chief financial officer" means a person designated in terms of section 80(2)(a) of the Local Government: Municipal Finance Management Act 2003 (Act 56 of 2003);

"Constitution" means the Constitution of the Republic of South Africa, Act 108 of 1996;

"Core family" means a couple, irrespective of gender (whether married or not), with or without children and / or the parents of either;

"Council" means:

(a) The Midvaal Local Municipality established in terms of Section 12 of the Local Government: Municipal Structures Act 1998 (Act 117 of 1998), as amended, exercising its legislative and executive authority through its Municipal Council; or

(b) Its successor in title; or

(c) A structure or person exercising a delegated power or carrying out an instruction, where any power in this policy has been delegated or sub-delegated, or an instruction given, as contemplated in section 59 of the Municipal Systems Act;

(d) In respect of ownership of property, rateability and liability for rates, a service provider fulfilling a responsibility assigned to it;

(e) Through a service delivery agreement in terms of section 81(2) of the Municipal Systems Act or any other law, as the case may be;

"Due date" means the date specified as such on a municipal account for any rates payable and which is the last day allowed for the payment of such rates;

"Dwelling" means a house designed to accommodate a single core family, including the normal outbuildings associated therewith;

"Exclusion" in relation to a municipality's rating power means a restriction of the power as provided for in Section 17 of the Act;

“Exemption” in relation to the payment of a rate, means an exemption granted by the Municipality in terms of Section 15 of the Act;

“Financial year” means any period commencing on 1 July of a calendar year and ending on 30 June of the succeeding calendar year;

"Industrial property" means property used for a branch of trade or manufacturing, production assembling or processing of finished or partially finished products from raw materials or fabricated part, on so large scale that capital and labour are significantly involved, and includes any office or other accommodation on the same property, the use of which is incidental to such activity;

“Land tenure right” means a land tenure right as defined in section 1 of the Upgrading of Land Tenure Rights Act, 1991 (Act 112 of 1991);

“Market value” in relation to a property, means the value of the property determined in accordance with Section 46 of the Act;

"Mining" means any operation or activity for the purpose of extracting any mineral on, in or under the earth, water or any residue deposit, whether by underground or open working or otherwise and includes any operation or activity incidental thereto;

"Multiple use properties" in relation to a property, means the use of a property for more than one purpose, subject to section 9 of the Municpal Property Rates Act, 6 of 2004, as amended;

“Municipal Systems Act” means the Local Government: Municipal Systems Act, 32 of 2000, as amended;

“Municipality” means the Midvaal Local Municipality;

"Municipal properties" means all properties of which the municipality is the owner or which property vest in the municipality but excludes such property owned by or vested in the municipality which is used for residential, business and commercial and / or industrial purposes.

"Newly rateable property" means any rateable property on which property rates were not levied by 30 June 2005, excluding a property that was incorrectly omitted from a valuation roll and for that reason was not rated before that date.

"Owner" means:

(a) In relation to a property referred to in paragraph (a) of the definition of "property", a person in whose name ownership of the property is registered;

(b) In relation to a right referred to in paragraph (b) of the definition of "property", a person in whose name the right is registered;

(c) In relation to a land tenure right referred to in paragraph (c) of the definition of "property", a person in whose name the right is registered or to whom it was granted in terms of legislation; and

(d) In relation to public service infrastructure referred to in paragraph (d) of the definition of "property", the organ of state that owns or controls that public service infrastructure; provided that a person mentioned below may for the purpose of the Act be regarded by a municipality as the owner of a property in the following circumstances:

   (i) a trustee, in the case of a property registered in the name of the trustee of a trust, excluding state trust land;

   (ii) an executor or administrator, in the case of a property in a deceased estate;

   (iii) a trustee or liquidator, in the case of a property in an insolvent estate or in liquidation;

   (iv) a judicial manager, in the case of a property in the estate of a person under judicial management;

   (v) a curator, in the case of a property in the estate of a person under curatorship;

   (vi) a person in whose name a usufruct or other personal servitude is registered, in the case of a property that is subject to a usufruct or other personal servitude;

   (vii) a lessee, in the case of a property that is registered in the name of a municipality and is leased by it;

   (viii) a buyer, in the case of a property that has been sold by the Municipality and of which possession has been given to the buyer pending registration of ownership in the name of the buyer; or an occupier of a property that is registered in the name of the Municipality.

"Pensioner" mean retired property owners who reached the age of 60 years.

“Place of Public worship” means 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-

(a) registered in the name of the religious community;

(b) registered in the name of a trust established for the sole benefit of a religious community; or

(c) subject to a land tenure right.

“Poor household” means a household that complies with the conditions of Indigent households as per Council’s approved Indigent policy and have been approved as an Indigent household.

“Properties owned by an organ of state and used for public service purposes” means properties owned by the State and are used for public services, which are not included in the definition of public service infrastructure in the Act. Examples include hospitals, schools, police stations, etc.

"Protected area" means an area that is or has to be listed in the register referred to in section 10 of the National Environmental Management: Protected Areas Act, 2003.

"Public Benefits Organisation" means an organisation conducting specified public benefit activities as defined in Section 30 of the Income Tax Act 1962 (Act 58 of 1962) and registered in terms of the Income Tax Act for tax reductions because of those activities.

“Public benefit property” means property owned by a public benefit organisation and used for any specified public benefit activity listed in item 1 (welfare and humanitarian), item 2 (health care), and item 4 (education and development) of part 1 of the Ninth Schedule to the Income Tax Act.

"Public Service Infrastructure" means publicly controlled infrastructure of the following kinds:

(a) national, provincial or other public roads on which goods, services or labour move across a municipal boundary;

(b) water or sewer pipes, ducts or other conduits, dams and water supply reservoirs, water treatment plants or water pumps forming part of a water or sewer scheme serving the public;

(c) power stations, power substations or power lines forming part of an electricity scheme serving the public;

(d) gas or liquid fuel plants or refineries or pipelines for gas or liquid fuels, forming part of a scheme for transporting such fuels;

(e) railway lines forming part of a national railway system;

(f) communication towers, masts, exchanges or lines forming part of a communications system serving the public;

(g) runways or aprons at national or provincial airports;

(h) breakwater, sea walls, channels, basin, quay walls, jetties, roads, railway or infrastructure used for the provision of water, lights, power, sewerage or similar services of ports, or navigational aids comprising light houses, radio navigational aids, buoys, beacons or any other device or system used to assist the safe and efficient navigation of vessels;

(i) any other publicly controlled as may be prescribed; or

(j) rights of way, easements or servitudes in connection with infrastructure mentioned in paragraphs (a) to (i);

"Rate" means a municipal rate on property envisaged in Section 229(1)(a) of the Constitution;

"Ratepayer" means any owner of rateable property as well as any owner of a rateable property held under sectional title, situated within the area of jurisdiction of the Council;

"Rateable property" means property on which a municipality may, in terms of Section 2 of the Act, levy a rate, excluding property fully excluded from the levying of rates in terms of Section 17 of the Act;

"Ratio" means the relationship between two similar magnitudes in respect of quantity, determined by the number of times one contains the other;

"Rebate" in relation to a rate payable on a property, means a discount granted in terms of Section 15 of the Act on the amount of the rate payable on the property;

"Reduction" in relation to a rate payable on a property, means the lowering in terms of Section 15 of the Act of the amount for which the property was valued and the rating of the property at that lower amount;

"Residential property" means improved property that:

(a) Is used for residential purposes, including any adjoining property registered in the name of the same owner and used together with such residential property as if it were one property. Any such grouping shall be regarded as one residential property for rate rebate or valuation reduction purposes;

(b) Is a unit registered in terms of the Sectional Title Act and is used for residential purposes;

(c) Is owned by a share-block company and is used for residential purposes;

(d) Is a residence used for residential purposes situated on a property used for educational purposes;

(e) Is property which is included as residential in a valuation roll in terms of section 48(2)(b) of the Act;

(f) Is part of a retirement scheme and / or life right scheme used for residential purposes;

(g) But excluding vacant (empty) stands or is used as a guesthouse, utilized for income generating purposes, hotel, and accommodation establishment, irrespective of their zoning or intended use.

"Sectional Titles Act" means the Sectional Titles Act, 1986 (Act 95 of 1986);

"Sectional title scheme" means a scheme defined in section 1 of the Sectional Titles Act;

"Sectional title unit" means a unit defined in section 1 of the Sectional Titles Act;

"Service provider" means a service provider contemplated in paragraph (d) of the definition of "Council";

"State" means the National Government and the Gauteng Provincial Government;

"State trust land / Communal Land" means land owned by the state:

(a) In trust for persons communally inhabiting the land in terms of a traditional system of land tenure;

(b) Over which land tenure rights were registered or granted; or

(c) Which is earmarked for disposal in terms of the Restitution of Land Rights Act, 1994 (Act 22 of 1994);

"Town planning scheme" means

(a) A town-planning scheme, which is in operation as contemplated in the Town Planning and Townships Ordinance 15 of 1986;

(b) Any scheme or document which in terms of any applicable legislation is legally in operation and records or sets out, by means of maps, schedules or any other document, the development rights specifying the purpose for which land may lawfully be used or any buildings may be erected, or both;

"Vacant" shall mean land which is devoid of habitable structures, is unoccupied and has no predominant use and shall the words Vacant: Residential properties, Vacant Industrial, Business and Comercial properties, and Vacant Agricultural properties, as it may appear on the valuation roll, shall have a corresponding meaning."

"Zoning" means the purpose for which land may lawfully be used or on which buildings may be erected or used, or both, as contained in the applicable town planning scheme and "zoned" has a corresponding meaning. Where a property carries multiple zoning rights, the categorization of such property will be determined by apportioning the market value of the property, in a manner as may be prescribed, to the different purposes for which the property is used, and applying the rates applicable to the categories determined by the Municipality for properties used for those purposes to the different market value apportionments.

4. PURPOSE OF THE POLICY

The purpose of the policy is:

4.1 To comply with the provisions as set out in section 3 of the Act.

4.2 To determine criteria to be applied for:

4.2.1 Levying differential rates for different categories of properties;

4.2.2 Exemptions relating to a specific category of owners of properties, or the owners of a specific category of properties;

4.2.3 Rebates and reductions and

4.2.4 Rate increases.

4.3 To determine or provide criteria for the determination of:

4.3.1 Categories of properties for the purpose of levying different rates; and

4.3.2 Categories of owners of properties or categories of properties for the purpose of granting of exemptions, rebates and reductions.

4.4 Determine how the municipality's powers must be exercised in relation to properties which are to be categorized for multiple purposes.

4.5 Identify and provide reasons for:

4.5.1 Exemptions, rebates and reductions;

4.5.2 Exclusions; and

4.5.3 Where provided for by the Minister for Local Government, rates on properties that must be phased in.

4.6 Take into account the effect of rates on the poor and to provide for appropriate measures to alleviate the rates burden on them;

4.7 Take into account the effect of rates on organisations conducting public benefit activities;

4.8 Take into account the effect of rates on public service infrastructure;

4.9 Determine measures to promote local economic and social development; and

4.10 Identify all ratable properties that are not rated.

5. PRINCIPLES

5.1 The Council shall as part of each annual operating budget impose a rate in the rand on the market value of all rateable property as recorded in the municipality's valuation roll and supplementary valuation roll. Rateable property shall include any rights registered against such property, excluding a mortgage bond;

5.2 The Council pledges itself to limit each annual rates increase as far as practicable so that the Council does not overburden its ratepayers.

5.3 The Council shall, in imposing the rate in respect of each financial year, take proper cognizance of the aggregate burden of rates and service charges on property owners, in the various categories of property ownership.

5.4 Other policy principles:

5.4.1 All persons liable for property rates will be treated equitably and reasonably;

5.4.2 Rates will be levied in proportion to the market value of the property and based on the use of the property in line with Section 8(1)(a) of the Local Government: Municipal Property Rates Act, Act 6 of 2004, as amended (2014);

SECTION B

CATEGORIES OF PROPERTY

6. CRITERIA FOR CATEGORIES OF PROPERTY FOR THE PURPOSE OF LEVYING DIFFERENT RATES

6.1 The Council may levy different rates to different categories of rateable property. All rateable property will be classified in a category and will be rated based on the category of the property. For purposes of levying rates, categorisation will be based on the use of the property as allowed for in section 8(1) read with sections 3(3)(b) and 3(3)(c) of the Act, the following categories (including clarification of category) of properties are determined in line with Section 8(1)(a) of the Local Government: Municipal Property Rates Act, Act. 6 of 2004 as amended (2014):

Ref no	Category	Clarification (Must be read together with definitions)
1	Residential properties	As per definition of "residential properties".

Ref no	Category	Clarification (Must be read together with definitions)
2	Industrial properties	As per definition of “industrial properties”.
3	Business and Commercial properties	As per definition of “business and commercial property”.
4	Agricultural properties	Properties primarily used for agricultural purposes.
5	Mining Properties	Properties used for mining operations as defined in the Minerals and Petroleum Resources Development Act, 2002 (Act 28 of 2002).
6	Properties owned by an organ of state and used for public service purposes	As per definition of “Properties owned by an organ of state and used for public service purposes”.
7	Public Service Infrastructure properties	As per definition of “public service infrastructure”.
8	Properties owned by Public Benefit Organisations and used for specified public benefit activities	As per definition of “Public Benefit Properties”.
9	Properties used for multiple purposes	Properties used for multiple purposes and not assigned to any other category where the property cannot readily be categorised by referring to the permitted or dominant use of the property will be apportioned to the different purposes for which the property is used. **Whilst this is not a property category, it is listed here to show how these properties will be dealt with as per section 9 of the Municipal Property Rates Act.**
10	Protected areas	As per definition of “protected area”.
11	Municipal properties	All properties of which the municipality is the owner or which property vests in the municipality but excludes such properties owned by or vested in the Municipality which is used for residential and / or commercial purposes.

Ref no	Category	Clarification (Must be read together with definitions)
12	Public monuments and memorials	Monument and memorials (i) erected on land belonging to any branch of central, provincial or local government, or on land belonging to any organization funded by or established in term of the legislation of such a branch of government; or (ii) which were paid for by public subscription, government funds, or a public-spirited or military organization, and are on land belonging to any private individual.
13	Unregistered Properties	To be used for admin purposes for properties not yet registered in the Deeds office. **Whilst this is not a property category, it is listed here to show how these properties will be dealt with as per section 9 of the Municipal Property Rates Act.**
154	Communal land	Property belonging to a land reform beneficiary or his or her heirs provided that this exclusion lapses 10 years from the date on which such beneficiary's title was registered in the office of the Registrar of Deeds.
15	Place of Worship and Vicarage	As per definition of "Place of Public Worship".
16	Vacant land	**"**Vacant" shall mean land which is devoid of habitable structures, is unoccupied and has no predominant use and shall the words Vacant: Residential properties, Vacant Industrial, Business and Comercial properties, and Vacant Agricultural properties, as it may appear on the valuation roll, shall have a corresponding meaning."

6.2 Owners of properties who are of the view that their property has been categorised incorrectly may apply to the Council in writing for the category to be reviewed. The Council has the right to request documentary evidence and / or to request the municipal valuer to conduct a physical inspection of the property in order for the municipal valuer to review the category and to amend the valuation roll accordingly, if the review is successful.

6.3 Properties used for multiple purposes which do not fall within the definition of a single category and accordingly do not qualify entirely for a rate in that single category maybe included into a combination of categories of multiple use properties for which an apportionment according to use of that value for each distinct category of property will be calculated by the municipal valuer and used for billing at the appropriate and applicable rate, in cases where the municipal valuer considers to apply this category."

6.4 If no "Certificate of occupancy" is available or cannot be produced the property will be categorized in line with Section 8(1)(a) and Section 78 of the Local Government Municipal Property Rates Act, Act 6 of 2004, as amended (2014).

6.5 For categorization of all properties the properties must be categorized in line with Sections 8(1)(a) and 46 of the Local Government: Municipal Property Rates Act, Act 6 of 2004, as amended (2014).

SECTION C

DIFFERENTIAL RATING

7. CRITERIA FOR DIFFERENTIAL RATING ON DIFFERENT CATEGORIES OF PROPERTIES

The following has been taken into consideration for the purpose of differential rating:

7.1 The nature of the property including its sensitivity to rating e.g. agricultural properties used for agricultural purposes.

7.2 Undeveloped or vacant land will be rated higher (in terms of a rate in the Rand) as the municipality is encouraging owners of vacant land to develop it and that the vacant land should not be used for speculation purposes by owners.

7.3 Promotion of social and economic development of a municipality.

7.4 Differential rating among the various property categories will be done by way of setting different Cent amount in the Rand for each property category (through the use of ratio's) rather than by way of reductions and rebates.

SECTION D

RELIEF MEASURES RELATED TO CATEGORIES OF PROPERTIES AND CATEGORIES OF OWNERS OF PROPERTIES

8. FACTORS TO BE CONSIDERED FOR EXEMPTIONS, REBATES AND REDUCTIONS

8.1 In granting exemptions, rebates and reductions to the categories of properties and categories of owners, the Council recognises the following factors:

8.1.1 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 services which they provide;

8.1.2 The need to accommodate indigents and less affluent pensioners and persons dependent on a nominal income due to medical incapacitation or other factors as may be determined by Council from time to time;

8.1.3 The services provided to the community by public service organisations;

8.1.4 The value of agricultural activities to the local economy coupled with the limited municipal services extended to such activities, but also taking into account the municipal services provided to municipal residents who are employed in such activities;

8.1.5 The need to preserve the cultural heritage of the local community;

8.1.6 The need to encourage the expansion of public service infrastructure;

8.1.7 The indispensable 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; and

8.1.8 The requirements of the Act.

9. GRANTING OF EXEMPTIONS, REBATES AND REDUCTIONS

Compulsory and mandatory exemptions will be in line with Sections 15 and 17 of the Local Government: Municipal Property Rates Act, 2004.

9.1 Exemptions

Sections 15 and 17 of the Act allows the granting of exemptions, reductions and rebates. These exemptions, reductions and rebates can be granted to either a specific category of properties, or a specific category of property owners.

9.1.1 Public Benefit Organisations will be exempted from paying property rates, subject to the property being in fully operation as the registered institution;

9.1.2 Municipal properties will be exempted from property rates;

9.1.3 Properties on which Public Monuments and Memorials are located will be exempted from property rates;

9.1.4 Properties located on special nature reserves, national parks or nature reserves within the meaning of the National Environmental Management: Protected Areas Act, 2003 (57 of 2003) or of a national botanical garden within the meaning of the National Environmental Management: Biodiversity Act 2004, (10 of 2004), which are not developed or used for commercial, business, agricultural or residential purposes will be exempt from paying property rates;

9.1.5 Properties belonging to a land reform beneficiary or his or her heirs, dependents or spouse will be exempt from paying property rates for the first ten years from the date on which such beneficiary's title was registered in the office of the Registrar of Deeds provided that upon alienation of the property by the land reform beneficiary or his or her heirs, dependents or spouse, property rates shall become payable;

9.1.6 Properties registered in the name of and used primarily as a place of public worship by a religious community, including the official residence registered in the name of that community which is occupied by the office bearer of that community who officiates at services at that place of worship will be exempt from paying property rates; and

9.1.7 Public Service Infrastructure will be exempted from paying property rates.

9.1.8 In order to alleviate the tax burden on residential property owners, all properties categorised as residential properties will, in addition to the impermissible rate of R15 000 prescribed in section 17(1)(h) of the Act, receive a further R135 000 exemption on the market value of a property.

9.2 Reductions

The Council may determine reductions to be applied to the market value of properties from time to time.

9.3 Rebates

Pensioners

Persons dependent on a nominal income due to medical incapacitation – medical certificate must be attached as proof thereof.

9.3.1 Owners dependent on pensions or social grants: Residential property owners who are over 60 years of age, who are both permanent occupiers and the owner/s of the property concerned whose aggregate household income does not exceed the maximum of 4 times old age pension per month will receive a rebate of 100% of their property rates for the first R1 300 000 of their property value. Residential property owners who are over 60 years of age, who are both permanent occupiers and the owner/s of the property concerned whose aggregate household income does not exceed the maximum of 5 times old age pension per month will receive a rebate of 50% of their property rates for the first R1 300 000 of their property value (i.e. maximum of R1 150 000 after the first R150 000 residential reduction has been applied). Property Owners with more than 1 property will not qualify for Pensioner Rebates.

Pensioner rebates will be valid for a period of 12 months from date of approval.

9.3.2 Sports grounds used for amateur sports will receive a rebate of 75% of their property rates (application based, annually).

9.3.3 Old age institutions registered at the Department of Welfare will receive a rebate of 85% of their property rates (application based, annually).

9.3.4 Owners of small holdings (with property type as contained in the valuation roll, agricultural holdings / farms) where the usage is indicated as a residential dwelling, will receive a rebate of 50% of their property rates for the first R750 000 of their property value (i.e. maximum of R600 000 after the first R150 000 residential reduction has been applied).

9.3.5 Owners of Private Schools will receive a 50% rebates of their property rates, subject to the school being registered as such at the Deeds Office and with the department...

9.3.6 First time owners of Government Flisp Housing who qualified for government subsidy will receive a 75% rebate of their property rates for the first R500 000 of their property value (i.e. maximum of R350 000 after the first R150 000 residential reduction has been applied). Once the Flisp subsidy beneficiary sells the property, the new property owner will not qualify for the rebate unless he / she is also a Flisp subsidy beneficiary.

9.3.7 Indigent Customers will be exempted from Property Rates.

9.3.8 In the event of owners of properties situated within an area affected by a disaster within a meaning of Disaster Management Act, (Act No. 57 of 2002), and the Property Rates Act, as amended, Section 15(2) (c) and (d), and any other serious adverse social or economic conditions, an additional exemption on municipal valuation may be provided toresidential customer . Council will determine the amount and the period for which the rebate will apply.

9.3.9 The closing date for Rebate applications in terms of the sections above will be the end of July of every financial year.

9.4 Development incentives and special rebates

9.4.1 **Development Incentives**

The objectives of the incentives are to attract investors who will bring the expertise, funds and the capacity to develop property categories such as residential, business and commercial, industrial, agricultural, educational institutions and others but also to fast track other normal developments within the Midvaal Local Municipality area;

Property Developers must submit a proper motivation (in writing) to the municipality which should include but not limited to:

- Timeframes;
- Cost of development;
- How will municipality and community benefit, etc;

The particulars of the incentive such as the percentage, cent in the rand, etc. will only be granted once formally approved by the Council or if such and incentive forms part of the Councils approved Land Development Incentive Policy;

The Municipality reserves the right to refuse or reverse any rebate if the details submitted in the application are incomplete, incorrect, or false.

9.4.2 Special rebate on Residential

In order to be granted a special rebate, the development must consist of at least 10 residential units and more.

For the purpose of special rebates on residential development which is defined as any construction in a designated (Residential zoned area), the property rates will be phased in as follows after completion of the development, which is subjected to the occupancy certificate being issued:

- In the first year a rebate of 100%
- In the second year a rebate of 75%
- In the third year a rebate of 50%

The rebate will fall away on receipt of an Occupancy Certificate, and the full property rates will be payable.

9.4.3 Special rebate on Industrial

For the purpose of special rebates on industry development which is defined as any construction in a designated (Industrial Site Zone), the property rates will be phased in as follows after completion of the development:

- In the first year a rebate of 100%
- In the second year a rebate of 75%
- In the third year a rebate of 50%

In the fourth year the full property rates will be payable.

9 COST TO MUNICIPALITIES DUE TO EXEMPTION, REBATES, REDUCTIONS, EXCLUSIONS, PHASING IN AND THE BENEFIT THEREOF TO MUNICIPALITIES

The cost to the municipality of having granted the relief measures (exemptions, rebates and reductions) short of qualifying such costs in Rand and Cent are reflected in the annual budget report as income foregone. These relief measures are detailed in paragraphs 9.1 – 9.4 of this policy.

PROPERTY RATES ANNUAL BUDGET		
PROPERTY CATEGORY	**ANNUAL BUDGET**	**REBATES**
KINDLY REFER TO THE BUDGET DOCUMENT FOR THE FINAL FIGURES		

SECTION E

RATES INCREASES/DECREASE

10 CRITERIA FOR INCREASING OF RATES

The municipality will consider increasing property rates levies annually during the budget process:

10.1 The Municipality will in determining the rate levy increase take the following into consideration:
10.1.1 To treat persons liable for rates equitably;
10.1.2 Take into account the effect of rates on the poor and include appropriate measures to alleviate the rates burden on them.
10.1.3 Priorities of a municipality reflected in its Integrated Development Plan.

10.1.4 The revenue needs of the municipality.
10.1.5 A need for management of rates shocks.
10.1.6 Affordability of rates to ratepayers.

All increases in the property rates levied will be communicated to the local community in terms of the council's IDP and Budget community participation process.

SECTION F

11 LIABILITY FOR RATES BY PROPERTY OWNERS

11.1 Method and time of payment

Midvaal Local Municipality will recover the rate levied in twelve equal monthly installments over the relevant financial year. The installment is payable on or before the 7th day of every month, following the month in which it has been levied or the due date as per the municipal statement, whichever is the earlier. Interest will be charged on the arrear amount due for rates payable at the interest rate determined by the Council.

11.2 Annual Payment Arrangements

Owners of rateable properties may choose to pay the annual rates in one installment on or before the 7th of October of the particular financial year. The property owner must notify the municipal manager or his / her nominee by no later than 30 June in any financial year, or such later date in the financial year as determined by the municipality, that he / she wishes to pay all rates in respect of such property for a particular financial year in one installment, after which such an owner shall be entitled to pay all rates in the subsequent financial year and all subsequent financial years annually until he / she withdraws this notice in similar manner.

11.3 Recovery of arrear rates from tenants, occupiers and agents

Must be read together with Section 28 and 29 of the Local Government: Municipal Property Rates Act, 6 of 2004, as amended (2014).

If an amount due for rates levied in respect of a property is unpaid after the due date, the municipality may recover the amount in whole or in part from a tenant or occupier of the

property. The amount that the municipality may recover from the tenant or occupier of the property is limited to the amount of the rent or other money due and payable by the tenant or occupier to the owner of the property. Any amount which the municipality recovers from the tenant or occupier of the property must be set off, by the tenant or occupier, against any money owed by the tenant or occupier to the owner. The Municipality may only recover such rates from the tenant or occupier after it has served a written notice to this effect on the tenant / occupier.

The municipality may recover the amount due for rates from any agent of the owner after it has given written notice to that agent or person. The amount the municipality may recover from the agent or other person is limited to the amount of that rent received by the agent or person, less the commission due to that agent or person subject to the Estate Agents Affairs Act, 1976 (Act 112 of 1976). The agent or other person must, on request by the municipality, furnish the municipality with a written statement specifying all payments for rent on the property received by that agent or person during a period determined by the municipality.

11.4 Clearance Certificate

All monies collected, including any estimated amount for the duration of the validity period of the clearance certificate, are for the purposes of section 118 (1A) of the Municipal Systems Act, or section 89 of the Insolvency Act, 1936 (Act 24 of 1936), deemed to be due and must be paid in order to facilitate the transfer of immovable property. (See Steve Tshwete Local Municipality v Fedbond [2013] ZASCA 15 (20 March 2013) where the SCA ruled that clearance must be given, in case of insolvency, for 2 years preceding the date of application for clearance, not 2 years preceding date of sequestration).

11.5 Property rates payable by joint owners / fractional property ownership

Owners will be held liable for rates jointly and severally for any properties with joint and/or fractional ownership.

12 RATE RATIOS

The Council may not levy different rates on residential properties except as provided for in the Act. The concept of differential rating means that the rate (cent in the rand amount) is not constant across all category of property. The residential rate will be use as the base rate and the other rates determined in relation to the residential rate, calculated on the ratios between the categories. The Council shall determine ratio’s from time to time bearing in mind the

prescribed ratios and statutory prescripts. The proposed rate ratios as per category of property for the 2022/2023 financial year are:

Ref no	Category	Ratio
1	Residential properties	1:1
2	Industrial properties	1:2
3	Business and Commercial properties	1:2
4	Agricultural properties	1:0.25
5	Mining Properties	1:2
6	Properties owned by an organ of state and used for public service purposes	1:2
7	Public Service Infrastructure properties	Exempted
8	Properties owned by Public Benefit Organisations and used for specified public benefit activities	Exempted
9	Properties used for multiple purposes (as per Section 9 of the Municipal Property Rates Act)	Apportionment according to use and the applicable ratio as per the use will then apply to the various apportioned values
10	Municipal properties	Exempted
11	Public monuments and memorials	Exempted
12	Unregistered Properties (Administrative Purposes)	1:0
13	Communal land and Land Reform Beneficiaries	Exempted
14	Place of Worship and Vicarage	Exempted
15	Vacant	1:3

13 AMOUNT DUE FOR RATES

A rate levied by the municipality on property will be an amount (cent in the Rand) on the market value of the property as determined by Council during the annual budget preparations and is dealt with in a separate report in line with Section 14 of the Local Government: Municipal Property Rates Act, Act 6 of 2004, as amended.

14 PHASING IN OF RATES

14.1 The rates to be levied on newly rateable property shall be phased in as provided for in Section 21 of the Act.

14.2 The phasing-in discount on the properties referred to in Section 21 of the Act shall be as follows:

14.2.1	First year	: 75% of the relevant rate;
14.2.2	Second year	: 50% of the relevant rate; and
14.2.3	Third year	: 25% of the relevant rate

15 FREQUENCY OF VALUATIONS

The municipality will make a general valuation of all properties and prepare a valuation roll every 5 (Five) years or for any other period as determined by the Council from time to time but in total not for more than 5 financial years.

16 DATE OF VALUATIONS

For the purposes of property valuation the Municipality must in terms of Section 31 of the Local Government: Municipal Property Rates Act, Act 6 of 2004, as amended. The valuation date for the 2018/2023 General Valuation roll was 1 July 2017. The Valuation date for the 2025/2030 Valuation Roll will be 1 July 2024. and the valuation roll will be prepared by the person designated as Municipal Valuer and be implemented 1 July 2025.

17 INSPECTION OF AND OBJECTIONS TO AN ENTRY IN THE VALUATION ROLL

17.1 Once the Council has given notice that the valuation roll is open for public inspection, any person may within the inspection period, inspect the roll during office hours and may on payment of a reasonable fee as prescribed by the Council, request the municipality during office hours to make extracts from the roll and may further lodge an objection with the Municipal Manager against any matter reflected in, or omitted from, the roll.

17.2 The Municipal Manager or an official designated by him/her must assist an objector to lodge an objection if that objector is unable to read or write.

17.3 Objections must be in relation to a specific individual property and not against the valuation roll as such;

17.4 The lodging of an objection shall not defer liability for the payment of rates beyond the date determined for payment; and

17.5 All objections received shall be dealt with in accordance with the Act.

17.6 Electronic, e-mail, facsimile will be accepted.

17.7 No Late Objections will be received.

18 SPECIAL RATING AREAS

The municipality may by resolution of its council:

18.1 Determine an area within that municipality as a special rating area;

18.2 Levy an additional rate on property in that area for the purpose of raising funds for improving or upgrading that area; and

18.3 Differentiate between categories of properties when levying an additional rate referred to in paragraph (b).

19 ANNUAL REVIEW OF RATES POLICY

The municipality will annually review, and if necessary amend its rates policy taking into accounts public comments and inputs.

20 THE EFFECTIVE DATES OF THE RATES POLICY

The rates policy takes effect from the start of the municipal financial year, 1 July 2024

ADDENDUM

LEGAL REQUIREMENTS THAT ALL MUNICIPALITIES MUST COMPLY WITH IN TERMS OF THE MUNICIPAL PROPERTY RATES ACT, 2004 (ACT 6 OF 2004) WITH REGARD TO RATES POLICY DEVELOPMENT

This addendum does not contain all provisions of the Act that must be complied with in the development of rates policy, but list just a few provisions key provisions that the municipality deems it necessary for residents/ratepayers to be aware so that they get a full picture of rating issues that will affect them.

IMPERMISSIBLE RATE

- A municipality may not levy a rate on the following in terms of section 17(1) of the Act:
  - On the first 30% of the market value of public service infrastructure.
  - Any part of the sea-shore in terms of section (17(1)(b) of the Act.

- Any part of the territorial waters of the Republic in terms of section 17(1)(c) of the Act.
  - Any island of which the state is the owner in terms of section 17(1)(d) of the Act.
  - Protected areas in terms of section 17(1)(e) of the Act.
  - Mineral rights in terms of section 17(1)(f) of the Act.

- Properties belonging to land reform beneficiaries in terms of section 17(1)(g) of the Act.
  - On the first R15 000.00 of the market value of residential in terms of section 17(1)(h) of the Act. .
  - Religious institutions in terms of section 17(1)(i) of the Act.

Annexure I
Credit Control and Debt Collection By-Law 2024/2025

CREDIT CONTROL AND DEBT COLLECTION BY-LAW

MIDVAAL
LOCAL MUNICIPALITY

MIDVAAL LOCAL MUNICIPALITY
CREDIT CONTROL AND DEBT COLLECTION
BY-LAW

Bylaw

To provide for credit control and the collection of all monies due and payable to the Municipality; To give effect to the implementation of the Midvaal Local Municipality's Credit Control and Debt Collection Policy and to provide for all matters incidental thereto.

Preamble

WHEREAS the Municipality is entitled in terms of section 229 of the Constitution of the Republic of South Africa, 1996, to impose rates on property and surcharges on fees for services provided by or on its behalf within its area of jurisdiction;

WHEREAS the Municipality is entitled in terms of section 75A of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) to levy and recover fees, charges or tariffs in respect of any function or service of the Municipality and to recover collection charges and interest on any outstanding amount;

WHEREAS the Municipality is obliged in terms of section 96 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) to collect all money that is due and payable to it, subject to the provisions of that Act and any other applicable legislation;

AND WHEREAS the Municipality is obliged in terms of section 98 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) to adopt By-laws to give effect to the Municipality's credit control and debt collection policy, its implementation and enforcement;

NOW THEREFORE the Municipal Council of Midvaal Local Municipality, acting in terms of section 156 of the Constitution, and read with section 98 and 11 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000), hereby makes the following By-law::

1. Definitions

i. This By-law must be read in conjunction with the Municipality's Credit Control and Debt Collection Policy.

ii. In this By-Law any word or expression to which a meaning has been assigned in the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000), shall bear the same meaning in these bylaws, and unless the context indicates otherwise —

"**account**" means written notification of municipal services, rates, sundry and other related charges due to the Municipality, and address to the Customer liable for payment thereof;

"**Constitution**" means the Constitution of the Republic of South Africa, 1996;

"**Council**" means the Municipal Council of the Midvaal Local Municipality, a municipal council envisaged in section 157 of the Constitution;

"**Municipality**" means the entity as described in section 2 of the Local Government: Systems Act 32 of 2000. Municipality shall also mean the Midvaal Local Municipality;

"**municipal service**" means a service provided by the Municipality in terms of its powers and functions to or for the benefit of the local community irrespective of whether or not –

(a) such a service provided, or to be provided, by the municipality through an internal mechanism contemplated in section 76 of the Local Government: Systems Act or by engaging an external mechanism contemplated in section 76 of the Local Government: Systems Act; and

(b) any fees, charges, or tariffs levied in respect of such a service;

"**Policy**" means the Municipality's Credit Control and Debt Collection Policy adopted by the Municipality and amended from time to time;

"**Property**" means

(a) immovable property registered in the name of a person, including, in the case of a sectional title scheme, a sectional title unit registered in the name of a person;

(b) a right registered against immovable property in the name of a person, excluding a mortgage bond registered against the property;

(c) a land tenure right registered in the name of a person or granted to a person in terms of legislation;

(d) public service infrastructure;

"**rate**" or "**rates**" means a rate on property and or services as approved by Council; and

"**Systems Act**" means the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000), as amended from time to time;

2. Object of the By-law

(1) The objects of this By-law are to —

(a) give effect to the Municipality's Policy, and its implementation and enforcement in terms of section 156(2) of the Constitution read with sections 96 and 98 of the Systems Act, and all matters incidental thereto;

(b) ensure that all monies due and payable to the Municipality are collected;

(c) provide for customer management, credit control procedures and mechanisms and debt collection procedures and mechanisms;

(d) provide for indigents in a way that is consistent with rates and tariff policies and any national policy on indigents;

(e) provide for extension of time for payment of accounts;

(f) provide for charging of interest on arrears, where appropriate;

(g) provide for termination of services or the restriction of the provision of services when payments are in the arrears; and

(h) provide for matters relating to unauthorised consumption of services, theft and damages.

3. Application of By-law

(2) This By-law applies throughout the Municipality's area of jurisdiction in respect of any money due and payable to the Municipality for –

(a) Property rates and taxes levied on the property;

(b) Fees, surcharges on fees, charges and tariffs billed and payable to the Municipality or any service provider appointed by the Municipality for the provision of municipal services, such as –

i. provision of water; refuse removal; sewerage, including the removal and purification of sewerage;

ii. electricity consumption;

iii. municipal services provided through prepaid meters;

iv. all other related costs for services rendered in terms of the property;

v. interest which has accrued or will accrue in respect of money due and payable to the Municipality;

vi. collection charges in those cases where the Municipality is responsible for –

a. the rendering of municipal accounts in respect of any one or more of the municipal services rendered by the Municipality;

b. the recovery of amounts due and payable in respect thereof.

4. Adoption and implementation of Credit Control and Debt Collection Policy

(1) The Council shall adopt and implement a Credit Control and Debt Collection policy that complies with the provisions of the Municipal Systems Act, the Local Government: Municipal Finance Management Act, 56 of 2003, and any other applicable legislation.

5. Enforcement of Credit Control and Debt Collection Policy

(1) The Council's Credit Control and Debt Collection policy shall be enforced through the Credit Control and Debt Collection By-Law and policy, and any

further enforcement mechanism stipulated in the Council's Credit Control and Debt Collection policy.

6. Repeal of previous by-laws

(1) The provisions of any other by-laws relating to credit control and debt collection by the Municipality are hereby repealed insofar as they relate to matters provided for in this By-Law and the Policy.

7. Short title and commencement

(1) This By-law is called the Midvaal Local Municipality: Credit Control and Debt Collection By-law and takes effect on the date on which it is published in the *Provincial Gazette.*

Approved and Signed by:

Director: Income

Mr. Arie Meiring

Signature **Date** 16/1/2024

Chief Financial Officer

Mr. Zakhele Ntando Mhlongo

Signature **Date** 18/01/24

Annexure J
Credit Control and Debt Collection Policy
2024/2025

CREDIT CONTROL AND DEBT COLLECTION POLICY

2024/2025 FINANCIAL YEAR

MIDVAAL
LOCAL MUNICIPALITY

PREAMBLE

WHEREAS section 95 of the Local Government: Municipal Systems Act, No. 32 of 2000, (hereinafter referred to as "**the Systems Act**") provides ,*inter alia*, that in relation to the levying of rates and other taxes by a Municipality and the charging of fees for Municipal Services, a Municipality must, within its financial and administrative capacity, establish a sound customer management system that aims to create a positive and reciprocal relationship between persons liable for these payments and the Municipality and where applicable a service provider;

AND WHEREAS section 96 of the Systems Act provides that a Municipality must collect all money that is due and payable to the Municipality and for this purpose must adopt, maintain and implement a credit control and debt collection policy which is consistent with its rates and tariff policies and complies with the provisions of that Act;

AND WHEREAS section 97 of the Systems Act provides that the credit control and debt collection policy must provide for, *inter alia,* credit control and debt collection procedures and mechanisms as well as provision for indigent debtors that is consistent with its rates and tariff policies and any national policies on indigents;

AND WHEREAS municipalities are required in certain circumstances to comply with the National Credit Act, 34 of 2005;

NOW THEREFORE the Council of the Midvaal Local Municipality has adopted the **Credit Control and Debt Collection Policy** as set out hereunder: -

1.DEFINITIONS

For the purpose of this Policy, any word or expression to which a meaning has been assigned in the Systems Act, shall bear the same meaning in this Policy, and unless the context indicates otherwise –

"**Account**"	:	means an account in name of the Customer held with the Midvaal Local Municipality relating to Municipal Services provided by the Municipality which relates to the payment of amounts levied for fees, charges, surcharges on fees, property rates and other municipal taxes and Services, levies, penalties and duties, indicating the net accumulated balance of the account;
"**Accounting Officer**"	:	means the person appointed by the Municipal Council as the Municipal Manager of the Municipality in terms of section 54A of the Systems Act who is responsible and accountable in terms of section 55(2) of the Systems Act and includes any person acting in such position and to whom the Municipal Manager has lawfully delegated a power, function or duty. Accounting Officer also means "Municipal Manager" and *vice versa*;
"**Administration of Estates Act**"	:	means the Administration of Estates Act, 66 of 1965;
"**Arrears**"	:	means any amount due, owing and payable to the Municipality in respect of fees, charges, surcharges on fees, property rates and other municipal taxes and service charges, levies, penalties and duties which has not been paid by the Due Date;
"**Authorised Officer**"	:	means any official of the Municipality who has been authorised by it to administer, implement and enforce the provisions of this Policy;
"**By-law**"	:	means a by-law adopted by the Municipality;

"**Chief Financial Officer**" or "**CFO**"	:	means the person appointed by the Municipality as Chief Financial Officer of the Municipality in terms of section 56 of the Systems Act
"**Collection charges**"	:	means collection charges which may be recovered by the Municipality in terms of section 75A of the Act, and includes the cost – (a) to remind debtors of arrears; (b) for the termination and reconnection of Services; and (c) all legal costs, including attorney and own client costs incurred in the recovery of arrear amounts;
"**Council**"	:	the Municipal Council of Midvaal Local Municipality, a municipal council envisaged in terms of section 157 of the Constitution;
"**Customer**"	:	means any occupier or the Owner of any premises to which the Municipality has agreed to supply or is actually supplying Services, or if there is no occupier, the Owner of the premises and or recipient and or consumer of various Services rendered by the Municipality. A consumer of Services will therefore be deemed a Customer by virtue of receiving, consuming and or utilising any facility, equipment, Service rendered by the Municipality and or a municipal entity or an agent as appointed by the Municipality;
"**Defaulter**"	:	any Customer whose Account is in arrears;
"**Due Date**"		means the date on which an amount payable in respect of an account becomes due, owing and payable by a Customer as stipulated on an account, which date shall be determined by the Municipality from time to time. The default Due Date shall be the 7th (seventh) of every month;

"**Illegal connection**"	:	a connection to any system through which Municipal Services are provided, which is not authorised or approved by the Municipality or its authorised agent;
"**Indigent**"	:	means a person referred to in the Indigent Policy of the Municipality
"**Municipal Manager**"	:	Refer to "**Accounting Officer**"
"**Municipal Service**" or "**Services**"		means a service that a Municipality in terms of its powers and functions provides or may provide to or for the benefit of the local community irrespective of whether – (a) such a service is provided, or to be provided, by the Municipality through an internal mechanism contemplated in section 76(a) of the Systems Act or by engaging an external mechanism contemplated in section 76(b); or (b) fees, charges or tariffs are levied in respect of such a service or not.
"**Municipality**"	:	means Midvaal Local Municipality;
"**Non-Profit Organisation**"		means a trust, a company, or any other association of persons – (a) established for a public purpose; and (b) the income and property of which are not distributable to its members or office-bearers except as reasonable compensation for Services rendered.
"**Occupier**"	:	means any person who occupies any premises or part thereof, without any regard to the title under which he or she so occupies;
"**Owner**"		(a) 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 from time to time;

(b) in relation to a right referred to in paragraph (b) of the definition of “property”, means a person in whose name the right is registered;

(c) in relation to a land tenure right referred to in paragraph (c) of the definition of “property”, means a person in whose name the right is registered or to whom it was granted in terms of legislation; or

(d) in relation to public service infrastructure referred to in paragraph (d) of the definition of “property”, means the organ of state which owns or controls that public service infrastructure as envisaged in the definition of “publicly controlled” :provided that a person mentioned below may for the purpose of this policy be regarded by the Council as the owner of a property in the following cases:

(i) A trustee, in the case of a property in a trust excluding state trust land;

(ii) An executor or administrator, in the case of a property in a deceased estate;

(iii) A trustee or liquidator, in the case of a property in an insolvent estate or in liquidation;

(iv) A judicial manager, in the case of a property in the estate of a person under judicial management;

(v) A curator, in the case of a property in the estate of a person under curatorship;

(vi) A person in whose name a usufruct or other personal servitude is registered, in the case

of a property that is subject to a usufruct or other personal servitude;

(vii) A lessee, in the case of a property that is registered in the name of the Council and is leased by it; or

(viii) A buyer, in the case of a property that was sold by the Council and of which possession was given to the buyer pending registration of ownership in the name of the buyer;

(e) any legal person, including but not limited to:

(i) a company registered in terms of the Companies Act, 1973, as amended by the Companies Act, 2008; a trust, a close corporation registered in terms of the Close Corporations Act, 1984;

(ii) any department of State;

(iii) any Council or Board established in terms of any legislation applicable to the Republic of South Africa;

(iv) the Body Corporate registered in terms of the Sectional Titles Act 95 of 1986 and/or under the Sectional Title Schemes Management Act 8 of 2011 or in the absence of such a body corporate, the owners of the units in the scheme

(v) any Embassy or other foreign entity.

"**Policy**" : means this **Credit Control and Debt Collection Policy** as adopted by the Municipality;

"**Property**" : (a) immovable property registered in the name of a person, including, in the case of a sectional title scheme, a sectional title unit registered in the name of a person;

(b) a right registered against immovable property in the name of a person, excluding a mortgage bond registered against the property;

(c) a land tenure right registered in the name of a person or granted to a person in terms of legislation; or

(d) public service infrastructure;

"**Registered Property**"	:	Property registered in Deeds Office
"**Stakeholder**"	:	means all natural and non-natural Customers of the Municipality and or prospective Customers and or single or groups of people who consume or receive Services from the Municipality;
"**Third (3rd)party debt collection agencies**"	:	means any person or juristic person that collects debt on behalf of the Municipality.

2. OBJECTS OF POLICY

The objects of this Policy are to –

(a) give effect to the provisions of Chapter 9 of the Systems Act;

(b) provide for Customer management, credit control procedures and mechanisms and debt collection procedures and mechanisms;

(c) provide for indigent debtors in a way that is consistent with property rates and tariff policies and any national and / or local policy on indigents;

(d) set realistic targets consistent with –

  (i) generally recognised accounting practices and collection ratios; and

  (ii) the estimates of income set in the budget less an acceptable impairment provision for non-collectible revenue that is billed.;

(e) (provide for charging of interest on arrears, where appropriate;

(f) provide for extensions of time for payment of accounts;

(g) provide for termination of Services or the restriction of the provision of Services when payments are in arrears;

(h) provide for actions that may be taken relating to unauthorised consumption of Services, theft, and damages; and

(i) provide for actions that may be taken by the Municipality to secure payment of accounts that are in arrears including but not limited to –

  (i) the termination of Municipal Services or the restriction of the provision of Services;

  (ii) the attachment of property;

  (iii) the attachment of rent payable on a property; and

  (iv) the extension of liability, in terms of any legislation or court order, to a director, trustee or a member if the debtor is a company, a trust or a close corporation.

(j) provide for alternative debt repayment arrangements in accordance with the terms and conditions of this Policy;

(k) create an environment which enables a Customer to repay the outstanding debt and establish a culture of payment for Services rendered by the Municipality;

(l) effectively and efficiently deal with defaulters in accordance with the terms and conditions of this Policy; and

(m) provide for procedures and mechanisms to ensure that all monies due and payable to the Municipality are collected.

3. APPLICATION OF POLICY

APPLICABLE ITEMS

3.1 This Policy shall apply to, but not be limited to, monies due and payable to the Municipality for –

(a) Property rates;

(b) Municipal tax (where applicable);

(c) Fees, surcharges on fees, charges, availability charges and tariffs in respect of Municipal Services, such as –

(i) provision of water;

(ii) refuse removal;

(iii) sewerage;

(iv) the removal and purification of sewerage;

(v) electricity consumption;

(vi) rental and or leasing of equipment, land, buildings and facilities of all types;

(vii) interest which has accrued or will accrue in respect of money due and payable to the Municipality;

(viii) burial fees;

(ix) dumping of refuse;

(x) collection charges in those cases where the Municipality is responsible for –

(aa) the rendering of municipal accounts in respect of any one or more of the Municipal Services;

(bb) the recovery of amounts due and payable in respect thereof, irrespective whether the Municipal Services, or any of them, are provided by the Municipality itself or by a service utility with which it has concluded an agreement to provide a service on the Municipality's behalf;

(xi) any other charges levied from time to time.

3.2 This Policy shall also apply to Municipal Services provided through pre-paid meters.

3.3 This Policy shall apply to Customers within the official demarcated boundaries of the Municipality, including newly demarcated areas as determined by the demarcation board from time to time.

3.4 This Policy shall apply to, but not be limited to, the following categories of Customers –

(a) residential Customers of the Municipality;

(b) business Customers of the Municipality;

(c) non-governmental organisations for profit and non profit;

(d) educational institutions for profit and non profit;

(e) religious institutions;

(f) national, provincial and local government;

(g) state owned entities;

(h) farmers; and

(i) any other category of Customer as determined by the Municipality from time to time

4.CREDIT CONTROL AND DEBT COLLECTION PRINCIPLES

The Policy is based on the following principles -

4.1. GENERAL

(i) that its application provides for the specific circumstances of the community to which it relates;

(ii) that the credit control and debt collection procedures must be understandable, uniform, fair, and consistently applied;

(iii) that credit control must be effective, efficient, and economical;

(iv) the measures taken must be sustainable in the long term; and

(v) anything related to credit control not covered in this Policy will be dealt with in terms of applicable legislation.

4.2. COUNCIL

(i) To enable the Municipality to differentiate between those Customers that cannot afford to pay from those that can afford to but simply do not want to pay. The “Indigent Policy” will be applied to those who meet the criteria and qualify for certain relief.

(ii) The Policy will be supported by procedure manual(s) as drafted by the Director Income or his/her nominee.

(iii) The Policy shall supersede all other policies aimed at achieving the same purpose to which the current credit control policy seeks to achieve.

4.3. CUSTOMERS

(i) Customers found to have misrepresented themselves in order to benefit from any of the Municipality's relief and / or benefit in terms of this Policy, will be deemed to have committed an offence and remedial measures will be taken in a manner as determined by the Municipality from time to time, and all relief and / or benefits that have been received, will be reversed by the Municipal Manager from the Account of the Customer from the date of offence. The Municipal Manager reserves the right to report any of such misrepresentations in terms of this Policy to the South African Police Services.

(ii) Notwithstanding anything contained in this Policy, the Municipality or Municipal Manager may recover any debt relevant to registered property in terms of the provisions of section 118 of the Systems Act.

(iii) In the case of company, close corporation, trust in terms of the Trust Property Control Act 57 of 1988, Home Owners Association or a Body Corporate in terms of the Sectional Titles Act, 95 of 1986 and/or Sectional Titles Schemes Management Act, 8 of 2011, the liability may in terms of legislation or court order be extended to the directors, members, or trustees thereof jointly and severally, and –

the directors, members or trustees thereof shall be considered to have provided the Council with a guarantee that any debt shall be recoverable from themselves in their personal capacity with each being jointly and severally liable for such debt, the one paying the other to be absolved.

(iv) Subject to the operation of the law or a court order, where any subsidiary company of a holding company is indebted to the Municipality, the liability for such arrears may be extended to the holding company; and where any holding company is indebted to the Municipality, the liability for such arrears may be extended to any subsidiary company;

(vi) The Municipality shall not refund any credit to any Customer or Customer's nominee who is in arrears with the Council.

(vii) In the case of a property owned by more than one person, each Owner shall be held liable for all Services linked to the property, jointly and severally for any of such properties with joint and / or fractional ownership, the one paying the other to be absolved.

4.4. COUNCILLOR SERVICES ACCOUNTS

In accordance with the provisions of clause 14 of Schedule 7, of the Local Government Municipal Structures Act, 117 of 1998, an elected councillor residing within demarcated area of the Municipality and is individually or jointly responsible for account, may not be in arrears for municipal service fees, surcharges on fees rates or any other municipal taxes, levies and duties levied by the Municipality for more than 3 (three) months.

Any breaches of the Code of Conduct for Councillors shall be dealt with in accordance with the provisions of clauses 15 and 16 thereof.

4.5. STAFF SERVICES ACCOUNTS

In accordance with the provisions of clause 10 of Schedule 2 of the Systems Act, an official or staff member of the Municipality, residing within the demarcated area of the Municipality and is individually or jointly responsible for an account, may not be in arrears for municipal service fees, surcharges on fees rates or any other municipal taxes, levies and duties levied by the Municipality for more than 3 (three) months.

Notwithstanding any relevant procedure, method or action that may be taken in terms of this policy, the Municipal Manager may deduct amounts due for more than 90 (ninety) days from such official's remuneration. This includes seizure of bonuses or any other additional allowances and/or take appropriate disciplinary action against such official.

5.1. REGISTRATION FOR PROVISION OF MUNICIPAL SERVICES

(1) An application for a Municipal Service must comply with the registration process determined by the Municipality in this Policy for the provision of such Service.

(2) A new Customer seeking to register an account with the Municipality for the provision of a Municipal Service shall provide the following:
   (a) a written application for the provision of such Service on a form determined by the Municipality for that purpose;
   (b) supporting information or documentation required by the Municipality for the purpose of registering for that purpose;
   (c) a signed service agreement with the Municipality; and
   (d) the payment of a deposit in an amount determined by the CFO to be held by the Municipality as consolidated security in respect of all Municipal Services provided by the Municipality to the application.

(3) If an applicant is an existing Customer of the Municipality in respect of any other municipal service on property in respect of which any amount is arrears, such applicant must –

   (a) pay the arrears in full; or
   (b) at the discretion of the Municipality, make suitable arrangements with the Municipality for the payment of such arrears, before an application for a new service in terms of this Policy may be considered.

(4) The Municipality may not approve an application for the provision of any Municipal Service, unless the applicant has signed an agreement on a form determined by the Municipality for that purpose accepting the terms and conditions for the provision of such Service, all of which are deemed to be incorporated into this Policy.

(5) Where the purpose for or extent to which any Municipal Service has changed, the onus and obligation rests on the Customer to advise the Municipality of such change.

5.2. DEPOSITS AND GUARANTEES

(a) At the time of registration as a Customer, a deposit will be required based on the criteria set by the Chief Financial Officer from time to time.

(b) The Chief Financial Officer may accept an irrevocable bank guarantee in lieu of a deposit on application for the provision of Services at his / her own discretion and in exceptional cases in furtherance of local economic development.

(c) Existing Customers moving to a new address are required to pay the prescribed Customer deposit on application for the provision of Services at the new address. Deposits levied not paid within a three (3) month period after being levied will result in disconnection or restriction of the Services until such time the deposit has been paid.

(d) No arrangement shall be entered into for the payment of the Deposit. In exceptional cases such as a revised demarcation, an arrangement may be allowed by prior approval of the Chief Financial Officer or any duly Authorised Official.

(e) On termination of the supply of Services the amount of the Deposit less any payment due to the Municipality will be refunded to an account holder, provided that payments due are less than the deposit paid, and that the account holder has provided a forwarding address.

(f) All deposits paid shall not be regarded as being in payment of an Account due and payable to the Municipality, as such amounts will be held by the Municipality as its security until the Account is closed (service terminated) and fully settled.

(g) No interest will be paid on any deposit held by the Municipality.

(h) Review of the Deposits:

- The deposits shall be reviewed and increased annually with the review of the tariffs.

- If the Customer poses a credit risk, the value of the original Deposit paid or a guarantee held may be reviewed from time to time by the Chief Financial Officer or duly Authorised Official.

5.3. ACCOUNTS

(a) Accounts must be rendered and administered in accordance with the requirements of this Policy.

(b) Failure by the Municipality to render an Account or non-receipt of an account by a Customer does not relieve a Customer of the obligation to pay any amount that is due and payable. Thus, the onus shall be on the Customer to obtain a copy of the Account on or before the Due Date.

(c) The Municipality together with the Municipal Manager may, in accordance with the provisions of section 102 of the Act and provisions of this Policy –

(i) consolidate any separate accounts of Customers liable for payments to the Municipality;

(ii) set-off any payment by such Customer against any account held by that Customer; and / or

(iii) implement any of the debt collection and credit control measures provided for in the Municipality's policies and By-Laws, in relation to any arrears on any of the accounts of such a Customer.

(e) The amount due and payable by a Customer constitutes a consolidated debt, and any payment made by a Customer of an amount less than the total amount due will be allocated in reduction of the consolidated debt in the order determined by the Council Municipality.

(f) Should a member of a NPO be a property owner in Midvaal and his / her account is not paid up to date, this will not influence the payment of the donation by the Municipality to the NPO

(g) Accounts will only be opened in the name of the registered Owner of the Property and no tenant accounts will be opened. Any exceptions must be approved prior thereto by the Accounting Officer or any official of the Municipality acting in terms of a duly concluded delegation of authority in terms of the Systems Act

(h) Accounts will be rendered using any one or more of the following channels of communication;

- Conventional postal Services;
- Hand delivery at the premises;
- By means of an e-mail if so requested by the Customer; or
- By means of Multimedia Messaging system (MMS) if registered for such a service

5.4. FINAL ACCOUNTS

(a) Upon receipt of a Customer's application for the termination of Municipal Services, the Municipality shall:-

- take final readings in respect of metered Municipal Services;
- prepare and render a final statement of account;
- appropriate the Customer deposit for the reduction or settlement of any outstanding amount owed to the Municipality by the Customer; and
- refund the Customer deposit to the Customer in the event that no amount is owed to the Municipality.

(b) The new Owner must visit the Municipality to sign the consumer service agreement and pay the required Deposit once the property has been transferred to his / her name. Failure to apply for the consumer agreement will result in Services being disconnected or restricted.

(c) Should the Consumer not comply with paragraph (b)above, the Municipality shall transfer the meter to the registered Owner and the Owner shall be responsible for the consumption if any.

5.5. ACCOUNT QUERIES

(a) Account query refers to the instance when a Customer queries any specific amount or any content contained in any account as rendered by the Municipality;

(b) Queries can be raised verbally or in writing at Municipality's Head Office;

(c) Queries can also be made through the Call Centre and the My Midvaal App;

(d) Customers are required to furnish in writing full personal particulars including acceptable means of identification, contact details and account number in respect of which any amount is being queried;

(e) Customers may be represented by a duly appointed nominee or agent, and such nominee or agent shall upon request produce sufficient proof of such appointment;

(f) Pending the outcome of the query, a Customer may apply for temporary payment extension, on the affected service only, in terms of provisions of this Policy;

(g) The Customer shall, pending the resolution and outcome of the query, continue to make regular payments as per statement of account (part payment based on average monthly consumption of the previous twelve months)

(g) Should a Customer not be satisfied with the outcome of the query, a Customer may lodge an appeal in terms of section 62, as read with section 95 (f), of the Systems Act. (Refer 5.5 below)

5.6. DISPUTE AS TO AMOUNT OWING

(a) A Customer may lodge an appeal in terms of section 62, as read with section 95 (f), of the Systems Act.

(b) Customers are required to furnish in writing full personal particulars including acceptable means of identification, contact details and account number in respect of which any amount owing is being disputed;

(c) The dispute must be recorded in a dispute register;

(d) Only disputes properly lodged in accordance with the procedure set out above by the registered Account holder will be considered.

(e) Customers may be represented by a duly appointed nominee or agent, and such nominee or agent shall upon request produce sufficient proof of such appointment.

(f) Should any dispute arise as to the amount owing on the account in respect of all Services rendered by the Municipality to the Customer, the Customer shall, pending the resolution and outcome of that dispute, continue to make regular minimum payments based on the average charges for the preceding three months prior to the dispute arising, plus interest, until the resolution of that dispute.

(g) Should any dispute arise as to the amount owing on part of the account or municipal service rendered to a Customer, the Customer shall, pending the resolution and outcome of that dispute, continue to make regular payments on Services that are not in dispute plus the average charges for the preceding twelve months prior to the dispute arising in respect of remaining part of account or disputed service until the resolution of that dispute.

(h) The dispute must be resolved within a period of three months of lodging of dispute.

(i) All disputes must be concluded by the Municipal Manager or delegated official;

(j) The Municipal Manager or the delegated official's decision shall be final and will result in the immediate implementation of any debt collection and credit control measures provided for in this Policy, after the Customer has provided with the outcome of the appeal;

(k) The same debt will not again be defined as a dispute in terms of this paragraph and will not be reconsidered as the subject of a dispute;

(l) Should the Customer not be satisfied with the outcome of the dispute, the Customer may lodge an appeal in terms of section 62 of the Systems Act and the appeal will be dealt with by the Municipality in terms of said legislation.

5.7. INTEREST CHARGES

(a) Accounts are due and payable on account Due Date (7th of each month).

(b) Interest will be levied on all arrears longer than 30 days at a rate prescribed by the Municipality from time to time.

(c) Specific categories of Customers, Services and debtor groups as determined by the Municipality from time to time, may be excluded from interest on arrears;

(d) If a Customer enters into an arrangement to settle arrear debt, all interest will be waived as a payment incentive. All interest will be written off on entering into a debt repayment arrangement, however, should the arrangement not be honoured, all interest written off will be re-instated on the Customer's account;

(e) Interest will be reversed where the debt giving raise to the interest was levied in error by the Municipality.

(f) Interest waiver shall not be provided to a Customer who is selling the property (for clearance purposes). Interest waiver shall only apply when the property is being transferred from a deceased estate to the surviving spouse or heirs;

(g) Interest may be waived on a clearance application if it is in the best interest of the Municipality and by approval of the Chief Financial Officer or Municipal Manager.

5.8. ACCOUNT DUE DATE

(a) Monthly account due date represents the date on which the Customer Account becomes due and payable, the Due Date shall be as determined by the Municipality from time to time. The Due Date will be the 7th of each month.

(b) Where the Owner or Customer has entered into an agreement with the Municipality to pay property rates annually, the Due Date shall be as determined by the Municipality from time to time.

(c) Account due date will be reflected on Customer statement of account.

(d) Only payments receipted through the Municipality's financial system on or before account due date will be deemed to have been duly received.

(e) Payments by Customers through 3rd party vendors, will only be deemed to have been received when receipted through the Councils financial system.

5.9. PAYMENT EXTENSION

5.9.1. Temporary Payment Extension

(a) On verbal request of a Customer, payment extension in respect of outstanding debt will be considered in the following circumstances:

(i) the Customer's statement of account is under inquiry;

(ii) the Customer's statement of account is under dispute;

(iii) pending the outcome or conclusion of court cases; and/or

(iv) merit cases as approved by CFO or Municipal Manager.

(b) Customers may be represented by a duly appointed nominee or agent, and such nominee or agent shall upon request produce sufficient proof of such appointment.

(c) Payment extension will be granted for initial period of 60 (sixty) days from date of application and may be extended on a month-to-month basis. The extension period(s) may however not cumulatively exceed 12 (twelve) months.

(d) Payment extension will not result in the suspension of legal actions and or court actions unless authorised by Accounting Officer.

(e) Approved payment extension will result in the temporary suspension of credit control actions.

(f) Approved payment extension will not result in the termination, or suspension of interest on arrears.

5.10. ARREAR ACCOUNTS

(a) If a Customer fails to pay the full amount due and payable on or before the Account Due Date, the unpaid amount is in arrears and a warning notice shall be sent and may be hand delivered or delivered, per mail or any electronic means available, to the most recent recorded address or electronic contact address and / or cellular phone number on record of the Customer.

(b) Failure to deliver or send a final demand notice does not relieve a Customer from paying such arrears.

(c) The warning notice must contain the following:

(i) the minimum amount payable, and the date by which such amount must be paid;

(ii) that the Customer may conclude a debt repayment agreement after setting the minimum payment required with the Municipality for payment of the arrears amount in instalments; and

(iii) that if full minimum amount payable is not paid that the electricity and / or water Services will be discontinued or restricted and that legal action will be instituted against the Customer for the recovery of any amounts in arrears, without further notice or reference to the Customer.

(d) The Customer together with the account(s) that is / are in default may be handed over to a duly appointed collection agent or attorney for collection.

(e) The Customer's name may be made public, subject to the provisions of the Protection of Personal Information Act, 4 of 2013 (POPI), and may be listed with a credit bureau or any other equivalent body as a defaulter.

(f) A minimum amount must be paid after receipt of the Warning Notice. (Refer also to 9.2 (f)below).

(g) If a Customer's were disconnected, the full amount must be paid before the Services can be reconnected. No arrangement will be made on the date of disconnection.

(h) In the case of an Illegal By-pass, Services can only be restored once the payment(s) made reflect in the Municipality's bank account.

5.11. TREATMENT OF DEBTS IN TERMS OF SECTION 118 OF THE MUNICIPAL SYSTEMS ACT

If the seller of a Property insists on paying outstanding debt only for the last 2 years for the purposes of obtaining a clearance certificate in terms of section 118 (1) of the Systems Act the following shall apply:

(a) after receipt of the payment the clearance certificate will be issued to the seller of the Property; and

(b) the historical debt will be immediately handed over for legal collection (legal action against the seller, i.e. person who accumulated the debt)

5.12. COST TO REMIND CUSTOMERS OF ARREARS.

An administrative fee will be levied against the account of a Customer in terms of the tariff provisions of the Municipality, in respect of any action taken in demanding payment from the Customer or reminding the Customer by means of notice delivered by mail, by hand or any electronic means available, that the account is in arrears.

If a Customer requests a temporary payment extension (before account due date, and on a monthly basis) where he / she can prove that he / she does not have sufficient funds to pay the arrears and / or full monthly account (non-indigent Customers), the admin fees will not be charged as long as the Customer pays at least the monthly water and electricity consumption charge (i.e. excluding property rates, refuse charge, sanitation and availability charges) before the account due date.

6. ACTIONS TO SECURE PAYMENT

(a) The Municipality or its duly appointed agents may, in addition to the normal civil legal steps to secure payment of accounts that are in arrears, take the following actions to secure payment for property rates, municipal services, interest, penalties and other related charges namely-

(i) termination and / or restriction of the provision of any Municipal Services in accordance with Section 7 of this Policy; and

(ii) allocation of the full or portion of a payment of an account, or the full or portion of pre-paid service payment, as payment for arrears in accordance with paragraph 5.6.

(iii) The Municipality may off-set a payment and / or transfer receipt made by the Customer against any account of that Customer.

(b) The Municipality may further take the steps contemplated in section 104(1)(f)(ii) of the Systems Act, subject to the regulations made or guidelines issued by the Minister, if any, and provided that any intended seizure of property must be referred to the Municipal Manager or his / her nominee for approval or such directives which the Municipality deems necessary under the circumstances.

(c) The Municipality may, in terms of the provisions of section 104(1)(f)(iii) of the Systems Act, attach the rental or any other payments due to Customer who are in arrears with their municipal accounts:

(i) if any debt levied in respect of a property is in arrears by the Owner of the property, the arrears may be recovered in whole or in part from a tenant or occupier of the property, despite any contractual obligation to the contrary on the tenant or occupier;

(ii) the Municipal Manager may recover an amount only after written notice has been served on the tenant or occupier and property owner or agent of property owner as provided for in section 115 of the Systems Act;

(iii) the tenant or occupier of property or agent of property owner must on request by the Municipality, furnish a written statement specifying rental and other payments to be made by the tenant or occupier to the owner of the property during a period as determined by Council.

(iv) the amount the Municipality may recover from the tenant or occupier of a property is limited to the amount of rent payable by the tenant or occupier to the Owner of the property;

(v) the Municipality may recover the arrear amount on a property in whole or in part from the agent of the registered owner, if this is more convenient for the Municipality ;

(vi) any amount recovered from the tenant or occupier will be set off against the arrears of the property owner;

(vii) the Municipality may take any action as provide for in this Policy or any other legislation, against the tenant, for not more than the amount determined by this provision and where such tenant fails to respond to the notice as referred to in item (ii), or fails to comply with any notice or fails to adhere to any terms, conditions or undertakings in the items relevant to the tenant, or fails to make any agreed or required payments.

(d) The Municipality, in the case of company, close corporation, trust in terms of the Trust Property Control Act 57 of 1988, home owners association or a body corporate in terms of the Sectional Titles Act, 95 of 1986 and/or under the Sectional Title Schemes Management Act, 8 of 2011, may in terms of legislation or court order extend the liability in respect of Customer arrears to the directors, members or trustees thereof jointly and severally.

(e) The Municipality may, at the cost of the Municipality, install a water management device and / or pre-paid water and electricity meters upon the failure of the Customer to make regular payments to Municipality for Services consumed.

7. POWER TO RESTRICT OR TERMINATE SUPPLY OF MUNICIPAL SERVICES

7.1. GENERAL

(a) The Municipality or its duly appointed agent may terminate and / or restrict the supply of water, electricity or in the case of pre-paid electricity withhold the selling of electricity in terms of the prescribed disconnection procedures, or discontinue any other service to any premises associated with the Customer, whenever a consumer of any Municipal service –
Council may amend the percentage deduction for outstanding debt via the prepaid system on an annual basis. As of 1 July 2024, the percentage will remain at 60%.

(i) after the expiry of the period for payment in terms of the final demand / final notice referred to in section 5.105.6, fails to make full payment on the due date or fails to make acceptable arrangements for the repayment of any amount for Municipal Services, property rates or taxes or other amounts due in terms of this Policy;

(ii) defaults on any payment in accordance with an agreement for payment of arrears;

(iii) fails to comply with a condition of supply imposed by the Municipality;

(iv) obstructs the efficient supply of electricity, water, or any other Municipal Services to another Customer;

(v) supplies such municipal service to a consumer / owner who is not entitled thereto or permits such service to continue;

(vi) causes a situation, which in the opinion of the council is dangerous, or a contravention of relevant legislation;

(vii) in any way bridges the supply or illegally reconnects previously disconnected Municipal Services;

(viii) is placed under provisional sequestration, liquidation or judicial management, or commits an act of insolvency in terms of the Insolvency Act, 24 of 1936;

(ix) is subject to an administration order granted in terms of section 74 of the Magistrates Court Act, 32 of 1944 (Act 32 of 1944) in respect of such user.

(b) The Municipality shall hand deliver, per mail or per electronic means available, to the physical address of property or most recent recorded address or electronic contact address and / or cellular number of such Customer on record, a discontinuation notice informing such Customer –

(i) that the provision of the service will be, or has been discontinued on the date stated on the discontinuation notice (in cases where reference is made to disconnection that has already happened such disconnection shall be preceded by reasonable prior notice); (ii) of the steps which can be taken to have the service reconnected; and

(iii) of the minimum amount payable to restore service.

(c) The Customer will be deemed to have received the notice on the same day if delivered by hand, e-mail or fax, on the third day after date of posting if posted by ordinary mail and on the fourth day after date of posting if posted by registered mail;

(d) Subject to the provisions of the Promotion of Administrative Justice Act, 3 of 2000 ("**PAJA**"), having been observed, save that the Municipality's reasons for its decision to act must be supplied within seven business days after a written request therefor.

(d) The right of the Municipality or any duly appointed agent to restrict or discontinue water to any premises, Owner of property, tenant on property, Customer or occupant of property, shall be subject to the provisions of sections 3 and 4 of the Water Services Act, 108 of 1997.

(e) The right of the Municipality to restrict or discontinue the provision of electricity to any premises, Owner of property, tenant on property, Customer or occupant of property shall be subject to the provisions of the Electricity Act, 1987 (Act 41 of 1987).

(f) The right of the Municipality or any duly appointed agent to limit or restrict the supply of Municipal Services to a Customer shall be subject to the provisions of the Health Act, 1997 (Act 63 of 1997), and the regulations made thereunder.

7.2. COST TO RESTRICT OR DISCONTINUE SERVICES.

Where any municipal service is restricted or discontinued as a result of non-compliance with provisions of this Policy by the Customer, the Municipality shall at its prerogative be entitled to:-

(i) levy and recover an admin fee in terms of the tariff provisions of the Municipality;

(ii) install water management devices as determined by the Municipality from time to time;

(iii) install a pre-paid electricity meter and or water meter or equivalent as determined by Municipality from time to time;

(iv) increase the amount of the Customer deposit held against the Customer account, subject to the provisions of deposit policy and tariff provisions of the Municipality;

(v) levy and recover any other applicable fees, tariffs, charges in terms of tariff provisions of Municipality's policy;

(vi) waive any admin fees if a Customer requests a temporary payment extension (before account due date, and on a monthly basis) where he / she can prove that he/she does not have sufficient funds to pay the arrears and/or full monthly account (non-indigent Customers), the admin fees will not be charged as long as the Customer pays at least the monthly water and electricity consumption charge (i.e. excluding property rates, refuse charge, sanitation and availability charges) before the account due date.

8.RECONNECTION OF MUNICIPAL SERVICES

8.1. GENERAL

(a) Services, restricted or disconnected in terms of section 7, will only be reinstated and reconnected after satisfactory payment or satisfactory

arrangement for payment of arrears have been accepted; penalties and / or deposit has been increased in accordance with this policy.

(b) Services may only be reinstated or reconnected by the Municipality or its duly appointed agent.

(c) Subject to capacity at the time to restore such Services which have been restricted or disconnected, such Services will be restored within a reasonable time after the relevant conditions of this Policy have been met. Only where payments have been made before 12h00 on a working day will Services be restored on the same day.

(d) Onus shall be on the Customer to request reconnection and to provide acceptable proof that the full amount as required has been paid.

8.2 COST FOR THE RECONNECTION OF SERVICES

Where any instruction is issued by the Municipality for the reinstatement of normal service flow or reconnection of Municipal Services, restricted or disconnected in terms of this Policy, reconnection fees will be levied in terms of tariff provisions of the Municipality.

9. DEBT REPAYMENT ARRANGEMENTS

9.1. GENERAL PRINCIPLES

(a) Only a property Owner with positive proof of identity or a letter of appointment by the Magistrates Court will be allowed to enter into a debt repayment agreement for the payment of arrears in instalments.

(b) If the applicant is a tenant on the property, written consent by owner to Debt Repayment Arrangement by tenant is required whereby the owner acknowledges debt and approves entering into debt repayment arrangement. A copy of the owner's identify document will also be required,

The Municipality reserves the right to terminate the services agreement with the tenant once the tenant is in arrears for more than 60 days or default on

arrangements. This will result in the Services to the property being disconnected until the owner has signed a new services agreement with the Municipality.

(c) If the applicant is a company, close corporation, trust in terms of the Trust Property Control Act 57 of 1988, home owners association or a body corporate in terms of the Sectional Titles Act, 95 of 1986 and/or under the Sectional Title Schemes Management Act 8 of 2011, debt repayment arrangement to be signed by duly authorised representatives.

(d) The amount due and payable by a Customer constitutes a consolidated debt, and any payment made by a Customer will be allocated in reduction of the consolidated debt in the order determined by the Municipality.

(e) A Customer may be required to complete a debit order for the payment of arrears.

9.2. DURATION AND CONDITIONS FOR PAYMENT OF ARREARS IN INSTALMENTS

(a) (i) No agreement for the payment of arrears concluded by the nominated officers may be longer than 60 months (depending on amount of debt), unless the circumstances referred to in section 9.2(b) prevail.

(ii) No payment arrangements for the developers' contribution may be longer than 12 months.

(b) The Municipality may, on an individual basis, allow a longer period than 60 months for the payment of arrears, if –

(i) special circumstances prevail, which in the opinion of the Council warrants such an extension, and which the Customer could not reasonably prevent or avoid; and

(ii) documentary proof of any such special circumstances has been furnished by the consumer on request by the Council.

(c) This extension of the repayment period in 9.2(b) may not be further extended longer than an additional 60 months.

(d) The Customer may be required to prove levels of income and must agree to a monthly instalment.

(e) The Council must, in exercising its discretion under paragraph (a) and (b) have regard to a Customer's –

(i) internal credit record history;

(ii) previous and frequency of dishonoured payments;

(iii) instances of meter tampering or Illegal connection;

(iv) consumption and level of service;

(v) previous breaches of agreements for the payment of arrears in instalments;

(vi) provisions of National Credit Act; and

(vii) any other relevant factors.

(f) The Customer shall be required to make a down payment based on consolidated **arrear debt on date of entering into an agreement to pay in instalments on the** following basis;

(i)	1st Debt Repayment arrangement:	as per individual affordability
(ii)	2nd Debt Repayment arrangement:	30%
(iii)	3rd Debt Repayment arrangement	40%
(iv)	Additional Debt Repayment arrangement	50%

(g) Once an agreement referred to in 9.1 has been concluded, the amount in arrears shall be reflected as a current amount, and no further interest shall be added to arrangement debt. Interest already levied will be written off on entering into an arrangement on a last instalment made but will be re-instated if the Customer does not honour the arrangement.

(h) The Customer will be required to effect payment of current account plus arrangement instalment on or before account due date. Failure to do so which will result in the immediate cancellation of debt repayment arrangement.

(i) Customers who default on three separate debt repayment arrangements made, may be denied facility to enter into further debt repayment arrangements and the full amount remains due and payable.

(j) If the Customer defaults on the third debt repayment arrangement, a further arrangement may be granted to the Customer by the Director Income or his / her nominee on submission of full motivation.

(k) In the case of multiple defaults, the following steps may be undertaken:

- Installation of water management devices as determined by the Municipality from time to time;

- Installation of a pre-paid electricity meter or equivalent as determined by Municipality from time to time;

(n) A copy of the agreement must be made available to the Customer.

10. AGENTS, ATTORNEYS AND OTHER COLLECTION AGENTS

(a) The names of all external agents acting on behalf of the Municipality, together with their address and contact information may be published in a manner that will ensure that it will come to the attention of the Customer of the Municipality.

(b) Under no circumstances may agents negotiate terms, extend payment periods or accept cash on behalf of the Municipality, unless specifically instructed in writing to do so, and such instruction must be produced on request of a Customer.

(c) An agent must record the cost to the Municipality and the Customer for each stage of the credit control measures taken by him or her and for all possible actions which could be necessary in the credit control process.

(d) All legal and debt collection costs, including attorney and own client costs incurred by the Municipality and / or appointed agents in the recovery of arrear amounts, may be levied against the account of the Customer, and may be recovered by a duly appointed agent.

11. LEGAL ACTION

(a) Should any Customer fail to pay any debt, referred to in this policy or section 118 (3) of the Systems Act by due date, the Municipal Manager may serve a notice in terms of section 115 of the Systems Act –

(i) on the Customer personally;

(ii) on the place of residence or business of the Customer;

(iii) via registered post to the last known address of the Customer and an acknowledgment of posting thereof from the postal services is obtained; and

(iv) on the Customer's agent or tenant, if the whereabouts of the Customer is unknown; and

(vi) at the property,

calling upon such Customer to pay such debt within 21 (twenty-one) days of such notice.

The notice shall state that should the outstanding debt per the notice not be settled within 21 (twenty one) days of such notice, legal proceedings will be instituted for the recovery of the debt plus any additional costs incurred in the application of this policy and will further obtain an order of Court for the sale of the Customer's movable and immovable property for the outstanding debt.

(b) If after giving notification in terms of section 11(a) such debt remains outstanding, legal proceedings will be instituted through the court of competent jurisdiction, against the Customer. Once the debt has been handed over, no arrangements will be made by the Municipality and the Customer will be required to make arrangements with the debt collectors.

(c) Such court of competent jurisdiction shall be requested to summarily order any such moveable and immoveable property against which the debt is owing to be sold by way of public auction in terms of provisions of section 104(1)(f)(ii) of the Systems Act 32 subject to the regulations made or guidelines issued by the Minister, if any, and provided that any intended seizure of property must be referred to the Municipal Manager or his / her nominee for approval or such directives which the Municipality deems necessary under the circumstances.

12. DISHONOURED PAYMENTS

(a) Where any payment is made to the Municipality by a negotiable instrument, and such negotiable instrument is dishonoured by the bank, the Municipality may levy costs and administration fees against the account of the defaulting Customer at the rate determined by the Municipality from time to time.

(b) Payment to the account will be reversed and credit control measures will immediately be effected on such accounts without any further notice.

(c) The Council reserves the right to refuse to accept or cancel such further payment instruments from the Customer.

(d) The Council may place the Customer on the relevant adverse credit rating list and / or take any steps as contained in this Policy which may include criminal charges if applicable.

(e) Where a payment referred to in section 11(a) was tendered and any debt management action in terms of this policy was suspended as result of deemed

payment, such debt management action shall continue without further notice to such Customer.

13. WRITING OFF OF BAD DEBTS

The Mayoral Committee will consider writing off bad debts and make recommendations to Council for approval to write off the bad debts–

(a) Only after all reasonable steps have been taken to recover the debt in accordance with this Policy, and the Mayoral Committee has convinced itself that:

(i) recovery of the debt would be uneconomical; or

(ii) recovery would cause undue hardship to the Customer or his/her dependants; or

(iii) it would be to the advantage of the Municipality to affect a settlement of its claim or to waive a claim.

(b) The debt to be written off as determined in (a) above will only be effected:

(i) in terms of Municipality's Policy; or

(ii) in terms of legislation; or

(iii) in terms of delegated powers; or

(iv) in terms of regulations issued.

14. FULL AND FINAL SETTLEMENT OF A DEBT

(a) The Municipality may appropriate monies received in respect of any municipal debt at its sole discretion as stipulated in terms of Section 102 of the Systems Act.

(b) Subject to the provisions of this Policy, no unilateral offer of compromise, unilateral payment in full and final settlement or endorsement of any account payment with the words "*in full and final settlement*" shall be binding on the Municipality.

(c) Where the exact amount due and payable to the municipality ~~to the~~ has not been paid in full, any lesser amount tendered to and accepted by an official of the Municipality , shall not be deemed to be in full and final settlement of such an

amount, unless accepted in terms of a delegated power of authority, or approved by Council.

(d) The acceptance of a lesser amount, by an authorised officer of Municipality, duly delegated to act in this capacity, must be in writing and signed by both the Customer and the authorised officer after consulting with the Municipal Manager or Chief Financial Officer.

15. CREDIT BUREAU LISTING OR SIMILAR

The names of defaulting Customers must, after the court seized with the dispute has handed down judgment, be automatically listed with credit bureaus or similar mediums as prescribed and or recommended by Council.

16. 16. FRAUD, THEFT AND OTHER CRIMINAL ACTIVITY (ILLEGAL CONNECTIONS)

(a) The Municipality shall be entitled to monitor its service network for signs of tampering or irregularities.

(b) No person may in any manner or for any reason whatsoever illegally tamper or interfere with any meter or metering equipment or service connection or service protective device or supply mains or any other equipment for the Municipality. This includes the reconnecting electricity or water where such Services have been terminated or restricted for reasons of non-payment in accordance with the provisions of section 7 of this Policy.

(c) Subject to the applicable legislation, the Municipality may refuse the supply of water or electricity to a Customer who has illegally by-passed his / her water or electricity connection, until such time as the total costs, penalties, other fees, illegal consumption and any applicable tariffs and rates due to the Municipality have been paid in full.

(d) For households with illegal electrical connections of 60 amps and above: A consumption fee for possible lost units equalling 1 500 electricity units per meter or phase, whichever applicable per month will be charged for a six months period as well as 100 kl of water per meter per month. In addition, an admin fee will be charged.

(e) For households with illegal electrical connections limited to 25 amps: A consumption fee for possible lost units equalling 630 electricity units per meter per

month will be charged for a six months period as well as 100 kl of water per meter per month. In addition, an admin fee will be charged.

(f) A consumption fee for possible lost units equalling 3 000 electricity units per meter or phase, whichever applicable per month will be charged for a six months' period as well as 200kl of water per meter per month. In addition, a penalty fee as per Finance Sundry Tariff Schedule will be charged for the tampering of bulk meters supply.

(e) Illegal connection, reconnection or tampering with a service supply of the Municipality is considered a criminal offence which may result in legal actions being taken.

(f) If a Customer has illegally connected his / her supply, the Municipality may restrict the service, or remove the meter / connection in totality (either during office hours or after hours or weekends).

(g) The property Owner is responsible and liable for any Illegal connection / tampering done by the tenant or any other party residing or doing business or any other activity on the property.

(h) The second offence for Illegal connections on electricity and water meters will be charged double the amount of units mentioned in Clause (b), (c), and (d) above

(i) The cost and administrative charges for the replacement of such meter will be for the customer where the tampering occurred.

17. SHORT TITLE

This Policy shall be called the Credit Control and Debt Collection Policy of Midvaal Local Municipality.

EFFECTIVE DATE:

The Policy is effective from 1 July 2024

Annexure K
Cash Management Policy
2024/2025

CASH MANAGEMENT POLICY

2024/2025 FINANCIAL YEAR

MIDVAAL
LOCAL MUNICIPALITY

TABLE OF CONTENTS

TABLE OF CONTENTS 1
1. INTRODUCTION 3
2. DETERMINATION OF MINIMUM CASH LEVELS TO RETAIN – PART 1 3
3. DETERMINATION OF MINIMUM CASH LEVELS TO RETAIN – PART 2 5
4. DETERMINATION OF MINIMUM CASH LEVELS TO RETAIN – PART 3 6
5. DETERMINATION OF MINIMUM CASH LEVELS TO RETAIN – PART 4 7
6. IMPLEMENTATION 8

1. Introduction

Availability of cash is one of the key requirements for financial sustainability for any organisation. Accumulated surplus is not an indicator of available cash and should not be seen as having a direct correlation with surplus cash.

One of the first and most important issues that must be borne in mind is that financial statements of municipalities are compiled on the accrual basis (GRAP / GAAP accounting standards used as basis of compilation) and not on the cash basis as Provincial and National Government. In the past the accrual basis was used, but fund accounting was applied and not GRAP. This change in accounting basis led to the accumulation of larger than expected accounting surpluses with little or no relation to cash surpluses.

Cash Management will include the management of the following line items in the financial statements:

1.1 Investments (Long Term and Short Term)

1.2 Cash and Cash Equivalents

2. Determination of minimum cash levels to retain: Part 1: Encumbered Cash

2.1 Unspent Conditional Grants

Any grants received from the National or Provincial Government that have not been spent by the reporting date should be set aside in cash and not utilised for purposes other than the intended purpose as per the conditions of the grant.

2.2 Developers Contributions

Any amounts received as development contributions that have not been spent by the reporting date should be set aside in cash and not utilised for purposes other than capital infrastructure improvements. There is no requirement to spend the

contributions received on the development where the contributions originated from but must be utilised for the creation of additional infrastructure capacity.

2.3 Capital Replacement Reserve

Funds set aside for the acquisition of capital assets in accordance with the approved capital budget of Council, may be held in cash and referred to as Capital Replacement Reserve.

2.4 Unspent Loan Funding

Any borrowed funds that have not been spent by the reporting date should be set aside in cash and not utilised for purposes other than the intended purpose as per the loan agreements.

2.5 Deposits held

Consumer deposits are amount paid by customers, to be withheld by the municipality from the opening of an account till termination. The deposits will be refunded on termination provided that the customer does not have any money owing to the municipality on any of municipal accounts.

Consumer deposits maybe cash-backed, however: -

The likelihood of all customers approaching the municipality simultaneously demanding that their deposits be refunded is highly unlikely.
In cases where a customer's deposit is refunded, it is often replenished by another customers deposit - who acquires the property.

2.6 Retentions held

Retention in contracts are amounts held as a set off in the event the contractor does not honour the contract in rectifying any defects. Normally retention is held for the cost of rectification of defects during the construction period and for the cost of rectification of defects during the defects liability period, usually 12 months after the date of practical completion.

The retentions held are thus not available for purposes other than releasing the funds to the contractor at the end of the defects period, and should be held in cash and not utilised for other purposes.

3. Determination of minimum cash levels to retain: Part 2: Balance Sheet Provisions and Reserves

The Accounting Policy of the Midvaal Local Municipality contains the following sections relating to provisions:

A provision is recognised when the economic entity has a present obligation (legal or constructive) as a result of a past event and it is probable (i.e. more likely than not) that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The economic entity does not recognise a contingent liability or contingent asset. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

Provisions are reviewed annually and those estimated to be settled within the next twelve months are treated as current liabilities. All other provisions are treated as long term liabilities.

The Midvaal Local Municipality has the following provisions that must be cash backed:

3.1 Provision for annual leave

Liabilities for annual leave are recognised as they accrue to employees.
The liability is based on the total accrued leave days at year end.
The leave accrual is cash backed.

3.2 Provision for the rehabilitation of the landfill site(s)

The **provision for the rehabilitation of the landfill site(s)** is created for the rehabilitation of the current operational sites at the future estimated time of closure.

The Provision is based on the expected future cost to rehabilitate the various sites discounted back to the balance sheet date at the cost of capital. The municipality has an obligation to rehabilitate these landfill sites.

Cash will be provided over the period until it becomes necessary for the rehabilitation.

3.3 Provision for post-retirement benefits (medical)

Actuarial valuations are conducted on an annual basis by independent actuaries to determine the amount of the provision that is required.

The provision is cash backed.

3.3 Provision for long service awards

The municipality offers various types of long service awards to its employees. The provision is to recognise the present value of the obligation as at the reporting date.

The provision is cash backed.

4. Determination of minimum cash levels to retain: Working Capital

Working capital is a financial metric which represents the operating liquidity that will be available to the organization Working capital is considered a part of operating capital. Net working capital is calculated as current assets minus current liabilities.
In line with National Treasury recommendations, the difference between current creditors and current debtors must be retained in cash as working capital for purposes of cash management.

5. Determination of minimum cash levels to retain: Liquidity Ratios

5.1 Liquidity ratio (also called current ratio)

This ratio expresses the current assets (debtors after provision has been made for impairment , inventory, investments maturing in 1 – 12 months and cash and cash equivalents as a ratio or percentage of current liabilities (creditors, unspent grant funding, amounts to be paid on long term loans within the next 12 months and short term provisions). This ratio should also be at least 1:1 but ideally greater than 1.2:1.

The ratio should always be a minimum of 1:1

5.2 Cost Coverage

A measure of a company's ability to meet its financial obligations. In broad terms, the higher the coverage ratio, the better the ability of the enterprise to fulfil its obligations to its lenders.

The ratio should always be a minimum of 1 month, in other words, the available cash should be enough to cover the municipality’s cash expenditure for one month.

5.4 Number of day's cash on hand

This indicator looks at, the number of days that the entity will be able to sustain itself, if no further cash is received.

This ratio should always be a minimum of 30 days.

These liquidity indicators should not be seen in isolation as a number of factors can impact on the ratios (which are stated at a specific date). There may be only 10 days of cash available on one day, whilst the next day grants may be transferred changing the days cash to 60. The opposite is also true – cash holdings can be reduced from the 60 days to 10 days within a day when interest and redemption payments are made or the monthly bulk purchases are paid.

Further factors that must be taken into account are:

- Long term borrowings and/or creditors: A municipality may have large cash balances whilst having long term borrowings and creditors. When comparing this with a municipality with lower cash balances, but also relatively lower borrowings and lower creditors, it may very well be found that the one with the lower cash balance is in a better financial position.
- Debtors: An entity may have a low cash balance, but a fairly significant debtors balance (which is collectable) which will change the cash position as soon as payment is received from the debtors.

These and other factors make it necessary to not only look at a specific (or even a range of) ratio at a specific date, but to monitor the trends over a period of time.

Excluding exceptions or specific interventions, the cash balance must increase on an on-going basis with at least the ruling inflation rate to ensure the financial position is sustained in real terms.

6. Implementation

The policy will be effective as from 1 July 2024.

Annexure L
Investment Policy
2024/2025

INVESTMENT POLICY

2024/2025 FINANCIAL YEAR

MIDVAAL
LOCAL MUNICIPALITY

TABLE OF CONTENTS

TABLE OF CONTENTS 1
1. APPLICATION AND SCOPE 3
2. OBJECTIVE OF POLICY 3
3. LEGISLATIVE FRAMEWORK 3
4. DEFINITIONS 4
5. PURPOSE AND OBJECTIVES OF INVESTMENTS 5
6. STANDARDS OF CARE 5
7. DELEGATION OF AUTHORITY 6
8. RATING OF FINANCIAL INSTITUTIONS 6
9. AUTHORISED INVESTMENTS 7
10. INVESTMENT LIMITATIONS 7
11. INVESTMENT MANAGERS 7
12. THE PROCESS OF INVESTMENT OF FUNDS 7
13. SAFEKEEPING AND CUSTODY 8
14. REPORTING 8
15. POLICY REVIEW 9

INVESTMENT POLICY

1. Application and Scope

The Investment Policy is applicable to the Midvaal Local Municipality. (herein referred to as MLM).

2. Objective of Policy

The objective of the policy is to ensure that all investments made by the Midvaal Local Municipality ("MLM") comply with the Municipal Investment Regulations issued by the Minister of Finance in terms of the Municipal Finance Management Act. This Policy, as far as practically applicable, must be consistent with the Supply Chain Management Policy where long-term investments are placed.

3. Legislative Framework

The legislative framework governing investment decisions are:

- Local Government Municipal Systems Act 32 of 2000 (as amended)
- Local Government Municipal Finance Management Act 56 of 2003
- Municipal Investment Regulations published under Government Gazette 27431 on 1 April 2005.
- Municipal Supply Chain Management Regulations published under Government Gazette 27636 on 30 May 2005.

3.1 Permitted Investments

The following are permitted investments in terms of the Regulation 6 of Municipal Investment Regulations:

"A municipality may invest funds only in any of the following:

Investment types as may be appropriate to the anticipated future need for the funds:

(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 94 of 1990)

(d) Deposits with the Public Investment Commissioners as contemplated by the Public Investment Commissioners Act, 1984 (Act 45 of 1984)

(e) Deposits with the Corporation for Public Deposits as contemplated by the Corporation for Public Deposits Act, 1984 (Act 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 Finance

(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 Municipal Finance Management Act, in consultation with the Financial Services Board."

3.2 Investments denominated in foreign currencies

MLM 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.

4. Definitions

Short-term investments are defined as:

"Any cash or liquid securities owned by the MLM which have a maturity date, and/or callable date reasonably expected to be exercised, that is equal to or less than one year."

Long-term investments are defined as**:**

"Any cash or liquid securities owned by MLM which have a maturity date, and / or callable date reasonably expected to be exercised, that is greater than one year."

5. Purpose and Objectives of Investments

5.1 Preservation and safety of investments

The probable safety of the investment must in the first instance be considered when making investments. Preservation of capital is accomplished through placement of funds with creditworthy institutions and through portfolio diversification.

5.2 Investment Diversification

Diversification is required to minimise potential losses on individual securities and to maximise the yield from a blend of financial products.

5.3 Liquidity

The investment portfolio shall remain sufficiently liquid to meet all reasonably anticipated operating requirements.

5.4 Return on investments

The investment portfolio shall be designed with the objective of attaining a maximum rate of return subject to the investment risk constraints, liquidity requirements of MLM, and the risk associated with the sensitivity of investment returns against changes in the repo and prime rates.

6. Standards of Care

6.1 Prudence

The Municipal Manager, in accordance with this policy, must exercise due diligence in carrying out the investment function. The MLM has a responsibility to invest public Finance funds with great care and is accountable to the community in this regard. Investments must be made with such judgement 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. Investments may not be for speculation but must be genuine investments.

6.2 Ethics and Conflicts of Interest

Officials responsible for the investment of funds must steer clear of outside interference, regardless of whether such interference comes from individual Councillors, agents or any other institution. The ethical standards as contained in the Municipal Supply Chain Management Policy are **"mutatis mutandis"** applicable to investment activities. Interest rates offered by one institution should never be divulged to another institution.

6.3 Payment of Commission

No commission or other award may be paid to an official or councillor of MLM or to a spouse or close family in respect of any investment made or referred by MLM. If an investee pays any commission or other reward to an external investment manager appointed by the MLM in respect of any investment made by MLM, both the investee and the investment manager must declare such payment to the council by way of a certificate disclosing full details of the payment.

7. Delegation of Authority

Authority to manage MLM's investment portfolio is delegated as follows:

The Municipal manager to invest any amount (after taking due cognisance of the liquidity requirements of MLM) of the short-term funds in terms of the provisions of the investment policy

The Bid Adjudication Committee or Municipal Manager to approve the investment of long-term funds in terms of the provisions of the Investment Policy and Municipal Supply Chain Management Regulations in accordance with the process as stipulated in the Supply Chain Management Policy.

8. Rating of Financial Institutions

MLM shall rely on the credit analysis of the financial institutions as obtained from external Credit Rating Agencies. The Municipal Manager shall be made aware of real or potential problems related to credit or credit rating issues and their impact on the investment portfolio by the recognised Credit Rating Agencies, as this information becomes available.

9. Authorised Investments

All investments must be in the name of the MLM or one of the municipal entities.

10. Investment Limitations

Short-term investments

In order to obtain the greatest security for MLM's funds, short-term investments are not to be made with financial institutions with ratings lower than A1 / F1 as defined in the National Rating Definitions.

11. Investment Managers

Investment or Asset Fund Managers may be appointed to assist with the placing of investments, or to manage a portion of the investment portfolio in order to maximize interest earned without jeopardising liquidity. The appointment of these service providers must be done in accordance with the Supply Chain Management Policy. The conditions for their use including their liability in the event of non-compliance with this policy must be included in the bidding documentation specifying mandates that minimise risk and place the institutions on equal footing.

12. The Process of Investment of Funds

The process of investment of funds must in the first instance be made with the primary regard being to the probable safety of the investment in the second instance to the liquidity needs of MLM and lastly to the probable income derived from the investment. The investment of funds must be dealt with in accordance with the procedure for the calling of quotations and competitive bids as detailed in the Supply Chain Management Policy.

13. Safekeeping and Custody

The Chief Financial Officer shall establish and maintain an internal control structure designed to ensure the assets of the Municipality are protected from loss, theft, or misuse. The controls will be to prevent losses of public funds from fraud, employee errors, misrepresentation by third parties, or imprudent actions by employees and officers of MLM. The controls will include, among others:

- Prevention of collusion
- Separation of functions
- Separation of transaction authority from accounting and record-keeping
- Custodial safekeeping
- Clear delegation of authority to subordinate staff members
- Specific limitations regarding security losses and remedial action
- Supervisory control of employee actions
- Limiting the number of authorised investment officials
- Effective data management and reporting system for investment activities
- Documentation of transactions and strategies.

14. Reporting

The Municipal Manager must, within 10 working days after the end of each month, submit to the Executive Mayor a report describing, in accordance with generally recognised accounting practice, the investment portfolio as at the end of the month. The report must set out the following:

- 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 or yield for the reporting period.

A bank, insurance company or other Investment / Fund Managers which at the end of a financial year holds, or at any time during a financial year held, an investment for MLM, 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.

15. Policy Review

This policy is to be reviewed annually and approved by Council with the adoption of the MTREF for the following year.

Annexure M
Borrowing Policy
2024/2025

BORROWING POLICY

2024/2025 FINANCIAL YEAR

MIDVAAL
LOCAL MUNICIPALITY

TABLE OF CONTENTS

TABLE OF CONTENTS 1
ABBREVIATIONS 2
1. PURPOSE OF THIS DOCUMENT 3
2. DEFINITIONS 3
3. BACKGROUND 5
4. OBJECTIVES 5
5. INTRODUCTION AND BACKGROUND 5
6. RELATIONSHIP WITH OTHER POLICIES 10
7. SECURITY 11
8. DISCLOSURE 12
9 MUNICIPAL GUARANTEES 13
10 APPROVAL 13
11 DOCUMENTS TO BE KEPT ON RECORD 14
12 POLICY AMENDMENT 14
13 APPROVAL AND EFFECTIVE DATE 14
12. POLICY AMENDMENT 14
13. APPROVAL AND EFFECTIVE DATE 14

ABBREVIATIONS

MLM	Midvaal Local Municipality
AO	Accounting Officer
ASB	Accounting Standards Board
CFO	Chief Financial Officer
CRR	Capital Replacement Reserve
GRAP	Generally Recognised Accounting Practise
IDP	Integrated Development Plan
MFMA	Municipal Finance Management Act
MSA	Municipal Systems Act
VAT	Value Added Tax
SDBIP	Service Delivery and Budget Implementation Plan

1. PURPOSE OF THIS DOCUMENT

This policy sets outs the principles for determining the following:

- The Municipality's borrowing requirements.
- Process to be followed when debt is incurred.

2. DEFINITIONS

In this Policy, unless the context otherwise indicates, a word or expression to which a meaning has been assigned in the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003), has the meaning so assigned, and:

"Accounting Officer" – means the Municipal Manager and vice versa;

"Act" – means the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003);

"Chief Financial Officer" – means an officer of the Municipality, designated by the Municipal Manager to be administratively in charge of the financial affairs of the municipality;

"Council" or "Municipality" – means the Municipal Council of Midvaal Local Municipality as referred to in Section 18 of the Municipal Structures Act;

"Creditor" – in relation to a municipality, means any person or service provider to whom money is owed by the Municipality;

"Debt" – means –

(a) a monetary liability of obligation created by a financing agreement, note, debenture, bond, overdraft, or the issuance of municipal securities; or

(b) a contingent liability such as that created by guaranteeing a monetary liability or obligation of another.

"Delegate" – means an official / person delegated to perform tasks on behalf of another person;

"Financial Statement" – means statements consisting of at least –

(a) a statement of financial position;

(b) a statement of financial performance;

(c) a statement of changes in net assets;

(d) any other statements that may be prescribed; and

(e) any notes to these statements.

"Financial year" – means a year ending 30 June;

"Financing Agreement" means any long-term agreement, lease, installment purchase contract or hire purchase agreement under which the Municipality undertakes to pay the capital cost of property, plant, or equipment over a period of time;

"Lender" – in relation to a municipality means a person or service provider who provides debt finance to a municipality;

"Long Term Debt" – means debt which is repayable over a period exceeding 12 months;

"Municipal debt instrument" – means any note, bond, debenture, or other evidence of indebtedness issued by a municipality, including virtual or electronic evidence of indebtedness intended to be used in raising debt;

"Security" – means a lien, pledge, mortgage, cession, or other form of collateral intended to secure the interest of a creditor;

"Short Term Debt" – means a debt which is repayable over a period not exceeding 12 months.

In this document unless the context otherwise indicates, words and expressions denoting the singular shall include the plural and vice versa, words and expressions denoting the male sex shall include the female sex and vice versa and reference to a natural person shall include a legal person and vice versa.

3. BACKGROUND

The Local Government: Municipal Finance Management Act 56 of 2003 (hereafter MFMA) section 18 requires that an annual budget may only be funded from:

(a) Realistically anticipated revenues to be collected;

(b) Cash backed accumulated funds from previous years' surpluses not committed for other purposes; and

(c) Borrowed funds, but only for capital projects.

Section 19 of the MFMA also requires spending on a capital project may only commence once the funding sources have been considered, are available and have not been committed for other purposes. Furthermore, Chapter 6 of the MFMA 6 guides on the requirements of obtaining Short Term and Long Term Debt, Conditions to comply with when applying for Debt, Security, Disclosures and Municipal Guarantees.

The Local Government: Municipal Finance Management Act 56 of 2003 Municipal Budget and Reporting Regulations, 2009 Section 8 requires that each Municipality should have a Borrowing Policy.

4. OBJECTIVES

The objectives of the policy are as follows:

(a) To comply with the legislative requirements;

(b) Manage interest rate and credit risk exposure;

(c) Maintain debt within specified limits and ensure adequate provision for the repayment of debt;

(d) To ensure compliance with all Legislation and Council policy governing borrowing of funds.

5. INTRODUCTION AND BACKGROUND

The Municipality may only incur debt in terms of the Municipal Finance Management Act, Act 56 of 2003.

5.1 A municipality may incur short-term and long-term debt only if:

5.1.1 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;

5.1.2 A council resolution is taken authorising the provision of security if security is to be provided by the municipality; and

5.1.3 The following ratios for Liability Management is favourable:

- Capital Cost (Interest Paid and Redemption) as a % of Total Operating Expenditure

  Purpose/ Use of the Ratio

  The Ratio indicates the cost required to service the borrowing. It assesses the borrowing or payment obligation expressed as a percentage of Total Operating Expenditure.

  Formula

  Capital Cost (Interest Paid and Redemption) / Total Operating Expenditure x 100

  Norm

  The norm is between 6% to 8%

  Interpretation of Results

  Operating below the Norm could indicate that the Municipality has the capacity to take on additional financing from borrowing to invest in infrastructure projects or it could relate to cash flow problems where it is unable to access borrowed funds or the funding decisions of the municipality impacts of these levels. On the other hand, exceeding the Norm could pose a risk to the Municipality should changes or fluctuations in financing costs arise. When assessing this ratio, the cash flow requirements of the Municipality should also be considered.

- Debt (Total Borrowings)/ Total Operating Revenue

  Purpose/ Use of the Ratio

  The Ratio indicates the extent of Total Borrowings in relation to Total Operating Revenue. It indicates short and long term debt financing relative to operating revenue of the municipality. The purpose of the Ratio is to provide assurance that

sufficient Revenue will be generated to repay Liabilities. Alternatively stated, the Ratio indicates the affordability of the Total Borrowings.

Formula

Debt (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue - Operating Conditional Grant

Norm

The norm is 45%

Interpretation of Results

If the result of the Ratio analysis indicates less than 45% then the Municipality still has capacity to increase funding from borrowings, however, this should be considered within the cash flow requirements of the Municipality.

5.2 Short Term Debt

5.2.1 The Municipality may incur short-term debt only when necessary to bridge:

5.2.1.1 Shortfalls within a financial year during which the debt is incurred, in expectation of specific and realistically anticipated income to be received within that financial year; or

5.2.1.1 Capital needs within a financial year, to be repaid from specific funds to be received from enforceable allocations or long- term debt commitments.

5.2.2 A municipality may incur short-term debt only if:

5.2.2.1 A resolution of the municipal council, signed by the executive mayor, has approved the debt agreement; and

5.2.2.2 The AO has signed the agreement or other document which creates or acknowledges the debt.

5.2.3 5.2.3 A municipal Council may:

5.2.3.1 Approve a short-term transaction individually; or

5.2.3.2 Approve an agreement with a lender for short-term credit facility to be accessed as and when required, including a line of credit or bank overdraft facility, provided that:

(a) the credit limit must be specified in the resolution of the council;

(b) the terms of the agreement, including the credit limit, may be changed only by a resolution of the council; and

(c) if the council approves a credit facility that is limited to emergency use, the AO must notify the council in writing as soon as practical of the amount, duration and cost of any debt incurred in terms of such a credit facility, as well as options for repaying such debt.

5.2.4 The Municipality:

5.2.4.1 Must pay off short-term debt within the financial year; and

5.2.4.2 May not renew or refinance short-term debt, where such renewal or refinancing will have the effect of extending the short-term debt into a new financial year

5.2.5 No lender may willfully extend credit to a municipality for the purpose of renewing or refinancing short-term debt that must be paid off in terms of section 5.2.4.1 above.

5.2.6 If a lender willfully extends credit to a municipality in contravention of this policy, the municipality is not bound to repay the loan or interest on the loan.

5.2.7 Section 5.2.6 above does not apply if the lender:

5.2.7.1 Relied in good faith on written representations of the municipality as to the purpose of the borrowing; and

5.2.7.2 Did not know and had no reason to believe that the borrowing was for the purpose of renewing or refinancing short-term debt.

5.3 Long Term Debt

5.3.1 The Municipality may incur long-term debt for the purpose of capital expenditure on property, plant and equipment for the purpose of achieving its long-term strategic objectives, as outlined in the Constitution of the Republic of South Africa, Act 108 of 1996, and Chapter 7 on Local Government, to:

5.3.1.1 Provide democratic and accountable government for local communities;

5.3.1.2 Ensure the provision of services to communities in a sustainable manner;

5.3.1.3 Promote social and economic development;

5.3.1.4 Promote a safe and healthy environment; and

5.3.1.5 Encourage the involvement of communities and community organizations in the matters of local government.

5.3.2 A municipality may incur long-term debt only if:

5.3.2.1 A resolution of the municipal council, signed by the executive mayor, has approved the debt agreement; and

5.3.2.2 The AO has signed the agreement or other document which creates or acknowledges the debt.

5.3.3 A municipality may incur long-term debt only if the AO of the municipality:

5.3.3.1 Has, in accordance with section 21A of the Municipal Systems Act:

- at least twenty one (21) days prior to the meeting the council at which approval for the debt is to be considered, made public an information statement setting out particulars of the proposed debt, including the amount of the proposed debt, the purposes for which the debt is to be incurred and particulars of any security to be provided; and
- invited the public, the National Treasury and the relevant provincial treasury to submit written comments or representations to the council in respect of the proposed debt; and

5.3.3.2 Has submitted a copy of the information statement to the municipal council at least twenty-one (21) days prior to the meeting of the council, together with particulars of:

- the essential repayment terms, including the anticipated debt repayment schedule; and
- the anticipated total cost in connection with such debt over the repayment period.

5.3.4 Capital expenditure may include:

5.3.4.1 Financing costs, including:

- capitalised interest for a reasonable initial period;
- costs associated with security arrangements in accordance with section 48 of the Act;
- discounts and fees in connection with the financing;

- fees for legal, financial, advisory, trustee, credit rating and other services directly connected to the financing; and
- costs connected to the sale or placement of debt, and costs for printing and publication directly connected to the financing.

5.3.4.2 Costs of professional services directly related to the capital expenditure; and

5.3.4.3 Such other costs as may be prescribed.

5.3.5 A municipality may borrow money for the purpose of refinancing existing long-term debt, provided that:

5.3.5.1 The existing long-term debt was lawfully incurred;

5.3.5.2 The refinancing 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;

5.3.5.3 The net present value of projected future payments (including principal and interest payments) after refinancing is less than the net present value of projected future payments before refinancing; and

5.3.5.4 The discount rate used in projecting net present value, 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.

5.3.6 A municipality's long-term debt must be consistent with its approved capital budget

5.4 The municipality may also incur long term debt in the form of a Finance lease (instalment sale agreement) for the purchase of various vehicles and equipment.

6. RELATIONSHIP WITH OTHER POLICIES

This policy needs to be read in conjunction with other relevant adopted policies of the municipality, including the following:

(a) Delegation of Powers;

(b) Accounting Policy;

(c) Cash Management and Investment Policy

(d) Long Term Financial Plan Policy;

(e) Budget Implementation and Monitoring Policy;

7. SECURITY

7.1 A municipality may by resolution of its council provide security for:

7.1.1 Any of its debt obligations; and

7.1.2 Contractual obligations of the municipality undertaken in connection with capital expenditure by the persons on property, plant or equipment to be used by the municipality or such other person for the purpose of achieving the objectives of local government in terms of section 152 of the Constitution.

7.2 A municipality may in terms of section 9.1 above provide any appropriate security, including by:

7.2.1 Giving a lien on, or pledging, mortgaging, ceding or otherwise hypothecating, an asset or right, or giving any other form of collateral;

7.2.2 Undertaking to effect payment directly from money or sources that may become available and to authorise the lender or investor direct access to such sources to ensure payment of the secured debt or the performance of the secured obligations, but this form of security may not affect compliance with section 8(2) of the MFMA;

7.2.3 Undertaking to deposit funds with the lender, investor or third party as security;

7.2.4 Agreeing to specific payment mechanisms or procedures to ensure exclusive or dedicated payment to lenders or investors, including revenue intercepts, payments into dedicated accounts or other payment mechanisms or procedures;

7.2.5 Ceding as security any category of revenue or rights to future revenue;

7.2.6 Undertaking to have disputes resolved through mediation, arbitration or other dispute resolution mechanisms;

7.2.7 Undertaking to retain revenues or specific municipal tariffs or other charges, fees or funds at a particular level or at a level sufficient to meet its financial obligations;

7.2.8 Undertaking to make provision in its budgets for the payment of its financial obligations, including capital and interest;

7.2.9 Agreeing to restrictions on debt that the municipality may incur in future until the secured debt is settled or the secured obligations are met; and

7.2.10 Agreeing to such other arrangements as the municipality may consider necessary and prudent.

7.3 A council resolution authorising the provision of security:

7.3.1 Must determine whether the asset or right with respect to which the security is provided, is necessary for providing the minimum level of basic municipal services; and

7.3.2 If so, must indicate the manner in which the availability of the asset or right for the provision of that minimum level of basic municipal services will be protected.

7.4 If the resolution has determined that the asset or right is necessary for providing the minimum level of basic municipal services, neither the party to whom the municipal security is provided, nor any successor or assignee of such party, may, in the event of a default by the municipality, deal with the asset or right in a manner that would preclude or impede the continuation of that minimum level of basic municipal services.

7.5 A determination in terms of section 9.3 above that an asset or right is not necessary for providing the minimum level of basic municipal services is binding on the municipality until the secured debt has been paid in full or the secured obligations have been performed in full, as the case may be.

8. DISCLOSURE

8.1 Any person involved in the borrowing of money by the municipality must, when interacting with a prospective lender or when preparing documentation for consideration by a prospective investor:

8.1.1 disclose all information in that person's possession or within that person's knowledge that may be material to the decision of that prospective lender or investor; and

8.1.2 take reasonable care to ensure the accuracy of any information disclosed.

8.2 Information to be provided should include:

8.2.1 Audited financial statements for the preceding three (3) financial years with audited outcomes;

8.2.2 Approved annual budget;

8.2.3 The municipal integrated development plan;

8.2.4 Repayment schedules pertaining to existing short-term or long-term debt.

8.3 A lender or investor may rely on written representations of the municipality signed by the AO, if the lender or investor did not know and had no reason to believe that those representations were false or misleading.

9 MUNICIPAL GUARANTEES

9.1 A municipality may not issue any guarantee for any commitment or debt of any organ of state or person, except on the following condition:

9.1.1 The guarantee must be within limits specified in the municipality's approved budget.

9.2 Neither the national nor a provincial government may guarantee the debt of a municipality except to the extent that chapter 8 of the Public Finance Management Act provides for such guarantees.

10 APPROVAL

10.1 Once Council approves the loan, the AO has to enter into an agreement with the recommended financial institution on behalf of Council. The Chief Financial Officer must ensure that the terms and conditions are as originally agreed before the Council is committed;

10.2 All municipal loan commitments must be recorded in a Loans Register reflecting at a minimum the:

10.2.1 Loan number;

10.2.2 Type of loan;

10.2.3 Financial institution;

10.2.4 Date issued;

10.2.5 Purpose of loan;

10.2.6 Loan period;

10.2.7 Interest rate;

10.2.8 Installments (capital and interest);

10.2.9 Due dates (quarterly / half-yearly / yearly);

10.2.10 Security (if any);

10.2.11 Final redemption date;

10.2.12 Opening balance at the beginning of the financial year;

10.2.13 Amounts received during the financial year;

10.2.14 Capital amounts redeemed during the financial year; and

10.2.15 Closing balance at the end of the financial year.

10.3 Sufficient provision must be made in the budget to depreciate assets linked to the loan.

11 DOCUMENTS TO BE KEPT ON RECORD

11.1 The following loan documentation and certificates, at a minimum, must be safeguarded at all times:

11.1.1 Loan agreements;

11.1.2 Any applicable security agreements;

11.1.3 Copy of annual loans register;

11.1.4 Signed copies of monthly reconciliations;

11.1.5 Copies of all repayments made;

11.1.6 Copies of amortization schedules;

11.1.7 Copies of quarterly National Treasury returns.

12 POLICY AMENDMENT

The AO must–

(a) at least annually review the implementation of this Policy; and

(b) when the AO considers it necessary, submit proposals for the amendment of this Policy to the Council.

The review of this policy and any amendment should be made with due consideration and in conjunction with the annual review of the budget related policies as prescribed in the Municipal Budget and Reporting Regulations, 2008.

13 APPROVAL AND EFFECTIVE DATE

The policy will be effective 1 July 2024.

Annexure N
Budget Funding and Reserves Policy 2024/2025

FUNDING AND RESERVES POLICY

2024/2025 FINANCIAL YEAR

TABLE OF CONTENTS

TABLE OF CONTENTS 1
ABBREVIATIONS 2
1. PURPOSE OF THIS DOCUMENT 3
2. DEFINITIONS 4
3. BACKGROUND 6
4. OBJECTIVES 7
5. APPROVAL AND EFFECTIVE DATE 8
6. POLICY AMENDMENT 9
7. RELATIONSHIP WITH OTHER POLICIES 10
8. REFERENCES 11
9. PRINCIPLES REGARDING THE FUNDING OF THE ANNUAL BUDGET 12
10. FUNDING THE OPERATING BUDGET 13
11. FUNDING THE CAPITAL BUDGET 17
12. CAPITAL REPLACEMENT RESERVE 21
13. ASSET FAIR VALUE RESERVE 22
14. PUBLIC CONTRIBUTIONS RESERVE 23
PROVISIONS 24
15. LEAVE PROVISION / ACCRUAL 24
16. LANDFILL REHABILITATION PROVISION 25
17. PROVISION FOR LONG SERVICE AWARDS 26
18. PROVISION FOR POST EMPLOYMENT MEDICAL BENEFITS 27
19. OTHER ITEMS TO BE CASH BACKED 28
20. POLICY IMPLEMENTATION 29

ABBREVIATIONS

MLM	Midvaal Local Municipality
AO	Accounting Officer
ASB	Accounting Standards Board
CFO	Chief Financial Officer
CRR	Capital Replacement Reserve
GRAP	Generally Recognised Accounting Practise
IDP	Integrated Development Plan
MFMA	Municipal Finance Management Act
MSA	Municipal Systems Act
VAT	Value Added Tax
SDBIP	Service Delivery and Budget Implementation Plan

1. PURPOSE OF THIS DOCUMENT

This policy sets outs the principles for determining the following:-

- Projected billings, collections and all direct revenues;
- The provision for revenue that will not be collected;
- The funds the Municipality can expect to receive from investments;
- The proceeds the Municipality can expect to receive from the transfer or disposal of assets;
- The funds to be set aside in reserves.

2. DEFINITIONS

In this Policy, unless the context otherwise indicates, a word or expression to which a meaning has been assigned in the Local Government: Municipal Finance Management Act, 2003 (Act No 56 of 2003), has the meaning so assigned, and:

"Accounting Officer" – means the Municipal Manager and vice versa;

"Act" – means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);

"Chief Financial Officer" – means an officer of the Municipality, designated by the Municipal Manager to be administratively in charge of the financial affairs of the municipality;

"Council" or "Municipality" – means the Municipal Council of Midvaal Local Municipality as referred to in Section 18 of the Municipal Structures Act;

"Creditor" – in relation to a municipality, means any person or service provider to whom money is owing by the Municipality;

"Debt" – means –

(a) a monetary liability of obligation created by a financing agreement, note, debenture, bond, overdraft or the issuance of municipal securities; or

(b) a contingent liability such as that created by guaranteeing a monetary liability or obligation of another.

"Delegatee" – means an official / person delegated to perform tasks on behalf of another person;

"Financial Statement" – means statements consisting of at least –

(a) a balance sheet (statement of financial position);

(b) an income statement (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 period of twelve months ending on the 30 June;

In this document unless the context otherwise indicates, words and expressions denoting the singular shall include the plural and vice versa, words and expressions denoting the male sex shall include the female sex and vice versa and reference to a natural person shall include a legal person and vice versa.

3. BACKGROUND

The Local Government: Municipal Finance Management Act No 56 of 2003 (*hereafter MFMA*) section 18 requires that an annual budget may only be funded from:

(a) Realistically anticipated revenues to be collected;

(b) Cash backed accumulated funds from previous years' surpluses not committed for other purposes; and

(c) Borrowed funds, but only for capital projects.

Section 19 of the MFMA also requires spending on a capital project may only be commenced once the funding sources have been considered, are available and have not been committed for other purposes. Furthermore, Chapter 6 of the MFMA 6 guides on the requirements of obtaining Short Term and Long Term Debt, Conditions to comply with when applying for Debt, Security, Disclosures and Municipal Guarantees.

The Local Government: Municipal Finance Management Act No 56 of 2003 Municipal Budget and Reporting Regulations, 2009 Section 8 requires that each Municipality should have a Funding and Reserves Policy.

4. OBJECTIVES

The objectives of the policy relating to funding and reserves are as follows:

(a) To comply with the legislative requirements;

(b) To ensure that the Municipality's Operating and Capital budgets are adequately funded;

(c) To ensure that the Municipality's provisions and reserves are maintained at the required levels, in order to mitigate unfunded liabilities in future financial years; and

(d) To achieve financial sustainability with acceptable levels of service delivery to the community.

5. APPROVAL AND EFFECTIVE DATE

The policy will be effective as from 1 July 2024.

6. POLICY AMENDMENT

The AO must–

(a) at least annually review the implementation of this Policy; and

(b) when the AO considers it necessary, submit proposals for the amendment of this Policy to the Council.

The review of this policy and any amendment should be made with due consideration and in conjunction with the annual review of the budget related policies as prescribed in the Municipal Budget and Reporting Regulations, 2008.

7. RELATIONSHIP WITH OTHER POLICIES

This policy needs to be read in conjunction with other relevant adopted policies of the municipality, including the following:

- Accounting Policy;
- Cash Management and Investment Policy
- Long Term Financial Plan Policy;

8. REFERENCES

The following references were observed in compiling this document:

- Municipal Finance Management Act, 2003
- Municipal Systems Act, 2000
- Municipal Structures Act, 1998
- Accounting Standards Board
- MFMA Circular 18 & 44
- MFMA Budget Circular 51
- Municipal Budget and Reporting Regulations, 2008
- Government Gazettes (30013 & 31021)
- Generally Recognised Accounting Practice

9. PRINCIPLES REGARDING THE FUNDING OF THE ANNUAL BUDGET

9.1 An annual budget may only be funded from:-

9.1.1 Realistically anticipated revenues to be collected;

9.1.2 Cash backed accumulated funds from previous years surpluses and reserves not committed for any other purpose; and

9.1.3 Borrowed funds but only for the capital budget.

9.2 Realistic anticipated revenue projections must take into account:-

9.2.1 Projected revenue for the current year based on collection levels to date; and

9.2.2 Actual revenue collected in previous financial years.

9.3 Spending on a capital project may only occur if:-

9.3.1 The money for the project, excluding the cost of feasibility studies, has been appropriated in the budget;

9.3.2 The project, including the total cost, has been approved by Council;

9.3.3 The sources of funding have been considered, are available and have not been committed for other purposes;

9.3.4 Council has considered:-

9.3.4.1 The projected cost covering all financial years until the project is operational; and

9.3.4.2 The future operations costs and revenue on the project, including municipal tax and tariff implications.

10. FUNDING THE OPERATING BUDGET

10.1 The operating budget provides funding to departments for their medium term expenditure as planned.

10.1.1 The Municipality categorises services rendered to the community according to its revenue generating capabilities as follows:-

10.1.2 Trading services (services that generate predetermined surpluses that can be used to fund other services rendered by the Municipality);

10.1.3 Economic services (services that should at least break-even, but do not necessarily generate any surpluses to fund other services rendered by the Municipality);

10.1.4 Rates and General (services that are funded by property rates, government grants or surpluses generated by the trading services).

10.2 The operating budget is funded from the following main sources of revenue:-

10.2.1 Property rates;

10.2.2 Service charges;

10.2.3 Government grants and subsidies;

10.2.4 Other sundry revenue, such as fines, interest received etc; and

10.2.5 Cash backed accumulated surpluses from previous years not committed for any other purposes.

10.3 The following guiding principles apply when compiling the operating budget:-

10.3.1 The annual budget must be funded ;

10.3.2 Growth parameters must be realistic taking into account the current economic conditions;

10.3.3 Tariff adjustments must be realistic, taking into consideration affordability, bulk increases and future projected growth according to the approved Integrated Development Plan (IDP);

10.3.4 Revenue from government grants and subsidies must be in line with allocations gazetted in the Division of Revenue Act and Provincial Gazettes;

10.3.5 Revenue from public contributions, donations or any other grants may only be included in the budget if there are acceptable documentation that guarantees the funds such as:-

10.3.5.1 A signed service level agreement;
10.3.5.2 A contract or written confirmation; or
10.3.5.3 Any other legally binding document.

10.3.6 Property rates are levied according to the Municipal Property Rates Act and Property Rates Policy based on the market values. The budget is compiled using the latest approved Valuation Roll and any Supplementary Roll, consistent with current and past trends. Property rates tariffs and rebates are determined annually as part of the tariff setting process;

10.3.7 Property rates rebates, exemptions and reductions are budgeted either as revenue foregone or as a grant as per MFMA Budget Circular 51 depending on the conditions thereof;

10.3.8 Projected revenue from service charges must be realistic - based on current and past trends with expected growth considering the current economic conditions. The following factors must be considered for each service:-

10.3.9 Metered services comprising of electricity and water:-

10.3.9.1 The consumption trends for the previous financial years;

10.3.9.2 Envisaged water restrictions or load shedding when applicable; and

10.3.9.3 Actual revenue collected in previous financial years.

10.3.10 Refuse removal services:-

10.3.10.1 The actual number of erven receiving the service per category; and

10.3.10.2 Actual revenue collected in previous financial years.

10.3.11 Sewerage services:-

10.3.11.1 The actual number of erven receiving the service per category and the consumption trends per category; and

10.3.11.2 Actual revenue collected in previous financial years.

10.3.12 Rebates, exemptions or reductions for service charges are budgeted either as revenue foregone or as a grant as per MFMA Budget Circular 51 depending on the conditions thereof;

10.3.13 Other projected revenue is charged in terms of the approved sundry tariffs and fines considering the past trends and growth for each category.

10.3.14 Provision for revenue that will not be collected is made against the expenditure item debt impairment and is based on actual collection levels for the previous financial year and the latest projected annual non-payment rate.

10.3.15 Transfers from the accumulated surplus to fund operating expenditure will only be allowed for specific once-off projects and with no recurring operating expenditure resulting thereof.

10.3.16 Interest received from actual long-term and or short-term investments are based on the amount reasonably expected to be earned on cash amounts available during the year according to the expected interest rate trends.

10.3.17 Depreciation charges are fully budgeted for according to the asset register and to limit the impact of the implementation of Asset Related GRAP Standards a transfer is made from the accumulated surplus.

10.3.18 A detailed salary budget is compiled on an annual basis. All funded positions are budgeted for in total and new and/or funded vacant positions are budgeted for nine (9) months only of the total package considering the time for the recruitment process.

10.3.19 To ensure the health of the municipal asset base, sufficient provision must be made for the maintenance of existing and infrastructure assets based on affordable levels as maintenance budgets are normally lower than the recommended levels. As a guiding principle repair and maintenance should constitute at least between 7% and 9% of total operating expenditure and should annually be increased incrementally until the required targets are achieved. Actual spending in previous years

10.3.20 Individual expenditure line items are to be revised each year when compiling the budget to ensure proper control over operating expenditure. Increases for these line items must be linked to the average inflation rate and macro-economic indicators unless a signed agreement or contract stipulates otherwise.

11. FUNDING THE CAPITAL BUDGET

11.1 The municipality's objective is to maintain, through proper maintenance and replacement measures, existing levels of service and to improve and implement services which are neglected or non – existent. In order to achieve this objective the municipality must annually, within financial means, budget for the replacement of redundant assets as well as new assets. The capital budget provides funding for the Municipality's capital programme based on the needs and objectives as identified by the community through the Integrated Development Plan and provides for the eradication of infrastructural backlogs, renewal and upgrading of existing infrastructure, new developments and enlargement of bulk infrastructure. Provisions on the capital budget will be limited to availability of sources of funding and affordability. The main sources of funding for capital expenditure are:-

11.1.1 Cash backed accumulated surpluses;

11.1.2 Borrowings;

11.1.3 Government grants and subsidies;

11.1.4 Public donations and contributions; and

11.1.5 Operating revenue.

11.2 The following guiding principles apply when considering sources of funding for the capital budget:-

11.2.1 Government grants and subsidies:-

11.2.1.1 Only gazette allocations or transfers as reflected in the Division of Revenue Act or allocations as per Provincial Gazettes may be used to fund projects;

11.2.1.2 The conditions of the specific grant must be taken into consideration when allocated to a specific project; and

11.2.1.3 Government grants and subsidies allocated to specific capital projects are provided for on the relevant department's operating budget to the extent that the conditions will be met during the financial year.

11.2.2 In the case of public contributions, donations and/or other grants, such capital projects may only be included in the annual budget if the funding is guaranteed by means of:-

11.2.2.1 A signed service level agreement;

11.2.2.2 A contract or written confirmation; and/or

11.2.2.3 Any other legally binding document.

11.2.3 Public donations, contributions and other grants are provided for on the relevant department's operating budget to the extent that the conditions will be met during the financial year.

11.2.4 The borrowing requirements as contained in the borrowing policy are used as a basis to determine the affordability of external loans over the Medium Term Revenue and Expenditure Framework. The ratios to be considered to take up new borrowings include:-

11.2.4.1 long-term debt to revenue (excluding grants) not to exceed 40%;

11.2.4.2 payment rate of above 90%;

11.2.4.3 percentage of capital charges to operating expenditure less than 15% (Interest and redemption).

11.2.5 Allocations to capital projects from cash backed accumulated surpluses will be based on the available funding for each ring-fenced reserve according to the conditions of each reserve as follows:-

11.2.5.1 Capital projects of a smaller nature such as office equipment, furniture, plant and equipment etc. must be funded from own generated revenue from the operating budget for that specific year;

11.2.5.2 Capital projects to upgrade bulk services will be allocated to the capital bulk contributions reserve for each service.

11.2.6 All capital projects have an effect on future operating budgets. The following cost factors should therefore be considered before approval:-

11.2.6.1 Additional personnel cost to staff new facilities once operational;

11.2.6.2 Additional contracted services, such as security, cleaning etc.

11.2.6.3 Additional general expenditure, such as services cost, stationery, telephones, material etc.

11.2.6.4 Additional other capital requirements to operate the facility, such as vehicles, plant and equipment, furniture and office equipment etc.

11.2.6.5 Additional costs to maintain the assets;

11.2.6.6 Additional interest and redemption in the case of borrowings;

11.2.6.7 Additional depreciation charges;

11.2.6.8 Additional revenue generation. The impact of expenditure items must be offset by additional revenue generated to determine the real impact on tariffs.

All Reserves are “ring fenced” as internal reserves within the accumulated surplus, except for provisions as allowed by the standards of Generally Recognised Accounting Practices (GRAP).

The following ring fenced reserves exist:-

12. CAPITAL REPLACEMENT RESERVE

Funding for capital budgets of future financial years are generated through contributions from the operating budget. Once the Municipality has reached its maximum gearing ability no further borrowings can be taken up. This necessitates that the Municipality also invests in a capital replacement reserve. However, it must be cash backed.

This reserve once fully established will enable the Municipality to provide internal funding for its capital replacement and renewal programme. Other contributions to the capital replacement reserve through the operating budget may include interest received on investments.

This reserve must be cash backed at all times to ensure the availability of cash to fund the municipal capital programme.

13. ASSET FAIR VALUE RESERVE

The Asset Fair Value Reserve is created through the transfer of the increase in the carrying value of Property, Plant and Equipment identified through the adoption of GRAP17. This is an accounting concept and the reserve does not represent a cash reserve in the true sense. The reserve cannot be utilised for any other purpose than the accumulation of the increase in carrying value, or offsetting of a decrease in carrying value of Property, Plant and Equipment. The reserve and accounting treatment thereof is governed by GRAP 17.

14. PUBLIC CONTRIBUTIONS RESERVE

Bulk contributions changed to developers in terms of Councils Bulk Contributions Policy are ring-fenced and must be kept in cash. The reserve can only be utilised for the funding of capital infrastructure and in accordance with Council's approved Capital Budget.

PROVISIONS

A provision is recognised when the municipality has a present obligation as a result of a past event and it is probable, more likely than not, that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are revised annually and those estimates to be settled within the next twelve (12) months are treated as current liabilities.

The municipality has the following provisions:

15. LEAVE PROVISION / ACCRUAL

Liabilities for annual leave are recognised as they accrue to employees. An annual provision is made from the operating budget to the leave provision.

16. LANDFILL REHABILITATION PROVISION

The landfill site rehabilitation provision is created for the current operational site at the future estimated time of closure. The value of the provision is based on the expected future cost to rehabilitate the landfill site. This provision must be cash backed as determined in the Cash Management Policy, to ensure availability of cash for rehabilitation on closure.

17. PROVISION FOR LONG SERVICE AWARDS

Municipal employees are awarded leave days according to years in service at year end. Due to the fact that not all long service leave balances are redeemed for cash. The provision is cash backed.

Long service awards can be encashed at the discretion of the Municipal Manager and will be subject to the cash flow position of Council.

18. PROVISION FOR POST EMPLOYMENT MEDICAL BENEFITS

The municipality provides retirement medical care benefits by subsidizing the medical aid contributions to retired employees and their legitimate spouses. The entitlement to retirement medical benefits is based on employees remaining in service up to retirement age and the completion of a minimum service period. The expected cost of these benefits is accrued over a period of employment.

The provision is cash backed.

19. OTHER ITEMS TO BE CASH BACKED

The Cash Management Policy also specifies certain other items (in addition to fund and reserves) that must be cash backed.

20. POLICY IMPLEMENTATION

This policy will effective as from 1 July 2024.

IMFO

Annexure O
Municipal Supply Chain Management Policy and Procedures
2024/2025

SUPPLY CHAIN MANAGEMENT POLICY

2024/2025 FINANCIAL YEAR

MIDVAAL
LOCAL MUNICIPALITY

Revised March 2024

TABLE OF CONTENTS

1. Definitions

CHAPTER 1

IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT POLICY

2. Supply chain management policy

3. Adoption and amendment of supply chain management policy

4. Delegation of supply chain management powers and duties

5. Sub-delegations

6. Oversight role of council of municipality

7. Supply chain management units

8. Training of supply chain management officials

CHAPTER 2

SUPPLY CHAIN MANAGEMENT SYSTEM

9. Format of supply chain management system

PART 1: DEMAND MANAGEMENT

10. System of demand management

PART 2: ACQUISITION MANAGEMENT

11. System of acquisition management

12. Range of procurement processes

13. General preconditions for consideration of written quotations or bids

14. Lists of accredited prospective providers

15. Petty cash purchases

16. This section is removed

17. Formal written price quotations

18. Procedures for procuring goods or services through written quotations and formal written price quotations

19. Competitive bids

20. Process for competitive bidding

21. Bid documentation for competitive bids

22. Public invitation for competitive bids

23. Procedure for handling, opening and recording of bids

24. Negotiations with preferred bidders

25. Two-stage bidding process

26. Committee system for competitive bids

27. Bid specification committees

28. Bid evaluation committees

29. Bid adjudication committees

30. Procurement of banking services

31. Procurement of IT related goods or services

32. Procurement of goods and services under contracts secured by other organs of state

33. Procurement of goods necessitating special safety arrangements

34. Proudly SA Campaign

35. Appointment of consultants

36. Deviation from, and ratification of minor breaches of procurement processes

37. Unsolicited bids

38. Combating of abuse of supply chain management system

PART 3: LOGISTICS, DISPOSAL, RISK AND PERFORMANCE MANAGEMENT

39. Logistics management

40. Disposal management

41. Risk management

42. Performance management

PART 4: OTHER MATTERS

43. Prohibition on awards to persons whose tax matters are not in order

44. Prohibition on awards to persons in the service of the state

45. Awards to close family members of persons in the service of the state

46. Ethical standards

47. Inducements, rewards, gifts and favours

48. Sponsorships

49. Objections and complaints

50. Resolution of disputes, objections, complaints and queries

51. Contracts providing for compensation based on turnover

52. Remedies

53. Service providers appointed through a panel

54. Cancellation of a tender

55. Cost containment

56. Commencement

Abbreviations:

MLM - Midvaal Local Municipality

SCM - Supply Chain Management

PR - Purchase Requisition

GPT - Gauteng Provincial Treasury

NT - National Treasury

AG - Auditor General of South Africa

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, and –

"Accounting Officer" means the person appointed by the Municipality as the Municipal Manager of the Municipality in terms of section 82 of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998), responsible and accountable in terms of section 55(2) of the Local Government : Municipal Systems Act 2000 (Act 32 of 2000) and includes any person acting in such position and to whom the Municipal Manager has delegated a power, function or duty. Accounting Officer also means Municipal Manager and vice versa.

"Competitive bid" means a bid in terms of a competitive bidding process;

"CIDB" means Construction Industry Development Board Act, Act 38 of 2000;

"Final award", in relation to bids or quotations submitted for a contract, means the final decision on which a bid or quote to is accept;

"Formal written price quotation" means quotations referred to in paragraph 17.1 of this policy;

"Grey List" means a list of service providers contracted to the municipality who have failed to meet contractual obligations and therefore temporarily barred from doing business with the municipality for a period not exceeding 12 months or a financial year;

"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 Public Finance Management Act, 1999 (Act 1 of 1999);

(e) a member of the accounting authority or any national or provincial public entity; or

(f) an employee of Parliament or a provincial legislature;

“Long term contract” means a contract with a duration period exceeding one year;

“List of accredited prospective providers” means the list of accredited prospective providers registered on the National Treasury Central Supplier Database (CSD) in terms of Section 14 of this policy;

“Database of restricted bidders” means the database of bidders restricted from doing business with a Municipality as set out in paragraph 14.1 of this policy as defined in Circulars 43, 46, 52 and 56 of National Treasury.

“Other applicable legislation” means any other legislation applicable to the municipal Supply Chain Management, including but not limited to –

(a) The Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), the PPPFA regulations, 2022 and all amendments;

(b) The Broad Based Black Economic Empowerment Act, 2003 (Act 53 of 2003), the regulations and all amendments;

(c) The Construction Industry Development Board Act, 2000 (Act 38 of 2000), the regulations and all amendments;

(d) The Prevention and Combating of Corrupt Activities Act, 2004 (Act 12 of 2003), the regulations and all amendments;

(e) The Competition Act, 1998 (Act 89 of 1998), the regulations and all amendments; and

(f) The Promotion of Administrative Justice Act, 2000 (Act 3 of 2000).

“Petty Cash”, means a small amount for incidental purchases of low value goods and services

“PPP”, Preferential Procurement Policy as adopted by Midvaal Local Municipality

“Single source”: refers to when the competition exists in the market, but only from a selected few supplier, due to technical capabilities and abilities, comply with the requirements of the municipality.

“Sole Supplier:” refers in instances where there is no competition and only one service provider exists in the market, with sole distribution rights and/or patent rights or being a sole manufacturer, supplier, or distributer of the goods or services required.

“Strip & quote:” When it is not certain what repairs and maintenance should be performed on equipment and vehicles and it becomes impractical to obtain quotations, the equipment or

vehicle is sent to a supplier who disassembles (strip) it to determine what is wrong with it. Thereafter a quote is issued.

"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 56 of 2003);

"The Regulations" means the Local Government: Municipal Finance Management Act, 2003, Municipal Supply Chain Management Regulations published by Government Gazette no. 27636, 30 May 2005 and all amendments;

"Material Flaw or Irregularity" means a significant fault or mistake or weakness, identified to potentially impede the principles of fairness or transparency.

"Municipal Cost Containment Regulations" means the Local Government: Municipal Finance Management Act, 2003, Municipal Cost Containment Regulations, 2019;

"The Council" means the Midvaal Local Municipality abbreviated to MLM.

CHAPTER 1

IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT POLICY

2. SUPPLY CHAIN MANAGEMENT POLICY

2.1. All officials and other role players in the supply chain management system of the Midvaal Local Municipality must implement this Policy in a way that –

(a) gives effect to –
- Section 217 of the Constitution; and
- Part 1 of Chapter 11 and other applicable provisions of the Act;

(b) is fair, equitable, transparent, competitive, and cost-effective;

(c) Complies with –
- the Regulations; and
- 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.

2.2. This Policy applies when the Midvaal Local Municipality –

(a) procures goods and services;

(b) disposes of goods no longer needed;

(c) appoints 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.

2.3. 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

3.1. 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 the council

3.2. If the accounting officer submits proposed amendments to the council that differ from the model policy issued by the National Treasury, the accounting officer must –

(c) ensure that such proposed amendments comply with the Regulations; and

(d) report any deviation from the model policy to the National Treasury and the Gauteng Provincial Treasury.

3.3. When amending this Supply Chain Management Policy, the need for uniformity in supply chain practices, procedures and forms between organs of state in all spheres, particularly to promote accessibility of supply chain management systems for small businesses must be taken into account.

3.4. The draft policy should be forwarded to the Gauteng Provincial Treasury: Policy, Norms and Standards component before tabling to the Municipal Council for approval.

4. DELEGATION OF SUPPLY CHAIN MANAGEMENT POWERS AND DUTIES

4.1. 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 –

- Chapter 8 or 10 of the Act; and
- this Policy;

(b) to maximise administrative and operational efficiency in the implementation of this Policy;

(c) to enforce reasonable cost-effective measures for the prevention of fraud, corruption, favouritism and unfair and irregular practices in the implementation of this Policy; and

(d) to comply with his or her responsibilities in terms of section 115 and other applicable provisions of the Act.

4.2. Section 79 and 106 of the Act apply to the sub-delegation of powers and duties delegated to an accounting officer in terms of subparagraph (4.1).

4.3. The council or the accounting officer may not sub-delegate any supply chain management powers or duties to a person who is not an official of the Midvaal Local Municipality or to a committee which is not exclusively composed of officials of the Midvaal Local Municipality;

4.4. 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

5.1. The accounting officer may in terms of section 79 or 106 of the Act sub-delegate any supply chain management powers and duties, including those delegated to the accounting officer in terms of this policy, but any such sub-delegation must be consistent with subparagraph (5.2) of this paragraph, and paragraph 4 of this Policy

as well as the as well as the Midvaal Local Municipality's Policy Document: Division of Legislative and Executive Functions and Delegations of Authority.

5.2. The Accounting officer hereby sub-delegates the following and gives power to make a final award –

5.2.1. above R10 million (VAT included) <u>may not be sub-delegated</u> and is thus to be awarded by the Accounting Officer only;

5.2.2. above R200 000-00 (VAT included), but not exceeding R10 million (VAT included), is hereby sub-delegated to –

- The bid adjudication committee (BAC) consisting of the Chief Financial Officer or another senior manager, or persons acting in their stead.

5.2.3. not exceeding R200 000 (VAT inclusive) is hereby sub-delegated as follows:

(a) The Chief Financial Officer to approve acquisitions up to R20 000 (VAT Inclusive).

5.3. An official or the bid adjudication committee to which the power to make final awards has been sub-delegated in accordance with subparagraph (5.2.2 and 5.2.3) must within five (5) days of the end of each month submit to the official referred to in subparagraph (5.4) a written report containing particulars of each final award made by such committee or person during that month, including:

- The amount of the award;

- The name of the person to whom the award was made; and

- the reason why the award was made to that person.

5.4. A written report referred to in subparagraph 5.3 must be submitted –

(a) to the accounting officer, in the case of an award by – a bid adjudication committee; or

(b) to the Chief Financial Officer, in the case of an award by - a manager referred to in subparagraph (5.2.3) (a) (b).

5.5. Subparagraph (5.3) and (5.4) of this policy do not apply to procurements made out of petty cash.

5.6. This paragraph may not be interpreted as permitting an official to whom the power to make final awards has been sub-delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in paragraph 26 of this Policy.

5.7. No supply chain management decision-making powers may be delegated to an advisor or consultant. Advisors and consultants, who were either involved with drafting of specifications or technical evaluation of bids under their supervision as per their appointment, may attend bid specifications and bid evaluation committees in their professional capacity. Both Bid Specifications and Bid Evaluation Committees **do not** have decision-making or award powers, they can only recommend to the Bid Adjudication Committee.

6. OVERSIGHT ROLE OF COUNCIL

6.1. The council reserves its right to maintain oversight over the implementation of this Policy.

6.2. For the purposes of such oversight the accounting officer of MLM must:

6.2.1. 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 MLM, to the council of the Midvaal Local Municipality; and

6.2.2. Whenever there are serious and material problems in the implementation of this Policy, immediately submit a report to the council.

6.3. The accounting officer must, within 10 days of the end of each quarter, submit a report on the implementation of the supply chain management policy to the mayor.

6.4. The reports must be made public in accordance with section 21A of the Municipal Systems Act.

7. SUPPLY CHAIN MANAGEMENT UNIT

7.1. A supply chain management unit is hereby established to implement this Policy.

7.2. 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 training of officials involved in implementing this Policy should be in accordance with National Treasury: Local Government: Municipal Finance Management Act: Municipal Regulations on Minimum Competency Levels dated 15/06/2007 and any other Treasury guidelines on supply chain management training.

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) disposal management;

(v) risk management;

(vi) performance management.

PART 1: DEMAND MANAGEMENT

10. SYSTEM OF DEMAND MANAGEMENT

This accounting officer must establish and implement an appropriate demand management system to ensure that the resources required by Midvaal Local Municipality supports its operational commitments and strategic goals as outlined in the Integrated Development Plan (IDP).

Demand management must be co-ordinated by SCM officials of the municipality in consultation with end-users. This includes a detailed analysis of the goods, works or services required, such as: -

- the scope of the work to be executed;
- the time required to complete the project; and
- the material, resources, equipment required to execute the project.

The outcome of this activity should be a detailed planning document that outlines what goods, works or services should be procured, the manner in which they should be procured as well as the timelines to execute the procurement functions.

Procurement planning should take place at the beginning of the financial year when the municipality's IDP, Service Delivery and Budget Implementation Plan (SDBIP) and annual budget have been approved. Procurement plans cannot be developed in isolation; it should instead form part of the municipality's and other functional strategies. The SCM Unit must perform hand-in-hand with user departments and directorates in the formulation of procurement plans.

Approved procurement plans containing all planned procurement for the financial year in respect of the procurement of goods, works or services which exceed R200 000 (all applicable taxes included) must be submitted to Gauteng Provincial Treasury by not later than 31 July of each year.

10.1. The demand management system must –

(a) include timely planning and management processes to ensure that all goods and services required by MLM are quantified, budgeted for timeously, and effectively delivered at the right location, and the critical date, and be of the appropriate quantity and quality of a fair cost;

(b) take into account any benefits of economies of scale that may be delivered in the case of acquisitions of a repetitive nature (such as long-term contracts);

(c) provide for the compilation of the required specifications to ensure that its needs are met;

(d) take into consideration past spending analysis;

(e) undertake appropriate industry analysis and research to ensure that innovations and technological benefits are maximised to the extent appropriate and within the available resources.

PART 2: ACQUISITION MANAGEMENT

11. SYSTEM OF ACQUISITION MANAGEMENT

11.1. The accounting officer must implement the system of acquisition management in order to ensure –

(a) that goods and services are procured by the Midvaal Local Municipality in accordance with authorised processes only;

(b) that expenditure on goods and services is incurred in terms of an approved budget in terms of section 15 of the Act;

(c) that the threshold values and limits for the different procurement processes are complied with;

(d) that bid documentation, evaluation and adjudication criteria, general conditions of a contract and special conditions of contract are in accordance with applicable legislation;

(e) that any Treasury guidelines (as per the circulars issued) on acquisition management are properly taken into account.

11.2. When procuring goods or services contemplated in section 110(2) of the Act, the accounting officer must make public on the website the fact that such goods or services are procured otherwise than through the Midvaal Local Municipality's supply chain management system, including –

(a) the kind of goods or services; and

(b) the name of the supplier.

11.3. Procurement of the following goods and services are exempted from normal procurement process:

(a) Water from the municipality or municipal entity;

(b) Electricity from the municipality or municipal entity;

(c) Subscription Fees;

(d) Payments for and renewal of license fees;

(e) Tuition or enrolment fees payable through bursaries;

(f) Professional Memberships;

(g) Human Resource Employee Benefits;

(h) Procurement of Regulatory Bodies;

12. RANGE OF PROCUREMENT PROCESSES

12.1. Goods and services may only be procured by way of –

(a) Purchases up to a transaction value of R2 000 (VAT inclusive), submit a written quotation or valid Tax invoice (certified by the HoD / Delegated Official). In the case of a tax invoice, a sundry voucher must be completed and submitted for processing within 2 working days.

(b) Formal written price quotations process for procurement of a transaction value over R2000 up to R300 000 (VAT Included).

(c) A competitive bidding process for –

(i) procurement above a transaction value of R300 000 (VAT inclusive);

(ii) the procurement of long-term contracts.

12.2. The accounting officer may, in writing –

(a) Lower, but not increase, the different threshold values specified in subparagraph (12.1); or

(b) Direct that –

(i) formal written price quotations be obtained for any specific procurement of a transaction value lower than R30 000 (VAT Inclusive); or

(ii) a competitive bidding process be followed for any specific procurement of a transaction value lower than R300 000 (VAT Inclusive).

12.3. Splitting of works and services

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, or to circumvent the requirements of the procurement processes. 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

A written quotation or bid may not be considered unless the provider who submitted the quotation or bid –

13.1. Has furnished the provider's –

(a) Full name;

(b) Identification number or company or other registration number; and

(c) Tax reference number and VAT registration number, if any;

13.2. Tax status on the central supplier database reflects as compliant and/or the supplier has authorised Midvaal Local Municipality via a tax pin to confirm with the South African Revenue Services that their tax status is compliant, and

13.3. Has indicated –

(a) 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;

(b) 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; and

(c) Whether 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.

14. LIST OF ACCREDITED PROSPECTIVE PROVIDERS

14.1. The accounting officer must –

(i) To keep a list of accredited prospective providers of goods and services that must be used for the procurement requirements of the municipality through formal written price quotations;

(ii) In terms of MFMA Circular 81, transact only with vendors registered on the National Treasury central supplier database. Vendors not registered on the National Treasury central supplier database will be barred from transacting with MLM for tractions above R2000 (VAT Inclusive);

(iii) 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;

(iv) The Municipal Supply Chain Management Regulation 38(1)(c) requires a supply chain management policy to provide measures for combating abuse of the supply chain management system and must enable the accounting officer to check the National Treasury Central Supplier database prior to awarding any contract.

15. PURCHASES UP TO R2 000 (VAT INCLUSIVE)

15.1. The conditions for the procurement of goods by means of emergency purchases referred to in paragraph 12 (1) (a) of this Policy, are as follows –

(a) For purchases up to a value of R2000 (Vat inclusive):

i. a valid invoice must be submitted with a sundry voucher;

ii. alternatively, a Purchase Requisition Form must be submitted with a written quotation for processing.

16. THIS SECTION IS REMOVED

17. FORMAL WRITTEN PRICE QUOTATIONS

17.1. The conditions for the procurement of goods or services through formal written price quotations for amounts above R2 000 up to R30 000 (amounts inclusive of VAT) are as follows:

(a) Written quotations must be obtained in writing from at least three different providers whose names appear on the list of accredited prospective providers of the Midvaal Local Municipality, who are also compliant on the National Treasury Central Supplier Database;

(b) Conditions aligned to; specific goals as may be determined in the Preferential Procurement Policy must be included in the invitation;

(c) That if it is not possible to obtain at least three quotations, the reasons must be recorded and reported monthly to the accounting officer or another official designated by the accounting officer;

(d) That the accounting officer must record the names of the potential providers requested to provide such quotations with their quoted prices;

(e) Evaluation of offers are subject to the preference point system whereas a formula will be applied to calculate the points out of 80 for price in respect of a quotation with a Rand value equal to or above R2 000 and up to a Rand value of R30 000, inclusive of all applicable taxes:

The following formula will be applied:

$$Ps = 80\left(1 - \frac{Pt - P\min}{P\min}\right)$$

Where-

Ps = Points scored for price of tender under consideration;

Pt = Price of tender under consideration; and

Pmin = Price of lowest acceptable tender.

(f) Thereafter, price points will be added to the specific goal points (as may be determined) in order to determine the highest procurement points scorer.

17.2. A designated official referred to in subparagraph (17.1) (c) must within three working days of the end of each month report to the accounting officer on any approvals given during that month by that official in terms of that subparagraph.

18. PROCEDURES FOR PROCURING GOODS OR SERVICES THROUGH FORMAL WRITTEN PRICE QUOTATIONS, ABOVE R30 000 UP TO R300 000 (VAT INCLUSIVE)

18.1. The procedure for the procurement of goods or services through formal written price quotations above R30 000 up to R300 000 (VAT Inclusive) is as follows:

(a) All requirements above R30 000 (VAT inclusive) that are to be procured by means of formal written price quotations must, in addition to the requirements of paragraph 17, be advertised for at least seven days on the website and an official notice board of the Midvaal Local Municipality;

(b) When using the list of accredited prospective providers, the accounting officer must promote on-going competition amongst providers;

(c) That the accounting officer must take all reasonable steps to ensure that the procurement of goods and services through formal written price quotations is not abused;

(d) That the accounting officer or chief financial officer must on a monthly basis be notified in writing of all formal written price quotations accepted by an official acting in terms of a sub-delegation;

(e) Offers must be awarded based on compliance to specifications, ability and capability to deliver the goods and services;

(f) Conditions aligned to specific goals as may be determined in the Preferential Procurement Policy must be included in the invitation;

(g) Evaluation of offers are subject to the preference point system whereas a formula will be applied to calculate the points out of 80 for price in respect of a tender with a Rand value equal to or above R30 000 and up to a Rand value of R300 000, inclusive of all applicable taxes;

The following formula will be applied:

$$Ps = 80\left(1 - \frac{Pt - P\min}{P\min}\right)$$

Where-

Ps = Points scored for price of tender under consideration;

Pt = Price of tender under consideration; and

Pmin = Price of lowest acceptable tender.

(h) Thereafter, price points will be added to the specific goal points (as may be determined) in order to determine the highest procurement points scorer.

(i) Record of approved specifications, advert, evaluation, and approval memos must be kept on file for audit purposes.

19. COMPETITIVE BIDS ABOVE R300 000 (VAT INCLUSIVE)

19.1. Goods or services above a transaction value of R300 000 (VAT included) and long-term contracts may only be procured through a competitive bidding process, subject to paragraph 11(2) of this policy.

19.2. No requirement for goods or services above an estimated transaction value of R300 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.

20. PROCESS FOR COMPETITIVE BIDDING

20.1. The procedures for a competitive bidding process are as follows:

(a) Compilation of bidding documentation;

(b) Public invitation of bids;

(c) Site meetings or briefing sessions, *where applicable;*

(d) Handling of bids submitted in response to public invitation;

(e) Evaluation of bids;

(f) Awarding of contracts; and

(g) Proper record keeping.

21. BID DOCUMENTATION FOR COMPETITIVE BIDS

21.1. The criteria for which bid documentation for a competitive bidding process must:

(a) take into account:

(i) the general as well as special conditions of contract;

(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 the construction, upgrading, or refurbishment of buildings or infrastructure;

(b) compel bidders to declare any conflict of interest they may have in the transaction for which the bid is submitted;

(c) 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 –

- for the past three years; or

- since their establishment if established during the past three years;

- If the bidder is not required by law to prepare audited financial statements, then the unaudited financial statements for the past three years or since inception 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

(d) 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.

22. PUBLIC INVITATION FOR COMPETITIVE BIDS

22.1. The procedure for the invitation of competitive bids, is as follows:

(a) Any invitation to prospective providers to submit bids must be by means of a public advertisement in newspapers commonly circulating locally, the website of the municipality or any other appropriate ways (which may include an advertisement in the government Tender bulletin): and

(b) The information contained in a public advertisement, must include –

i. the closure date for the submission of bids, which may not be less than 30 days in the case of transactions over R10 million (VAT included), or which are of a long-term nature, or 14 days in any other case, from the date on which the advertisement is placed in a newspaper, subject to sub paragraph (22.2);

ii. a statement that bids may only be submitted on the bid documentation provided by the Midvaal Local Municipality. Bid documents may not be re-typed and no bids where correction fluid is used in critical areas of the bid document, such as the pricing schedule and/or regulatory compliance documents will be accepted. Any corrections are to be crossed out and initialled. Non-initialled corrections will render the bid invalid; and

iii. date, time, and venue of any proposed site meetings or briefing sessions applicable. Where briefing/site meetings are compulsory, no bids will be accepted if the contractor (who is considered to be a technical representative) has not attended this session and documents will only be accepted from contractors whose names appear on the attendance register.

22.2. The accounting officer may determine a closure date for the submission of bids which is less than the 30- or 14-days requirement. Any shorter period may only be approved if it can be justified on the grounds of urgency or emergency or any exceptional case where it is impractical or impossible to follow the official advertising period.

22.3. Bids submitted must be sealed and should be marked clearly with the bid number and description and placed in the tender box.

22.4. Where bids are requested in electronic format, such bids must be supplemented by sealed hard copies.

22.5. The specific goals as may be determined in Midvaal Local Municipality's preferential procurement policy must be stipulated in the advertisement.

23. PROCEDURE FOR HANDLING, OPENING AND RECORDING OF BIDS

The procedures for the handling, opening and recording of bids, are as follows:

23.1. Bids –

(a) must be opened in public by at least two SCM officials in the presence of the bidders *(if present)*;

(b) must be opened at the same time and as soon as possible after the period for the submission of bids has expired; and

(c) received after the closing time, will not be considered and unopened immediately.

23.2. Bidders that have submitted bids have the right to request the register of names for bidders who submitted bids in time, and can thus request for the opening to be read out and, *if practical,* each bidder's total bidding price;

23.3. No information, except the provisions in subparagraph 23.2, relating to the bid should be disclosed to bidders or other persons until the successful bidder is notified of the award;

23.4. The accounting officer must –

(a) record in a register all bids received in time;

(b) make the register available for public inspection; and

(c) publish the entries in the register and the bid results on the website.

24. NEGOTIATIONS WITH PREFERRED BIDDERS

24.1. The accounting officer may negotiate the final terms of the contract for bids exceeding R10 million (VAT Inclusive). The accounting officer may delegate to the BAC to negotiate contracts with bidders identified through a competitive bidding process who emerge as the preferred bidder, specifically for values below the specified threshold, provided such negotiations –

(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.

24.2. Minutes and an attendance register of such negotiations must be kept for record purposes.

24.3. If the price offered by a tenderer scoring the highest procurement points is not market-related, the organ of state may not award the contract to that tenderer. The municipality may –

(i) negotiate a market-related price with the tenderer scoring the highest points; or

(ii) if the tenderer does not agree to a market-related price, negotiate a market-related price with the tenderer scoring the second highest points; or

(iii) if the tenderer scoring the second highest points does not agree to a market-related price, negotiate a market-related price with the tenderer scoring the third highest points; or

(iv) if a market-related price is not agreed as envisaged above, the municipality must cancel the tender.

25. TWO-STAGE BIDDING PROCESS

25.1. Two-Stage bidding process:

A two-stage bidding process is allowed for -

(a) Large or complex projects;

(b) Projects where it may be undesirable or impractical to prepare complete detailed technical specifications; or

(c) Long term projects with a duration period exceeding three years

25.2. Process of Two-Stages:

(a) In the first stage, technical proposals on conceptual design or performance specifications are invited, subject to technical as well as commercial clarifications and adjustments.

(b) In the second stage, final technical proposals and priced bids are invited from only the bidders who submitted proposals.

26. COMMITTEE SYSTEMS FOR COMPETITIVE BIDS

26.1. A committee system for competitive bids is hereby established, consisting of at least the following committees for all procurement or cluster of procurements as the accounting officer may determine:

(a) A bid specification committee;

(b) A bid evaluation committee; and

(c) A bid adjudication committee.

26.2. The Accounting Officer is to appoint members for each bid spec and bid evaluation committee based on expertise and knowledge required, taking into consideration section 117 of the Act which excludes Councillors from serving on any SCM committee; and

26.3. A neutral or independent observer, appointed by the accounting officer, may attend or oversee a committee when this is appropriate for ensuring fairness and promoting transparency.

26.4. The accounting officer may co-opt members to assist with the technical evaluation of bids, such members can only make recommendations.

26.5. The committee system must be consistent with –

(a) Paragraph 27, 28, and 29 of this Policy; and

(b) Any other applicable legislation.

27. BID SPECIFICATIONS COMMITTEE

27.1. A bid specifications committee must compile the specifications for each procurement of goods or services by the municipality.

27.2. Specifications –

(a) Must be drafted in an unbiased manner to allow all potential suppliers to offer their goods or services;

(b) Must take account of any accepted standards such as those issued by Standards of South Africa, the International Standards Organisation, or an authority accredited or recognised by the South African National Accreditation System with which the equipment or material or workmanship should comply;

(c) 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 trademark, name, patent, design, type, specific origin or producer unless there is no other sufficiently precise or intelligible way of describing the characteristics of the work, in which, such reference must be accompanied by the word “equivalent” unless this is impractical; or the municipality has taken a decision to standardise on a specific type of commodity for cost efficiencies;

(f) May not use memberships of voluntary associations as a criterion to unfairly eliminate bidders from the procurement process;

(g) May not use the certifying of documents as a disqualifying criterion;

(h) Must indicate each specific goal for which points will be awarded in terms of the Municipality’s Preferential Procurement Policy;

(i) Must indicate the applicable point system for the acquisition of goods or services:

(i) 80/20 preference point system for acquisition of goods or services for Rand value equal to or above R30 000 and up to R50 million (VAT Inclusive); or

(ii) 90/10 preference point system for acquisition of goods or services with Rand value above R50 million (VAT Inclusive).

(j) Must be approved by the accounting officer prior to publication of the invitation for the bids in terms of paragraph 22.

27.3. A bid specification committee must be composed of one or more officials of the Municipality including the manager / delegate responsible for the function involved, a SCM representative, officials from other departments within the municipality who may have valid input/experience relating to the specifications or end result, and may when appropriate, include internal/external specialist advisors.

27.4. No person, advisor or corporate entity involved with the bid specification committee, or director of such a corporate entity, may bid for any resulting contracts.

27.5. The chairperson of the bid specifications committee has full authority over the resolved recommendations to the accounting officer.

28. BID EVALUATION COMMITTEE

28.1. A bid evaluation committee must –

(a) Evaluate bids in accordance with –

(i) the specifications for the specific procurement;

(ii) the point system as prescribed in terms of paragraph 27;

(iii) Evaluate each bidder's ability to execute the contract;

(iv) check in respect of the recommended bidder whether municipal rates and taxes and municipal service charges are not in arrears for more than three months;

(v) verify if the recommended bidder is not in the employ of the state through the National Treasury's Central Supplier Database;

(vi) submit to the bid adjudication committee a report and recommendations regarding the award of the bid or any other related matter;

(vii) verify as practically as possible the submitted references, for only responsive

bidders that have passed functionality, where applicable.

28.2. Criteria for breaking deadlock in scoring:

(a) If two or more tenderers score an equal total number of points, the contract must be awarded to the tenderer that scored the highest preference points.

(b) If functionality is part of the evaluation process and two or more tenderers score equal total points and equal preference points, the contract must be awarded to the tenderer that scored the highest points for functionality.

(c) If two or more tenderers score equal total points in all respects, the award must be decided by the drawing of lots, and the process must be facilitated by the chairperson of the BAC for competitive bidding, and by the CFO for formal written quotations.

28.3. A bid evaluation committee must as far as possible be composed of –

(a) The officials from the department requiring goods and services; and

(b) At least one supply chain management practitioner of the Midvaal Local Municipality.

28.4. A quorum for the Bid Evaluation Committee will be constituted by the majority of appointed and present members to the meeting, i.e. 51% and more of members with voting powers.

29. BID ADJUDICATION COMMITTEE

29.1. A bid adjudication committee must –

(a) Study and consider the report and recommendations of the bid evaluation committee; and

(b) Either –

(i) depending on its delegations, make a final award or a recommendation to the accounting officer to make the final award; or

(ii) make another recommendation to the accounting officer how to proceed with the relevant procurement.

29.2. A bid adjudication committee must consist of at least four senior managers of the Midvaal Local Municipality which must include –

(a) The chief financial officer (CFO) 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 (SCM) practitioner who is an official of the Midvaal Local Municipality; and

(c) A technical expert in the relevant field who is an official or an external service provider, for clarity reasons the expert may be invited to clarify any queries raised by the Bid Adjudication Committee members, if such an expert exists and has been involved in the specifications and or evaluation process.

(d) Should the bid committee member have been involved in the evaluation of item under consideration, they must recuse themselves from the decision-making process and be recorded in the minutes as such.

29.3. 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.

29.4. A quorum for the Bid Adjudication Committee will be constituted by the majority of appointed and present members to the meeting, i.e. 51% and more of members with voting powers.

29.5. 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.

29.6. 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 –

(a) Check in respect of the preferred bidder whether that bidder's municipal rates and taxes and municipal service charges are not in arrears for more than three months, and

(b) Notify the accounting officer.

29.7. The accountant officer may –

(a) After due consideration of the reasons for the deviation, ratify or reject the decision of the bid adjudication committee referred to in paragraph 29.6; and

(b) If the decision of the bid committee is rejected, refer the decision of the adjudication committee back to that committee for reconsideration.

29.8. 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.

29.9. The accounting officer must comply with section 114 of the Act within 10 working days.

30. PROCUREMENT OF BANKING SERVICES

30.1. A contract for 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.

30.2. The process for procuring a contract for banking services must commence at least nine months before the end of an existing contract.

30.3. The closure date for the submission of bids may not be less than 60 days from the date on which the advertisement is placed in a newspaper in terms of paragraph 22(1). Bids must be restricted to banks registered in terms of the Banks Act, 1990 (Act 94 of 1990).

31. PROCUREMENT OF IT RELATED GOODS OR SERVICES

31.1. 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 bidding2 process.

31.2. The parties must enter into a written agreement to regulate the services rendered by, and the payments to be made to, SITA.

31.3. The accounting officer must notify SITA together with a motivation of the IT needs if –

(a) The transaction value of IT related goods or services required in any financial year will exceed R50 million (VAT included); or

(b) The transaction value of a contract to be procured whether for one or more years exceeds R50 million (VAT included).

31.4. Should SITA comment on the submission, and the Midvaal Local Municipality disagrees 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 Gauteng Provincial Treasury and the Auditor General.

32. PROCUREMENT OF GOODS AND SERVICES UNDER CONTRACTS SECURED BY OTHER ORGANS OF STATE

32.1. The accounting officer may procure goods or services under a contract secured by another organ of state, but only if –

(a) The contract has been secured by that other organ of state by means of a competitive bidding process applicable to that organ of state;

(b) There is no reason to believe that such contract was not validly procured;

(c) There are demonstrable discounts or benefits to do so; and

(d) That other organ of state and the provider have consented to such procurement in writing.

32.2. Subparagraphs (32.1) (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.

32.3. Solicit the views of Gauteng Provincial Treasury on the intention to participate in a contract secured by another organ of state in terms of regulation 32. Correspondence in terms of the aforementioned requirement must be addressed and submitted to the Head of Department and the municipality may proceed with the relevant procurement if no response is forthcoming from treasury after 14 days of submission to treasury.

32.4. Must ensure full compliance with the issued National Treasury Regulations, relating to MFMA Municipal SCM Regulation 32.

33. PROCUREMENT OF GOODS NECESSITATING SPECIAL SAFETY ARRANGEMENTS

33.1. The acquisition and storage of goods in bulk (other than water), which necessitate special safety arrangements, including gasses and fuel, should be avoided where ever possible.

33.2. Where the storage of goods in bulk is justified, such justification must be based on sound reasons, including the total cost of ownership, cost advantages and environmental impact and must be approved by the accounting officer.

34. PROUDLY SA CAMPAIGN

34.1. The municipality will support the Proudly SA campaign as far as it is where practically possible.

35. APPOINTMENT OF CONSULTANTS

35.1. The accounting officer may procure consulting services provided that any Treasury guidelines in respect of consulting services are taken into account when such procurements are made.

35.2. Consultancy services must be procured through competitive bids if:

(a) The value of the contract exceeds R300 000 (VAT included); or

(b) The duration period of the contract exceeds one year.

35.3. In addition to any requirements prescribed by this policy for competitive bids, bidders must furnish particulars of –

(a) All consultancy services provided to an organ of state in the last five year; and

(b) Any similar consultancy services provided to an organ of state in the last five years.

35.4. The accounting officer must ensure that copyright in any document produced, and the patent rights or ownership in any plant, machinery, thing, system or process designed or devised, by a consultant in the course of the consultancy service is vested in the Midvaal Local Municipality.

36. DEVIATION FROM, AND RATIFICATION OF MINOR BREACHES OF, PROCUREMENT PROCESSES

36.1. 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 (breakages after hours, situations that may lead to health, safety hazards or death, serious hampering of official service delivery to the community);

ii. if such goods or services are produced or available from a single source or sole provider only (e.g. agents/manufacturer/patent holder or items under guarantee);

iii. for the acquisition of special works of art or historical objects where specifications are difficult to compile;

iv. acquisition of animals for zoos and/or nature and game reserves; or

v. in any other exceptional case or urgency where it is impractical or impossible to follow the official procurement processes;

(b) Ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.

(c) Deviations from the procurement process as per 36(1)(a)(i-v), should only be done with suppliers that are fully compliant on the Central Supplier Database (CSD) at the time of deviating.

(d) Pre-approval must be obtained in principle from the office of the CFO, prior to any deviation being actioned.

(e) All documentation relating to the deviation must be submitted to the supply chain management unit timeously, and in the case of an expo-facto (emergency deviation) no later than 3 working days after the incident had occurred, subject to (c) & (d) above.

36.2. The accounting officer must record the reasons for any deviations in terms of subparagraphs 36.1(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.

36.3. Subparagraph 36.2 does not apply to the procurement of goods and services contemplated in paragraph 11(2) of this policy.

37. UNSOLICITED BIDS

37.1. In accordance with section 113 of the Act there is no obligation to consider unsolicited bids received outside a normal bidding process.

37.2. The accounting officer may decide in terms of section 113(2) of the Act to consider an unsolicited bid, only if –

(a) The product or service offered in terms of the bid is a demonstrably or proven unique innovative concept;

(b) The product or service will be exceptionally beneficial, or have exceptional cost advantages;

(c) The person who made the bid is the sole provider of the product or service; and

(d) The reasons for not going through the normal bidding processes are found to be sound by the accounting officer.

37.3. If the accounting officer decides to consider an unsolicited bid that complies with subparagraph 37.2 of this policy, the decision must be made public in accordance with section 21A of the Municipal Systems Act, together with –

(a) Reasons as to why the bid should not be open to other competitors;

(b) An explanation of the potential benefits if the unsolicited bid were accepted; and

(c) An invitation to the public or other potential suppliers to submit their comments within 30 days of the notice.

37.4. The accounting officer must submit all written comments received pursuant to subparagraph 37.3, including any responses from the unsolicited bidder to the National Treasury and the Gauteng Provincial Treasury for comment.

37.5. 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.

37.6. A meeting of the adjudication committee to consider an unsolicited bid must be open to the public.

37.7. 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 Gauteng Provincial Treasury.

37.8. 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 Gauteng Provincial Treasury and the National Treasury the reasons for rejecting or not following those recommendations.

37.9. Such submission must be made within seven days after the decision on the award of the unsolicited bid is taken, but no contract committing the Midvaal Local Municipality to the bid may be entered into or signed within 30 days of the submission.

38. COMBATING THE ABUSE OF SUPPLY CHAIN MANAGEMENT SYSTEM

38.1. The accounting officer must –

(a) Take all reasonable steps to prevent the 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 recommended bidder on the National Treasury's Central Supplier Database prior to awarding any contract so as to ensure that the

recommended bidder, or any of its directors, is/are not listed as a person(s) prohibited or restricted 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 Midvaal Local 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 Midvaal Local 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 Midvaal Local Municipality or has committed any improper conduct in relation to such system;

(ii) has been convicted for fraud or corruption during the past five years;

(iii) has wilfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or

(iv) has been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (12 of 2004) or Data base of restricted suppliers.

38.2. The accounting officer must inform the National Treasury and Gauteng Provicial Treasury in writing of any actions taken in terms of paragraph 38(1)(b)(ii), (e) or (f) of this policy.

PART 3: LOGISTICS, DISPOSAL, RISK AND PERFORMANCE MANAGEMENT

39. LOGISTICS MANAGEMENT

The accounting officer must, where applicable, 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 electric orders for all acquisitions other than those from petty cash;

(d) Before 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.

40. DISPOSAL MANAGEMENT

40.1. The criteria for the disposal or letting of assets, including unserviceable, redundant or obsolete assets, subject to sections 14 and 90 of the Act, will be determined for each situation.

40.2. Assets may be disposed of by –

(a) Transferring the asset to another organ of state in terms of a provision of the Act enabling the transfer of assets;

(b) Transferring the asset to another organ of state at market related value or, when appropriate, free of charge;

(c) Selling the asset; or

(d) Destroying the asset.

40.3. The accounting officer must ensure that –

(a) Immovable property is sold only at related prices except when the public interest or the plight of the poor demands otherwise and in collaboration with the Local Government MFMA – Municipal Asset Transfer Regulations (Gazette No 3146 dated 22/08/2008;

(i) Only council resolved items will be accepted by the SCM unit for the tender/auction process. These resolutions and valuations should not be older than 12 months. The copy of the valuation certificate, zoning certificate and council resolution and all other documents pertaining to the sale of land must accompany the request for the sale of the mentioned land/property.

(ii) The following formula must be used to calculate the points for price in respect of a tender for income-generating contracts, with a Rand value below R50 million (All Inclusive):

$$Ps = 80\left(1 + \frac{Pt - Pmax}{Pmax}\right)$$

(iii) The following formula must be used to calculate the points for price in respect of a tender for income-generating contracts, with a Rand value above R50 million (All Inclusive):

$$Ps = 90\left(1 + \frac{Pt - Pmax}{Pmax}\right)$$

(b) Movable assets are sold once council has declared the items redundant, either by way of written price quotations, a competitive bidding process, auction or at market related prices, whichever is the most advantageous and sold to the bidder who submitted the highest price.

(c) Firearms are not sold or donated to any person or institution within or outside the Republic unless approved by the National Conventional Arms Control Committee;

(d) Immovable property is let at market related rates except when the public interest or the plight of the poor demands otherwise;

(e) All fees, charges, rates, tariffs, scales of fees or other charges relating to the letting of immovable property are annually reviewed;

(f) Where assets are traded in for other assets, the highest possible trade-in price is negotiated; and

(g) In the case of the free disposal of computer equipment, the provincial department of education is first approached to indicate within 30 days whether any of the local schools are interested in the equipment.

41. RISK MANAGEMENT

41.1. The criteria for the identification, consideration and avoidance of potential risks in the supply chain management system, will be determined for each situation.

41.2. 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.

42. PERFORMANCE MANAGEMENT

42.1. 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.

42.2. The performance of suppliers contracted to the municipality from a procurement process must be monitored through a performance management system.

42.3. Service providers that have been found not to have diligently honoured contractual obligations with the municipality or any other institution, may be disregarded from a tender process.

42.4. Service providers that are contracted by the municipality, and who fail to meet contractual obligations and/or acceptable standard of performance, may be “grey-listed” and not considered for quotations and/or tendering for a period not exceeding 12 months or a financial year.

42.5. Clause 42.4 above will only be invoked where written and/or documentary evidence is submitted to Supply Chain Management Unit or Bid Evaluation Committee to ensure application is fair, equitable and transparent.

42.6. For urgent orders issued through panels, and which need to be fulfilled within 24 to 72 hours, the following is applicable:

- If a who scored the highest procurement points is unable to honour the order within the specified period, the municipality may cancel the order and move to the second-highest procurement points scorer, and so forth.

PART 4: OTHER MATTERS

43. PROHIBITION ON AWARDS TO PERSONS WHOSE TAX MATTERS ARE NOT IN ORDER

43.1. 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.

43.2. Before making an award to a person, the accounting officer must first check with National Treasury's central supplier database or validate with tax pin on SARS e-filing whether that person's tax matters are in order.

44. PROHIBITION ON AWARDS TO PERSONS IN THE SERVICE OF THE STATE

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 Midvaal Local Municipality.

45. AWARDS TO CLOSE FAMILY MEMBERS OF PERSONS IN THE SERVICE OF THE STATE

The accounting officer must ensure that the notes to the annual financial statements disclose particulars of any award of more than R2 000 (VAT Included) to a person who is a spouse, child or parent of a person in the service of the state, or has been in the service of the state in the previous twelve months, including –

(a) The name of that person;

(b) The capacity in which that person is in the service of the state; and

(c) The amount of the award.

46. ETHICAL STANDARDS

46.1. A code of ethical standards as set out in sub regulation (2) of the *"National Treasury's code of conduct for supply chain management practitioners and other role players involved in supply chain management"* is hereby established for officials and other

role players in the supply chain management system of the Midvaal Local Municipality 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.

46.2. 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 Midvaal Local 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.

(d) A municipal official or other role player involved in the implementation of this Policy–

(i) must treat all providers and potential providers equitably;

(ii) may not use his or her position for private gain or to improperly benefit another person.

(e) Notwithstanding sub regulation (2) (c), must declare to the accounting officer details of any reward, gift, favour, hospitality or other benefit promised, offered or granted to that person or to any close family member, partner or associate of that person.

(f) Must declare to the accounting officer details of any private or business interest which that person, or any close family member, partner or associate, may have in any proposed procurement or disposal process of, or in any award of a contract by, the Midvaal Local Municipality.

(g) Must immediately withdraw from participating in any manner whatsoever in a procurement or disposal process or in the award of a contract in which that person, or any close family member, partner or associate, has any private or business interest.

(h) Must be scrupulous in his or her use of property belonging to Midvaal Local Municipality.

(i) Must assist the accounting officer in combating fraud, corruption, favouritism and unfair and irregular practices in the supply chain management system; and

(j) Must report to the accounting officer any alleged irregular conduct in the supply chain management system which that person may become aware of, including –

(i) any alleged fraud, corruption, favouritism or unfair conduct;

(ii) any alleged contravention of paragraph 47(1) of this Policy; or

(iii) any alleged breach of this code of ethical standards.

46.3. Midvaal Local Municipality adopts the National Treasury's code of conduct for supply chain management practitioners and other role players involved in supply chain management:

(a) All declarations in terms of subregulation (2)(d) and (e) must be recorded in a register which the accounting officer must keep for this purpose; and

(b) All declarations by the accounting officer must be made to the mayor who must ensure that such declarations are recorded in the register.

46.4. A breach of the code of ethics must be dealt with in accordance with Schedule 2 of the Municipal Systems Act.

NOTE:	**THE "*POLICY OF THE ACCEPTANCE OF GRANTS, GIFTS, DONATIONS AND SPONSORSHIPS"* IS APPLICABLE TO SECTIONS 46, 47 AND 48 OF THIS POLICY AND MUST BE ADHERED TO AT ALL TIMES.**

47. INDUCEMENTS, REWARDS, GIFTS AND FAVOURS TO MUNICIPALITIES, OFFICIALS AND OTHER ROLE PLAYERS

The accounting officer must ensure that the notes to the annual financial statements disclose particulars of any award of more than R2 000 (VAT Included) 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 –

47.1. 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 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.

47.2. 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.

47.3. Section 47(1) does not apply to gifts less than R350 per annum.

48. SPONSORSHIPS

The accounting officer must promptly disclose to the National Treasury and the Gauteng Provincial Treasury any sponsorship promised, offered or granted, whether directly or through a representative or intermediary, by any person who is –

(a) A provider or prospective provider of goods or services; or

(b) A recipient or prospective recipient of goods disposed or to be disposed.

49. OBJECTIONS AND COMPLAINTS

Persons aggrieved by decisions or actions taken in the implementation of this supply chain management policy, may lodge within 14 days of the decision or action been made public, a written objection or complaint against the decision or action.

50. RESOLUTION OF DISPUTES, OBJECTIONS, COMPLAINTS AND QUERIES

50.1. 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 Midvaal Local 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

(b) To deal with objections, complaints or queries regarding any such decisions or actions or any matters arising from such contract.

50.2. 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.

50.3. 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.

50.4. A dispute, objection, complaint or query may be referred to the Gauteng 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.

50.5. 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.

50.6. This paragraph must not be read as affecting a person's rights to approach a court at any time.

51. CONTRACTS PROVIDNG FOR COMPENSATION BASED ON TURNOVER

If a service provider acts on behalf of a Midvaal Local 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 Midvaal Local Municipality must stipulate –

(a) A cap on the on the compensation payable to the service provider; and

(b) That such compensation must be performance based.

52. REMEDIES

52.1. Upon detecting that a tenderer has submitted false information regarding a specific goal as may be required, the organ of state must-

(a) Inform the tenderer accordingly;

(b) Give the tenderer an opportunity to make representations within 7 days as to why –

(i) the tender submitted should not be disqualified or, if the tender has already been awarded to the tenderer, the contract should not be terminated in whole or in part;

(c) If the successful tenderer subcontracted a portion of the tender to another person without disclosing it, the tenderer should be penalised up to a maximum of 10 percent of the value of the contract;

(d) If it concludes, after considering the representations referred to in sub regulation (1)(b), that such false information was submitted by the tenderer -

(i) disqualify the tenderer or terminate the contract in whole or in part; and

(ii) if applicable, claim damages from the tenderer;

52.2. An organ of state must notify National Treasury in writing of in terms of 34.1(d).

52.3. The National Treasury may –

(a) After considering the representations of the tenderer and any other relevant information, decide whether to restrict the tenderer from doing business with any organ of state for a period not exceeding 10 years; and

(b) Maintain and publish on its official website a list of restricted suppliers.

53. SERVICE PROVIDERS APPOINTED THROUGH A PANEL

53.1. The municipality reserves the right to establish panels for the procurement of goods or services, including construction-related projects.

53.2. The process for allocating work to panellists shall be determined by the specifications or terms of references as outlined by the municipality.

53.3. Notwithstanding the provisions in section 53.2 above, the Accounting Officer retains the authority to approve a deviation from the established process for justifiable grounds, including but not limited to the circumstances described below, and may appoint any of the panellists without strictly adhering to the process established by the specifications or terms of reference for:

(i) Emergency situations;

(ii) Complex projects or services; and

(iii) Any other reason deemed necessary and justifiable.

53.4. The deviation shall include a clear rationale and the specific circumstances justifying such action.

53.5. All deviations relating to this clause shall be documented for audit purposes.

54. CANCELLATION OF A TENDER

54.1. The municipality may before the award of a tender, cancel a tender or bid invitation, if:

(a) There has been change in circumstances, i.e. there is no longer a need for the goods or services as specified in the invitation;

(b) Funds are no longer available to cover in part, or the total envisaged expenditure;

(c) No acceptable tender is received;

(d) There is material irregularity in the tender process; or

(e) There is material flaws in the specifications.

54.2. The decision to cancel a tender invitation in terms of section 54.1 must be published the same manner in which the original tender or bid invitation was advertised.

55. COST CONTAINMENT

This policy must be read in conjunction with the Cost Containment Policy of the Midvaal Local Municipality.

56. COMMENCEMENT

This policy takes effect from the date of adoption by Council.

Annexure P
Asset Management Policy
2024/2025

ASSET MANAGEMENT POLICY

2024/2025 FINANCIAL YEAR

MIDVAAL
LOCAL MUNICIPALITY

TABLE OF CONTENTS

TABLE OF CONTENTS 2
ABBREVIATIONS 3
1. PURPOSE OF THIS DOCUMENT 4
2. BACKGROUND 5
3. OBJECTIVES 8
4. APPROVAL AND EFFECTIVE DATE 9
5. DELEGATIONS AND KEY RESPONSIBILITIES 10
6. POLICY AMENDMENT 13
7. RELATIONSHIP WITH OTHER POLICIES 14
8. REFERENCES 15
9. POLICY FORMAT 16
10. POLICY FOR FIXED ASSET ACCOUNTING 17
11. POLICY FOR SAFEGUARDING 60
12. POLICY FOR LIFE CYCLE MANAGEMENT OF IMMOVABLE PPE ASSETS…… …..61
13. SELLING OF REDUNDANT MOVABLE ASSETS 68
14. RESIGNATION OF OFFICIALS 69
15. POLICY IMPLEMENTATION 67
ANNEXURE A: FIXED ASSETS EXPECTED USEFUL LIVES 68
ANNEXURE B: ASSETS RESIDUAL VALUES……...80

ABBREVIATIONS

MLM	MIDVAAL LOCAL MUNICIPALITY
AMP	Asset Management Plan
AO	Accounting Officer
ASB	Accounting Standards Board
CFO	Chief Financial Officer
CMIP	Comprehensive Municipal Infrastructure Plan
CoGTA	Department of Co-operative Governance and Traditional Affairs
CRC	Current Replacement Cost
DRC	Depreciated Replacement Cost
EPWP	Expanded Public Work Program
EUL	Estimated Useful Life
GIAMA	Government-wide Immoveable Asset Management Act
GRAP	Generally Recognised Accounting Practise
HOD	Head of Department
IAMP	Infrastructure Asset Management Plan
IDP	Integrated Development Plan
IIMM	International Infrastructure Management Manual
ISO	International Standards Organisation
MFMA	Municipal Finance Management Act
MSA	Municipal Systems Act
ODRC	Optimised Depreciated Replacement Cost
OHSA	Occupational Health and Safety Act
PPE	Property, Plant and Equipment
RUL	Remaining Useful Life
RV %	RV % Residual Value Percentage
SDBIP	Service Delivery and Budget Implementation Plan
VAT	Value Added Tax

1. PURPOSE OF THIS DOCUMENT

This document indicates the policy framework for the management of Municipal movable and immovable Property Plant and Equipment (PPE), investment property, intangible assets, biological assets and heritage assets.

2. BACKGROUND

2.1 CONSTITUTIONAL AND LEGAL FRAMEWORK

The South African Constitution requires municipalities to strive, within their financial and administrative capacity, to achieve the following objectives:

- providing democratic and accountable government for local communities;
- ensuring the provision of services to communities in a sustainable manner;
- promoting social and economic development;
- promoting a safe and healthy environment; and
- encouraging the involvement of communities and community organisations in matters of local government.

The manner in which a municipality manages its Property, Plant and Equipment (PPE), investment property, biological assets, intangible assets and heritage assets are central to meeting the above challenges. Accordingly, the Municipal Systems Act, 2000 (MSA) Chapter 2 section 4(d) specifically highlights the duty of municipalities to provide services in a manner that is sustainable, and the Municipal Finance Management Act (MFMA) requires municipalities to utilise and maintain their assets in an effective, efficient, economical and transparent manner. The MFMA specifically places responsibility for the management of municipal assets with the Accounting Officer (AO).

The Occupational Health and Safety Act (OHSA) requires municipalities to provide and maintain a safe and healthy working environment, and in particular, to keep its PPE safe.

2.2 ACCOUNTING STANDARDS

The MFMA requires municipalities to comply with the Standards of Generally Recognised Accounting Practice (GRAP), in line with international practice.

The Accounting Standards Board (ASB) has approved a number of Standards of GRAP. When compiling the asset register in accordance with the accounting standards, the requirements of GRAP 17 cannot be seen in isolation. Various other accounting standards impact on the recognition and measurement of assets within the municipal environment and should be taken

into account during the compilation of a GRAP compliant asset register. The applicable standards of GRAP are noted in section 8.

2.3 MANAGEMENT OF INFRASTRUCTURE AND COMMUNITY ASSETS

Effective management of infrastructure and community facilities is central to the municipality providing an acceptable standard of services to the community. Infrastructure impacts on the quality of the living environment and opportunities to prosper. Not only is there a requirement to be effective, but the manner in which the municipality discharges its responsibilities as a public municipality is also important. The municipality must demonstrate good governance and customer care, and the processes adopted must be efficient and sustainable. Councillors and officials are custodians on behalf of the public of infrastructure assets, the replacement value of which amounts to several hundred million Rand.

Key themes of the latest generation of national legislation introduced relating to municipal infrastructure management include:

- long-term sustainability and risk management;
- service delivery efficiency and improvement;
- performance monitoring and accountability;
- community interaction, transparent processes and reporting;
- priority development of minimum basic services for all; and
- the provision of financial support from central government in addressing the needs of the poor.

Legislation has also entrenched the Integrated Development Plan (IDP) as the principal strategic planning mechanism for municipalities. However, the IDP cannot be compiled in isolation – for the above objectives to be achieved. The IDP needs to be informed by robust, relevant and holistic information relating to the management of the municipality's infrastructure.

There is a need to direct limited resources to address the most critical needs, to achieve a balance between maintaining and renewing existing infrastructure whilst also addressing backlogs in basic services and facing on-going changes in demand. Making effective decisions on service delivery priorities requires a team effort, with inputs provided by officials from a number of departments of the municipality.

CoGTA has prepared guidelines in line with international practice, that propose that an Infrastructure Asset Management Plan (IAMP) is prepared for each sector (such as potable water, roads etc.). These plans are used as inputs into a Comprehensive Municipal Infrastructure Plan (CMIP) that presents an integrated plan for the municipality covering all infrastructure. The arrangements outlined in the CoGTA guidelines are further strengthened by the provision of National Treasury's Local Government Capital Asset Management Guidelines. This is in line with the practice adopted in national and provincial spheres of government in terms of the Government-wide Immoveable Asset Management Act (GIAMA).

Accordingly, the asset register adopted by a municipality must meet not only financial compliance requirements, but also set a foundation for improved infrastructure asset management practice.

3. OBJECTIVES

The objective of this policy is for the municipality to:

- implement prevailing accounting standards; and
- apply asset management practices in a consistent manner and in accordance with legal requirements and recognised good practice.

4. APPROVAL AND EFFECTIVE DATE

The CFO is responsible for the submission of the Policy to Council to consider its adoption after consultation with the AO.

5. DELEGATIONS AND KEY RESPONSIBILITIES

Accounting Officer

The Accounting Officer (AO) is responsible for the management of the assets of the municipality, including the safeguarding and the maintenance of those assets.

The AO shall ensure that:

- The municipality has and maintains a management, accounting and information system that accounts for the assets of the municipality;
- The municipality's assets are valued in accordance with the standard of generally recognised accounting practice;
- That the municipality has and maintains a system of internal control for assets, including an asset register; and
- The HODs and their teams comply with this policy.

The Accounting Officer of the municipality shall be the principal custodian of the entire municipality's assets, and shall be responsible for ensuring that this policy is effectively applied on adoption by Council. To this end, the AO shall be responsible for the preparation, in consultation with the Chief Financial Officer (CFO) and Heads of Department (Senior Official) (HOD), of procedures to effectively and efficiently apply this policy.

In accordance with the MFMA, the AO of the municipality and all designated officials are accountable to him / her. The AO is therefore accountable for all transactions entered into by his / her delegates. The overall responsibility of asset management lies with the AO. However, the day to day handling of assets should be the responsibility of all officials in terms of delegated authority. The AO may delegate or otherwise assign responsibility for performing these functions but will remain accountable for ensuring these activities are performed. All delegations in terms of this policy must be recorded in writing.

Chief Financial Officer

The Chief Financial Officer (CFO) is responsible to the AO to ensure that the financial investment in the municipality's assets are safeguarded and maintained.

The CFO, as one of the HODs of the municipality, shall also ensure, in exercising his/her financial responsibilities, that:

- Appropriate systems of financial management and internal control are established and carried out diligently;
- The financial and other resources of the municipality are utilised effectively, efficiently, economical and transparently;
- Any unauthorised, irregular or fruitless or wasteful expenditure, and losses resulting from criminal or negligent conduct, are prevented;
- All revenue due to the municipality is collected, for example rental income relating to immovable assets;
- The systems, procedures and registers required to substantiate the financial values of the municipality's assets are maintained to standards sufficient to satisfy the requirements of the Accounting Standards;
- Financial processes are established and maintained to ensure the municipality's financial resources are optimally utilised through appropriate asset plans, budgeting, purchasing, maintenance and disposal decisions;
- The AO is appropriately advised on the exercise of powers and duties pertaining to the financial administration of assets;
- The HODs and senior management teams are appropriately advised on the exercise of their powers and duties pertaining to the financial administration of assets; and
- This policy and support procedures are established, maintained and effectively communicated.

In terms of section 82 read with section 81(1)(e) of the MFMA the CFO may delegate or otherwise assign responsibility for performing these functions but will remain accountable for ensuring these activities are performed. The CFO shall be responsible for the fixed asset register of the municipality, and shall ensure that a complete, accurate and up-to-date computerised fixed asset register is maintained. No amendments, deletions or additions to the fixed asset register shall be made other than by the CFO or by an official acting under the written instruction of the CFO.

The Chief Financial Officer must prepare the annual financial statements in such a manner that it discloses all compulsory disclosures as required by the relevant standards of GRAP.

Head of Department (Senior Official)

HODs are managers who report directly to the AO shall ensure that:

- The municipal resources assigned to them are utilised effectively, efficiently, economically and transparently;
- Procedures are adopted and implemented in conformity with this policy to produce reliable data to be input to the municipal fixed asset register;
- Any unauthorised, irregular or fruitless or wasteful utilisation, and losses resulting from criminal or negligent conduct, are prevented;
- The asset management, processes and controls can provide an accurate, reliable and up to date account of assets under their control;
- They are able to manage and justify that the asset plans, budgets, purchasing, maintenance and disposal decisions optimally achieve the municipality's strategic objectives; and
- Manage asset life-cycle transactions to ensure that they comply with the plans, legislative and municipal requirements.

HODs may delegate or otherwise assign responsibility for performing these functions but they shall remain accountable for ensuring these activities are performed.

6. POLICY AMENDMENT

This policy should be reviewed annually to ensure continued compliance with the relevant legislation and accounting standards.

Changes to this document shall only be applicable if approved by Council.

Any proposals in this regard shall be motivated by the CFO in consultation with the AO and respective HODs.

The recommendations of the CFO shall be considered for adoption by Council.

7. RELATIONSHIP WITH OTHER POLICIES

This policy, once effective, will replace the pre-existing Asset Management Policy with respect to the scope of assets covered by this policy.

This policy needs to be read in conjunction with other relevant adopted policies of the municipality, including the following:

- Delegation of Powers;
- Accounting Policy;
- Insurance Policy;
- Enterprise Risk Management Policy;
- Disaster Management Policy;
- Supply Chain Management Policy;
- Credit Control and Debt Collection Policy;
- Tariff Policy;
- Property Rates Policy;
- Funding and Reserves Policy;
- Borrowing Policy;
- Cash Management and Investment Policy
- Long Term Financial Plan Policy;
- Infrastructure Investment And Capital Projects Policy;
- Indigents Policy;
- Provision of Free Basic Services Policy;
- Budget Implementation and Monitoring Policy;
- Managing Electricity and Water Distribution Losses; and
- Asset Disposal Policy.

8. REFERENCES

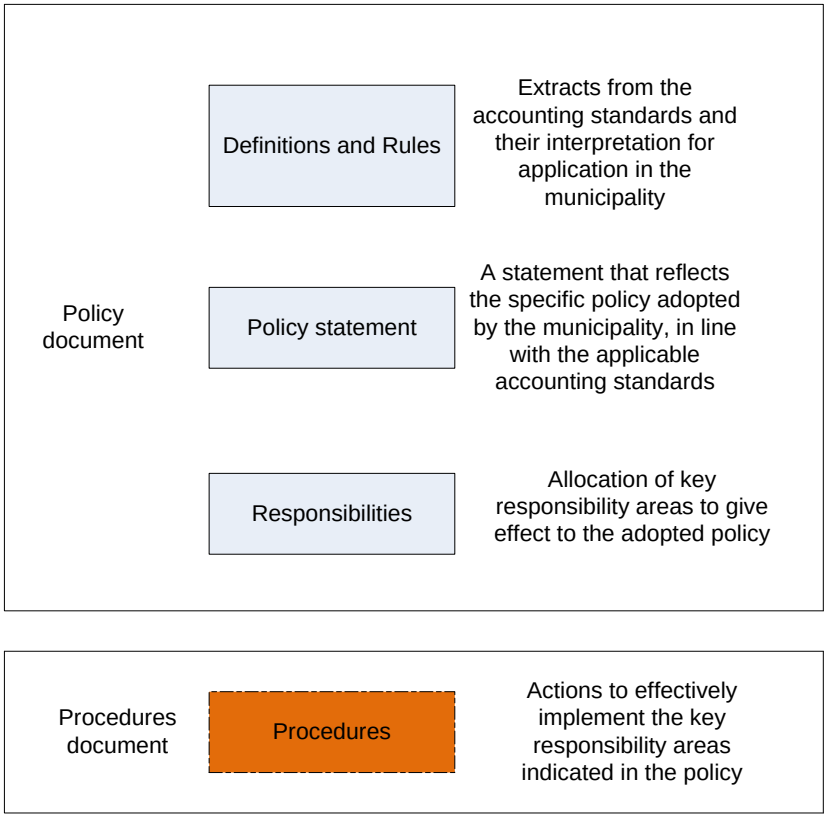
The following references were observed in compiling this document:

- The Constitution of the Republic of South Africa, 1996
- Asset Management Framework, National Treasury, 2004
- Guidelines for Infrastructure Asset Management in Local Government, Department of Provincial and Local Government, 2006
- Municipal Finance Management Act, 2003
- Disaster Management Act, 2002
- Municipal Systems Act, 2000
- Municipal Structures Act, 1998
- Accounting Standards Board
- Local Government Capital Asset Management Guidelines, National Treasury, 2008
- Generally Recognised Accounting Practice (1-14, 16, 17, 19-21, 23-27, 31, 32 and 100-104, 108 - 110)
- Interpretations of the standards of GRAP issued by the Accounting Standards Board (ASB) (IGRAP 1- 19)
- Directives issued by the ASB
- Municipal transfer and disposal regulations, No. 878 of 2008 (Government Gazette No. 31346)
- Accounting guideline issued by National Treasury relating to intangible assets
- Supply Chain Management Regulations No. 868 of 2005 (Government Gazette, 30 May 2005, No. 27636 on disposal)

9. POLICY FORMAT

Figure 1 gives an overview to the format of presentation of this policy document, and how it links to a separate document that provides the procedures. Procedures should be prepared and adopted to give effect to this policy.

Figure 1 - Interaction between the policy and the procedures



10. POLICY FOR FIXED ASSET ACCOUNTING

10.1 RECOGNITION OF IMMOVABLE AND MOVABLE ASSETS

(a) Definitions and rules

Asset

An asset is defined as a resource controlled by an municipality, as a result of past events and from which future economic benefits or service potential associated with the item will flow to the municipality.

Fixed Asset

A fixed asset (also referred to as a “non-current asset”) is an asset with an expected useful life greater than 12 months.

PPE

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, for rentals to others, or for administrative purposes; and are expected to be used during more than one reporting period. This includes items necessary for environmental or safety reasons to leverage the economic benefits or service potential from other assets. Insignificant items may be aggregated. Property, plant and equipment are broken down into groups of assets of a similar nature or function in the municipality’s operations for the purposes of disclosure in the financial statements.

Immovable PPE

Immoveable PPE are fixed structures such as buildings and roads. A plant that is built-in to the fixed structures and is an essential part of the functional performance of the primary asset is considered an immovable asset (though it may be temporarily removed for repair).

Movable PPE

Movable assets are the stock of equipment owned or leased by the municipality such as office equipment and furniture, motor vehicles and mobile plant.

Investment property

Investment property is defined as property (land and/or a building, or part thereof) held (by the owner or the lessee under a finance lease) to earn rentals or capital appreciation, or both (rather than for use in the production or supply of goods or services or for administration purposes or sale in the ordinary course of operations). Examples of investment property are office parks that are rented out. There is no asset hierarchy for investment property; each functional item will be individually recorded. Land held for a currently undetermined use is recognised as investment property until such time as the use of the land has been determined.

Intangible assets

Identifiable non-monetary assets, without physical substance are intangible assets, for examples licenses or rights (such as water licenses), servitudes and software.

An asset meets the criterion of being identifiable in the definition of an intangible asset when it:

(a) is separable, i.e. is capable of being separated or divided from the municipality and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, asset or liability, regardless of whether the municipality intends to do so or;

(b) arises from binding arrangements regardless of whether those rights are transferable and separable from the municipality or from other rights and obligations.

Biological Assets

Biological assets are living animals or plants as per the definition in the GRAP Standard on Agriculture.

Capital Spares (Major Spare Parts)

Spares and materials used regularly in the ordinary course of operations are usually carried as inventory (i.e. they are not usually considered fixed assets) and are expensed when consumed. Major spares that constitute an entire or significant portion of a component type, or a specific component, defined in the immovable PPE asset hierarchy are considered capital spare parts and are recognised as an item of PPE, if they meet the definition of PPE, as they are expected to be used for more than one period or they can only be used in connection with an item of PPE.

Useful Life

The period over which an asset is expected to be available for use by an municipality, or the number of production or similar units expected to be obtained from the asset by an municipality.

Major inspections

A condition of continuing to operate an item of PPE may be to perform regular major inspections for faults regardless of whether parts of the item are replaced (for example, Occupational Health and Safety Act 85 of 1993 requires lifting equipment to be inspected once a year). When each major inspection is performed, its cost is recognised in the carrying amount of the item of PPE as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of the previous inspection (as distinct from physical parts) is de-recognised. This occurs regardless of whether the cost of the previous inspection was identified in the transaction in which the item was acquired or constructed. If necessary, the estimated cost of a future similar inspection may be used as an indication of what the cost of the existing inspection component was when the item was acquired or constructed.

Control

An item is not recognised as an asset unless the municipality has the capacity to control the service potential or future economic benefit of the asset, is able to deny or regulate access to others to that benefit and has the ability to secure the future economic benefit of that asset. Legal title and physical possession are good indicators of control.

Past transactions or events

Assets are only recognised from the point when some event or transaction transferred control to an municipality.

Probability of the flow of benefits or service potential

The degree of certainty that any economic benefits or service potential associated with an item will flow to the municipality is based on judgement. The CFO shall exercise such judgement on behalf of the municipality, in consultation with the respective HOD.

Economic benefits

Economic benefits are derived from assets that generate net cash inflows.

Service Potential

An asset has service potential if it has the capacity, singularly or in combination with other assets, to contribute directly or indirectly to the achievement of an objective of the municipality, such as the provision of services.

Leased assets

A lease is an agreement whereby the lessor conveys to the lessee (in this case, the municipality) the right to use an asset for an agreed period of time in return for a payment or series of payments. Leases are categorised into finance and operating leases. A finance lease is a lease that transfers substantially all the risks and rewards incident to ownership of an asset, even though the title may not eventually be transferred (substance over form). Where the risks and rewards of ownership of the asset are substantially transferred to the municipality, the lease is regarded as a finance lease and the asset recognised by the municipality. Where there is no substantial transfer of risks and rewards of ownership to the municipality, the lease is considered an operating lease and payments are expensed in the income statement on a systematic basis (straight line basis over the lease term).

Asset custodian

The department that controls an asset, as well as the individual (asset custodian) or post that is responsible for the operations associated with such asset in the department, is identified by the respective HOD, is responsible for communication and recording of the asset.

Reliable measurement

Items are recognised that possess a cost or fair value that can be reliably measured in terms of this policy.

Heritage assets

Heritage assets are defined as assets that have cultural, environmental, historical, natural, scientific, technological, or artistic significance and are held indefinitely for the benefit of present and future generations.

(b) Policy statement

The municipality shall recognise all movable and immovable assets existing at the time of adoption of this policy and the development of new, upgraded and renewed assets on an on-going basis. Such assets shall be capitalised in compliance with prevailing accounting standards.

(c) Responsibilities

- The CFO, in consultation with the AO and HODs, shall determine effective procedures for the recognition of existing and new assets.
- Every HOD shall ensure that all assets under their control are correctly recognised as assets.
- The CFO shall keep a lease register with the following minimum information: name of the lessor, description of the asset, fair value of the asset at inception of the lease, lease commencement date, lease termination date, economic useful life of the asset, lease payments, and any restrictions in the lease agreement.

10.2 CLASSIFICATION OF ASSETS

(a) Definitions and rules

Fixed asset categories

- Property, plant and equipment (which is broken down into groups of assets of a similar nature or function in the municipality's operations) (GRAP 17);
- Intangible assets (GRAP 31);
- Heritage assets (GRAP 103);

- Biological assets (/27 and GRAP 110);
- Capital Finance Lease Assets (GRAP 13); and
- Investment Property (GRAP 16).

Class of PPE

A class of PPE is defined as a group of assets of a similar nature or function. The total balance of each class of assets is disclosed in the notes to the financial statements.

PPE, assets should be classified under the following heading in the Asset Register:

- Land
- Transport assets
- Infrastructure assets
- Machinery and equipment
- Computer equipment
- Community assets
- Other assets

PPE Asset hierarchy

An asset hierarchy is adopted for PPE which enables separate accounting of parts (components) of the asset that are considered significant to the municipality from a financial point of view, and for other reasons determined by the municipality, including risk management (in other words, taking into account the criticality of components) and alignment with the strategy adopted by the municipality in asset renewal (for example the extent of replacement or rehabilitation at the end of life). In addition, the municipality may aggregate relatively insignificant items to be considered as one asset. The structure of the hierarchy recognises the functional relationship of assets and components.

PPE: Infrastructure

Infrastructure assets are immoveable assets which are part of a network of similar assets that jointly provide service potential.

General characteristics of infrastructure assets are that they:

a) Are part of a system or network;
b) They are specialised in nature and do not have alternative uses;
c) They are immovable; and
d) They may be subjected to constraints on disposals

PPE: Community Property

Community property is immoveable assets contributing to the general well-being of the community, such as community halls and recreation facilities.

PPE: Other Assets

PPE which is defined as capital assets utilised in normal operations administrative function of the municipality, for example, office buildings.

PPE Land:

PPE which is defined as capital assets utilised in normal operations administrative function of the municipality, for example, land.

The definition of an asset is met when the resource is controlled by the municipality as a result of past events and from which future economic benefits or service potential is expected to flow to the municipality. To satisfy the recognition criteria, it should be probable that future economic benefits or service potential associated with the item will flow to the municipality, and the cost or fair value of the item can be measured reliably.

A municipality must control the resource. Control of the resource is evidenced by the municipality's ability to use the resource, or direct other parties to use it, so as to benefit from the future economic benefits or service potential embodied in the resource.

The principle ***of substance over form*** acknowledges that the substance of transactions or other events is not always consistent with that which is apparent from their legal form. Legal ownership is one method to demonstrate control of land, but the ability to generate future economic benefits or the right to service potential may exist without legal ownership of land. As a result, although the capacity of a municipality to control benefits is usually the result of legal rights, an item may nonetheless satisfy the definition of an asset even when there is no legal ownership. The municipality should assess whether it controls land using the following criteria. Control is evidenced by the rights and obligations arising from a binding agreement. Judgement should be used to assess:

1) Control is evidenced by the rights and obligations arising from a binding arrangement. Control of land is evidenced by the following criteria:

(a) legal ownership; and/or
(b) the right to direct access to land, and to restrict or deny the access of others to land.

At each reporting date, the municipality needs to assess whether there are any changes to the binding arrangement that may impact its assessment of control.

PPE Machinery and equipment:
PPE which is defined as capital assets utilised in normal operations administrative function of the municipality, for example, toolboxes and generators.

PPE Furniture and office equipment:
PPE which is defined as capital assets utilised in normal operations administrative function of the municipality, for example, office tables and chairs.

PPE Computer equipment
PPE which is defined as capital assets utilised in normal operations administrative function of the municipality, for example, laptops and desktops.

PPE: Transport assets.
PPE which is defined as capital assets utilised in normal operations administrative function of the municipality, for example, motor vehicles.

Heritage assets
Heritage assets are assets of cultural, environmental, historical, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations, such as monuments, nature reserves, and works of art. Some heritage assets have more than one purpose, e.g. an historical building which, in addition to meeting the definition of a heritage asset, is also used as office accommodation. The CFO, on behalf of the municipality, must use his / her judgement to make such an assessment. The asset should be accounted for as a heritage asset if, and only if, the definition of a heritage asset is met, and only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. If a significant portion is used for production, administrative purposes or supply of services or goods, the asset shall be accounted for in accordance with the Standard of GRAP on PPE.

Investment property

Investment property is defined as property (land and/or a building, or part thereof) held (by the owner or the lessee under a finance lease) to earn rentals or capital appreciation, or both (rather than for use in the production or supply of goods or services or administration purposes or sale in the ordinary course of operations). Examples of investment property are office parks that are rented out. The municipality may need to consider, on an ongoing basis, substance over form in assessing whether land and/or buildings are used to deliver on its mandated functions if the asset is used to deliver goods/services in accordance with its mandated function it will be accounted for under GRAP 17. There is no asset hierarchy for investment property; each functional item will be individually recorded. Land held for a currently undetermined use is recognised as an investment property until the use of the land has been determined.

The land is held for a currently undetermined future use when

a) The municipality has not determined that it will use the land as owner-occupied property
b) A municipality does not hold the land for sale in the ordinary course of operations
c) An municipality has not determined that it holds the land for strategic purposes which will be accounted for in accordance with GRAP 17.

Intangible assets

Identifiable non-monetary assets, without physical substance are intangible assets, for examples licenses or rights (such as water licenses), servitudes and software.

An asset meets the criterion of being identifiable in the definition of an intangible asset when it:

a) is separable, i.e. is capable of being separated or divided from the municipality and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, asset or liability, regardless of whether the municipality intends to do so or;
b) Arises from binding arrangements regardless of whether those rights are transferable and separable from the municipality or from other rights and obligations.

However, if the municipality is of the opinion that even though a servitude may meet the definition of an intangible asset, it is essential to the operation of a tangible asset. For example, where the

municipality would not be able to construct or operate infrastructure on land that it does not own without acquiring certain rights from the landowner. Therefore the municipality may be of the opinion that it would be more appropriate to include the cost of the servitude in the cost of the tangible asset rather than recognising a separate intangible asset. In such cases servitudes will be accounted for as PPE by applying GRAP 17, and componentisation may be required as the values, nature and the useful life of the servitude and the tangible asset are different.

Servitudes

Where municipalities establish servitudes as part of the registration of a township, the associated rights are granted in statute and are specifically excluded from the standard on intangible assets. Such servitudes cannot be sold, transferred, rented, or exchanged freely and are not separable from the municipality. Consequently, such servitudes are not recognised in the asset register. Costs incurred to register these servitudes (if any) are expensed.

Servitudes that are created through acquisition (including by way of expropriation or agreement) can be recognised as *either intangible assets or PPE* at cost. The municipality use judgement whether to include the cost of the servitude in the cost of the PPE if it is essential to the construction or operation of the asset (such as in the case of pipes).

Biological Assets

Biological assets are living animals or plants as per the definition in the GRAP on Agriculture.

(b) Policy statement

Asset hierarchies shall be adopted for each of the asset groups, separately identifying items of PPE at component level that are significant from a financial or risk perspective, and, where applicable, grouping items that are relatively insignificant. Investment Property and Intangible assets are not required to be componentised.

PPE shall be disclosed in the financial statements at the sub-category level.

A committee to be nominated by Council will consider the recognition of assets as heritage assets and motivate their recommendation for adoption by Council.

Figure 2 – Decision tree – Classification of assets

(c) Responsibilities

- The CFO shall ensure that the classification of immovable assets adopted by the municipality complies with the statutory requirements.
- The CFO shall consult with the HOD responsible for PPE to determine an effective and appropriate asset hierarchy for each asset class of PPE to component level and record such in the asset management procedures document.
- Every HOD shall ensure that all immovable assets under their control are classified correctly within the classification adopted by the municipality.
- Every HOD shall advise the CFO when assets should be re-classified.

10.3 IDENTIFICATION OF ASSETS

(a) Definitions and rules

Immovable asset coding

An asset coding system is the means by which the municipality is able to uniquely identify each immovable asset (at the lowest level in the adopted asset hierarchy) in order to ensure that it can be accounted for on an individual basis.

Barcoding system

A barcoding system will be used for movable assets as the means by which the municipality is able to uniquely identify each movable asset in order to ensure that it can be accounted for on an individual basis, which will also assist with the subsequent verification process of movable assets.

(b) Policy statement

A coding system shall be adopted and applied that will enable each asset of immovable assets (with PPE at the lowest level in the adopted asset hierarchy) to be uniquely and readily identified. Similarly a barcoding system shall be adopted for movable assets.

(c) Responsibilities

- The AO shall develop and implement an immovable asset coding system in consultation with the CFO and other HODs to meet the policy objective.
- HODs shall ensure that all the immovable assets under their control are correctly coded.

- HODs shall ensure that all the movables assets under their control are barcoded.

10.4 ASSET REGISTER

(a) Definitions and rules

Asset register

A fixed asset register is a database with information relating to each asset. The fixed asset register is structured in line with the adopted classification structure. The scope of data in the register is sufficient to facilitate the application of the respective accounting standards for each of the asset classes, and the strategic and operational asset management needs of the municipality.

Procurement of assets

All assets acquired must be in terms of the capital budget and assets must be procured in such a way that:

- a proper need for the asset was identified;
- procurement documentation supports the format adopted for the asset register and the asset hierarchy; and
- proper and approved procurement procedures are adhered to in terms of the Supply Chain Management Policy.

Authorisation for procurement should be as per the Municipalities' delegation of authority and payment for assets should be in accordance with the financial policies and regulations of the Council.

(b) Policy statement

A fixed asset register shall be established to provide the data required to apply the applicable accounting standards, as well as other data considered by the municipality to be necessary to support strategic asset management planning and operational management needs. The asset register shall be updated and reconciled to the general ledger on a regular basis, which will be reconciled to the financial statements at year end.

The Chief Financial Officer will establish and maintain the Register containing key financial data on each item of Property, Plant or Equipment, Investment Property, Intangible Assets, Heritage Assets and Agricultural Assets that satisfies the criterion for recognition.
The Asset Manager is responsible for establishing and maintaining any additional register or database required by the managers to demonstrate the physical management of their assets.

The asset register shall be maintained in the format determined by the Chief Financial Officer, which format shall comply with the requirements of GRAP and any other accounting requirements which may be prescribed.

The details in the asset register must, as far as possible, include:

- A unique identification number;
- GIS identification number in the case of infrastructure;
- A short but meaningful description of each asset;
- Date of acquisition of the date that the asset was ready for use;
- Location of the asset;
- The responsible manager and department(s) or vote(s) within which the asset will be used;
- The title deed number, in the case of fixed property;
- The erf number, in the case of fixed property;
- The measurement basis of the asset (Cost or Fair Value);
- The original useful life of the asset;
- The revised useful life of the asset;
- The residual value of the asset;
- The revised residual value of the asset;
- The historical cost or revalued amount or fair value, where no cost is available;
- The accumulated depreciation to date;
- Depreciation charged for the current financial year;
- The carrying value of the asset;
- The depreciation methods and rate used;
- Impairment losses incurred during the financial year (and the reversal of such losses, where applicable);
- Method of calculating recoverable amount (in the case where an impairment is required in terms of GRAP;
- Source of finance;
- Condition of the asset;
- Current insurance arrangements/agreements;
- Whether the asset is required to perform basic municipal services;
- Whether the asset has been used to secure any debt, and – if so - the nature and duration of such security arrangements;

- Security arrangements;
- Date and value of disposal;
- Selling price; and
- The date on which the asset is retired from use, if not disposed of.

All managers under whose control any asset falls shall promptly provide the Chief Financial Officer in writing with any information required to compile the asset register, and shall promptly advise the Chief Financial Officer in writing of any material change which may occur in respect of such information.

An asset shall be recorded in the assets register as soon as it is acquired. If the asset is constructed over a period of time, it shall be recorded as work-in-progress until it is available for use, where after it shall be appropriately capitalised as a fixed asset. The fact that an asset has been fully depreciated shall not in itself be a reason for deleting it from the register.

Controls relating to the asset register should be sufficient to provide HOD's with an accurate, reliable and up-to-date account of assets under their control, in line with the standards specified by the Chief Financial Officer and as required by relevant legislative and other requirements.

These controls must include:

- Details of the physical management;
- The recording of all acquisitions, assignments, transfers, losses and disposals of assets;
- Regular stock-takes; and
- Systems audit to confirm the accuracy of the records.

The Chief Financial Officer must establish a system to ensure that each moveable asset bears a unique identification number/ barcode which shall be recorded in the asset register.

HOD's must ensure that the asset identification system approved for use by the municipality is scrupulously applied to all assets controlled or used by the department in question.

(c) Responsibilities

- The CFO shall define the format of the fixed asset register in consultation with the AO and the HODs, and shall ensure that the format complies with the prevailing accounting standards and disclosure requirements.
- HODs shall provide the CFO with the data required to establish and update the asset register in a timely fashion.
- The CFO shall establish procedures to control the completeness and integrity of the asset register data.
- The CFO shall ensure proper application of the control procedures.

10.5 MEASUREMENT AT RECOGNITION

(a) Definitions and rules

Measurement at recognition of PPE

An item of PPE that qualifies for recognition is measured at cost. Where an asset is acquired through a non-exchange transaction (at no or nominal cost) for example in the case of donated or developer-created assets, its cost is deemed to be its fair value at the date of acquisition. In cases where it is impracticable to establish the cost of an item of PPE, such as on recognising PPE for which there are no records or records cannot be linked to specific assets, its cost is deemed to be its fair value and should the principles of GRAP 17 be applied to determine the fair value.

Measurement at recognition of investment property

Investment property will be measured at cost including transaction cost at initial recognition. However, where an investment property was acquired through a non-exchange transaction (i.e. where the investment property was acquired for no or nominal value), its cost is its fair value at the date of acquisition.

Measurement at the recognition of intangible assets

Intangible assets will be measured at cost at initial recognition. Where assets are acquired for through a non-exchange transaction (no or nominal consideration) the cost is deemed to equal the fair value of the asset on the date acquired.

Measurement at the recognition of heritage assets

Heritage assets will be measured at cost at initial recognition. Where assets are acquired through a non-exchange transaction (for no or nominal consideration) the cost is deemed to equal the fair value of the asset on the date acquired.

If the municipality holds an asset that might be regarded as a heritage asset but which, on initial recognition, does not meet the recognition criteria of a heritage asset because it cannot be reliably measured, relevant and useful information about it shall be disclosed in the notes to the financial statements as follows:

- A description of the heritage asset or class of heritage assets.

- The reason why the heritage asset or class of heritage assets could not be measured reliably.
- On disposal of the heritage asset or class of heritage assets, the compensation received and the amount recognised in the statement of financial performance.

Measurement at recognition of biological assets

Biological assets shall be measured on initial recognition and at each reporting date at its fair value less costs to sell. Where the fair value cannot be measured reliably the principles of GRAP 27 should be followed.

Fair value

Fair value is defined as the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Market based evidence by appraisal can be used where there is an active and liquid market for assets (for example land and some types of plant and equipment). In the case of specialised buildings (such as community buildings) and infrastructure where there is no such active and liquid market, a depreciated replacement cost (DRC) approach may be used to identify the fair value. The appraisal of the fair value of assets is normally undertaken by a member of the valuation profession, who holds a recognised and relevant professional qualifications and appropriate knowledge and experience in valuation of the respective assets.

Depreciated replacement cost

If no evidence is available to determine the market value in an active and liquid market of an item of property, the fair value of the item may be established by reference to other items with similar characteristics, in similar circumstances and location. In many cases, the depreciated replacement cost of an asset can be established by reference to the buying price of a similar asset with similar remaining service potential in an active and liquid market. In some cases, an asset's reproduction cost will be the best indicator of its replacement cost. For example, in the event of loss, a parliament building may be reproduced rather than replaced with alternative accommodation because of its significance to the community.

Costs associated with heritage assets

Costs incurred to enhance or restore a heritage asset to preserve its indefinite useful life should be capitalised as part of the cost of the asset. Such costs should be recognised in the carrying

amount of the heritage asset as incurred when the recognition criteria of a heritage asset are met.

Changes in the existing decommissioning or restoration cost included in the cost of an item

Changes in the measurement of an existing decommissioning cost or restoration cost as a result of changes in the estimated timing or amount of the outflow of resources embodying economic benefits or service potential required to settle the obligation, should be treated as follows:

10.5.1 If the cost model is used –

- Changes in the liability shall be added to or deducted from the cost of the related asset.
- If the amount deducted from the cost of the asset exceeds the carrying amount of the asset, the excess shall be recognised immediately in surplus or deficit.
- If the adjustment results in an addition to the cost of an asset, the municipality should consider whether this is an indication that the carrying amount may not be recoverable. In this case the municipality should test the asset for impairment.

10.5.2 If the revaluation model is used -

- A decrease in the liability shall be credited to the revaluation surplus, except that it shall be recognised in the surplus or deficit to the extent that it reverses a revaluation deficit on the asset that was previously recognised in the surplus or deficit; and
- an increase in the liability shall be recognised in surplus or deficit, except that it shall be debited to the revaluation surplus to the extent that any credit balance may exist in the revaluation surplus in respect of asset.
- If the decrease in liability exceeds the carrying amount that would have been recognised if the asset has been carried under the cost model, the excess shall be recognised immediately in the surplus or deficit.
- If the change in liability is an indication that the asset may have to be revalued in order to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date. Any such revaluation shall be taken into account in determining the amounts to be taken to surplus or deficit and net assets as discussed above. If a revaluation is necessary, all assets of that class shall be revalued.

- The change in the revaluation surplus arising from the change in the liability shall be separately identified and disclosed on the face of the statement of changes in net assets.

Finance leases

At the commencement of a lease term, the municipality (the lessee) shall recognise a finance lease as an asset and liability in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. The discount rate to be used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease contract, if this is practicable to determine; if not, the lessee's incremental borrowing rate shall be used.

Self-constructed immovable PPE

Self-constructed assets relate to all assets constructed by the municipality itself or another party on instructions from the municipality. All assets that are constructed by the municipality should be recorded in the asset register and each component that is part of this immovable PPE should be depreciated over its estimated useful life for that category of the asset once the asset is ready for use as intended by management.

Proper records are kept such that all costs associated with the construction of these assets are completely and accurately accounted for as capital under construction, and upon completion of the asset, all costs (both direct and indirect) associated with the construction of the asset are summed and capitalised as an asset.

Construction of future investment property

If property is developed for future use as an investment property, such property shall in every respect be accounted for as investment property.

Borrowing costs

Borrowing costs are interest and other costs incurred by the municipality from borrowed funds. The items that are classified as borrowing costs may include

a) Interest expense calculated using the effective interest method as described in the Standard of GRAP on Financial instruments;
b) Finance charges in respect of finance leases and service concession arrangements; and

c) Exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

The municipality shall recognise borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset as part of the cost of the asset. The amount of borrowing cost eligible for capitalisation shall be determined in accordance with the GRAP 5.

Deferred payment

The cost of an asset is the cash equivalent at the recognition date. If the payment of the cost price is deferred beyond normal credit terms, the difference between the cash price equivalent (the total cost price is discounted to the asset's present value as at the transaction date) and the total payment is recognised as an interest expense over the period of credit unless such interest is recognised in the carrying value of the asset in accordance with the Standard on Borrowing Costs, GRAP 5.

Exchanged PPE assets

In cases where assets are exchanged, the cost is deemed to be the fair value of the acquired asset and the disposed asset is de-recognised. If the acquired asset is not measured at its fair value, its cost price will be the carrying amount of the asset given up.

Cost of an item of PPE

The capitalisation value comprises of;

(i) the purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;

(ii) any directly attributable costs necessary to bring the asset to its location and condition necessary for it to be operating in the manner intended by the municipality, and

(iii) an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an municipality incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

VAT is excluded (unless the municipality is not allowed to claim input VAT paid on purchase of such assets - in such an instance, the municipality should capitalise the cost of the asset together with VAT).

Directly attributable costs

Examples of directly attributable costs are defined as:

- Cost of employee benefits arising directly from the construction or acquisition of the item of immovable PPE and intangible assets.
- costs of site preparation (in the case of PPE assets);
- initial delivery and handling costs (in case of PPE assets and heritage assets) ;
- installation and assembly costs, cost of testing whether the immovable PPE or associated intangible asset is functioning properly, after deducting the net proceeds from selling any item produced while bringing the asset to that location and condition;
- commissioning (cost of testing the asset to see if the asset is functioning properly, after deducting the net proceeds from selling any item produced while bringing the asset to its current condition and location)
- professional fees (for example associated with design fees, supervision, and environmental impact assessments) (in the case of all asset classes); and
- proper transfer taxes (in the case of all asset classes).

(b) Policy statement

PPE, intangible assets, heritage assets and investment property that qualify for recognition shall be capitalised **at cost.** Interest on deferred payments will be expensed. Biological assets that qualify for recognition shall be capitalised at **fair value less costs to sell**.

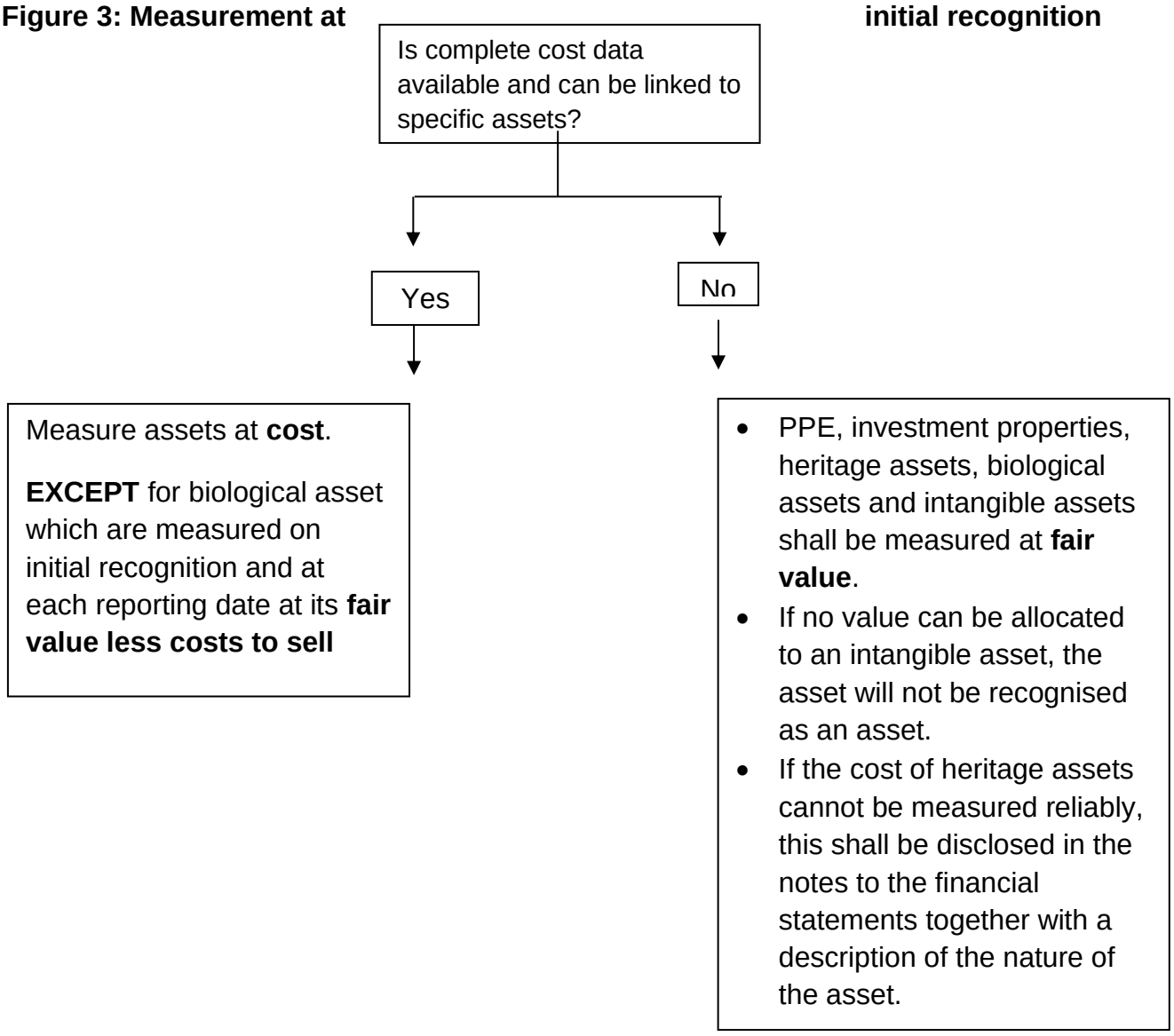
In cases where complete cost data is not available or cannot be reliably linked to specific assets:

- The fair value of PPE shall be adopted on the basis of depreciated replacement cost;
- If the cost of heritage assets cannot be measured reliably, the Chief Financial Officer may, if it is believed that the determination of fair value for the assets in question will be a laborious or expensive undertaking, record such asset/assets in the asset register without an indication of the costs or fair value concerned. This shall be disclosed in the notes to the financial statements together with a description of the nature of the asset; and
- Investment property and intangible assets shall be measured at fair value on the date of acquisition. If no fair value can be allocated to the intangible asset, it will not be recognised as an asset.

In cases where the fair value for biological assets cannot be measured reliably:

- The biological asset shall be measured at its cost less any accumulated depreciation and any accumulated impairment losses.
- Once the fair value becomes reliably measurable the municipality shall measure it at its fair value less cost to sell.
- Additional disclosure requirements include the following:
    - A description of the biological assets;
    - An explanation of why fair value cannot be measured reliably;
    - If possible, the range of estimates within which fair value is highly likely to lie;
    - The depreciation method used;
    - The useful lives or the depreciation rates used; and
    - The gross carrying amount and the accumulated depreciation (aggregated with accumulated impairment losses) at the beginning and the end of the period.

Figure 3: Measurement at initial recognition



(c) Responsibilities

- The CFO, in consultation with the AO and HODs, shall determine effective procedures for the capitalisation of assets on recognition.
- Every HOD shall ensure that all assets under their control are correctly capitalised.
- Every HOD shall advise the CFO of any deferred payments from the municipality, providing the relevant details of such.

10.6 MEASUREMENT AFTER RECOGNITION

(a) Definitions and rules

Options

Accounting standards allow measurement after recognition on immovable assets as follows:

- PPE, heritage assets and intangible assets: on either a cost or revaluation model;
- Biological assets: fair value less costs to sell; and
- Investment Property: either cost model or the fair value model.

Different models can be applied, providing the treatment is consistent per asset class.

Cost model

When the cost model is adopted, the asset is carried after recognition at its cost less any accumulated depreciation and any accumulated impairment losses.

Revaluation model

When the revaluation model is adopted an asset is carried after recognition at a re-valued amount, being its fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date. When revaluations are conducted, the entire class of assets should be re-valued. The appraisal of the fair value of assets is normally undertaken by a member of the valuation profession, who holds a recognised and relevant professional qualifications and appropriate knowledge and experience in valuation of the respective assets.

If the carrying amount of an asset is increased as a result of a revaluation, the increase shall be credited directly to a revaluation surplus. However, the increase shall be recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

If the carrying amount of an asset is decreased as a result of a revaluation, the decrease shall be recognised in surplus or deficit. However, the decrease shall be debited directly in net assets to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

The decrease recognised directly in net assets reduces the amount accumulated in net assets under the heading revaluation surplus.

When an asset is revalued, any accumulated depreciation at the date of the revaluation is treated in one of the following ways:

- Restated proportionately with the change in the gross carrying amount of the asset after revaluation equals its revalued amount. This method is often used when an asset is revalued by means of applying an index to its DRC.
- Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

The revaluation surplus is transferred to the Accumulated Surpluses/ (Deficits) Account on de-recognition of an asset. An amount equal to the difference between the new (enhanced) depreciation expense and the depreciation expenses determined in respect of such asset before the revaluation in question *may* be transferred from the Revaluation Reserve to the municipality's Accumulated Surplus/Deficit Account. *If this option is selected, an adjustment of the aggregate transfer is made at the end of each financial year.*

Statutory inspections

The cost of a statutory inspection that is required for the municipality to continue to operate immovable PPE is recognised at the time the cost is incurred if the recognition criteria are satisfied and any previous statutory inspection cost is de-recognised.

Expenses to be capitalised

Expenses incurred in the enhancement of PPE (in the form of improved or increased services or benefits flowing from the use of such asset), or in the material extension of the useful operating life of assets are capitalised. Such expenses are recognised once the municipality has beneficial use of the asset (be it new, upgraded, and/or renewed) – prior to this, the expenses are recorded as work-in-progress. Expenses incurred in the maintenance or repair (reinstatement) of PPE that ensures that the useful operating life of the asset is attained, are considered as operating expenses and are not capitalised, irrespective of the quantum of the expenses concerned.

Spares

The location of capital spares shall be amended once they are placed in service, and re-classified to the applicable PPE asset sub-category. Depreciation on the capital spares will commence once the items are placed in service as this is when they are in the location and condition necessary for them to be capable of operating in the manner intended by management.

(b) Policy statement

Measurement after recognition shall be on the following basis:

- PPE: *cost model*
- Heritage: *cost model*
- Investment property: *cost model*
- Intangible assets: *cost model*
- Biological assets: *fair value less cost to sell*

Figure 4: Measurement after recognition

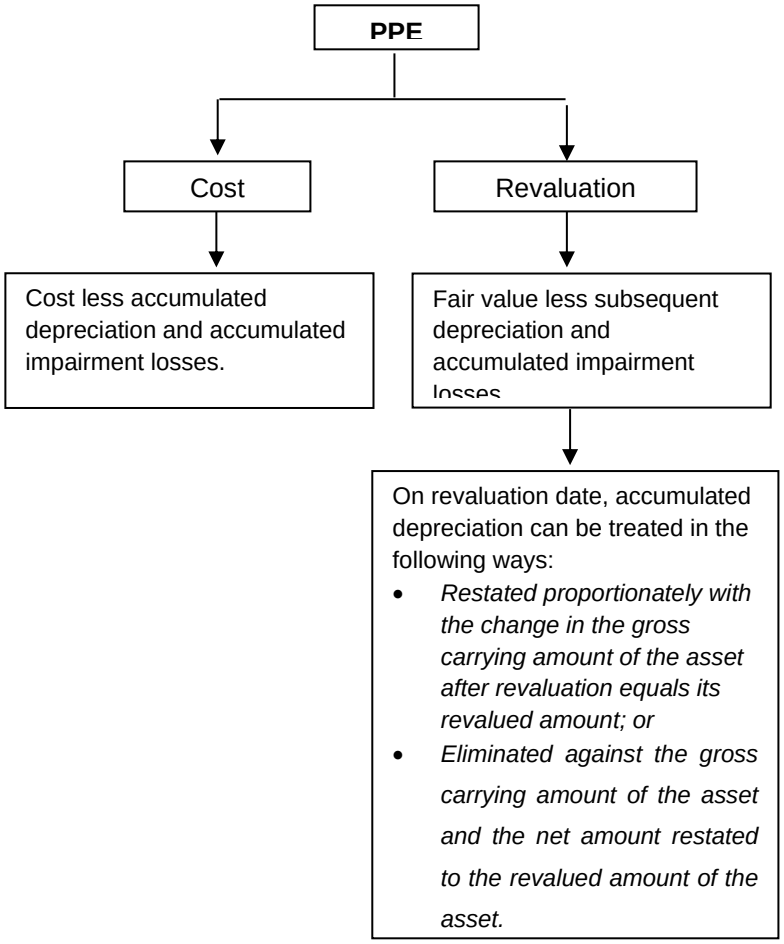


Figure 5: Measurement after recognition

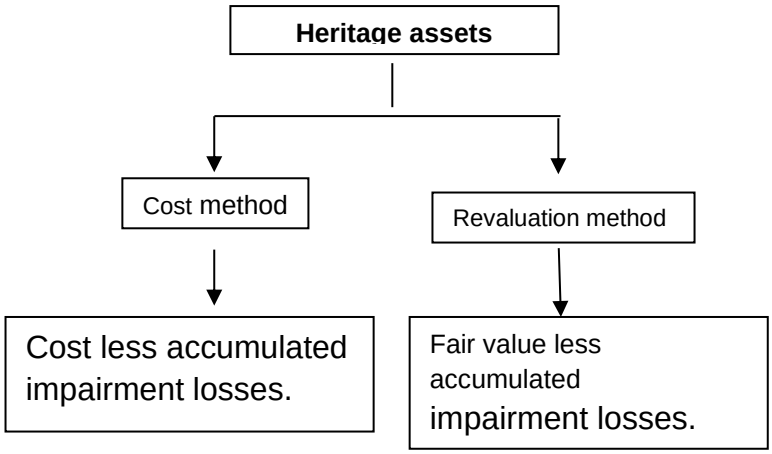


Figure 6: Measurement after recognition

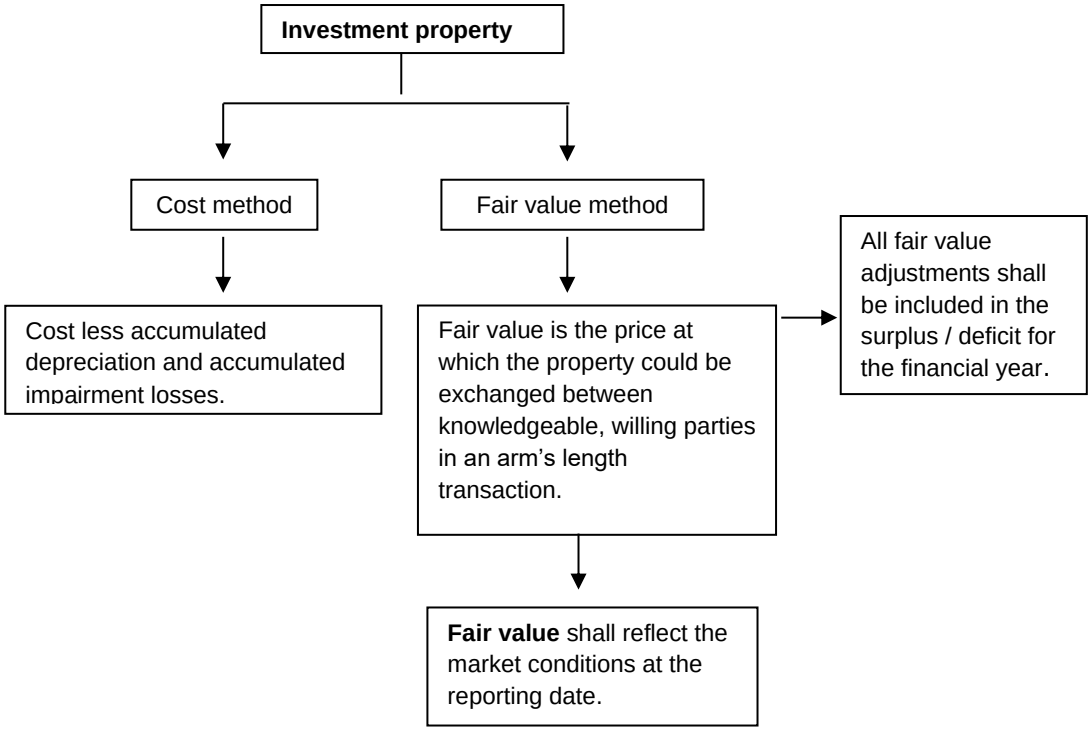


Figure 7: Measurement after recognition

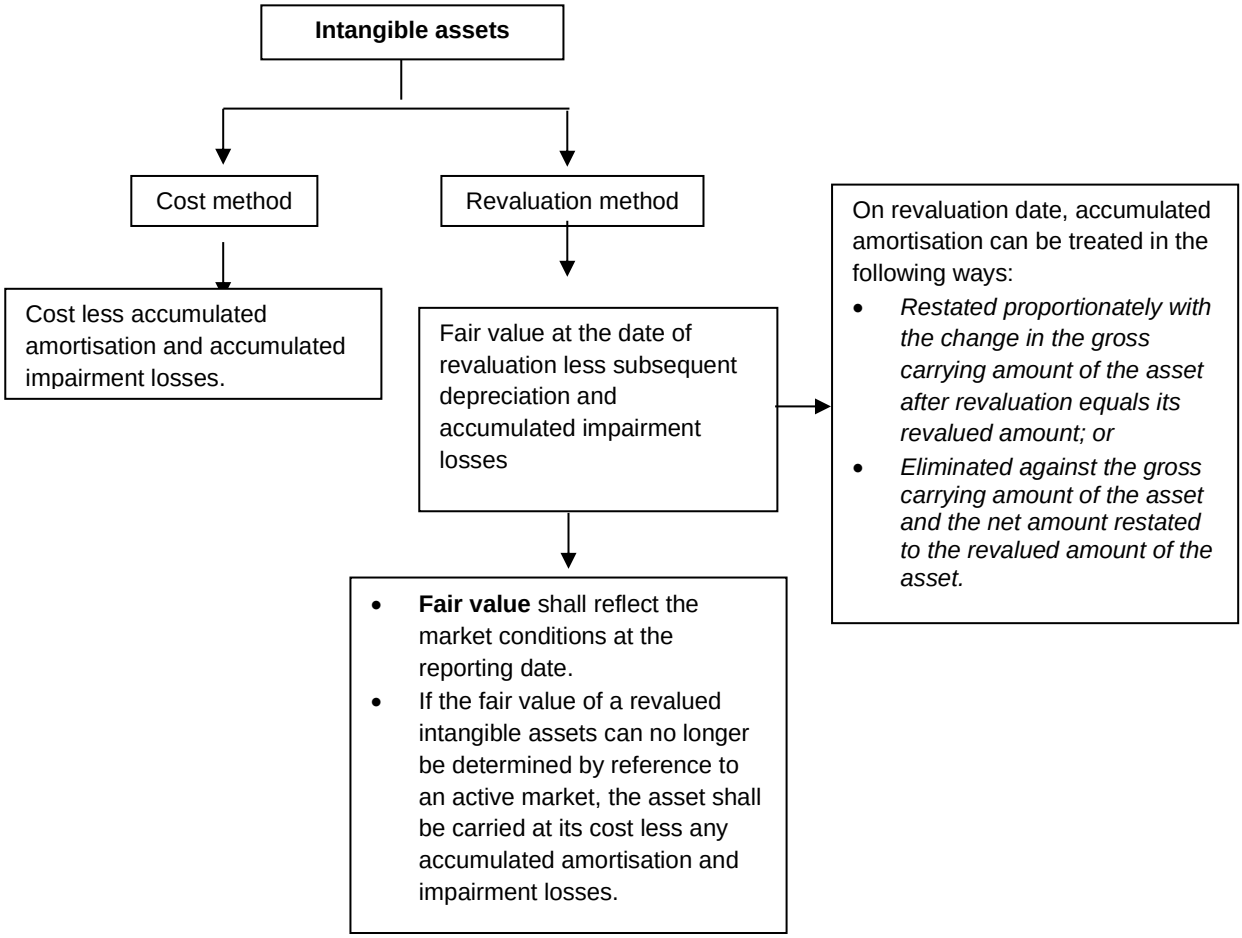
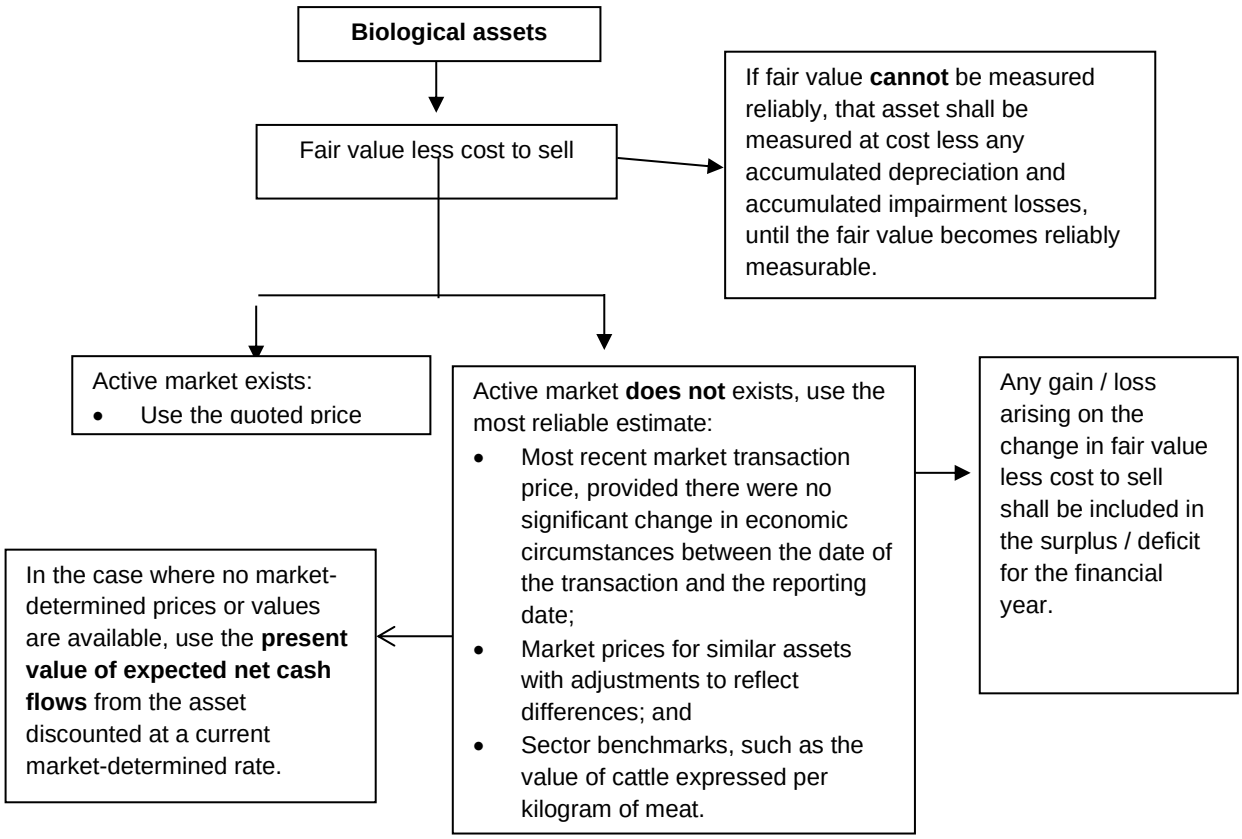


Figure 8: Measurement after recognition



(c) Responsibilities

- The CFO, in consultation with the AO and HODs, shall determine effective procedures for the on-going capitalisation of assets after recognition.
- Every HOD shall ensure that all capital expenses associated with assets under their control are correctly capitalised.
- Every HOD shall ensure that revaluations and fair value adjustments are conducted where applicable to immovable infrastructure under their control.

10.7 DEPRECIATION

(a) Definition and rules

Depreciation

Depreciation is the systematic allocation of the depreciable amount of an asset over its remaining useful life. The amortisation of intangible assets is identical.

Land and servitudes are considered to have unlimited life; therefore they are not depreciated. Heritage assets, biological assets, agricultural assets and assets under construction are also not depreciated.

Depreciable amount

The depreciable amount is the cost of an asset, or other amount substituted for cost, less its residual value.

Residual value

The residual value is the estimated amount that the municipality would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset was already of the age and in the condition expected at the end of its useful life.

In assessing whether there is any indication that the expected residual value of an asset has changed, the municipality shall consider where there has been any change in the expected timing of disposal of the assets, as well as any relevant indicators.

The residual values of assets are indicated in **Annexure B** in the form of a percentage. In the case of assets measured after recognition on the cost model, the percentage is of the initial cost of acquisition. In the case of assets measured after recognition on the revaluation model, the percentage is of the revalued cost.

Intangible assets with an indefinite useful life

An intangible asset with an indefinite useful life will not be amortised. Impairment testing shall be performed on these assets on an annual basis and whenever there is an indication that the assets might be impaired, comparing its recoverable amount with its carrying amount.

The useful life of an intangible asset that is not being amortised shall be reviewed each reporting period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset. If they do not, the change in the useful life assessment from indefinite to finite shall be accounted for as a change in accounting estimate in accordance with GRAP 3.

Remaining useful life

The remaining useful life (RUL) of a depreciable PPE asset is the time remaining until an asset ceases to provide the required standard of performance or economic usefulness.

The remaining useful life of all depreciable immovable PPE assets at initial recognition is the same as the expected useful life indicated in **Annexure A** above. The remaining useful life of all depreciable movable PPE assets that are new, or are considered to have been renewed, at initial recognition is the same as the expected useful life indicated in **Annexure A**.

The estimation of the useful life of assets is a matter of judgement based on the experience of the municipality with similar assets. The municipality considers all facts and circumstances in estimating the useful lives of assets, which includes the consideration of financial, technical and other factors.

Annual review of remaining useful life

The municipality shall assess at each reporting date whether there is any indication that the municipality's expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the municipality shall revise the expected useful life and/or residual value accordingly. The change(s) shall be accounted for as a change in accounting estimate in accordance with GRAP 3.

In assessing whether there is any indication that the expected useful life of an asset has changed, the municipality considers the following indications:

a) The composition of the asset changed during the reporting period, i.e. the significant components of the asset changed.
b) The use of the asset has changed, because of the following:
    i) The municipality has changed the manner in which the asset is used.
    ii) The municipality has changed the utilisation rate of the asset.

iii) The municipality has made a decision to dispose of the asset in a future reporting period(s) such that this decision changes the expected period over which the asset will be used.

iv) Technological, environmental, commercial, or other changes that occurred during the reporting period that have, or will, change the use of the asset.

v) Legal or similar limits placed on the use of the asset have changed.

vi) The asset was idle or retired from use during the reporting period.

c) The asset is approaching the end of its previously expected useful life.

d) Planned repairs and maintenance on, or refurbishments of, the asset and/or its significant components either being undertaken or delayed.

e) Environmental factors, e.g. increased rainfall or humidity, adverse changes to temperatures or increased exposure to pollution.

f) There is evidence that the condition of the asset improved or declined based on assessments undertaken during the reporting period.

g) The asset is assessed and is being impaired in accordance with GRAP 21/26.

In assessing whether there is any indication that the expected residual value of an asset has changed, an municipality shall consider whether there has been any change in the expected timing of disposal of the asset, as well as any relevant indicators as listed above.

Depreciation method

Depreciation of PPE is applied at the component level. A range of depreciation methods exist and can be selected to model the consumption of service potential or economic benefit (for example the straight line method, diminishing amount method, fixed percentage on reducing balance method, sum of the year digits method, production unit method). The approach used should reflect the consumption of future economic benefits or service potential, and should be reviewed annually where there has been a significant change in the expected pattern of consumption.

Depreciation charge

Depreciation starts once an asset is available for use when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at the date that the asset is derecognised. Depreciation does not cease

when the asset becomes idle or it is retired from active use and held for disposal unless that asset is fully depreciated.

Change in useful life

Where the remaining useful life of the asset has changed, the carrying value of the asset will be written off over the revised remaining useful life of the asset.

Carrying amount

The carrying amount is the cost price / fair value amount after deducting any accumulated depreciation and accumulated impairment losses.

Finance lease

Depreciable assets financed through a finance lease will give rise to a depreciation expense and finance cost which will occur for each accounting period. The depreciation policy for depreciable leased assets shall be consistent with the policy of depreciable owned assets, and the depreciation recognised shall be calculated in accordance with the Standard on Property, Plant and Equipment, GRAP 17 and Intangible assets GRAP 31. If there is no reasonable certainty that the municipality will obtain ownership by the end of the lease term, the asset shall be fully depreciated over the shorter of the lease term and its useful life. If there is certainty that the municipality will obtain ownership by the end of the lease term, the asset will be fully depreciated over the asset's useful life.

(b) Policy statement

All PPE, except land, servitudes and heritage assets, shall be depreciated over their remaining useful lives. All intangible assets, other than intangibles with an indefinite useful life, shall be amortised over their remaining useful lives.

The municipality shall assess at each reporting date whether there is any indication that the municipality's expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the municipality shall revise the expected useful life and/or residual value accordingly. The change(s) shall be accounted for as a change in accounting estimate in accordance with GRAP 3.

(c) Responsibilities

- The HODs shall ensure that a budgetary provision is made for the depreciation of the

- assets in the ensuing financial year, in consultation with the CFO.
- HODs shall assess at each reporting date whether there is any indication that the municipal expectations about the residual value (Annexure B) and the useful life (Annexure A) of the asset have changed since the preceding reporting date. If such an indication exists the HODs shall motivate to the AO and CFO any adjustments to the revised the useful life and residual value.
- The depreciation method will also be reviewed annually by the HODs and if any adjustment is needed it should be motivated to the AO and CFO. Changes should not be made on a continuous basis because the accounting principle of consistency would be violated.
- The CFO shall ensure that depreciation charges are debited on a monthly basis and that the fixed asset register is reconciled with the general ledger.

10.8 IMPAIRMENT

(a) Definition and rules

Impairment

Impairment is defined as the loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation.

Indications of impairment

The municipality must review assets for impairment when one of the indicators below occurs or at least at the end of each reporting period. In assessing whether there is any indication that an asset may be impaired, an municipality shall consider as a minimum the following indicators:

10.8.1 External sources of information:

- decline or cessation in demand;
- significant long-term changes in the technological, legal or government policy environment;
- the carrying amount of the net assets of the municipality is more than its market capitalisation;
- market interest rates have increased during the period, and those increases are likely to affect the discount rate used in calculating an asset's value in use and decrease the asset's recoverable amount materially; or

- a halt in construction could indicate an impairment. Where construction is delayed or postponed to a specific date in the future, the project may be treated as work in progress and not considered as halted.

10.8.2 Internal sources of information:

- evidence of physical damage;
- evidence of obsolescence;
- significant changes with an adverse effect on the municipality have taken place during the period, or are expected to take place in the near future, in the extent to which, or a manner in which, an asset is used or is expected to be used, including an asset becoming idle, plans to dispose of an asset before the previously expected date, and reassessing the useful life of an asset as finite rather than indefinite;
- cash flow for acquiring an asset or maintenance cost thereafter is higher than originally budgeted;
- the actual net cash flow or operating profit or loss flowing from an asset are significantly worse than those budgeted;
- a significant decline in budgeted net cash flow or operating profit, or a significant increase in the budget loss, flowing from the asset; or
- operating losses or net cash outflows for the asset, when current period amounts are aggregated with budgeted amounts for the future.

10.8.3 Other indications, such as loss of market value.

Impairment of projects under construction

In assessing whether a halt in construction would trigger an impairment test, it should be considered whether construction has simply been delayed or postponed, whether the intention to resume construction in the near future or whether the construction work will not be completed in the foreseeable future. Where construction is delayed or postponed to a specific future date, the project may be treated as work in progress and is not considered as halted.

Intangible assets

The Municipality should with in accordance with GRAP 21 and GRAP 26 test intangible assets with an indefinite useful life or an intangible asset not yet available for use for impairment by

comparing its recoverable service amount, as appropriate, with its carrying amount annually and whenever there is an indication that the intangible asset may be impaired.

Recoverable amount

The recoverable amount of a cash or non-cash generating unit is the higher of its fair value less cost to sell and its value in use. The events and circumstances in each instance must be recorded. Where there are indications of impairment, the municipality must estimate the recoverable amount of the asset and also consider adjustment of the remaining useful life, residual value, and method of depreciation.

Impairment loss

An impairment loss of a non-cash-generating unit or asset is defined as the amount by which the carrying amount of an asset exceeds its recoverable service amount. The recoverable service amount is the higher of the fair value less costs to sell and its value in use.

An impairment loss of a cash-generating unit (smallest group of assets that generate cash inflows) or asset is the amount by which the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the fair value less costs to sell and its value in use.

Non-cash generating unit

Non-cash-generating units are those assets (or group of assets) that are not held with the primary objective of generating a commercial return. This would typically apply to assets providing goods or services for community or social benefit. The recoverable service amount is the higher of the asset's fair value less cost to sell and its value in use. It may be possible to determine the fair value even if the asset is not traded in an active market. If there is no binding sales agreement or active market for an asset, the fair value less cost to sell is based on the best information available to reflect the amount that an municipality could obtain. However, sometimes it will not be possible to determine the fair value less cost to sell because there is no basis for making reliable estimates of the amount obtainable. For non-cash generating assets which are held on an on-going basis to provide specialised services or public goods to the community, the value in use of the assets is likely to be greater than the fair value less cost to sell. In such cases the municipality may use the asset's value in use as its recoverable service

amount. The value in use of a non-cash generating unit/asset is defined as the present value of the asset's remaining service potential.

This can be determined using any of the following approaches:

- the Depreciated Replacement Cost (DRC) approach (and where the asset has enduring and material over-capacity, for example in cases where there has been a decline in demand, the Optimised Depreciated Replacement Cost (ODRC) approach may be used);
- the restoration cost approach (the Depreciated Replacement Cost less cost of restoration) – usually used in cases where there has been physical damage; or
- the service units approach (which could be used for example where a production units model of depreciation is used).

Where the present value of an asset's remaining service potential (determined as indicated above) exceeds the carrying value, the asset is not impaired.

Cash-generating unit

Cash-generating units are those assets held with the primary objective of generating a commercial return. An asset generates a commercial return when it is deployed in a manner consistent with that adopted by a profit-oriented municipality. Holding an asset to generate a "commercial return" indicates that an municipality intends to generate positive cash inflows from the asset (or from part of the cash-generating unit of which the asset is a part) and earn a commercial return that reflects the risk involved in holding the asset. When the cost model is adopted, fair value is determined in accordance with the rules indicated for measurement after recognition. Costs to sell are the costs directly attributable to the disposal of the asset (for example agents fees, legal costs), excluding finance costs and income tax expenses. The value in use is determined by estimating the future cash inflows and outflows from the continuing use of the asset and net cash flows to be received or (paid) for the disposal of the assets at the end of its useful life, including factors to reflect risk in the respective cash-flows and the time value of money.

Judgement

The extent to which the asset is held with the objective of providing a commercial return needs to be considered to determine whether the asset is a cash generating or non-cash generating asset. An asset may be held with the primary objective of generating a commercial return even though it does not meet that objective during a particular reporting period. Conversely, an asset may be a non-cash-generating asset even though it may be breaking even or generating a commercial return during a particular reporting period. In some cases it may not be clear whether the primary objective of holding an asset is to generate a commercial return. In such cases it is necessary to evaluate the significance of the cash flows. It may be difficult to determine whether the extent to which the asset generates cash flows is so significant that the asset is a non-cash-generating- or a cash-generating asset. Judgement is needed in these circumstances.

Recognition of impairment

The impairment loss is recognised as an expense when incurred (unless the asset is carried at a re-valued amount, in which case the impairment is carried as a decrease in the Revaluation Reserve, to the extent that such reserve exists). After the recognition of an impairment loss, the depreciation charge for the asset is adjusted for future periods to allocate the asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

When no future economic benefit is likely to flow from an asset, it is de-recognised and the carrying amount of the asset at the time of de-recognition, less any economic benefit from the de-recognition of the asset, is debited to the Statement of Financial Performance as a "Loss on Disposal of Asset".

In the event of compensation received for damages to an item of PPE, the compensation is considered as the asset's ability to generate income and is disclosed under Sundry Revenue; and the asset is impaired/ de-recognised.

Reversing an impairment loss

The municipality must assess each year from the sources of information indicated above whether there is any indication that an impairment loss recognised in previous years may no longer exist or may have decreased. In such cases, the carrying amount is increased to its recoverable amount (providing that it does not exceed the carrying amount that would have been

determined had no impairment loss been recognised in prior periods). Any reversal of an impairment loss is recognised as a credit in surplus or deficit.

(b) Policy statement

Impairment of assets shall be recognised as an expense in the Statement of Financial Performance when it occurs or at least at every reporting date. Ad-hoc impairment shall be identified as part of normal operational management as well as scheduled annual inspections of the assets.

The municipality must review assets for impairment at the end of each reporting period by assessing whether there is any indication that an asset may be impaired.

All assets relating to these assets which are held with the primary objective of generating a commercial return. Consequently the municipality adopts the impairment treatment for cash generating units in the impairments of its PPE and associated intangible assets that relate to these assets.

All these assets that are considered to be assets whose primary objective is to provide goods and services for community or social benefit, and where positive cash flows are generated, these are with the view to support the primary objective rather than for financial return to equity holders. Consequently the municipality adopts the impairment treatment for non-cash generating units in the impairments of its PPE and associated intangible assets that relate to these asset classes.

(c) Responsibilities

- The CFO shall indicate a fixed annual date for the review of any impairment that may have occurred on assets under the control of the respective HODs.
- HODs shall assess at each reporting date whether there is any indication that an asset may be impaired. The HOD shall motivate to the CFO the proposed changes in the performance of such assets and the necessary impairment that needs to be recognised on such assets indications
- The HOD should evaluate all the immovable PPE for impairment, taking into consideration any discussions with the senior accountants and operating managers.
- The Asset register administrator should update the fixed asset register with the information received, relating to the impairment, from the financial management system where the impairment journals have been processed.

- The CFO shall report changes made to the carrying values of these assets in the asset register to the AO and Council.

10.9 DE-RECOGNITION

(a) Definition and rules

Exempt assets

Capital assets transferred to another municipality or to a municipal municipality or to a national or provincial organ of state in circumstances and in respect of categories of assets approved by the National Treasury, provided that such transfers are in accordance with a prescribed framework in terms of the Municipal Asset Transfer Regulations.

Non-exempt assets

Assets other than exempt assets.

De-recognition

Assets are de-recognised on disposal or when no future economic benefits or service potential are expected from its use or disposal. Where assets exist that have reached the end of their useful life yet they pose potential liabilities, the assets will not be de-recognised until the obligations under the potential liabilities have been settled.

The gain or loss arising from de-recognition of an item of immovable assets shall be included in surplus of deficit when the item is de-recognised.

PPE that is associated with the provision of basic services cannot be disposed without the approval of Council.

Government Gazette No. 31346, Municipal asset transfer regulations, sets out the regulations regarding municipal asset transfers and disposals, for example type of assets that need approval to be disposed or transferred, timeframes, possible public participation requirements, considerations in approving the transfer or disposal and Council approval.

Read in conjunction with the Municipal Finance Management Act (MFMA) it is clear that a municipality may not transfer ownership as a result of a sale or other transaction or otherwise

permanently dispose of a capital asset needed to provide the minimum level of basic municipal services unless that transfer is to an organ of state, and the following conditions must be met:

- Ownership in the capital asset (including replacements, upgrading and improvements made by the organ of state) must immediately revert to the municipality should the organ of state for any reason cease to or is unable to render the service;
- The organ of state may not without the written approval of the municipality:
- Transfer, dispose of or encumber the capital asset (including replacements, upgrading and improvements made by the organ of state) in any way;
- Grant a right to another person to use, control or manage the capital asset (including replacements, upgrading and improvements made by the organ of state);
- The transfer agreement must reflect the conditions above; and
- The organ of state must demonstrate the ability to adequately maintain and safeguard the asset.

If the combined value of any non-exempt capital assets a municipality intends to transfer or dispose of in any financial year exceeds 5% of the total value of its assets, as determined from its latest available audited AFS, a public participation process must be conducted to facilitate the determinations of the municipal council, in relation to all the non-exempt capital assets proposed to be transferred or disposed of during the year.

Council may delegate the following powers and responsibilities to the AO:

- The decision as to whether the non-exempt capital asset is needed to provide a basic service;
- The power to approve in-principle that the non-exempt capital asset may be transferred or disposed of; and
- The authority to approve in-principle of the granting of a right to use a capital asset. This delegation does not extend however, to cover long-term high-value transactions.

Disposal of assets should be at fair value. If payment for the item is deferred, the consideration received is recognised initially at the cash price equivalent (the total proceeds discounted to the present value as at the transaction date). The difference between the nominal amount of the consideration and the cash price equivalent is recognised as interest revenue.

Disposal Management System

An effective system of disposal management for disposal or letting of assets, including unserviceable, redundant or obsolete assets, must be provided for in the Supply Chain Management Policy.

This must specify the ways in which assets may be disposed of, including by:

- transfer the asset to another organ of state in terms of a provision of the MFMA enabling the transfer of assets;
- transferring the assets to another organ of state at market related value or, when appropriate, free of charge;
- selling the asset; or
- destroying the asset.

PPE may be sold only at market related prices except when it is in the public interest or to alleviate the plight of the poor. When assets are traded in for other assets, the highest possible trade-in price must be negotiated.

Revaluation model

The revaluation surplus is transferred to the Accumulated Surpluses / (Deficits) Account on de-recognition of an asset. An amount equal to the difference between the new (enhanced) depreciation expense and the depreciation expenses determined in respect of such immovable asset before the revaluation in question may be transferred from the Revaluation Reserve to the municipality's Accumulated Surplus / Deficit Account. An adjustment of the aggregate transfer is made at the end of each financial year.

(b) Policy statement

Fixed assets for which no future economic benefits or service potential are expected shall be identified and methods of disposal and the associated costs or income considered by Council. The carrying amount of the asset shall be de-recognised when no future economic benefits or service potential are expected from its use or its disposal. Where assets exist that have reached the end of their useful life yet they pose potential liabilities, the assets will not be de-recognised until the obligations under the potential liabilities have been settled.

Where an asset being de-recognised was previously revalued, the revaluation surplus is transferred to the Accumulated Surpluses / (Deficits) Account on de-recognition of an asset.

(c) Responsibilities

- Fixed assets shall be de-recognised only on the recommendation of the HOD controlling the asset, and with the approval of the AO.
- Every HOD shall report to the CFO on assets which such HOD wishes to have de-recognised, stating in full the reason for such recommendation, indicating whether or not the assets are associated with the provision of basic services. The CFO shall submit a report to the Mayoral Committee on an annual basis for consideration of asset disposals.
- Assets that are replaced in the nominal course of the life-cycle renewal should be de-recognised and removed from the asset register.
- The AO, in consultation with the CFO and other HODs shall formulate norms and standards from the replacement of all PPE.

10.10 INSURANCE OF ASSETS

(a) Definition and rules

Insurance provides selected coverage for the accidental loss of asset value.

Generally, government infrastructure is not insured against disasters because relief is provided from the Disaster Fund through National Treasury. The municipality can however elect to insure certain infrastructure risks, though approval must be obtained from the Council. The ~~CFO~~ Chief Risk Officer must conduct a risk assessment of all assets and after considering the risks involved, report to Council, which assets must be insured. The risk assessment must be based on a loss probability analysis and if there is no capacity within the municipality to conduct the analysis, the CFO should be authorised to obtain external professional assistance.

The municipality may elect to operate a self-insurance reserve, in which case the CFO shall annually determine the premiums payable by the departments or votes after having received a list of assets and insurable values of all relevant assets from the HODs concerned. This will be reflected in the accumulated surplus and will be cash backed.

Assets must be insured internally or externally and coverage must be based on the loss probability analysis. All insurance claims must be assessed by an official, charged with the responsibility for the insurance of assets, to determine whether the damage to the assets can be recovered from possible third parties involved. If the damage was caused by an identifiable third party the CFO or HOD of the department should compile a report advising the AO of the facts thereof and any possible further action.

(b) Policy statement

The municipality should adhere to the disaster management plan for prevention and mitigation of disaster in order to be able to attract the disaster management contribution during or after disaster. The Council shall decide on insurance cover for assets each financial year based on the recommendation from the AO after consultation with the CFO.

(c) Responsibilities

- The AO will consult with the CFO on the basis of insurance to be applied to each type of asset: either the carrying value or the replacement value of the immovable asset concerned. The approach shall take due cognisance of the budgetary resources of the municipality, and where applicable asset classes shall be prioritised in terms of their risk exposure and value.
- The AO shall advise Council on the insurance approach taken.

In the event that the CFO is directed by Council to establish a self-insurance reserve, the CFO shall annually submit a report to the Council on any reinsurance cover which it is deemed necessary to procure for the municipality's self-insurance reserve.

11. POLICY FOR SAFEGUARDING

(a) Definitions and rules

The municipality applies controls and safeguards to ensure that assets are protected against improper use, loss, theft, malicious damage or accidental damage.

The existence of assets is physically verified from time-to-time, and measures adopted to control their use, as follows:

- All above ground assets should be verified for existence and any changes in condition at least once a year by means of workstreams done by an independent service provider. These inspections should be formally recorded and signed off and, where possible, shall be worked into the routine maintenance inspections. These inspections may be prioritised on a risk basis to give emphasis to assets approaching the end of their useful life and assets with a high value in relation to total assets (the threshold for high value will be determined by the CFO), whereas a sample basis may be adopted for long life or multiple assets of a similar nature;
- Performance data shall be reviewed for buried assets to identify possible changes in condition; and
- A detailed road condition survey shall be conducted every 5 years.

Every HOD shall at least once during every financial year undertake a comprehensive verification of all movable PPE controlled by or used by the department concerned. Every HOD shall promptly and fully report in writing to the CFO, in the format determined by the CFO, all relevant results of such verification.

This report in respect of the annual physical verification of movable assets shall:-

- Confirm the location of the asset;
- Confirm the physical description of the asset;
- Confirm the level of utilisation of the asset;
- Indicate the assessment of the condition of the asset (Condition Grade);
- Indicate the expected useful life of the asset (RUL); and

The existence or absence of any physical impairment of the asset.

Transfers between HOD's:

- ***Permanent transfers to another HOD***

  A HOD may transfer an asset under his control provided that another HOD agrees in writing to accept responsibility for that asset. Copies of such approvals must be submitted to the Financial Department.

  The Financial Department must appropriately amend the Asset register by recording all approved transfers.

  The HOD to whom the asset is transferred must assume accountability for the transferred asset from a date specified in the written communication referred to above.

  A HOD must ensure that assets are appropriately safeguarded for loss, damage, or misuse wherever they are located. Safeguarding includes ensuring reasonable physical restrictions.

- ***Relocation or Reassignment of Assets***

  A HOD must advise the Chief Financial Officer, in writing, whenever an asset is relocated or reassigned from the location (or base) or cost centre as recorded in the Asset Register.

  In the case of assets such as vehicles being utilized in the normal course of operations away from its base such reporting is not necessary.

The municipality may allocate day-to-day duties relating to such control, verification and safekeeping to asset custodians, and record such in the asset register.

(b) Policy statement

An asset safeguarding plan shall be prepared for all assets indicating measures that are considered effective to ensure that all assets under control of the municipality are appropriately safeguarded from inappropriate use or loss, including the identification of asset custodians for all assets. The impact of budgetary constraints on such measures shall be reported to Council. The existence, condition and location of these assets shall be verified annually (in line with the assessment of impairment).

(c) Responsibilities

- Each HOD shall prepare and submit to the CFO, upon request, an annual asset safeguarding plan for the assets under the control of their respective departments, indicating the budget required.
- The CFO shall confirm the available budget, and in consultation with the respective HOD, determine the impact of any budget shortfall. The CFO shall report the impacts to the AO for review, and advise Council.
- Each HOD shall implement the safeguarding plan within the resources made available.
- Each HOD shall report, within the time frame indicated by the CFO, the existence, condition, location and appropriate use of assets under the control of their respective departments at the review date.
- Every HOD shall at least once during every financial year undertake a comprehensive verification of all movable PPE controlled by or used by the department concerned.
- Every HOD shall promptly and fully report in writing to the CFO, in the format determined by the CFO, all relevant results of such movable asset verification.
- Malicious damage, theft, and break-ins must be reported to the AO or delegated person within 48 hours of its occurrence or awareness by the respective HOD.
- The AO must report criminal activities to the South African Police Service.

12. POLICY FOR LIFE-CYCLE MANAGEMENT OF IMMOVABLE PPE ASSETS

(a) Definitions and rules

Service delivery

Immovable PPE assets (such as infrastructure and community facilities) are the means by which the municipality delivers a range of essential municipal services. Consequently the management of such assets is critical to meeting the strategic objectives of the municipality and in measuring its performance.

Asset management

The goal of asset management of immovable PPE is to meet a required level of service, in the most cost-effective manner, through the management of assets for present and future customers.

The core principles are:

- taking a life-cycle approach;
- developing cost-effective management strategies for the long-term;
- providing a defined level of service and monitoring performance;
- understanding and meeting the impact of growth through demand management and infrastructure investment;
- managing risks associated with asset failures;
- sustainable use of physical resources; and
- continuous improvement in the immovable PPE asset management practices.

(b) Policy statement

The municipality shall provide municipal services for which the municipality is responsible, at an appropriate level, and in a transparent, accountable and sustainable manner, in pursuit of legislative requirements and in support of its strategic objectives, according to the following core principles:

Effective governance

The municipality shall strive to apply effective governance systems to provide for consistent asset management and maintenance planning in adherence to and compliance with all applicable legislation to ensure that asset management is conducted properly, and municipal services are provided as expected.

To this end, the municipality shall:

- continue to adhere to all constitutional, safety, health, systems, financial and asset-related legislation;
- regularly review updates and amendments to the above legislation;
- review and update its current policies and by-laws to ensure compliance with the requirements of prevailing legislation; and
- effectively apply legislation for the benefit of the community.

Sustainable service delivery

The municipality shall strive to provide to its customers services that are technically, environmentally and financially sustainable.

To this end, the municipality shall:

- Identify a suite of levels and standards of service that conform with statutory requirements and rules for their application based on long-term affordability to the municipality;
- identify technical and functional performance criteria and measures, and establish a commensurate monitoring and evaluation system;
- identify current and future demand for services, and demand management strategies;
- set time-based targets for service delivery that reflect the need to newly construct, upgrade, renew, and dispose infrastructure assets, where applicable in line with national targets;
- apply a risk management process to identify service delivery risks at asset level and appropriate responses;
- prepare and adopt a maintenance strategy and plan to support the achievement of the required performance;
- allocate budgets based on long-term financial forecasts that take cognisance of the full life-cycle needs of existing and future infrastructure assets and the risks to achieving the adopted performance targets;
- strive for alignment of the financial statements with the actual service delivery potential of the infrastructure assets; and
- implement its tariff and credit control and debt collection policies to sustain and protect the affordability of services by the community.

Social and economic development

The municipality shall strive to promote social and economic development in its municipal area by means of delivering municipal services in a manner that meet the needs of the various customer user-groups in the community.

To this end, the municipality shall:

- regularly review its understanding of customer needs and expectations through effective consultation processes covering all service areas;
- implement changes to services in response to changing customer needs and expectations where appropriate;
- foster the appropriate use of services through the provision of clear and appropriate information;

- ensure services are managed to deliver the agreed levels and standards; and
- create job opportunities and promote skills development in support of the national Expanded Public Work Program (EPWP).

Custodianship

The municipality shall strive to be a responsible custodian and guardian of the community's assets for current and future generations.

To this end, the municipality shall:

- establish a spatial development framework that takes cognisance of the affordability to the municipality of various development scenarios;
- establish appropriate development control measures including community information;
- cultivate an attitude of responsible utilisation and maintenance of its assets, in partnership with the community;
- ensure that heritage resources are identified and protected; and
- ensure that a long-term view is taken into account in infrastructure asset management decisions.

Transparency

The municipality shall strive to manage its infrastructure assets in a manner that is transparent to all its customers, both now and in the future.

To this end, the municipality shall:

- develop and maintain a culture of regular consultation with the community with regard to its management of infrastructure in support of service delivery;
- clearly communicate its service delivery plan and actual performance through its Service Delivery and Budget Implementation Plan (SDBIP);
- avail immovable PPE asset management information and
- continuously develop the skills of councillors and officials to effectively communicate with the community with regard to service levels and standards.

Cost-effectiveness and efficiency

The municipality shall strive to manage its infrastructure assets in an efficient and effective manner.

To this end, the municipality shall:

- assess life-cycle options for proposed new infrastructure in line with the Supply Chain Management Policy;
- regularly review the actual extent, nature, utilisation, criticality, performance and condition of infrastructure assets to optimise planning and implementation works;
- assess and implement the most appropriate maintenance of infrastructure assets to achieve the required network performance standards and to achieve the expected useful life of infrastructure assets;
- continue to secure and optimally utilise governmental grants in support of the provision of free basic services;
- implement new and upgrading construction projects to maximise the utilisation of budgeted funds;
- ensure the proper utilisation and maintenance of existing assets subject to availability of resources;
- establish and implement demand management plans;
- timeously renew infrastructure assets based on capacity, performance, risk exposure, and cost;
- timeously dispose of infrastructure assets that are no longer in use;
- review management and delivery capacity, and procure external support as necessary;
- establish documented processes, systems and data to support effective life-cycle infrastructure asset management;
- strive to establish a staff contingent with the required skills and capacity, and procure external support as necessary; and
- conduct regular and independent assessments to support continuous improvement of infrastructure asset management practice.

(c) Responsibilities

- Upon adoption of this policy by Council, the AO shall meet regularly with the CFO and HODs and to take measures to effectively implement this policy, and to report to Council on progress made at a frequency indicated by Council.
- HODs shall develop, and update at regular intervals to be determined by the AO in consultation with the CFO and HODs, an Asset Management Plan (AMP) for each service

involving immovable PPE that shall assess levels and standards of service, future demand, risk, determine a lifecycle plan for a minimum 10 year planning horizon, and identify management practice improvement needs (3 year horizon). The AMPs will be submitted through the AO to Council for adoption. AMPs shall be used to inform the preparation of a CMIP and budgets through the IDP process. The time frame for the first time implementation of this will be determined by the AO in consultation with the CFO and HODs.

- The CFO shall, in consultation with HODs, determine grading scales for the measurement of asset condition, performance, cost-of–operation, and utilisation for that are common and applicable to all services. Where necessary, the HODs shall interpret the grading scales for the immovable PPE assets under their control. HODs shall determine the grading of all immovable PPE assets under their control at a level of accuracy considered appropriate to the municipality's resources, at intervals to be determined by the AO in consultation with the CFO and HODs.
- HODs shall prepare, and review at regular intervals to be determined by the AO in consultation with the CFO and HODs, an Operations and Maintenance Strategy and Plan, and submit such, through the AO, to Council for adoption. The municipality shall engage contractors when necessary to support in the implementation of maintenance actions and adopt a system that assists in managing such maintenance. The time frame for the first time implementation of this will be determined by the AO in consultation with the CFO and HODs.
- HODs shall determine detailed service performance measures (differentiated, where applicable for identified customer groups), and submit such, through the AO, to Council for adoption and inclusion in the Services Delivery and Budget Implementation Plan. HODs shall establish a monitoring regime, and report actual performance each financial year. The time frame for the first time implementation of this will be determined by the AO in consultation with the CFO and HODs.
- The AO shall establish procedures to ensure that legislative requirements regarding the management of immovable PPE assets, including but not limited to health and safety, and environmental protection, are documented and advised to HODs. HODs shall address legislative needs in their strategies and plans, and shall enforce implementation.
- Review the municipality's Risk Management framework to ensure that it is effective for the management of physical risks to infrastructure and buildings. Important actions shall be

identified and implemented. The HODs shall report risk exposure relating to their respective assets each financial year.

13. SELLING OF REDUNDANT MOVABLE ASSETS

All assets earmarked to be written off must be sold by public auction or tender after the following steps have been followed:-

- a notice of the intention of the municipality to sell the asset has been published in a local newspaper;
- in the case of a public auction, the municipality has appointed an independent auctioneer to conduct the auction; and
- in the case of a tender, the prescribed tender procedures of the municipality has been followed.

14. RESIGNATION OF OFFICIALS

When an official resigns, a termination of service form is received from Human Resources. A list of assets allocated to the official is printed from the system and forwarded to the appropriate department. This should be signed by the official and supervisor as proof that the assets have been handed over in good order. This should then be returned to the asset section.

15. POLICY IMPLEMENTATION

Procedures should be prepared and adopted by the AO, in consultation with the CFO and HODs, to give effect to this policy.

ANNEXURE A: INDICATIVE USEFUL LIFE OF FIXED ASSETS

Level 1		Level 2		Level 3		life (years)	
GROUPT		GROUPM		GROUP			
						MIN	MAX
10000	LAND	11000	LAND	11001	DEVELOPED LAND	0	
10000	LAND	11000	LAND	11002	UNDEVELOPED LAND	0	
20000	BUILDINGS	21000	DWELLINGS	21001	CARAVANS	5	10
20000	BUILDINGS	21000	DWELLINGS	21002	CHILDREN'S HOMES	25	30
20000	BUILDINGS	21000	DWELLINGS	21003	FOREIGN MISSION DWELLINGS	25	30
20000	BUILDINGS	21000	DWELLINGS	21004	HOMES FOR THE AGED	25	30
20000	BUILDINGS	21000	DWELLINGS	21005	HOSTELS	25	30
20000	BUILDINGS	21000	DWELLINGS	21006	MILITARY PERSONNEL DWELLINGS	25	30
20000	BUILDINGS	21000	DWELLINGS	21007	MOBILE HOMES	5	10
20000	BUILDINGS	21000	DWELLINGS	21008	PLACES OF SAFETY	25	30
20000	BUILDINGS	21000	DWELLINGS	21009	PRISONS AND REHABILITATION FACILITIES	25	30
20000	BUILDINGS	21000	DWELLINGS	21010	RESIDENCES (PRESIDENTIAL, EMBASSIES)	25	30
20000	BUILDINGS	21000	DWELLINGS	21011	RESIDENCES (PERSONNEL) INCL GARAGES AND PARKING	25	30
20000	BUILDINGS	21000	DWELLINGS	21012	SECURE CARE CENTRES	25	30
20000	BUILDINGS	21000	DWELLINGS	21013	RECREATIONAL / HOLIDAY ACCOMMODATION	25	30
20000	BUILDINGS	21000	DWELLINGS	21014	RESIDENTIAL PERIMETER PROTECTION	10	25
20000	BUILDINGS	21000	DWELLINGS	21015	LOW COST HOUSING	25	30
20000	BUILDINGS	22000	NON RESIDENTIAL STRUCTURES	22001	AIRPORT AND ASSOCIATED BUILDINGS	25	30
20000	BUILDINGS	22000	NON RESIDENTIAL STRUCTURES	22002	BORDER AND CUSTOM CONTROL POINTS	25	30
20000	BUILDINGS	22000	NON RESIDENTIAL STRUCTURES	22003	BUS TERMINALS	25	30
20000	BUILDINGS	22000	NON RESIDENTIAL STRUCTURES	22004	BUS SHELTERS	10	15
20000	BUILDINGS	22000	NON RESIDENTIAL STRUCTURES	22005	CIVIC THEATERS	25	30
20000	BUILDINGS	22000	NON RESIDENTIAL STRUCTURES	22006	CLINICS AND COMMUNITY HEALTH FACILITIES	25	30
20000	BUILDINGS	22000	NON RESIDENTIAL STRUCTURES	22007	COMMUNITY CENTRES AND PUBLIC ENTERTAINMENT BUILDINGS	25	30

20000	BUILDINGS	22000	NON RESIDENTIAL STRUCTURES	22008	DRIVER AND VEHICLE TESTING CENTRES	25	30
20000	BUILDINGS	22000	NON RESIDENTIAL STRUCTURES	22009	FIRE STATIONS	25	30
20000	BUILDINGS	22000	NON RESIDENTIAL STRUCTURES	22010	FOREIGN MISSION OFFICES	25	30
20000	BUILDINGS	22000	NON RESIDENTIAL STRUCTURES	22011	HOSPITALS AND AMBULANCE STATIONS	25	30
20000	BUILDINGS	22000	NON RESIDENTIAL STRUCTURES	22012	INDUSTRIAL BUILDINGS	25	30
20000	BUILDINGS	22000	NON RESIDENTIAL STRUCTURES	22013	LABORATORIES	25	30
20000	BUILDINGS	22000	NON RESIDENTIAL STRUCTURES	22014	LIBRARIES	25	30
20000	BUILDINGS	22000	NON RESIDENTIAL STRUCTURES	22015	MORTUARIES	25	30
20000	BUILDINGS	22000	NON RESIDENTIAL STRUCTURES	22016	MUSEUMS AND ART GALLERIES	25	30
20000	BUILDINGS	22000	NON RESIDENTIAL STRUCTURES	22017	OFFICE BUILDINGS (INCL AIR CONDITIONING SYSTEMS)	25	30
20000	BUILDINGS	22000	NON RESIDENTIAL STRUCTURES	22018	PUBLIC PARKING (COVERED AND OPEN)	25	30
20000	BUILDINGS	22000	NON RESIDENTIAL STRUCTURES	22019	POLICE STATIONS (AND ASSOCIATED BUILDINGS)	25	30
20000	BUILDINGS	22000	NON RESIDENTIAL STRUCTURES	22020	RAILWAY AND ASSOCIATED BUILDINGS	25	30
20000	BUILDINGS	22000	NON RESIDENTIAL STRUCTURES	22021	RESEARCH FACILITIES (INCLUDING WEATHER)	25	30
20000	BUILDINGS	22000	NON RESIDENTIAL STRUCTURES	22022	STADIUMS	25	30
20000	BUILDINGS	22000	NON RESIDENTIAL STRUCTURES	22023	TAXI RANKS	10	15
20000	BUILDINGS	22000	NON RESIDENTIAL STRUCTURES	22024	UNIVERSITIES, COLLEGES, SCHOOLS	25	30
20000	BUILDINGS	22000	NON RESIDENTIAL STRUCTURES	22025	WAREHOUSES (STORAGE FACILITIES INCLUDING DATA)	25	30
20000	BUILDINGS	22000	NON RESIDENTIAL STRUCTURES	22026	SPORT AND RECREATIONAL FACILITIES	25	30
20000	BUILDINGS	22000	NON RESIDENTIAL STRUCTURES	22027	NON RESIDENTIAL PERIMETER PROTECTION	10	25
20000	BUILDINGS	22000	NON RESIDENTIAL STRUCTURES	22028	ABLUTION / PUBLIC FACILITIES	25	30
20000	BUILDINGS	22000	NON RESIDENTIAL STRUCTURES	22029	CAR PORTS / GAEAGE	10	15
20000	BUILDINGS	22000	NON RESIDENTIAL STRUCTURES	22030	WORKSHOPS / STORE ROOMS	25	30
20000	BUILDINGS	22000	NON RESIDENTIAL STRUCTURES	22031	MARKETS / SHOPS	25	30

20000	BUILDINGS	22000	NON RESIDENTIAL STRUCTURES	22032	STRUCTURES FOR AGRICULTURAL PURPOSES	25	30
20000	BUILDINGS	22000	NON RESIDENTIAL STRUCTURES	22033	NURSERIES	25	30
20000	BUILDINGS	22000	NON RESIDENTIAL STRUCTURES	22034	INTERNAL ROADS	10	20
30000	OTHER STRUCTURES (INFRASTRUCTURE)	31000	ELECTRICITY	31001	COOLING TOWERS	25	30
30000	OTHER STRUCTURES (INFRASTRUCTURE)	31000	ELECTRICITY	31002	MAINS	15	20
30000	OTHER STRUCTURES (INFRASTRUCTURE)	31000	ELECTRICITY	31003	METERS PREPAID	10	20
30000	OTHER STRUCTURES (INFRASTRUCTURE)	31000	ELECTRICITY	31004	METERS CREDIT	20	25
30000	OTHER STRUCTURES (INFRASTRUCTURE)	31000	ELECTRICITY	31005	POWER STATIONS COAL	50	60
30000	OTHER STRUCTURES (INFRASTRUCTURE)	31000	ELECTRICITY	31006	POWER STATIONS GAS	50	60
30000	OTHER STRUCTURES (INFRASTRUCTURE)	31000	ELECTRICITY	31007	POWER STATIONS HYDRO	50	60
30000	OTHER STRUCTURES (INFRASTRUCTURE)	31000	ELECTRICITY	31008	POWER STATIONS NUCLEAR	60	80
30000	OTHER STRUCTURES (INFRASTRUCTURE)	31000	ELECTRICITY	31009	ELECTRICITY SUPPLY / RETICULATION	15	25
30000	OTHER STRUCTURES (INFRASTRUCTURE)	31000	ELECTRICITY	31010	TRANSFORMERS	25	50
30000	OTHER STRUCTURES (INFRASTRUCTURE)	31000	ELECTRICITY	31011	LINES UNDERGROUND	25	45
30000	OTHER STRUCTURES (INFRASTRUCTURE)	31000	ELECTRICITY	31012	LINES OVERHEAD	20	30
30000	OTHER STRUCTURES (INFRASTRUCTURE)	31000	ELECTRICITY	31013	CABLES	25	45
30000	OTHER STRUCTURES (INFRASTRUCTURE)	31000	ELECTRICITY	31014	SUBSTATION SWITCHGEAR	20	30
30000	OTHER STRUCTURES (INFRASTRUCTURE)	31000	ELECTRICITY	31015	SUBSTATION EQUIPMENT OUTDOOR	20	30
30000	OTHER STRUCTURES (INFRASTRUCTURE)	31000	ELECTRICITY	31016	SUBSTATION EQUIPMENT GIS	15	30
30000	OTHER STRUCTURES (INFRASTRUCTURE)	31000	ELECTRICITY	31017	SUBSTATION EQUIPMENT INDOOR	30	40
30000	OTHER STRUCTURES (INFRASTRUCTURE)	31000	ELECTRICITY	31018	ELECTRICAL PANELS	3	5
30000	OTHER STRUCTURES (INFRASTRUCTURE)	31000	ELECTRICITY	31019	TELEMETRY	7	15
30000	OTHER STRUCTURES (INFRASTRUCTURE)	31000	ELECTRICITY	31020	ELECTRICITY PERIMETER PROTECTION	10	25
30000	OTHER STRUCTURES (INFRASTRUCTURE)	31000	ELECTRICITY	31021	STRUCTURE FOR ELECTRICAL PURPOSE	20	35

30000	OTHER STRUCTURES (INFRASTRUCTURE)	31000	ELECTRICITY	31022	HIGH MAST LIGHTS	10	15
30000	OTHER STRUCTURES (INFRASTRUCTURE)	31000	ELECTRICITY	31023	RING MAIN UNIT	30	50
30000	OTHER STRUCTURES (INFRASTRUCTURE)	31000	ELECTRICITY	31024	BUILDING FOR ELECTRICAL PURPOSE	20	30
30000	OTHER STRUCTURES (INFRASTRUCTURE)	31000	ELECTRICITY	31025	MINI SUB STATION	20	30
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32101	BRIDGES VEHICLE CONCRETE	60	80
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32102	BRIDGES VEHICLE STEEL	40	50
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32103	BRIDGES VEHICLE TIMBER	25	40
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32104	BRIDGES PEDESTRIAN CONCRETE	60	80
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32105	BRIDGES PEDESTRIAN STEEL	40	50
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32106	BRIDGES PEDESTRIAN TIMBER	25	40
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32107	BRIDGES RAILWAY CONCRETE	60	80
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32108	BRIDGES RAILWAY STEEL	40	50
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32109	BRIDGES RAILWAY TIMBER	25	40
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32110	BRIDGES REINFORCED RETAINING WALLS EARTH	10	15
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32111	BRIDGES REINFORCED RETAINING WALLS CONCRETE	25	30
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32112	BRIDGES EXPANSION AND CONSTRUCTION JOINTS	15	20
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32201	STORM WATER CULVERTS	25	40
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32202	STORM WATER CULVERTS CONCRETE	40	60
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32203	STORM WATER CULVERTS ARCO	25	40
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32204	STORM WATER DRAINS EARTHWORKS	80	100
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32205	STORM WATER DRAINS CONCRETE LINING	25	50
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32206	STORM WATER STOP BANKS	40	50
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32207	STORM WATER PIPES	25	50
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32208	STORM WATER COASTAL STRUCTURE	20	40

30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32209	STORM WATER COASTAL PIERS	60	80
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32210	STORM WATER COASTAL OUTFALLS	60	80
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32401	ROADS KERB AND CHANNELS	40	50
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32301	ROADS MUNICIPAL ASPHALT SURFACE	10	20
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32302	ROADS MUNICIPAL ASPHALT BASIS/STRUCTURE	30	50
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32303	ROADS MUNICIPAL CONCRETE SURFACE	10	30
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32304	ROADS MUNICIPAL CONCRETE BASIS/STRUCTURE	30	50
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32305	ROADS MUNICIPAL GRAVEL SURFACE	3	10
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32306	ROADS NATIONAL ASPHALT SURFACE	10	20
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32307	ROADS NATIONAL ASPHALT BASIS/STRUCTURE	30	50
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32308	ROADS NATIONAL CONCRETE SURFACE	10	30
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32309	ROADS NATIONAL CONCRETE BASIS/STRUCTURE	30	50
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32310	ROADS NATIONAL GRAVEL SURFACE	3	10
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32311	ROADS PROVINCIAL ASPHALT SURFACE	10	20
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32312	ROADS PROVINCIAL ASPHALT BASIS/STRUCTURE	30	50
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32313	ROADS PROVINCIAL CONCRETE SURFACE	10	30
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32314	ROADS PROVINCIAL CONCRETE BASIS/STRUCTURE	30	50
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32315	ROADS PROVINCIAL GRAVEL SURFACE	3	10
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32402	ROADS CRASH BARRIERS	10	30
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32403	ROADS RETAINING WALLS	30	60
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32404	ROADS OVERLOAD CONTROL CENTRES	15	20
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32405	ROADS OVERLOAD ELECTRONIC HARDWARE	10	15
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32406	ROADS OVERLOAD EQUIPMENT OTHER	10	20
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32407	ROADS PEDESTRIAN FOOTPATHS	15	30

30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32408	ROADS STREET LIGHTING	25	40
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32409	ROADS SUBWAYS	40	50
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32410	ROADS TRAFFIC ISLANDS	40	50
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32411	ROADS TRAFFIC LIGHTS	15	20
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32412	ROADS TRAFFIC LIGHTS COASTAL	10	15
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32413	ROADS TRAFFIC SIGNS	5	15
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32414	ROADS TOLL ROAD PLAZAS	20	30
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32316	ROADS PAVED (BRICKS) SURFACE	20	30
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32317	ROADS PAVED (BRICKS) BASIS/STRUCTURE	20	30
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32415	ROAD CALMING MEASURES	20	30
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32416	ROAD PERIMETER PROTECTION	15	20
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32417	ROAD RESERVES	0	0
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32418	ATTENUATION PONDS	20	25
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32419	ROADS UNPAVED INFORMAL SURFACE	3	10
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32420	ROADS GRASSBLOCK SURFACE	20	30
30000	OTHER STRUCTURES (INFRASTRUCTURE)	32000	ROADS	32421	ROADS MIXED SURFACE SURFACE	3	10
30000	OTHER STRUCTURES (INFRASTRUCTURE)	33000	AIRPORTS	33001	AIRPORTS AND RADIO BEACONS	25	30
30000	OTHER STRUCTURES (INFRASTRUCTURE)	33000	AIRPORTS	33002	APRONS	25	30
30000	OTHER STRUCTURES (INFRASTRUCTURE)	33000	AIRPORTS	33003	RUNWAYS	15	20
30000	OTHER STRUCTURES (INFRASTRUCTURE)	33000	AIRPORTS	33004	TAXIWAYS	15	20
30000	OTHER STRUCTURES (INFRASTRUCTURE)	33000	AIRPORTS	33005	SPECIALIZED EQUIPMENT LUGGAGE MOVEMENT	20	25
30000	OTHER STRUCTURES (INFRASTRUCTURE)	33000	AIRPORTS	33006	SPECIALIZED EQUIPMENT COMMUNICATION	10	15
30000	OTHER STRUCTURES (INFRASTRUCTURE)	33000	AIRPORTS	33007	AIRPORT PERIMETER PROTECTION	10	25
30000	OTHER STRUCTURES (INFRASTRUCTURE)	34000	WATER	34101	DAMS STRUCTURE CONCRETE	80	100

30000	OTHER STRUCTURES (INFRASTRUCTURE)	34000	WATER	34102	DAMS STRUCTURE EARTH	30	50
30000	OTHER STRUCTURES (INFRASTRUCTURE)	34000	WATER	34103	DAMS MECHANICAL AND ELECTRICAL	15	40
30000	OTHER STRUCTURES (INFRASTRUCTURE)	34000	WATER	34001	WATER METERS	10	20
30000	OTHER STRUCTURES (INFRASTRUCTURE)	34000	WATER	34002	STANDPIPES	5	20
30000	OTHER STRUCTURES (INFRASTRUCTURE)	34000	WATER	34003	WATER METALWORK	10	30
30000	OTHER STRUCTURES (INFRASTRUCTURE)	34000	WATER	34201	PUMP STATIONS STRUCTURE	30	55
30000	OTHER STRUCTURES (INFRASTRUCTURE)	34000	WATER	34202	PUMP STATIONS ELECTRICAL	15	40
30000	OTHER STRUCTURES (INFRASTRUCTURE)	34000	WATER	34203	PUMP STATIONS MECHANICAL	15	40
30000	OTHER STRUCTURES (INFRASTRUCTURE)	34000	WATER	34204	PUMP STATIONS PERIMETER PROTECTION	10	25
30000	OTHER STRUCTURES (INFRASTRUCTURE)	34000	WATER	34301	RESERVOIR STRUCTURE	30	50
30000	OTHER STRUCTURES (INFRASTRUCTURE)	34000	WATER	34302	RESERVOIR ELECTRICAL	15	40
30000	OTHER STRUCTURES (INFRASTRUCTURE)	34000	WATER	34303	RESERVOIR MECHANICAL	15	40
30000	OTHER STRUCTURES (INFRASTRUCTURE)	34000	WATER	34304	RESERVOIR PERIMETER PROTECTION	10	25
30000	OTHER STRUCTURES (INFRASTRUCTURE)	34000	WATER	34004	WATER SUPPLY / RETICULATION	20	50
30000	OTHER STRUCTURES (INFRASTRUCTURE)	34000	WATER	34401	UNDERGROUND CHAMBERS VALVES	15	25
30000	OTHER STRUCTURES (INFRASTRUCTURE)	34000	WATER	34402	UNDERGROUND CHAMBERS METERS	10	20
30000	OTHER STRUCTURES (INFRASTRUCTURE)	34000	WATER	34403	UNDERGROUND CHAMBERS TRANSITION	10	15
30000	OTHER STRUCTURES (INFRASTRUCTURE)	34000	WATER	34404	UNDERGROUND CHAMBERS OTHER	5	10
30000	OTHER STRUCTURES (INFRASTRUCTURE)	34000	WATER	34501	WATER PURIFICATION WORKS STRUCTURE	30	55
30000	OTHER STRUCTURES (INFRASTRUCTURE)	34000	WATER	34502	WATER PURIFICATION WORKS ELECTRICAL	15	40
30000	OTHER STRUCTURES (INFRASTRUCTURE)	34000	WATER	34503	WATER PURIFICATION WORKS MECHANICAL	15	40
30000	OTHER STRUCTURES (INFRASTRUCTURE)	34000	WATER	34504	WATER PURIFICATION WORKS PERIMETER PROTECTION	10	25
30000	OTHER STRUCTURES (INFRASTRUCTURE)	34000	WATER	34505	WATER PURIFICATION WORKS METERS	10	15
30000	OTHER STRUCTURES (INFRASTRUCTURE)	34000	WATER	34005	WATER TELEMETRY	10	15

30000	OTHER STRUCTURES (INFRASTRUCTURE)	34000	WATER	34006	BOREHOLES	20	50
30000	OTHER STRUCTURES (INFRASTRUCTURE)	34000	WATER	34007	BULK PIPELINES	40	50
30000	OTHER STRUCTURES (INFRASTRUCTURE)	35000	SEWERAGE	35101	BULK PIPELINES RISING MAINS	40	50
30000	OTHER STRUCTURES (INFRASTRUCTURE)	35000	SEWERAGE	35102	BULK PIPELINES GRAVITY MAINS	40	50
30000	OTHER STRUCTURES (INFRASTRUCTURE)	35000	SEWERAGE	35201	SEWERAGE PUMP STATIONS STRUCTURE	30	55
30000	OTHER STRUCTURES (INFRASTRUCTURE)	35000	SEWERAGE	35202	SEWERAGE PUMP STATIONS ELECTRICAL	15	40
30000	OTHER STRUCTURES (INFRASTRUCTURE)	35000	SEWERAGE	35203	SEWERAGE PUMP STATIONS MECHANICAL	15	40
30000	OTHER STRUCTURES (INFRASTRUCTURE)	35000	SEWERAGE	35204	SEWERAGE PUMP STATIONS PERIMETER PROTECTION	10	25
30000	OTHER STRUCTURES (INFRASTRUCTURE)	35000	SEWERAGE	35301	WASTE PURIFICATION WORKS STRUCTURE	30	55
30000	OTHER STRUCTURES (INFRASTRUCTURE)	35000	SEWERAGE	35302	WASTE PURIFICATION WORKS ELECTRICAL	15	40
30000	OTHER STRUCTURES (INFRASTRUCTURE)	35000	SEWERAGE	35303	WASTE PURIFICATION WORKS MECHANICAL	15	40
30000	OTHER STRUCTURES (INFRASTRUCTURE)	35000	SEWERAGE	35304	WASTE PURIFICATION WORKS PERIMETER PROTECTION	10	25
30000	OTHER STRUCTURES (INFRASTRUCTURE)	35000	SEWERAGE	35305	WASTE PURIFICATION WORKS METERS	10	15
30000	OTHER STRUCTURES (INFRASTRUCTURE)	35000	SEWERAGE	35001	SEWERS / RETICULATION	30	60
30000	OTHER STRUCTURES (INFRASTRUCTURE)	36000	SOLID WASTE DISPOSAL	36001	COLLECTION VEHICLES	5	10
30000	OTHER STRUCTURES (INFRASTRUCTURE)	36000	SOLID WASTE DISPOSAL	36002	COLLECTION CONTAINERS / BINS	10	15
30000	OTHER STRUCTURES (INFRASTRUCTURE)	36000	SOLID WASTE DISPOSAL	36101	TRANSFER STATIONS AND PROCESSING FACILITIES STRUCTURE	30	55
30000	OTHER STRUCTURES (INFRASTRUCTURE)	36000	SOLID WASTE DISPOSAL	36102	TRANSFER STATIONS AND PROCESSING FACILITIES ELECTRICAL	15	40
30000	OTHER STRUCTURES (INFRASTRUCTURE)	36000	SOLID WASTE DISPOSAL	36103	TRANSFER STATIONS AND PROCESSING FACILITIES MECHANICAL	15	40
30000	OTHER STRUCTURES (INFRASTRUCTURE)	36000	SOLID WASTE DISPOSAL	36104	TRANSFER STATIONS AND PROCESSING FACILITIES PERIMETER PROTECTION	10	25
30000	OTHER STRUCTURES (INFRASTRUCTURE)	36000	SOLID WASTE DISPOSAL	36201	LANDFILL SITE EARTHMOVING AND COMPACTION EQUIPMENT	10	15
30000	OTHER STRUCTURES (INFRASTRUCTURE)	36000	SOLID WASTE DISPOSAL	36202	LANDFILL SITE PREPARATION	0	0
30000	OTHER STRUCTURES (INFRASTRUCTURE)	36000	SOLID WASTE DISPOSAL	36203	LANDFILL SITE STRUCTURE	30	55
30000	OTHER STRUCTURES (INFRASTRUCTURE)	36000	SOLID WASTE DISPOSAL	36204	LANDFILL SITE WEIGHBRIDGE MECHANICAL	15	40

30000	OTHER STRUCTURES (INFRASTRUCTURE)	36000	SOLID WASTE DISPOSAL	36205	LANDFILL SITE WEIGHBRIDGE ELECTRICAL	15	40
30000	OTHER STRUCTURES (INFRASTRUCTURE)	36000	SOLID WASTE DISPOSAL	36206	LANDFILL SITE PERIMETER PROTECTION	10	25
30000	OTHER STRUCTURES (INFRASTRUCTURE)	37000	RAILWAYS	37001	RAILWAY POWER SUPPLY UNITS	20	30
30000	OTHER STRUCTURES (INFRASTRUCTURE)	37000	RAILWAYS	37002	RAILWAY SIDINGS	25	30
30000	OTHER STRUCTURES (INFRASTRUCTURE)	37000	RAILWAYS	37003	RAILWAY TRACKS	15	20
30000	OTHER STRUCTURES (INFRASTRUCTURE)	37000	RAILWAYS	37004	RAILWAY SIGNALING SYSTEM	15	20
30000	OTHER STRUCTURES (INFRASTRUCTURE)	37000	RAILWAYS	37005	RAILWAY SHUNTING YARDS	25	30
30000	OTHER STRUCTURES (INFRASTRUCTURE)	37000	RAILWAYS	37006	RAILWAY PERIMETER PROTECTION	10	25
30000	OTHER STRUCTURES (INFRASTRUCTURE)	38000	GAS SUPPLY SYSTEMS	38001	GAS SUPPLY SYSTEMS STRUCTURE	40	50
30000	OTHER STRUCTURES (INFRASTRUCTURE)	38000	GAS SUPPLY SYSTEMS	38002	GAS SUPPLY SYSTEMS ELECTRICAL	20	25
30000	OTHER STRUCTURES (INFRASTRUCTURE)	38000	GAS SUPPLY SYSTEMS	38003	GAS SUPPLY SYSTEMS MECHANICAL	20	25
30000	OTHER STRUCTURES (INFRASTRUCTURE)	38000	GAS SUPPLY SYSTEMS	38004	GAS SUPPLY SYSTEMS PERIMETER PROTECTION	10	15
30000	OTHER STRUCTURES (INFRASTRUCTURE)	38000	GAS SUPPLY SYSTEMS	38005	GAS SUPPLY SYSTEMS STATION TRUNK RECEIVING	40	50
30000	OTHER STRUCTURES (INFRASTRUCTURE)	38000	GAS SUPPLY SYSTEMS	38006	GAS SUPPLY SYSTEMS STATION DISTRICT REGULATING	40	50
30000	OTHER STRUCTURES (INFRASTRUCTURE)	38000	GAS SUPPLY SYSTEMS	38007	GAS SUPPLY SYSTEMS MAINS / PIPELINE	15	20
30000	OTHER STRUCTURES (INFRASTRUCTURE)	38000	GAS SUPPLY SYSTEMS	38008	GAS SUPPLY SYSTEMS METERS	15	20
30000	OTHER STRUCTURES (INFRASTRUCTURE)	38000	GAS SUPPLY SYSTEMS	38009	GAS SUPPLY SYSTEMS SUPPLY / RETICULATION	15	20
30000	OTHER STRUCTURES (INFRASTRUCTURE)	38000	GAS SUPPLY SYSTEMS	38010	GAS SUPPLY SYSTEMS STORAGE FACILITIES	15	20
30000	OTHER STRUCTURES (INFRASTRUCTURE)	39000	CEMETERIES	39001	CEMETERIES	25	30
30000	OTHER STRUCTURES (INFRASTRUCTURE)	39000	CEMETERIES	39002	CEMETERIES PERIMETER PROTECTION	10	15
30000	OTHER STRUCTURES (INFRASTRUCTURE)	39000	CEMETERIES	39003	INTERNAL ROADS	10	15
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41001	AUDIOVISUAL EQUIPMENT	5	10
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41002	BUILDING AIR CONDITIONING SYSTEMS	10	15
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41003	CELLULAR PHONES	0	2
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41004	CELLULAR ROUTERS	3	
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41005	DOMESTIC EQUIPMENT (NON KITCHEN APPLIANCES)	3	5

40000	OTHER	41000	MACHINERY AND EQUIPMENT	41006	ELECTRIC WIRE AND POWER DISTRIBUTION EQUIPMENT (COMPRESSORS / GENERATORS)	5	7
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41007	EMERGENCY / RESCUE EQUIPMENT	5	10
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41008	ELEVATOR SYSTEMS	15	20
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41009	FARM / AGRICULTURAL EQUIPMENT	5	15
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41010	FIRE FIGHTING EQUIPMENT	3	5
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41011	GARDENING EQUIPMENT	2	4
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41012	IRRIGATION EQUIPMENT	10	15
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41013	KITCHEN APPLIANCES	5	10
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41014	LABORATORY EQUIPMENT AGRICULTURAL	5	7
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41015	LABORATORY EQUIPMENT MEDICAL TESTING	5	7
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41016	LABORATORY EQUIPMENT ROADS AND TRANSPORT	5	7
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41017	LAUNDRY EQUIPMENT AND INDUSTRIAL SEWING MACHINES	10	15
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41018	LEARNING, TRAINING SUPPORT AND LIBRARY MATERIAL	5	10
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41019	MACHINES FOR METALLURGY	5	10
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41020	MACHINES FOR MINING AND QUARRYING	5	10
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41021	MACHINES FOR TEXTILE PRODUCTION	10	15
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41022	MEDICAL AND ALLIED EQUIPMENT	5	10
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41023	MUSIC INSTRUMENTS	10	15
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41024	PHOTOGRAPHIC EQUIPMENT	5	7
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41025	PUMPS, PLUMBING, PURIFICATION AND SANITATION EQUIPMENT	5	10
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41026	RADIO EQUIPMENT	5	7
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41027	ROAD CONSTRUCTION AND MAINTENANCE EQUIPMENT	10	15
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41028	SADDLES AND OTHER TACK	5	7
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41029	SECURITY EQUIPMENT/ - SYSTEMS / - MATERIAL FIXED	3	5
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41030	SECURITY EQUIPMENT/ - SYSTEMS / - MATERIAL MOVABLE	3	5
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41031	SHIP AND MARINE EQUIPMENT	5	10
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41032	SPORT AND RECREATIONAL EQUIPMENT	5	10
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41033	SURVEY EQUIPMENT	5	7
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41034	TELECOMMUNICATION EQUIPMENT	3	5
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41035	TENTS, FLAGS AND ACCESSORIES	5	10
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41036	WOODWORKING MACHINERY AND EQUIPMENT	5	10
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41037	WORKSHOP EQUIPMENT AND LOOSE TOOLS FIXED	5	10
40000	OTHER	41000	MACHINERY AND EQUIPMENT	41038	WORKSHOP EQUIPMENT AND LOOSE TOOLS MOVABLE	3	5

40000	OTHER	42000	FURNITURE AND OFFICE EQUIPMENT	42001	ADVERTISING BOARDS	3	5
40000	OTHER	42000	FURNITURE AND OFFICE EQUIPMENT	42002	AIR CONDITIONERS INDIVIDUAL FIXED AND MOVABLE	3	5
40000	OTHER	42000	FURNITURE AND OFFICE EQUIPMENT	42003	CUTLERY AND CROCKERY	5	10
40000	OTHER	42000	FURNITURE AND OFFICE EQUIPMENT	42004	DOMESTIC AND HOSTEL FURNITURE	10	15
40000	OTHER	42000	FURNITURE AND OFFICE EQUIPMENT	42005	LINEN AND SOFT FURNISHING	5	10
40000	OTHER	42000	FURNITURE AND OFFICE EQUIPMENT	42006	OFFICE EQUIPMENT INCLUDING FAX MACHINES	5	7
40000	OTHER	42000	FURNITURE AND OFFICE EQUIPMENT	42007	OFFICE FURNITURE	5	7
40000	OTHER	42000	FURNITURE AND OFFICE EQUIPMENT	42008	PAINTINGS SCULPTURES ORNAMENTS	5	10
40000	OTHER	43000	COMPUTER EQUIPMENT	43001	COMPUTER HARDWARE INCLUDING OPERATING SYSTEMS	3	5
40000	OTHER	43000	COMPUTER EQUIPMENT	43002	COMPUTER NETWORKS	5	10
40000	OTHER	44000	TRANSPORT ASSETS	44001	AIRCRAFT	10	15
40000	OTHER	44000	TRANSPORT ASSETS	44002	AIRCRAFT ENGINES	5	7
40000	OTHER	44000	TRANSPORT ASSETS	44003	AIRPORT TRANSPORT EQUIPMENT	10	15
40000	OTHER	44000	TRANSPORT ASSETS	44004	BUSSES	10	15
40000	OTHER	44000	TRANSPORT ASSETS	44005	CYCLES	4	7
40000	OTHER	44000	TRANSPORT ASSETS	44006	EMERGENCY VEHICLES	5	10
40000	OTHER	44000	TRANSPORT ASSETS	44007	MOBILE CLINICS	10	15
40000	OTHER	44000	TRANSPORT ASSETS	44008	MOTOR VEHICLES	4	7
40000	OTHER	44000	TRANSPORT ASSETS	44009	RAILWAY ROLLING STOCK	10	15
40000	OTHER	44000	TRANSPORT ASSETS	44010	SHIPS	15	20
40000	OTHER	44000	TRANSPORT ASSETS	44011	SHIPS ENGINES	5	7
40000	OTHER	44000	TRANSPORT ASSETS	44012	TRAILERS AND ACCESSORIES	5	10
40000	OTHER	44000	TRANSPORT ASSETS	44013	TRUCKS	5	7
50000	HERITAGE ASSETS	51000	HERITAGE ASSETS	51001	AREAS OF LAND OF HISTORIC OR SPECIFIC SIGNIFICANCE	0	
50000	HERITAGE ASSETS	51000	HERITAGE ASSETS	51002	CULTURALLY SIGNIFICANT BUILDINGS	0	
50000	HERITAGE ASSETS	51000	HERITAGE ASSETS	51003	NATIONAL MONUMENTS	0	
50000	HERITAGE ASSETS	51000	HERITAGE ASSETS	51004	NATIONAL PARKS / RESERVES	0	
50000	HERITAGE ASSETS	51000	HERITAGE ASSETS	51005	PAINTINGS	0	
50000	HERITAGE ASSETS	51000	HERITAGE ASSETS	51006	SCULPTURES / STATUES	0	
50000	HERITAGE ASSETS	51000	HERITAGE ASSETS	51007	MUNICIPAL JEWELLERY	0	

50000	HERITAGE ASSETS	51000	HERITAGE ASSETS	51008	WORKS OF ART	0	
50000	HERITAGE ASSETS	51000	HERITAGE ASSETS	51009	OTHER ANTIQUES AND COLLECTIONS		
60000	BIOLOGICAL OR CULTIVATED ASSETS	61000	BIOLOGICAL OR CULTIVATED ASSETS	61001	DAIRY CATTLE	0	
60000	BIOLOGICAL OR CULTIVATED ASSETS	61000	BIOLOGICAL OR CULTIVATED ASSETS	61002	FEATHERED ANIMALS	0	
60000	BIOLOGICAL OR CULTIVATED ASSETS	61000	BIOLOGICAL OR CULTIVATED ASSETS	61003	FORESTS AND PLANTATIONS	0	
60000	BIOLOGICAL OR CULTIVATED ASSETS	61000	BIOLOGICAL OR CULTIVATED ASSETS	61004	FRUIT TREES	0	
60000	BIOLOGICAL OR CULTIVATED ASSETS	61000	BIOLOGICAL OR CULTIVATED ASSETS	61005	GAME	0	
60000	BIOLOGICAL OR CULTIVATED ASSETS	61000	BIOLOGICAL OR CULTIVATED ASSETS	61006	ANIMALS FOR REPRODUCTION	0	
60000	BIOLOGICAL OR CULTIVATED ASSETS	61000	BIOLOGICAL OR CULTIVATED ASSETS	61007	ANIMALS FOR WOOL OR MILK	0	
60000	BIOLOGICAL OR CULTIVATED ASSETS	61000	BIOLOGICAL OR CULTIVATED ASSETS	61008	DOGS LAW ENFORCEMENT AND SECURITY	0	
60000	BIOLOGICAL OR CULTIVATED ASSETS	61000	BIOLOGICAL OR CULTIVATED ASSETS	61009	HORSES LAW ENFORCEMENT AND WORKING	0	
60000	BIOLOGICAL OR CULTIVATED ASSETS	61000	BIOLOGICAL OR CULTIVATED ASSETS	61010	PLANTS FOR PRODUCTION OF SEEDS	0	
60000	BIOLOGICAL OR CULTIVATED ASSETS	61000	BIOLOGICAL OR CULTIVATED ASSETS	61011	VINES	0	
70000	INTANGIBLE ASSETS	71000	INTANGIBLE ASSETS	71001	CAPITALIZED DEVELOPMENT COST	0	
70000	INTANGIBLE ASSETS	71000	INTANGIBLE ASSETS	71002	COMPUTER SOFTWARE	2	5
70000	INTANGIBLE ASSETS	71000	INTANGIBLE ASSETS	71003	MASTHEADS AND PUBLISHING TITLES	0	
70000	INTANGIBLE ASSETS	71000	INTANGIBLE ASSETS	71004	PATENTS, LICENSES, COPYRIGHTS, BRAND NAMES AND TRADEMARKS	0	
70000	INTANGIBLE ASSETS	71000	INTANGIBLE ASSETS	71005	RECIPES, FORMULAE, PROTOTYPES, DESIGNS AND MODELS	0	
70000	INTANGIBLE ASSETS	71000	INTANGIBLE ASSETS	71006	SERVICE AND OPERATING RIGHTS	0	
70000	INTANGIBLE ASSETS	71000	INTANGIBLE ASSETS	71007	SERVITUDE	0	
80000	INVESTMENT PROPERTY	81000	UNDEVELOPED LAND	81001	LEASED	0	
80000	INVESTMENT PROPERTY	81000	UNDEVELOPED LAND	81002	UNDEFINED	0	
80000	INVESTMENT PROPERTY	82000	DEVELOPED LAND	82001	LEASED	0	
80000	INVESTMENT PROPERTY	82000	DEVELOPED LAND	82002	UNDEFINED	0	
80000	INVESTMENT PROPERTY	83000	DWELLINGS	83001	LEASED	30	
80000	INVESTMENT PROPERTY	83000	DWELLINGS	83002	UNDEFINED	30	
80000	INVESTMENT PROPERTY	84000	NON RESIDENTIAL STRUCTURES	84001	LEASED	30	
80000	INVESTMENT PROPERTY	84000	NON RESIDENTIAL STRUCTURES	84002	UNDEFINED	30	

ANNEXURE B: ASSETS RESIDUAL VALUES

Asset Class	Residual Value	Comment
Land	None	No depreciation on land
Buildings:		
Dwelling	None	Not trading in open market
Non- Residential	None	Not trading in open market
Infrastructure:		
Electricity	None	Not trading in open market
Roads	None	Not trading in open market
Sewer	None	Not trading in open market
Water	None	Not trading in open market
Telkom sleeves	None	Not trading in open market
Solid Waste – Bins and Containers	R100.00	Scrap metal value
– Collection trucks	10%	10% of the cost price The municipality does not replace vehicles after a fixed period, but rather once the vehicle has reached the end of its functional life.
Other Assets:		
Furniture and Office equipment	R50.00	Typical internal tender proceed
Machinery and Equipment	R50.00	Typical internal tender proceed
Computer Equipment	None	Computers have no scarp value due to frequent changes in technology. No active market
Motor vehicles	10%	10% of the cost price The municipality does not replace vehicles after a fixed period, but rather once the vehicle has reached the end of its functional life.
Heritage Assets:	None	No active market
Intangible Assets:		
Software	None	

		Computers have no scarp value due to frequent changes in technology. No active market

Annexure Q
Policy on the Planning and Approval of Capital Projects 2024/2025

POLICY ON THE PLANNING AND APPROVAL OF CAPITAL PROJECTS

2024/2025 FINANCIAL YEAR

MIDVAAL
LOCAL MUNICIPALITY

TABLE OF CONTENTS

		PG
1.	Scope and Application	3
2.	Purpose and Objective	3
3.	Background	3
4.	Policy Statement	4

POLICY ON THE PLANNING AND APPROVAL OF CAPITAL PROJECTS

1. Scope and Application

The policy will be applied during allocation of funding at the time of approval of the Capital Budget for the forthcoming financial period.

This policy must be read in conjunction with the Supply Chain Management Policy.

2. Purpose and objectives

The purpose and objectives of this policy are to:

2.1 Ensure the optimum allocation of resources to projects that can be implemented within the timeframes budgeted for; and

2.2 Ensure that capital projects are only budgeted for if feasibility for the said project has been demonstrated..

3. Background

The MTREF period applicable to municipalities are 3 years, therefore the capital budget is also spread over a period of 3 years. This provides departments the opportunity to plan their capital spending activities in advance, allowing for a more strategic approach.

The typical cycle for a capital project consists of at least the following phases:

3.1 Feasibility study;

3.2 Basic planning;

3.3 Environmental Impact Assessment;

3.4 Detail Planning and design; and

3.5 Implementation.

4. Policy Statement

That all capital projects be evaluated in terms of a project plan (time frame) as well as a cash flow linked to the project plan, to determine the practicality to implement the project within the proposed budget and time frame (multi-year projects).

That all proposed budgets for projects be approved only if the evaluation is positive.

The policy will be effective as from 1 July 2024.

Annexure R
Indigents Policy
2024/2025

INDIGENT POLICY

2024/2025 FINANCIAL YEAR

MIDVAAL
LOCAL MUNICIPALITY

INDIGENT POLICY

1. DEFINITIONS

"Accounting Officer" means the municipal manager appointed in terms of Section 60 of the Municipal Finance Management Act;

"Annually" means once every financial year;

"Chief Financial Officer" means the person appointed as the Chief Financial Officer of the Municipality, or his or her nominee;

"Child headed family" means a household where both parents are deceased and where all occupants of property are children of the deceased and under the legal age to contract for services.

"Household" means all the adults and children living together at a single residential property.

"Indigent" means any household or category of households, including a child headed household earning a combined gross income, as determined by the municipality in terms of social and economic analysis of its area, as vested in the municipal policy, which qualifies for rebates or service subsidy, provided that the child support grant is not included when calculating such household income.

"Deemed Indigent Household" means individuals who live together in a single residential property and qualifies for indigent relief based on the use and value of property as determined in terms of general valuation roll.

"Deemed Non-Indigent"
Employees and councillors of the municipality and government employees and any other government employees are specifically excluded from being considered as indigent.

"Indigent Customer" means the head of an indigent household who applied for and has been declared indigent;

"Indigent Policy" means the Indigent Policy adopted by the Council of the Municipality.

"Indigent Support Program" means a structured program for the provision of indigent support subsidies to qualifying indigent customers in terms of the Council's Indigent Policy;

“Indigent register” means the municipal list of indigent customers as per the municipal policy which has to be updated on a monthly basis or as and when required, designed to contain all the data contained in the completed indigent application forms.

“Informal Structure” means a temporary structure used for residential purposes

“Owner” in relation to immovable property means the legally registered owner or person in whom is vested the legal title thereto.

“Separated Couple” means a married couple who are separated and no longer living together even though they have not been legally divorced.

2. PREAMBLE

2.1 In recent municipal discourse in South Africa the term “indigent policy” has tended to refer to a policy on how chronically poor households should be dealt with in relation to the generation of municipal income.

2.2 Most commonly, these policies adopt a narrow approach to this, seeking to define indigence in terms of particular household income level, administratively identifying household falling below this level, and providing them with a package of free basic services which is subsidised by the Equitable Share transfers that the municipality receives from National Treasury.

2.3 The approach taken by Midvaal is that the indigent policy should refer to something broader and defines it rather as the whole set of interventions that ensure that the basic needs of the poor are met, and their rights upheld while protecting resources for use by the next generation.

3. BACKGROUND

3.1 An indigent policy is required to ensure that constitutional obligations relating to the socio-economic rights of all South Africans are realised.

3.2 Failure to address the needs of the poor may jeopardise growth while poverty relief may stimulate growth and competitiveness by creating a more stable environment.

3.3 An indigent policy provides an opportunity to create a safety net to the poorest section of the population.

3.4 Poverty Manifestation in Midvaal

Poverty is more than a lack of income. Poverty exists when an individual's or a household's, access to income, jobs, infrastructure or services is inadequate to ensure full access to opportunities in society. The condition of poverty is caused by a combination of social, economic, spatial, environmental and political factors.

3.5 It is clear from the poverty profiles that not only is poverty a general critical problem in Midvaal, but that there is a significant number of people who are living in extreme poverty and who without Council support will be unable to afford to pay for even the most basic of services.

4. INDIGENT POLICY PRINCIPLES

4.1 Equity

This implies that all people in a similar position should be treated similarly. The municipality must differentiate fairly between those in different circumstances and treat them accordingly.

4.2 Sustainability

The policy must be financially and environmentally sustainable. This assumes a judicious long-term approach to the use of resources in both Finance and Social Services sections.

4.3 Reasonable choices

The policy shall enable all households, including indigent households, to take responsibility and make choices wherever possible that best suit their circumstances.

4.4 Inclusivity

Income and indigent policies for poor residents must be integrated seamlessly with income policy for all other citizens.

As households' circumstances change, they should be able to shift relatively easily across the continuum of choices.

4.5 Implementable

The indigent Policy must be administratively practical and implementable. Both Social Services and Finance shall play a key role to implement the policy.

5. OBJECTIVE

5.1 The policy seeks to address but not limited to:

5.1.1 The high levels of chronic poverty in Midvaal.

5.1.2 The requirement of developmental local government that municipalities work together with local communities to find ways to meet the needs of the poor and to improve their lives.

5.1.3 The Constitutional obligations to provide basic services to the poor.

5.1.4 The Indigent Support Policy will seek to provide support to the registered indigents by providing:

- Free basic municipal services
- Indigents burials
- Employment opportunities

6. LEGISLATIVE FRAMEWORK

6.1 This policy is designed and implemented within the framework of the following legislation:

- The Constitution of South Africa sets out the obligation of government
- Local Government: Municipal Structures Act 117 of 1998
- Municipal Structures Amendment Act 33 of 2000
- Municipal Systems Act 32 of 2000
- Local Government Property Rates Act, 6 of 2004
- Municipal Finance Management Act 56 of 2003
- Water Services Act 108 of 1997
- Annual Division of Revenue Act

Guidelines

- Framework for Municipal Indigent Policies: Towards a basket of services for the poor dated May 2007.
- Free Basic Strategy and guidelines prepared by the Department of Water Affairs and Forestry.
- Electricity Basic Support Tariff (free basic electricity) Policy prepared by the Department of Minerals and Energy.

7. SCOPE OF THE POLICY

7.1 The policy covers a wide range of indigent benefits such as but not limited to:

- Indigent rates and tax rebates
- Indigent burials

7.2 Expanded Social Package (employment opportunities)

8. DEFINITION OF INDIGENT AND POOR HOUSEHOLD

8.1 a. Indigent Households are defined as those people, due to a number of factors, who are unable to make monetary contribution towards basic services, no matter how small the amounts seem to be.
b. Poor Households are defined as those people, due to a number of factors, who are only able to make limited monetary contribution towards basic services, no matter how small the amounts seem to be.

8.2 Any household, earning less than three times maximum old age pension (, qualifies to be registered as indigents. This includes pensioners, unemployed, child headed families and students. Midvaal Local Municipality will benchmark the income level of indigent households with the income category as determined by the department of Human Settlement for ownership of RDP properties.

8.3 A household is defined as all adults and children living on a single residential property.

8.4 An indigent policy will thus refer to fairly limited set of administrative procedures within the income function for distributing grant support to reduce the municipal account for particular households.

8.5 As per the indigent policy, an indigent database refers to a data base that Midvaal Local Municipality established to register and monitor all households that are categorised as per financial definition of an indigent.

9. QUALIFICATION CRITERIA

9.1 Four categories of indigents will be considered:

9.1.1 **Category 1:** Registered property owners (not tenants) who will benefit from the rebates in section 11.1 – 11.11 (must qualify in terms of section 9.2 – 9.9 below);

9.1.2 **Category 2:** Deemed indigents who will benefit from the rebates in section 11.1 – 11.11 (must qualify in terms of section 9.11 – 9.19 below);

9.1.3 **Category 3**: Other indigents who do not own property in Midvaal Local Municipality and will only qualify for benefits in terms of sections 11.11 and 11.14.

9.1.4 **Category 4**: RDP property owners for which the property is still in the process of being transferred to the beneficiary's name will benefit from the rebates in sections 11.1 – 11.11 (must qualify in terms of section 9.2 – 9.9 below). These properties shall be levied for refuse and sewer services where the occupiers are already receiving the services

Registered Property Owners
In respect of 9.1.1 above:

9.2 Any household, earning less than three times maximum old age pension qualifies to be registered as indigent, **excluding support from family and nonprofit organisations including churches** (up to a maximum of **R1 000** per month) child support grant, foster grant and disability grant and bursaries such as NSFAS. Rental income will be included in the threshold of the maximum old age pension times 3 per month, but will exclude the salary of the tenant living on the Indigent applicant's property.

9.3 A once of lumpsum payment not exceeding R100 000.00 will not be considered as income for indigent status application.

9.4 Once approved as an indigent, the water and electricity meters will be converted to prepaid meters at the cost of the municipality.

9.5 The applicant must be a resident of the Midvaal municipal area and must be the full-time occupier of the property (i.e. it must be a residential property);

9.6 Business or industrial property owners do not qualify as indigents;

9.7 Property owners with more than one property do not qualify as indigents;

9.8 Owners of vacant land do not qualify as indigents, with the exception of owners living in informal structures on the vacant land and provided that the owner does not own multiple properties;

9.9 The applicant must be in possession of a valid South African identity document;

9.10 The applicant must be the registered owner of the property; or

9.10.1 An occupier of a child-headed household where the property is registered in the name of the deceased parent(s) – a Letter of Executorship and a Death Certificate will be required as part of the application;

9.10.2 The party to whom the property is awarded in the event of a divorce; however, separated couples will not be treated as divorced and the income of both spouses will be included in the joint monthly household income for purposes of determining indigent status. In the event of joint ownership (e.g. 3 owners) where only one owner is staying at the property, the proof of income of all owners shall be included in the joint monthly household

9.10.3 Where a deceased estate has not been wound up a Letter of Executorship and a death certificate is needed;

9.10.4 In the case of a deceased estate, in whose name the property is registered, any heir to whom the registered property has been bequeathed;

9.10.5 A surviving spouse, where the surviving spouse was married in community of property to the deceased, and where the property is registered in both spouses' names and the surviving spouse is the sole heir;

9.10.6 A surviving spouse, who was married in community of property to the deceased, together with any other heirs, if any, where the property is registered in the name of that deceased;

Deemed Indigents
In respect of 9.1.2 above:

Households within the following categories of properties will be deemed to be indigent households:

9.11 the property is used for residential purposes only as reflected in General Valuation roll;

9.12 the residential exclusion as per Property Rates Act 2004 (Act 6 of 2004) is applicable to property;

9.13 the property is in a RDP area like Lakeside and Sicelo (Meyerton Farms)..

9.14 the RDP allocated houses in Savanna City irrespective of the property value.

9.15 the municipal value of property does not exceed R150 000 subject to the owner having only a single residential property;

9.16 If a property was found to have improvements made in an area which is regarded as deemed indigents, the indigent status will be removed from that property.

Indigent relief will be withdrawn where the owners, occupants, residents and or dependants residing on the property, as the case may be, -

9.16 owns more than one property, registered individually or jointly;

9.17 rents or leases the property to any third party;

9.18 deemed indigent household tampers or illegally connects or reconnects services;

9.18 business activities are being conducted on property and the monthly income exceeds three times maximum old age pension

9.19 properties registered in name of National, Provincial or Local Government; or

9.20 owner of property applies to be excluded from deemed indigent relief.

9.21 debt written off previously will be reinstated immediately.

10. INDIGENT AND POOR HOUSEHOLD APPLICATION PROCESS

10.1 Category 1: Rebates on rates and municipal services

10.1.1 Residents wishing to apply as indigent households should complete an application form and the following information MUST be provided:

- Proof of total household income (gross income);
- Bank Statements for 3 months with declarations from all banks that the applicant and all other adult members of the household do not have any other bank accounts. No affidavits in lieu of bank statements will be accepted;
- Ownership status;
- Unemployed applicants must attach an affidavit from the Police Station;
- Valid copy of SA identity document;
- Pension certificate or card in case of a pensioner;
- Letter of Authority and Death Certificate where applicable;
- Will and Death Certificate where applicable;
- Municipal account; and

- An additional verification may be done with credit vetting agencies as an internal control measures for indigent applications.

10.1.2 The completed application form will be checked by the Finance department and referral to the Social Services department for assessment for all Indigent Household application (See flow chart on procedures and processes).

10.1.3 The assessment by Social Services can either be done based on information provided in the application form or by site visit.

10.1.4 The assessments of the indigent applications by Social Services will include lifestyle verification and ownership of luxurious items e.g. motor car, DSTV decoders etc.

10.1.5 All application forms received by Social Services will be recorded electronically by the Finance and Social Services departments for control purposes.

10.1.6 The Executive Mayor will appoint a screening committee who will consider the applications and approve applications complying with the criteria set out in this policy.

10.1.7 All approved applications will be returned to the Finance department for capturing on the financial system.

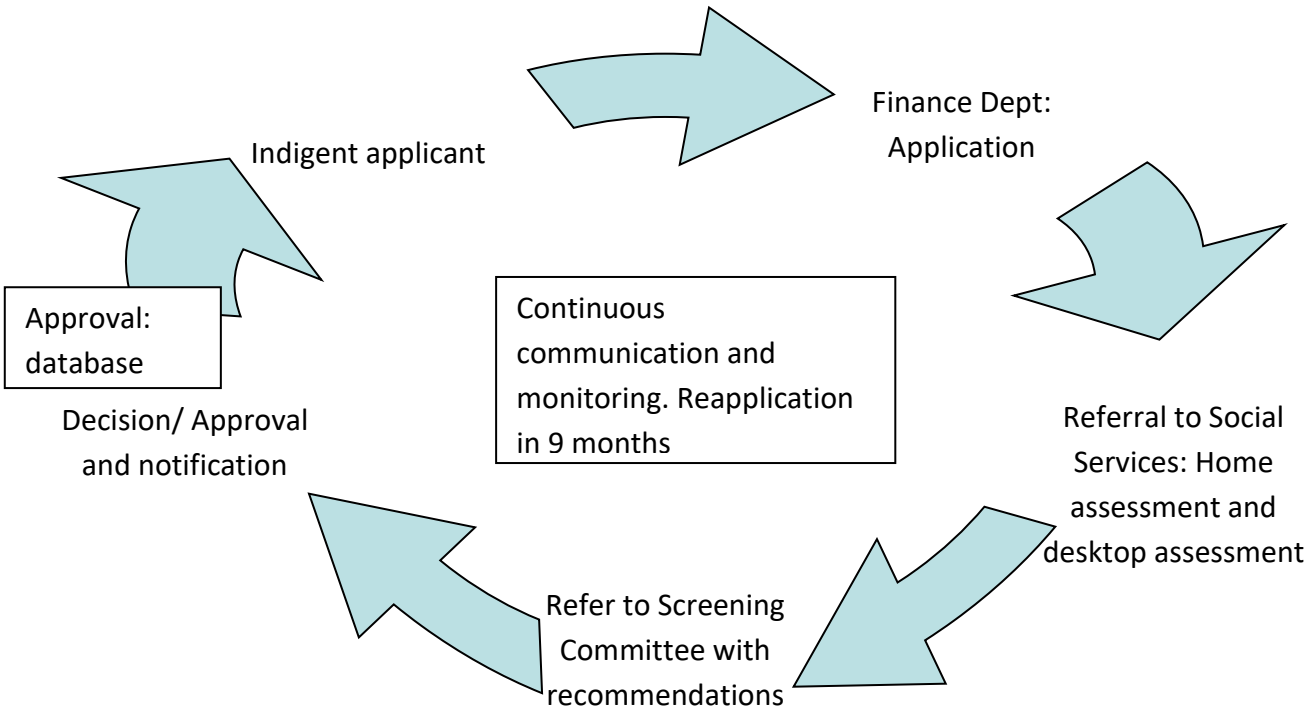
10.1.8 a. For Indigent applications, all outstanding account balances (including handovers) as at date of approval will be written off.

10.1.8 b. For Poor Household applications, all outstanding account balances (including handovers) as at date of approval will be written off only as a once off arrangement.

10.1.9 Registered indigents whose status have not changed (i.e. they will qualify as indigent household); must re-apply nine months after approval to ensure their application is re-considered before it lapses after a year.

10.1.10 Indigents are compelled to inform Council about any change of their indigence status.

10.1.11 No legal action, eviction will be instituted against approved and registered indigents.



Desktop assessment is based on evidence presented.

10.2 Category 2: Deemed Indigents

There is no formal application process. All property owners whose property's in the valuation roll is valued up to and including R150 000 will be regarded as deemed to be indigents. No application process – the Finance department will determine beneficiaries based on the approved Municipal Property Valuation Roll.

10.3 Category 3: Non-property owners (burial and employment benefits)

10.3.1 Residents wishing to apply for burial benefits should complete an application form for capturing. The family can request an indigent burial by means of an affidavit, substantiated by an official letter from a social worker, ward councillor or a relevant MMC. The said documentation must indicate the reasons for this request;

10.3.2 All indigent burials will be conducted during the week.

10.3.3 Midvaal Local Municipality will not be liable for storage costs of bodies beyond 48 hours.

10.3.4 The following information MUST be provided as part of the application:

- Proof of total household income (gross income);
- Proof of residence (the deceased must be a bona fide resident of Midvaal);
- Valid copy of SA identity document;
- Proof from the family member / relative that they cannot bury the deceased;
- Confirmation that no other person or organisation other than the relatives, are in a position or do not have resources to pay for the burial.

10.3.5 If the body was found outside the Midvaal Municipal area of jurisdiction and the person is not a resident of Midvaal, the request for an indigent burial must be referred to the relevant local authority where the person was a bona fide resident.

10.3.6 The Executive Director Social Services will consider the application and grant approval where the application complies with the conditions of this policy.

10.3.7 The Executive Director Social Services must ensure that all the above-mentioned procedures and requirements are met before an order could be placed at the contracted funeral undertaker appointed by Midvaal Local Municipality to bury a deceased person as indigent.

10.3.8 For certain positions in Council employment opportunities will be given to persons in the indigent register (per household) on the express condition that the person so employed assumes responsibility for the municipal account of the household.

10.3.9 Residents wishing to apply for employment opportunities, must register on the labour register at the Human Resources Department (application based and deemed indigents).

11. BENEFITS OF REGISTERED INDIGENTS

11.1 All outstanding balances (including handovers) as at date of approval will be written off as contemplated in clause 10.1.8 above.

The indigent account that was handed over to Debtor Collector / Attorneys will be withdrawn.

11.2 Indigent households will receive their first 6kl of water consumption at no cost.

11.3 The cost of the free basic water be levied and be offset as income foregone and funded from the equitable share grant received in terms of the annual Division of Revenue Act.

11.4 The Municipal Manager may grant authority that a prepayment meter or water management device be installed in those properties where the registered owners qualify and are registered for indigent relief so that the debtor cannot consume water beyond the free basic quantity.

11.5 Registered indigents will receive a free supply of pre-paid electricity of 50 kWh per month.

11.6 The cost of free basic electricity will be levied and be offset as income foregone and funded from the equitable share grant received in terms of the annual Division of Revenue Act.

11.7 The Municipal Manager may grant authority that a prepayment meter be installed in those properties where the registered owners qualify and are registered for indigent relief.

11.8 All registered indigents will be levied with a weekly residential refuse removal service and be offset as income foregone and funded from the equitable share grant received in terms of the annual Division of Revenue Act.

11.9 All registered indigents will be levied with a residential sewerage service (where the municipality provides a sewerage service) and be offset as income foregone and funded from the equitable share grant received in terms of the annual Division of Revenue Act.

11.10 Approved Indigent Customers with a property value not exceeding R1 500 000.00 will be exempted from Property rates.

11.11 Approved Indigent Customers with a property value exceeding R1 500 000.00 will only be exempted from Property rates for a period not exceeding 12 months only once off.

OTHER INDIGENTS

11.12 The council will consider the burial of any person or immediate family member of such person, if she / he is registered as an indigent within Midvaal Local Municipality;

11.13 No water and or electricity connection fee will be charged to indigent households as applicable.

11.14 The municipality will attempt to assist child headed households with the registration of their properties in the deeds office by approaching the municipality's panel of attorneys to do the registration as part of their pro bono services.

11.15 The waiving of charges for other municipal services such as fire services will be considered based on written applications submitted to the Municipal Manager.

12. Pro Poor Households

12.1 Owners dependent on pensions or social grants: Residential property owners who are both permanent occupiers and the sole owners of the property concerned whose aggregate household income does not exceed the maximum of 4 times old age pension per month will receive a rebate of 50% of their property rates with a property value not exceeding R1 500 000.00 Customers with a property value exceeding R1 500 000.00 whose aggregate household income does not exceed the maximum of 5 times old age pension per month will receive a rebate of 25% of their property rates.

This rebate will be valid for a period of 12 months from date of approval.

12.2 All outstanding balances (including handovers) as at date of approval will be written off as contemplated in clause 10.1.8 b. above

13. TERMINATION OF INDIGENT AND POOR HOUSEHOLD SUPPORT

The Support will be terminated under the following circumstances:

12.1 At the end of the 12 months cycle;

12.2 Upon the sale of the property in respect of which support is granted and subdivision of such property.

12.3 When Circumstances in the indigent household have improved to the extent where the income threshold as determined is exceeded;

12.4 If the applicant is found to have lied about his / her personal circumstances or has furnished false information regarding indigent status the application shall be terminated, the amount written off shall be debited back to the account and stringent credit control measures will be applied;

12.5 Where tampering with meters is discovered, all benefits will immediately be halted. A fine according to the Credit Control Policy will be imposed. The service will be terminated and will only be re-installed on the payment of the full amount of the reconnection fee and fine;

12.6 Upon the death of the indigent, and if the indigent had dependents, the dependents will have to re-apply for the support as subsidies are not transferable.

12.7 Services will be suspended / restricted to indigents who fail to pay for services consumed in excess of the subsidised amount.

12.8 If any extensions to the property is affected, building or otherwise, the debt will be re-instated and the indigent status will be cancelled. This includes RDP allocated houses in Savanna City.

13. OTHER MATTERS

13.1 The Granting of an indigent subsidy shall be the sole prerogative of Council whose decision shall be final.

13.2 The Indigent Policy shall be applied consistently.

13.3 It is a priority of Council to ensure that the poor receive affordable basic services. However, this task is made more complex by the proportion of the population who are potential beneficiaries of the indigent programme but do not come forth to register as indigents.

13.4 The Social Services Department will investigate possible ways of creating and encouraging exit programs for indigents.

13.5 Any information affecting indigents will be made available in the official language of Council and translation will be available upon request.

14. EFFECTIVE DATE

The Policy is effective from 1 July 2024**.**

Annexure S
Policy related to the provision of free basic electricity
2024/2025

POLICY: PROVISION OF FREE BASIC ELECTRICITY (FBE)

2024/2025 FINANCIAL YEAR

MIDVAAL
LOCAL MUNICIPALITY

POLICY: PROVISION OF FREE BASIC ELECTRICITY (FBE)

FBE ALLOCATION IS 50 kWh units per month.

Note: Electricity used for business purposes is excluded from the free basic electricity allocation.

1. PURPOSE

The purpose of this policy is to provide guidelines to determine a uniform approach for the allocation of free basic electricity (FBE) to residents of the Municipality.

2. ELIGIBILITY

The FBE is only applicable to residential households

- that are registered as Indigent Households in terms of the Indigent Policy of the municipality and
- that have a prepaid electricity meter installed at their homes

3. BENEFIT

Residential households that meet the eligibility criterion to receive FBE will be allocated 50kWh of electricity at no charge on a monthly basis.

Unused allocations from one month may not be accumulated nor carried forward to the next month

The benefit applies to all Indigent residential household that meet the eligibility criteria, notwithstanding whether electricity is supplied by the municipality or directly by Eskom.

1. IMPLEMENTATION DATE

The policy will be effective as from 1 July 2024.

Annexure T
Policy related to the provision of free basic water 2024/2025

POLICY: PROVISION OF FREE BASIC WATER (FBW)

2024/2025 FINANCIAL YEAR

MIDVAAL
LOCAL MUNICIPALITY

POLICY: PROVISION OF FREE BASIC WATER (FBW)

1. OBJECTIVES OF THE POLICY

The objectives of the policy are –

- To realize everyone's constitutional right of access to sufficient water
- To support all approved Indigents in terms of the Council's Indigent policy, with a monthly allowance of free basic water.

- To provide guidelines to determine a uniform approach for the allocation of free basic water (FBW) to residents of the Municipality.

2. ELIGIBILITY

The FBW is only applicable to residential households that are registered as Indigent Households in terms of the Indigent Policy of the municipality.

3. BENEFIT

The block tariff adopted by Council for the use of the water services exclusively for household purposes provides for every household to receive free kiloliters of water per month as stipulated below:

- Registered Indigent Households 6 kl free per month.

3.1 Implementation Date

The policy will be effective as from 1 July **2024.**

Annexure U
Policy on the Acceptance of Grants, Donations, Sponsorships and Gifts 2024/2025

POLICY ON THE ACCEPTANCE OF GRANTS, GIFTS, DONATIONS AND SPONSORSHIPS

2024/2025-FINANCIAL YEAR

MIDVAAL
LOCAL MUNICIPALITY

CONTENTS

		Page
1.	Introduction	3
2.	Relevant Legislation	3
3.	Acceptance of Grants, Gifts, Donations and Sponsorships	4
3.1	Capital Grants	4
3.2	Operating Grants	5
3.3	Donations and Sponsorships to the Municipality	5
3.4	Donations and Sponsorships from the Municipality	6
3.5	Rewards, gifts, hospitalities or other benefits directly or indirectly offered to employees of Midvaal	8
3.6	Rewards, gifts, hospitalities or other benefits directly or indirectly offered to Councillors of Midvaal	10
3.7	Cost Containment Regulations, 2019: Sponsorships	10
4.	Reporting to Council on Grant Funding for Capital and Operating Projects	10
5.	Other reporting requirements	11
6.	General	12
7.	Enforcement	12

1. Introduction

The Midvaal Local Municipality (MLM) receives various forms of grants, gifts and donations.

These include:

1. Grant funding for capital projects, as per the Division of Revenue Act (DORA), e.g. MIG, Equitable Share and RBIG;

2. Grant funding to fund operational projects, as per the Division of Revenue Act (DORA), e.g. FMG and MSIG;

3. Sponsorships to fund mayoral projects, e.g. Mayoral Golf Day and various other municipal events and functions;

4. Any other sponsorships;

5. Any other ad hoc grants, gifts and/or donations.

These grants, gifts, donations and sponsorships need to be managed effectively and efficiently to ensure that the desired outcomes or prescribed outcomes in the case of conditional grants, are met.

In addition to grants, gifts, donations and sponsorships offered to the Midvaal Local Municipality, individuals (employees and councillors) are offered rewards, gifts and favours.

2. Relevant Legislation

Apart from various other legislation, the focus is placed on the following relevant legislation:

1. Local Government: Municipal Finance Management Act, Act 56 of 2003 (the "Act");

2. Local Government: Municipal Finance Management Act, Act 56 of 2003, Municipal Cost Containment Regulations, 2019 (the "Regulations")

3. Policy on the Acceptance of Grants, Gifts, Donations and Sponsorships (the "Policy")

4. Midvaal Local Municipality: Supply Chain Management Policy, Sections 46, 47 and 48

3. Acceptance of grants, gifts, donations and sponsorships

Midvaal Local Municipality should not simply accept all grants, gifts and donations offered to Council, but should consider all the implications of acceptance of the grants before doing so.

The Municipal Finance Management Act, Act 56 of 2003 and the Municipal Supply Chain Management Regulations, subject to the Supply Chain Management Regulation 47, do not prohibit sponsorships or donations (in money or kind) to the municipality as such, but prescribe that such action must be disclosed if it was promised, offered or granted by a provider or prospective provider of goods and services or a recipient or prospective recipient of goods disposed of or to be disposed of. In deciding whether to accept the abovementioned, due regard must be given to the Supply Chain Management Policy.

3.1 Capital Grants

Capital grants must be evaluated in terms of the Integrated Development Plan (IDP) priorities. Council will firstly implement projects to satisfy community need in terms of the IDP before other projects are implemented. However, capital projects not included in the IDP must be considered in terms of a comprehensive business plan that must contain the following pertinent information:

1. Description of project;
2. Link to existing projects and projects planned by other departments;
3. Staffing requirements – re-deployment of current employees (appointed staff, not vacant positions on the staff structure) or appointment of additional external employees (including both the number of employees and the designation/salary levels);
4. Impact on future operational budgets, including both income and expenditure – all expenditure items must be included, e.g. remuneration cost, operational overhead costs and municipal services;
5. Any additional information available, inter alia:

    5.1 What the impact on service delivery will be if the project is not implemented; and

    5.2 Comments on capacity to implement.

3.2 Operating Grants

Operating grants should be considered on an ad hoc basis. All grants that aim to further the objectives of the Midvaal Local Municipality should be considered for acceptance.

The following broad principles should be applied when considering whether or not to accept a grant:

1. Grant funding should not result in recurring operating expenditure for Midvaal;
2. The conditions of the grant funding should not place any undue administrative burden on Council;
3. The Vision and Mission of Council should not be compromised in any way by accepting the grant;
4. The conditions of the grant funding should not compromise Council's authority and decision-making powers in any way; and
5. The Executive Mayor may use his/her discretion when being offered grants and acceptance thereof.

3.3 Donations and Sponsorships to Midvaal

The acceptance of donations and sponsorships must at all time be done in such a manner that it maintains and promotes sound financial management, public accountability, transparency and good governance.

When donations and sponsorships are offered to the municipality, the following must be considered:

1. Whether the sponsorship or donation creates an expectation of further work, contracts, support to the organisation or person making the sponsorship or donation;
2. Whether the Municipal Finance Management Act Training Sponsorship comply with the MFMA Circular 9 in that the training providers must be validated by National Treasury. This applies only to training on MFMA and not any other training courses;
3. Whether the sponsorship or donation is within the ambit of the Supply Chain Management Regulations 47 and 48; and
4. Whether the sponsorship or donation infringes the ethical standards set in the Supply Chain Management Policy, Section 46.

5. Whether the donation or sponsorship may have financial, operational or reputational consequences to the municipality in the future, and where it is foreseen whether it is desirable to incur such consequences.

6. Whether the donation or sponsorship is desirable.

If it is found that the donation or sponsorship is offered or granted with the intention of being an inducement or reward for the awarding of any form of bid, or that it infringes on the ethical standards of the Supply Chain Management Policy, Regulation 46, the donation or sponsorship may not be accepted.

All donations or sponsorships offered or granted to Midvaal must be submitted to the Municipal Manager for approval. Excluding the Executive Mayor as stated in (2.2)(5) above, no person other than the Municipal Manager may authorise the acceptance of donations or sponsorships.

All relevant donations or sponsorships offered or granted to Midvaal must be declared to National Treasury in terms of Section 48 of the Supply Chain Management Regulations.

3.4 Donations and Sponsorships from the Municipality

Midvaal should not provide donations or sponsorships to organizations for commercial endorsements to gain credibility from association with the municipality.

When donations or sponsorships are offered from the municipality, the following should be considered:

1. Donations or sponsorships arrangement in which organization pays for all or some of the cost associated with a project or an event in exchange for recognition in partnership with the municipality must

    - Directly relate to the municipality's outcomes;
    - Provide value for money;
    - Enhance the municipality's credibility and image;
    - Deliver clear and measurable benefits;

2. The municipality should not enter into marketing communication donation or sponsorship arrangements with an organization or institution whose projector event is likely to adversely affect the content or interpretation of the municipality's programmes, services or raise conflict of interest.

3. All donation and sponsorship agreements (even those that involve a minimum amount or non-monetary items) are required to be in writing, either as a letter, a formal contract or stakeholder agreement.

4. Donation or sponsorship agreements must clarify the roles, rights and responsibilities of both parties and protect the municipality from unwanted liabilities, and also include a clause that affords the municipality the right to terminate the arrangements when it is felt that the activities are incompatible with those of Midvaal. All signatories must have the required authority to sign such donation or sponsorship agreements.

5. All donation or sponsorship agreements must have a certain standard criteria, the terms and conditions must be precise and should at least address the following:

    1. Identify all parties to the sponsorship (including third parties);
    2. Specify the exact nature and value of the donation or sponsorship;
    3. Specify the payment terms, including how and when the payment will be made and to whom;
    4. Specify the length of the donation or sponsorship agreement, options or conditions for renewal;
    5. Describe what the money or items is to be used for as set out in the budget;
    6. Specify in detail both parties' rights and benefits set out any special conditions that may apply;
    7. Set out financial accountability requirements;
    8. Specify what must happen to any surplus funds;
    9. Specify warranties and details concerning liability, including limits to liability and who is responsible for public liability and insurance;
    10. Stipulate that the municipality is under no obligation to continue the relationship beyond the contract donation or sponsorship period;
    11. Specify who owns any intellectual property which might arise;
    12. Specify relations with any employees of the organization seeking donation or sponsorship opportunities;
    13. Consider methods to secure payment against the other party's failure to deliver;
    14. The municipality's corporate identity must be adhered to with respect to all creative materials developed in the promotion of any activities when co-branding occurs;
    15. Donation or sponsorship agreements must include the municipality's right to review all marketing promotional materials and activities produced, including specific uses prior to release.
    16. Indemnify the municipality against risk;

The sponsored organization must provide a close out report which set out financial accountability and conditions on the use of funds received.

3.5 Rewards, gifts, hospitalities or other benefits directly or indirectly offered to employees of Midvaal

1. No employee may accept any reward, gift, favour, hospitality or other benefit directly or indirectly, including any close family member, partner or associate of the employee, of a value more than R350 annually from any provider or potential provider of goods/services;

2. Notwithstanding the above, the relevant employee must declare details of any reward, gift, favour, hospitality or other benefit promised, offered or granted to him/her or to any close family member, partner or associate of him/her;

3. Each Head of Department must maintain a Gift Register where rewards, gifts, favours, hospitality or other benefits that are offered and/or accepted by employees in his/her department are recorded; and

4. The abovementioned register must be available for inspection by the Municipal Manager and the Internal/External Auditors of Midvaal;

5. The following five questions must be considered, when giving or accepting a gift. If you can answer 'yes' to any of them, you should reconsider ...

1.

Could the gift potentially make the receiver feel obliged to act in my interest? This might happen if the gift is expensive.

2.

Am I trying to buy influence?
In other words, am I hoping that the gift will encourage someone to do something specific that I want?

3.

Could someone else who hears about it reasonably think that I am trying to buy influence; if the receiver is in a position to make a decision that affects me?

4.

Is this something that the receiver could easily return in their personal capacity? Again, the cost of the gift will be important here.

5.

Is it prohibited by my or the other party's organisational gift policy? This will be the case with most government departments, and with almost all cash "gifts".

Information Source: The Ethics Institute, Ethics Toolbox

3.6 Rewards, gifts, hospitalities or other benefits directly or indirectly offered to Councillors of Midvaal

1. The same rules as per 2.4 above apply to Councillors mutatis mutandis.

2. The Gift Register contemplated in 2.4.3 above, shall be maintained by the Office of the Speaker.

3.7 Cost Containment Regulations, 2019: Sponsorships

Apart from various other stipulations contained in the regulations, the following stipulations are specifically applicable on this policy:

1. An accounting officer must ensure that social events, team building exercises, year-end functions, sporting events and budget vote dinners are not financed from the municipality or the municipal entity's budgets or by any suppliers or sponsors (Refer to Section 10(5) of the regulation).

2. A municipality or municipal entity may not incur expenditure on corporate branded items like clothing or goods for personal use of officials, other than uniforms, office supplies and tools of trade unless costs related thereto are recovered from affected officials or is an integral part of the business model (Refer to Section 10(6) of the regulation).

3. Municipal resources may not be used to fund elections, campaign activities, including the provision of food, clothing, printing of agendas and brochures and other inducements as part of, or during election periods or to fund any activities of any political party at any time (Refer to Section 13(2) of the regulation).

4. Reporting to Council on Grant Funding for Capital and Operating Projects

It is the responsibility of the end-user department receiving the grant to report to Council on the following matters upon receiving confirmation of the grant:

1. Description of the grant received;
2. Amount received;
3. Purpose of the grant;
4. Conditions of the grant;
5. Implementation plan; and
6. Expected outcomes.

Abovementioned will only be applicable to ad hoc grants received during the year and not capital projects budgeted for as part of the approved IDP Capital Investment Program.

After completion of the project/programme, the department will be required to report to Council on the following matters:

1. Date of receiving of physical cash payment;
2. Date of implementation;
3. Actions performed, program implemented;
4. Amount of actual expenditure incurred;
5. Report back on conditions of the grant that was met;
6. Final outcome of project/programme; and
7. How any unspent funds must be used, taking conditions of the grant into consideration.

5. Other reporting requirements

Departments are responsible to adhere to all reporting requirements in terms of the conditions of the grant. Grants received from National and Provincial Government must be reported in terms of the conditions of the Division of Revenue Act.

The duties of the receiving officer (department receiving the grant) are detailed as follows in the Division of Revenue Act:

"*A municipality shall, within 10 days after the end of each month, submit a report to the relevant transferring National or Provincial Officer. The report must set out -*

1. *The amount received by the municipality, up to the month reported on;*
2. *The amount of funds delayed or withheld from the municipality, up to the month reported on;*
3. *The actual expenditure by the municipality up to the month reported on;*
4. *The extent of compliance with the conditions of an allocation and with the Act;*
5. *An explanation for any material problems or variances experienced by the municipality, regarding an allocation which has been received, and a summary of the steps taken to deal with such problems or variances; and*
6. *Such other issues and information as the National Treasury may determine."*

If any variance is detected and it is not of a financial nature, the department in question should refer the problem to the appropriate interval Portfolio Committee Meeting for consideration. A summary of the steps taken to deal with such problems or variances should be reported to Council.

In the event of non-compliance with the rules and regulations as set out in the Division of Revenue Act, the applicable department should take the necessary action to rectify the fact that they are not complying.

The Chief Financial Officer must disclose to National and Provincial Treasury on an annual basis, all sponsorships promised, offered or granted, whether directly or through a representative or intermediary, by any person who is:

1. A provider or prospective provider of goods or services; or
2. A recipient or prospective recipient of goods disposed or to be disposed of.

To enable the Chief Financial Officer to comply with 5.5 above, all Heads of Department must, by no later than 15 July annually, report to the Chief Financial Officer on all sponsorships promised, offered or granted, whether directly or through a representative or intermediary, by any person who is:

3. A provider or prospective provider of goods or services; or
4. A recipient or prospective recipient of goods disposed or to be disposed of.

6. General

All grants, donations, sponsorships, etc. must be paid into the primary bank account of Midvaal Local Municipality.

7. Enforcement

This policy will come into operation once approved by Council.

Annexure V
Long Term Financial Planning Policy 2024/2025

LONG TERM FINANCIAL PLANNING POLICY

2024/2025 FINANCIAL YEAR

MIDVAAL
LOCAL MUNICIPALITY

TABLE OF CONTENTS

TABLE OF CONTENTS 1
ABBREVIATIONS 2
1. PURPOSE OF THIS DOCUMENT 3
2. DEFINITIONS 3
3. OBJECTIVES 5
4. APPROVAL AND EFFECTIVE DATE 6
5. POLICY AMENDMENT 6
6. RELATIONSHIP WITH OTHER POLICIES 6
7. PRINCIPLES 7
8. DEVELOPMENT OF A FINANCIAL PLAN 8
9. IMPLEMENTATION AND REVIEW OF THE POLICY 12

ABBREVIATIONS

MLM	Midvaal Local Municipality
AO	Accounting Officer
CFO	Chief Financial Officer
LTFP	Long Term Financial Plan
IDP	Integrated Development Plan
MFMA	Municipal Finance Management Act
MSA	Municipal Systems Act

1. PURPOSE OF THIS DOCUMENT

This policy sets outs the principles for determining the following:-

The Policy on Long Term Financial Planning is aimed at ensuring that the Municipality has sufficient funding in order to achieve its long term objectives through the implementation of the medium term operating and capital budgets. The purpose of the Policy on Long Term Financial Planning is therefore to:-

(a) Ensure that all long term financial planning is based on a structured and consistent methodology in order to ensure the long term financial sustainability of the Municipality.
(b) Identify capital investment requirements and associated funding sources to ensure the future sustainability of the Municipality;
(c) Identify revenue enhancement and cost saving strategies in order to improve service delivery at affordable rates; and
(d) Identify new revenue sources of funding for future years.

2. DEFINITIONS

In this Policy, unless the context otherwise indicates, a word or expression to which a meaning has been assigned in the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003), has the meaning so assigned, and:

"Accounting Officer" – means the Municipal Manager and vice versa;

"Act" – means the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003);

''basic municipal service'' means a municipal service that is necessary to ensure an acceptable and reasonable quality of life and which, if not provided, would endanger public health or safety or the environment;

"Budget Steering Committee", a committee established to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the MFMA;

''budget-related policy'' means a policy of a municipality affecting or affected by the

annuabudget of the municipality, including –

(a) the tariffs policy which the municipality must adopt in terms of section 74 of the Municipal Systems Act;

(b) the property rates policy which the municipality must adopt in terms of legislation regulating municipal property rates; or

(c) the credit control policy which the municipality must adopt in terms of section 96 of the Municipal Systems Act;

"Chief Financial Officer" – means an officer of the Municipality, designated by the Municipal Manager to be administratively in charge of the financial affairs of the municipality;

"Council" or "Municipality" – means the Municipal Council of Midvaal Local Municipality as referred to in Section 18 of the Municipal Structures Act;

"Creditor" – in relation to a municipality, means any person or service provider to whom money is owing by the Municipality;

"Debt" – means –

(a) a monetary liability of obligation created by a financing agreement, note, debenture, bond, overdraft or the issuance of municipal securities; or

(b) a contingent liability such as that created by guaranteeing a monetary liability or obligation of another.

"Financing Agreement" means any long-term agreement, lease, installment purchase contract or hire purchase agreement under which the Municipality undertakes to pay the capital cost of property, plant or equipment over a period of time;

"Financial year" – means a year ending 30 June;

"Financial Statement" – means statements consisting of at least –
(a) a balance sheet (statement of financial position);
(b) an income statement (statement of financial performance);
(c) a cash-flow statement;
(d) any other statements that may be prescribed; and
(e) any notes to these statements.

"IDP" means the Integrated Development Plan;

"LTFP" means Long Term Financial Plan;

‘‘long term debt’’ means debt repayable over a period exceeding one year;

“MBRR” means the Municipal Budget and Reporting Regulations;

“MFMA” means the Municipal Finance Management Act 56 of 2003;

“MTREF” means Medium Term Revenue and Expenditure Framework, as prescribed by the MFMA. It sets out indicative revenue and projected expenditure for the budget year, plus two outer financial years;

“Municipal debt instrument” – means any note, bond, debenture or other evidence of indebtedness issued by a municipality, including virtual or electronic evidence of indebtedness intended to be used in raising debt;

‘‘municipal tariff’’ means a tariff for services which a municipality may set for the provision of a service to the local community, and includes a surcharge on such tariff;

‘‘National Treasury’’ means the National Treasury established by Section 216(1) of the Constitution and section 5 of the Public Finance Management Act;

“Short Term” refers to a period up to 3 (three) years;

“Medium Term” refers to a period between 3 (three) and 5 (five) years;

“Long Term” refers to any period longer than 5 (five) years.

“Security” – means a lien, pledge, mortgage, cession or other form of collateral intended to secure the interest of a creditor; and

“Short Term Debt” – means a debt which is repayable over a period not exceeding 12 months.

3. OBJECTIVES

The annual updated LTFP should identify the following:

(a) Assumptions and parameters to be used to compile the Operating and Capital budgets over the next MTREF;

(b) Future Operating revenue and expenditure projections based on assumptions and parameters;

(c) Future affordability of projected Capital Plans;

(d) The level of infrastructure development required to achieve the Municipal priorities, within

the available funding; and

(e) External funding requirements in the form of long term debt.

4. APPROVAL AND EFFECTIVE DATE

The policy will be effective as from 1 July 2024.

5. POLICY AMENDMENT

The Accounting Officer must–

(a) at least annually review the implementation of this Policy; and

(b) when the AO considers it necessary, submit proposals for the amendment of this Policy to the Council.

The review of this policy and any amendment should be made with due consideration and in conjunction with the annual review of the budget related policies as prescribed in the Municipal Budget and Reporting Regulations, 2008.

6. RELATIONSHIP WITH OTHER POLICIES

This policy needs to be read in conjunction with other relevant adopted policies of the municipality, including the following:

- Delegations of Authority;
- Accounting Policies;
- Credit Control and Debt Collection Policy;
- Tariff Policy, Indigent Policy and Free Basic Services Policies;
- Property Rates Policy;
- Budget Implementation and Monitoring Policy;

7. PRINCIPLES

The policy is based on the following principles:-

(a) Viability and sustainability of the municipality;

(b) Optimisation of the municipal revenue basket, taking into consideration the following:

- Grant funding is optimally utilised and managed; and
- Effective credit control and debt collection, ensuring optimal revenue collection in the context of the socio-economic environment.

(c) Continuous improvement and expansion in service delivery framework, and

(d) Effective financial strategies.

During the process of compilation of the LTFP the Municipality should take cognisance of the following additional factors regarding the process:-

(c) A collaborative and visionary process. The LTFP does not just forecast the status quo into the future but considers different possible scenarios.

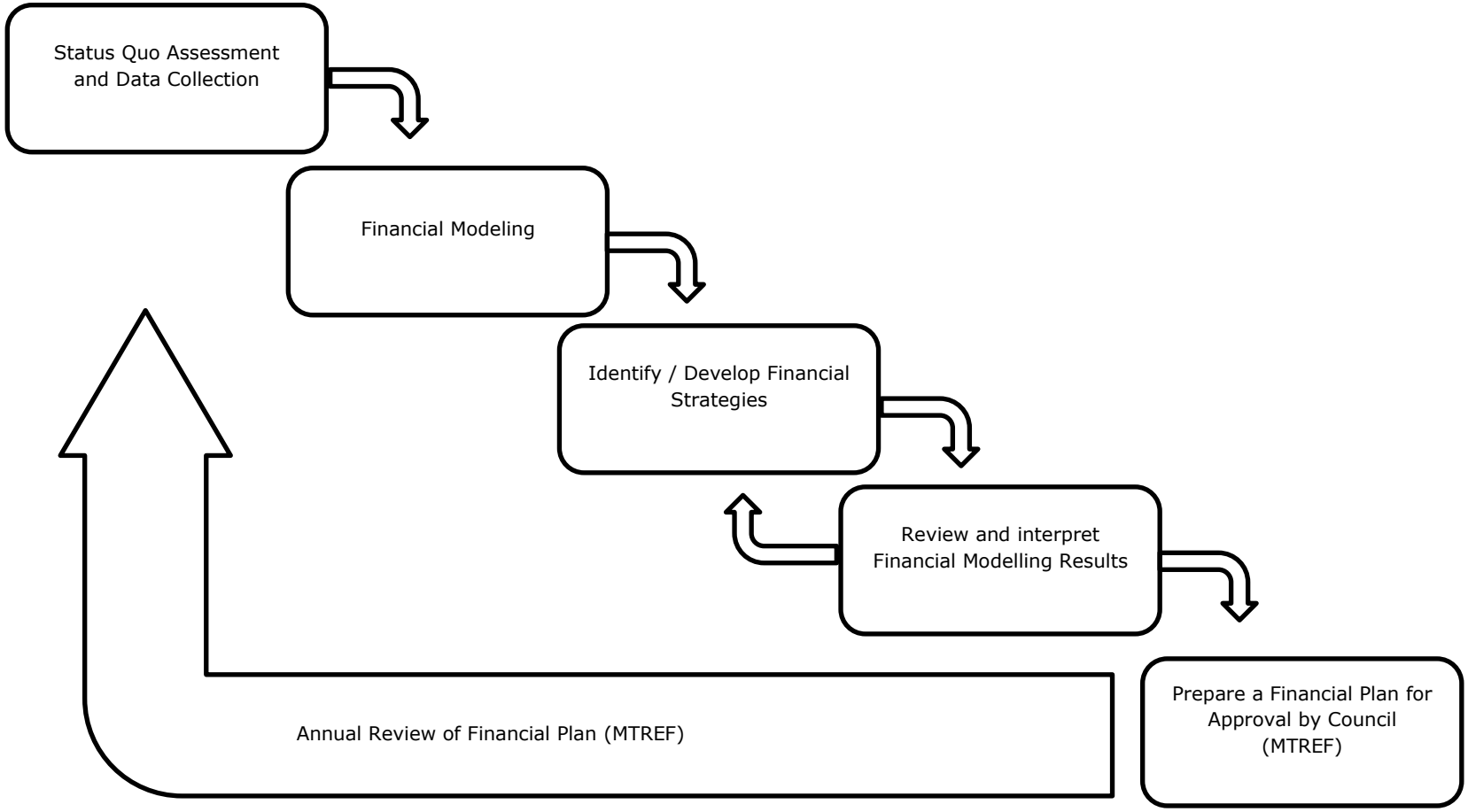
(d) A combination of technical analysis and strategising. Long-term forecasts and analysis are used to identify long-term imbalances and financial strategies are developed to counteract these imbalances or inequities.

(e) An anchor of financial sustainability and policy development. The plan develops big-picture and long-term thinking among elected and appointed Councilors and Officials and also aims to ensure alignment and credibility of the IDP.

(f) Long term in nature. The plan will cover three (3) years.

8. DEVELOPMENT OF A FINANCIAL PLAN

8.1 Process map



8.2 Status Quo assessment and data collection

Perform a Status Quo assessment under the following criteria:-

(a) The Municipality's current financial status;

(b) Audit Outcome for prior Financial Years;

(c) Current revenue sources, internal and external proportion of revenue;

(d) Main cost drivers impacting on the sustainability of the Municipality;

(e) Determine the main expenditure categories and the scale of each;

(f) Identify internal and external factors, which influence expenditure levels;

(g) Loan and liability obligations;

(h) Status of municipal infrastructure;

(i) Repairs and maintenance and refurbishments as per the Infrastructure Asset Management Plans;

(j) Distribution Losses;

(k) Reviewing the Municipality's funding requirements as per:

- financial plan; and
- IDP.

(l) Ability to finance capital expenditure;

(m) Trends and the implications including the financial problems; opportunities and constraints/risks facing the Municipality;

(n) Powers and Functions of the Municipality;

(o) Service backlogs and population projections in order to determine service needs; and

(p) Summarise the gaps and challenges to be addressed in the financial and funding plan.

In reviewing the current revenue sources in terms of:

(a) Existing service charges and fees.

(b) Options for increasing user charges and fees based on:

- the impact of inflation;
- other cost increases;
- number of registered indigents;
- the adequacy of the coverage of costs and current competitiveness of rates; and
- impact on households, particularly poorer households.

(c) The nature and extent, purpose and predictability of National and Provincial Grants and Agency Payments.

(d) Future opportunities and threats in terms of revenue:

(e) Other revenue opportunities, such as leases and the sale of non-core assets.

(f) Revenue constraints, such as maximum service charges and poor payment levels.

(g) Potential threats to Municipal revenue, including changes in Grant allocations.
(h) Potential expansion of the current revenue base.
(i) Factors, which influence revenue collections.

Other non-financial issues to consider during status quo analysis
(a) Proposed organisational structure and assessing its cost implications;
(b) Proposed community projects and programmes by Departments, such as Housing and Health, and assessing their cost implications; and
(c) Current state of Information Communication and Technology

8.3 Financial Modeling

Upon completion of the status quo assessment, resulting in an understanding of the Municipality's financial position, the next phase is to determine the Municipality's financing need over the medium-term:-

(a) Develop a financial forecast model to identify immediate opportunities and risks; and
(b) To identify future opportunities and risks.

This entails determining what expenditure the Municipality plans to undertake over the medium-term and what its financing requirements are likely to be and how these can be funded either internally or externally.

As the Municipality evolves and expands its service delivery framework, so do those of the National Government. Long term community development and economic development projects will therefore also be included under this phase.

8.4 Financial Strategies

A key feature of the LTFP is to give effect to the Municipality's financial strategies. These strategies should include:
(a) Increasing funding for asset maintenance and renewal;
(b) Continuous improvement to the financial position;
(c) Ensuring affordable debt levels to fund the capital budget;
(d) Maintaining fair, equitable and affordable rates and tariff increase;
(e) Maintaining or improving basic municipal services;
(f) Achieving and maintaining a breakeven/surplus Operating budget; and

(g) Ensuring full cost recovery for the provision of internal services.

8.5 Analyse results

For the short-term needs of the Municipality based on the Financial Modelling, perform scenario planning to identify the optimum balance between revenue collection and municipal spending, taking into account the following:-

(a) Potential revenue enhancement strategies which may have an immediate impact on the revenue base of the Municipality;

(b) Evaluate cost saving mechanisms to minimise the cost of effective service delivery; and

(c) Current infrastructure investments and maintenance programs which may influence revenue streams or the cost of service delivery.

8.6 Prepare Financial plan for approval

The Long Term Financial Plan should indicate the following:-

(a) Illustrate the projected result for a three (3) year period.

(b) Forecasting of revenues and the forecasting of expenditures into a single financial forecast.

(c) Finalisation of the Financial Plan includes collating all financial data and develop a financial plan that:-

  (a) Identifies future revenue projections based on current and projected revenue streams, as well as those projects required to achieve these projections;

  (b) Identifies future expenditure frameworks and cost of service delivery based on current and projected expenditure patterns;

  (c) Identifies the level of infrastructure development required to achieve the municipal priorities, within the funding restrictions; and

  (d) Identifies external funding requirements required for capital investment.

8.7 Annual Review

The success of the LTFP lies in continuous revision:

(a) The financial plan must be reviewed on an annual basis as part of the annual review of the IDP and updated with at least the following information:-

(b) any direct change in financial status or internal factors, other than previously predicted, which may influence the financial status and viability of the Municipality;

(c) any changes in the economic and socio economic environment, other than previously predicted, which may influence the financial status of the Municipality;

(d) any changes in the revenue base or composition which may have an impact on the financial viability of the Municipality;

(e) any changes in the national or municipal priorities as previously identified; and

(f) any factors which may have an impact on the ability to implement previously identified projects.

(g) The impact of any national disasters that may be declared

9. IMPLEMENTATION AND REVIEW OF THE POLICY

The policy will be effective as from 1 July 2024.

INCA
Portfolio Managers

MIDVAAL MUNICIPALITY

Long Term Financial Plan – ***Update 2019***

Prepared by

INCA Portfolio Managers

February 2019

Report Overview – Introduction and Background

The Midvaal Municipality appointed INCA Portfolio Managers in 2017 to prepare a Long Term Financial Plan (LTFP). The output of the assignment was a report entitled *Midvaal Municipality Long Term Financial Plan: 2016 – 2026*; December 2017. This *2019 Update* aims to update the LTFP based on the latest available information and report on the findings.

The objective of a Long Term Financial Plan is to recommend strategies and policies that will maximise the probability of the municipality's financial sustainability into the future. This is achieved by predicting future cash flows and affordable capital expenditure based on the municipality's historic performance and the environment in which it operates.

A summary of the demographic-, economic- and household infrastructure perspective was updated with the latest available information as published by iHS Global Insight. The historic financial analysis was updated with the information captured in the municipality's audited financial statements of 30 June 2018. IPM's Long Term Financial Model (latest and updated version 21.1) was populated and run with this latest information, and the outcome thereof is reported herein. The model was re-calibrated against the municipality's MTREF for the 3 years from 2020/21 to 2022/23.

Unlike the original assignment, no renewed analysis of the Asset Register, review of municipal documents (viz. IDP, Master Plans, etc.) and conversations with management were undertaken. The conclusions reached in this report are complimentary to the recommendations made previously.

The contents of this report entail the following:

1	Planning Process
2	Updated Perspectives (Demographic, Economic, Household Infrastructure)
3	Updated Historic Financial Assessment
4	Future Revenues
5	Affordable Future Capital Investment
6	Scenario Analysis
7	Ratio Analysis
8	Conclusions

KEY FINDINGS AND CONCLUSIONS DRAWN FROM THE 2019 LTFP UPDATE

- An analysis of the socio-economic aspects reveal that Midvaal's overall performance is favourable when compared to the other two local municipalities in the Sedibeng District. This however does not deviate from the many challenges faced by the municipality such as slow local economy growth, high unemployment rates and low debt collection rates.

- The fact that 61.4% of all households earn an income of less than R 16 000 pm is an important factor when considering the potential upside of the municipal income potential. On the downside, the unemployment rate at the end of 2017 remained high at 36.2%.

- The number of people officially employed shown a substantial improvement since 2013 and at the end of 2017, 29% or 31 248 people of the total population were employed.

- The economy of Midvaal is well diversified with the five subsectors each contributing more than 10% to the GVA. The Manufacturing, Finance, Trade and Community services sectors are also the largest Employer with 20%, 20%, 19% and 17% respectively of Total Employment.

- The 4th consecutive clean audit at FYE2018 is a reflection of good governance.

- Service delivery challenges given the population growth is reflected in the 17% of households that experience electricity backlogs, 10% sanitation backlogs and 10% refuse removal backlogs.

- Total operating income increased by R 72.25 million or 7.9% to in FY2018, which is higher than the growth in Operating Expenditure (excluding capital grants) of R 62.33 or 6.7% in the same period.

- The Liquidity Ratio is healthy at 2.32 as at FYE2018; indicating that Midvaal has enough cash resources to cover short term obligations should they fall due. Cash and investment balances increased by R 71.89 million (55.3%). Net cash from operating activities compared to the previous year increased by R 51.08 million to R 123.02 million.

- The collection rate of 93% in FY2018, which is also the average rate for the past 7 years, is still below the minimum acceptable benchmark of 95%.

- Turning to the 10-year LTFP the following is observed:

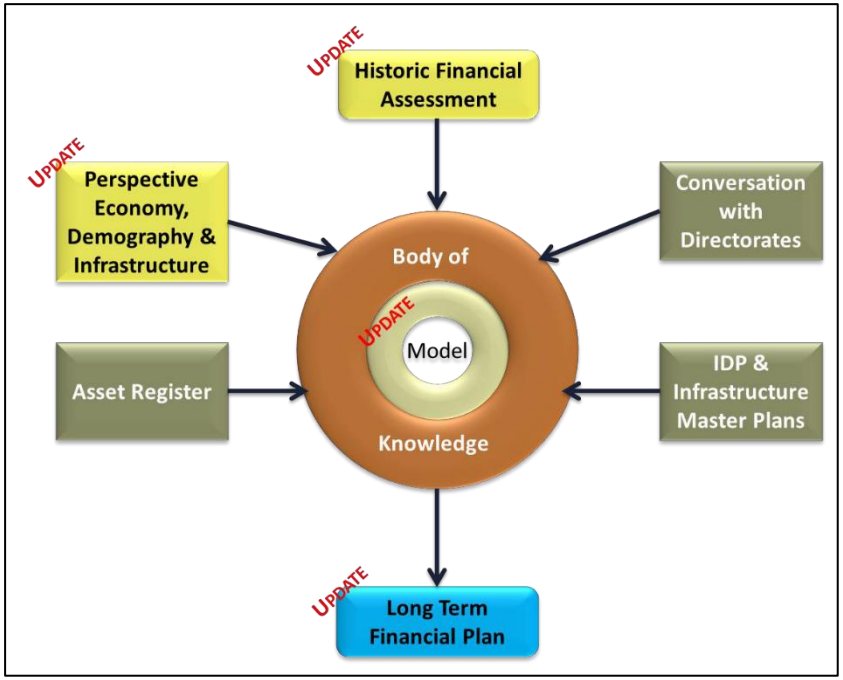
    - The MTREF capex budget of the municipality is financially feasible. This is due to a conservative capex budget and the blended funding mix as projected during the MTREF period.
    - The LTFP indicates that should the financial improvement be maintained; a potential exists to accelerate capital expenditure from 2022 onwards to reach 13.8% of total expenditure by 2028. It is estimated that Midvaal will be able to invest R 2 149 million in a capital programme over the next ten years to FYE 2028 and will be able to sustain external borrowings that fund 37% of this capital spend.
    - The IPM model projects that the municipality will continue building a healthy bank balance in excess of the estimated minimum liquidity required over the 10-year period. The Liquidity Ratio will peak at 2.5:1 in 2023 before decreasing to 1.8:1 by the end of the 10-year planning period.
    - A pre-condition for this positive outlook is however that finances are managed with the needed care and discipline within the guidelines set in the LTFP.

1	**Planning Process**
2	Updated Perspectives (Demographic, Economic, Household Infrastructure)
3	Updated Historic Financial Assessment
4	Future Revenues
5	Affordable Future Capital Investment
6	Scenario Analysis
7	Ratio Analysis
8	Conclusions

PROCESS

The diagram below illustrates the steps in the process that were followed in drafting the LTFP and the steps taken during this 2018 "LTFP Update":

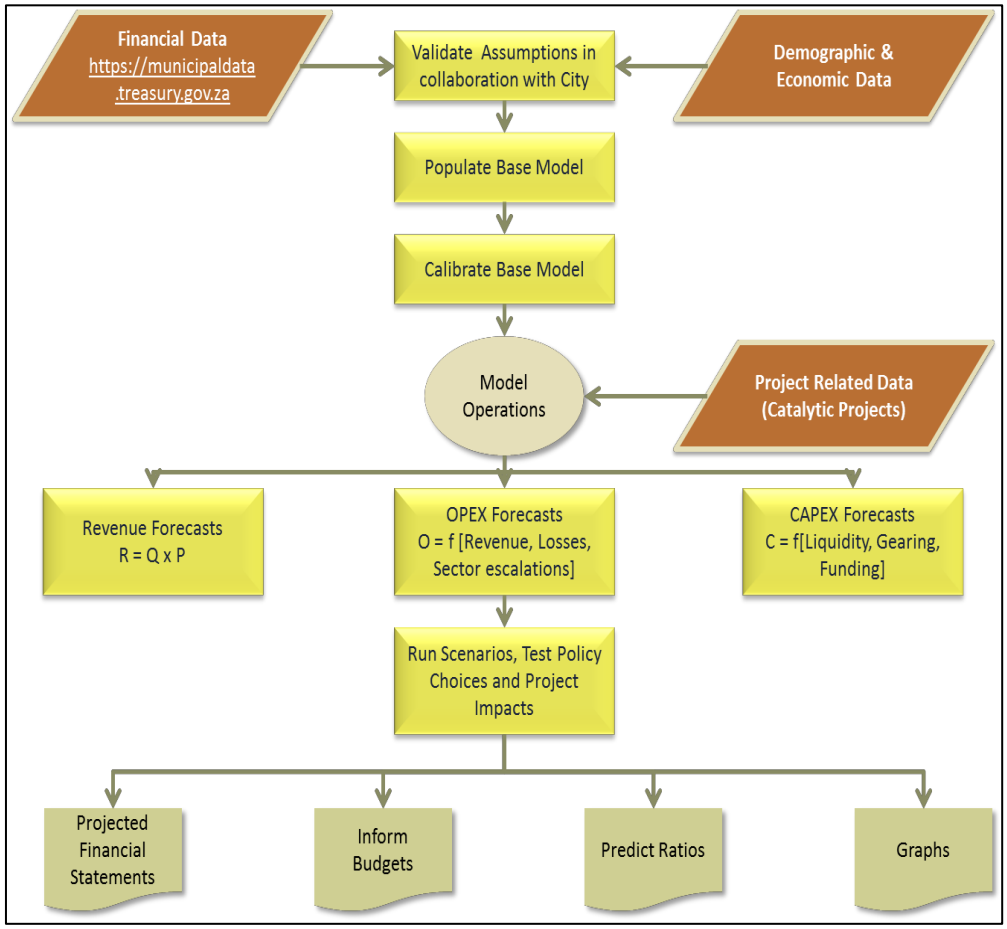
FIGURE 1: PLANNING PROCESS



During the course of the past year IPM developed a new long term financial model[1], which was populated with the latest information of Midvaal and used to make a base case financial prediction of the future. The diagram below illustrates the outline of the model

The model was adapted for the purpose of this update in that no large infrastructure projects were assessed. The capital budget as presented in the MTREF was however included and predictions of affordable future capex were made.

FIGURE 2: FINANCIAL MODEL FRAMEWORK



[1] Part of National Treasury's Cities Support Programme and with technical assistance from the World Bank Group

1	Planning Process
2	**Updated Perspectives (Demographic, Economic, Household Infrastructure)**
3	Updated Historic Financial Assessment
4	Future Revenues
5	Affordable Future Capital Investment
6	Scenario Analysis
7	Ratio Analysis
8	Conclusions

Demography

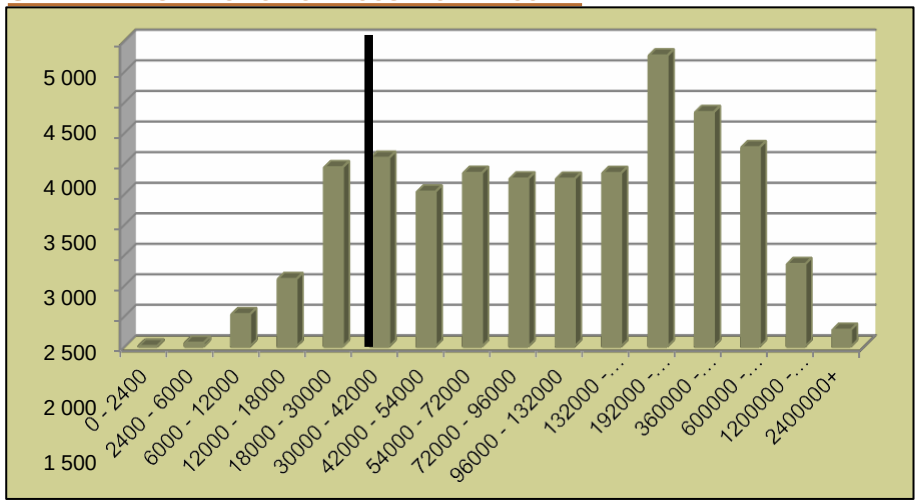
The current ***Population*** of Midvaal is estimated at 109 422 (2017). This is on par with that of Lesedi (114 251) and respectively representing 11.2% and 11.7% of the people living in Sedibeng District Municipality. Midvaal and Lesedi currently have the same population growth rate (2.3%) in the District, while Emfuleni (1.2%) has the lowest. The population growth rate for Midvaal is higher than both Gauteng (2.0%) and National growth rates (1.5%)

Households earning less than R30 000 p.a. represents a rough estimate of the number of indigent household in the municipal area, which qualify for and/or are largely reliant on government grants as source of income.

The ***Household Income*** distribution illustrates that the proportion of households earning less than R 30 000 p.a. constitute approx. 13.2% which is the lowest in the district and below the district average of 17.4%. 61.4% of all households earn an income of less than R 192 000 p.a. (R 16 000 p.m.). The extent to which these households can be levied in future needs to be specifically considered. The highest concentration of households (13.6%) fall within the economic income bracket of between R 192 000 and R 360 000 p.a. The average households' income for Midvaal is R 308 106 p.a (R 25 676 p.m). which is the highest of all three municipalities in the Sedibeng District, and higher than the national average of R 201 630 p.a.

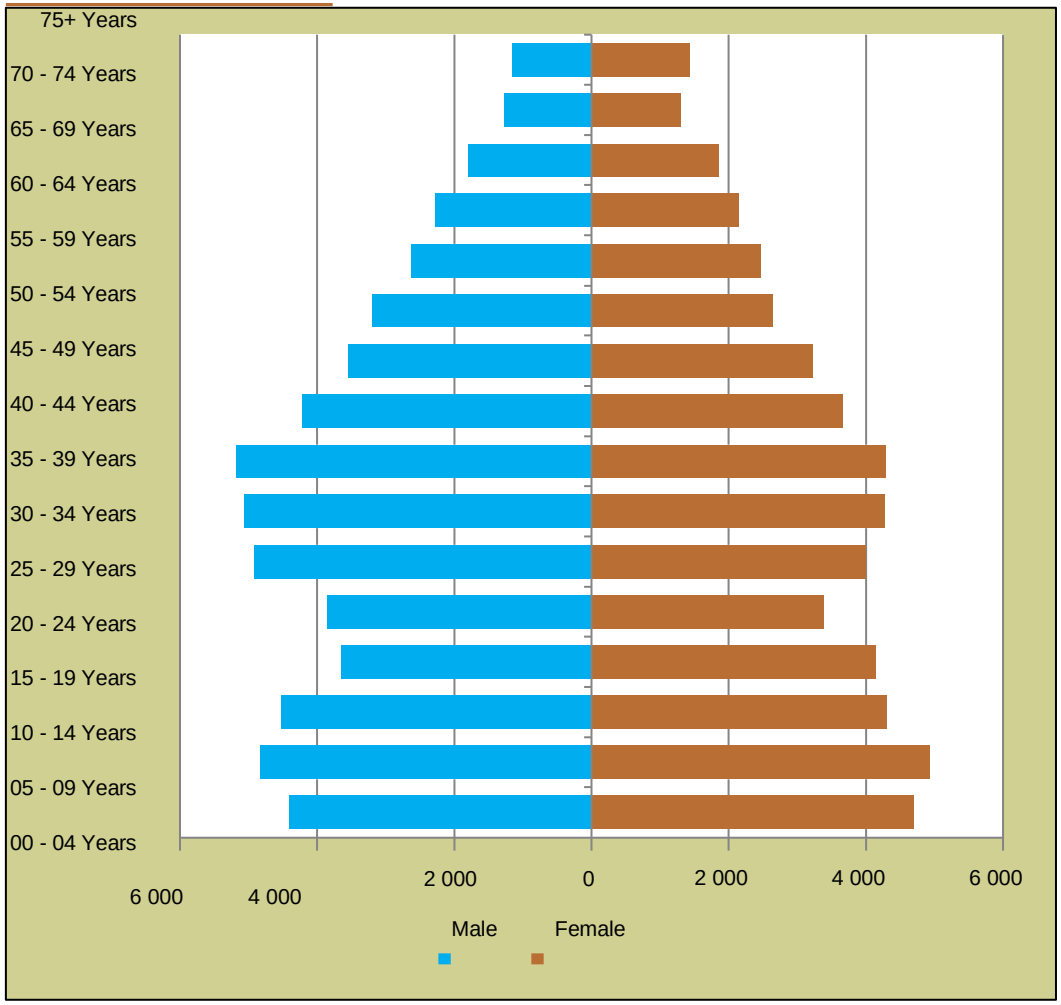
The average annual per capita income of Midvaal of R 99 906 is the highest in the district. Followed by Lesedi: R 64 313 and Emfuleni: R 61 488

Graph 2: Distribution of Household Income



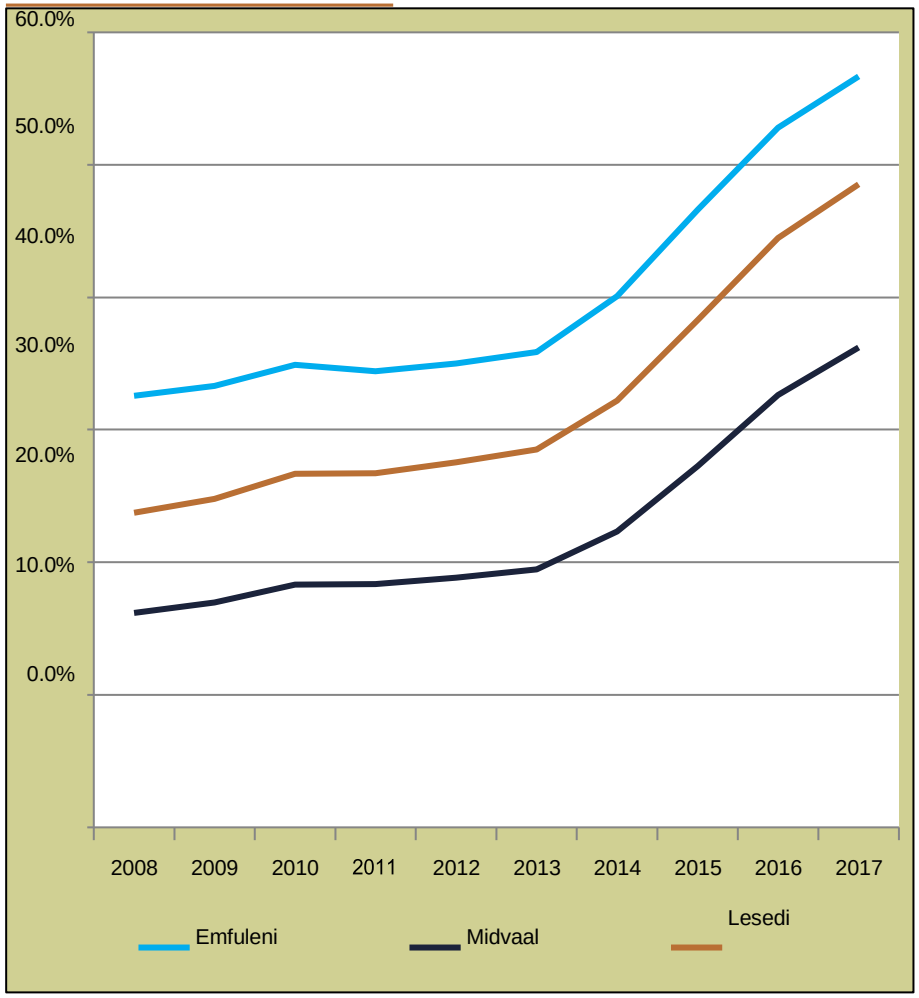
The ***Age Profile*** illustrates that proportionally Midvaal has the highest percentage of people falling within the 25 to 39-year age bracket for Male and within the 00 to 14 year age bracket for Female. The working age group of Midvaal represents a notable size of the population. This age profile of Midvaal is typical of a developing society.

GRAPH 3: AGE PROFILE



Although, the 36.2% ***Unemployment Rate*** for 2017 is the lowest of the three municipalities in the district, it remains very high and increased since 2013 and is higher than the Gauteng's 29.5% and the Country's 27.2%.

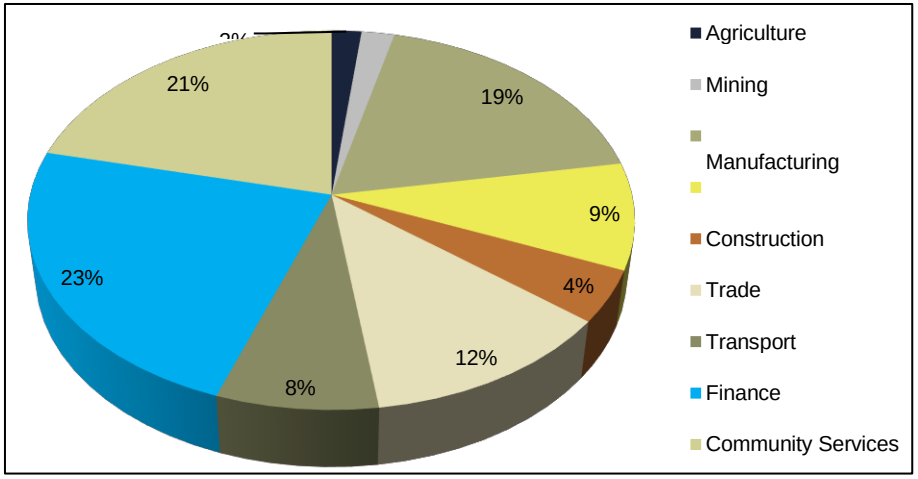
GRAPH 4: UNEMPLOYMENT RATE



Economy

Finance remains the dominant ***Economic Sector*** with 23% of the output in 2017, followed by Community services (21%), Manufacturing (19%) and Trade (12%). The Midvaal economy is well diversified, which should provide economic stability. The services sector comprising trade, finance, manufacturing and community services not only contributes significantly to the economy (75% of output) but is also the main provider of employment.

Graph 5: Economic Sectors



The changing nature and function of the area is reflected in the proportional growth figure of the key economic sectors. ***Proportional growth*** was experienced in the Finance, Community services and Trade sectors, with all other sectors experiencing stagnant or declining growth rate from 2008 to 2017. The proportional contribution of Manufacturing showed the greater declined over the period.

Table 1: Proportional Growth of Economic Sectors

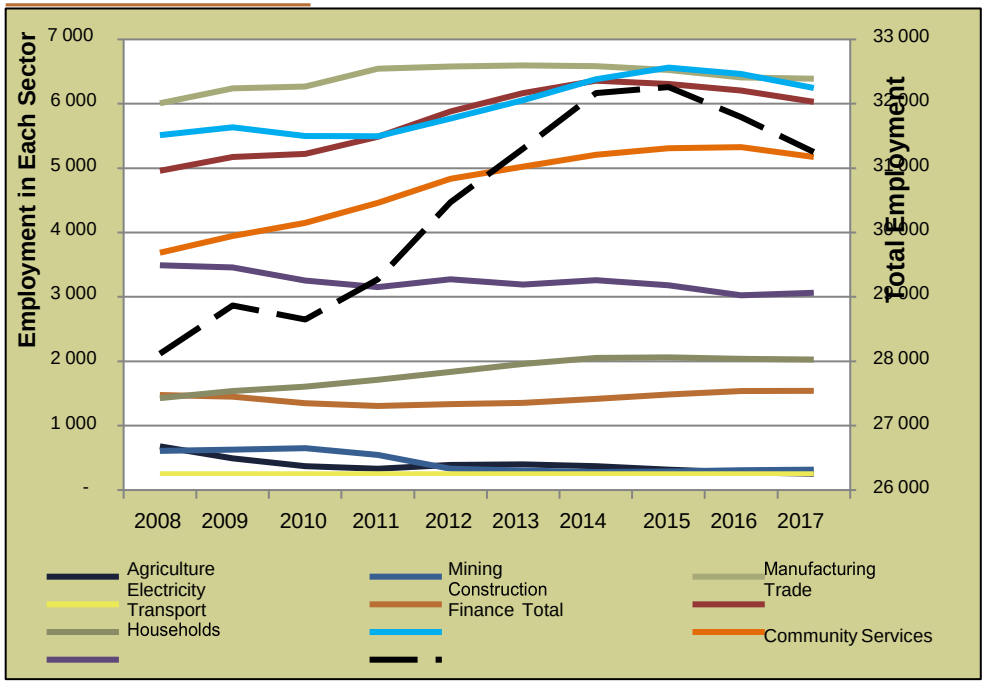
Sector	2008	2017
1 Agriculture	1.7%	1.8%
2 Mining	2.5%	2.0%
3 Manufacturing	21.9%	18.5%
4 Electricity	10.0%	9.0%
5 Construction	3.7%	4.4%
6 Trade	11.0%	12.1%
7 Transport	7.2%	7.6%
8 Finance	22.4%	23.3%
9 Community services	19.6%	21.3%

Changes in the economic structure of the region as reflected in the employment figures. The Manufacturing, Finance, Trade and Community services sectors are the largest Employer with 20%, 20%, 19% and 17% respectively of Total *Employment*. Household, Transport and Construction sectors are also significant with the contribution of over 1 000 of employment. Total employment reflects a significant improvement between 2010 and 2015, and since then it reflected a decline. At the end of 2017 the officially registered workers came to 31 248 people or 29% of the population.

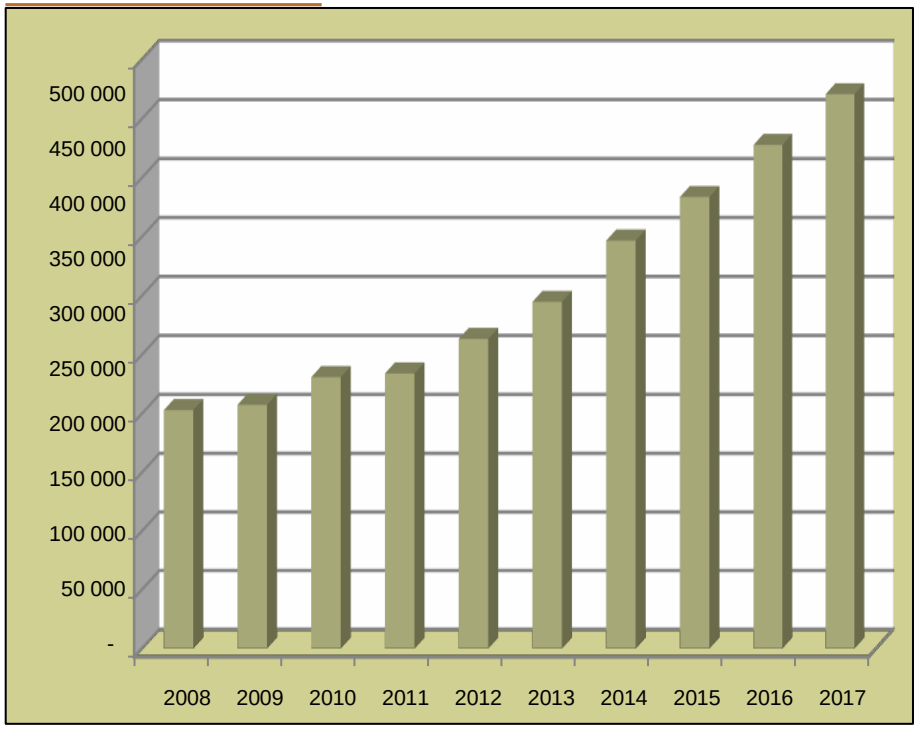
Tourism Spend in 2017 amounted to R 470.92 million, which equates to 9.5% of GVA (Current Prices).

GRAPH 7 reflects the increasing trend of Tourism Spend over the past ten years. Tourism remains an important economic driver for the local economy.

GRAPH 6: EMPLOYMENT



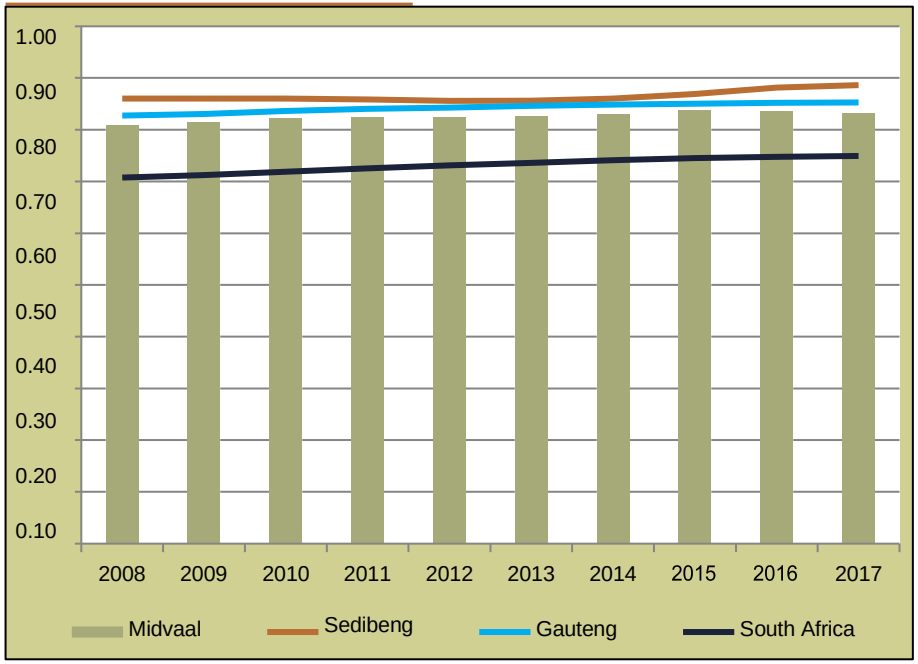
GRAPH 7: TOURISM SPEND



Household Infrastructure

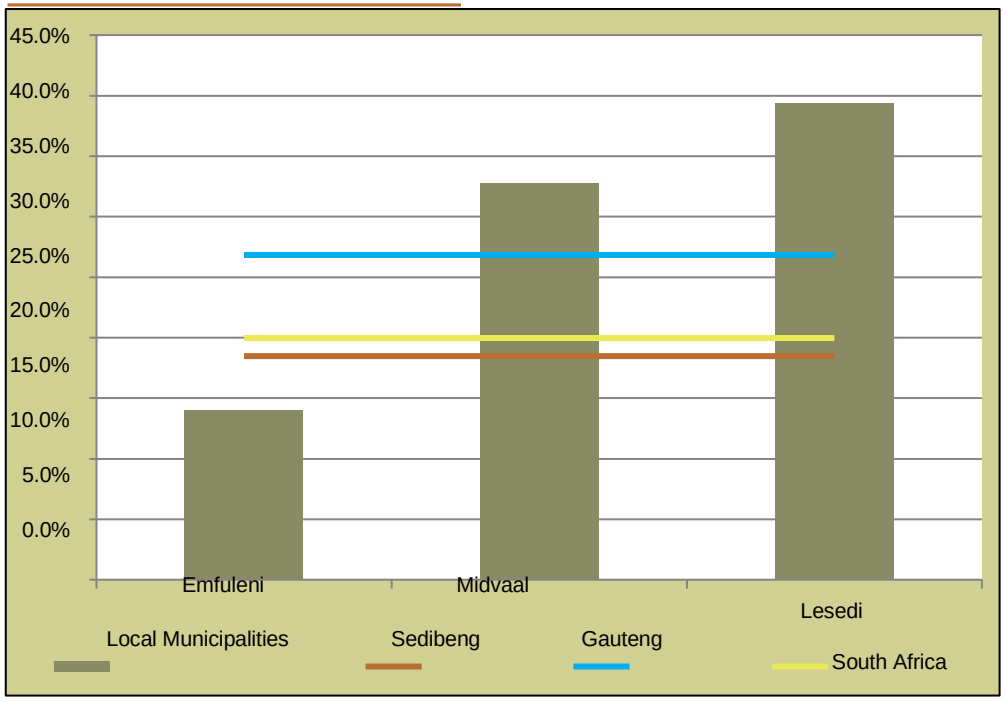
The ***Infrastructure Index*** of 0.83 is lower than the Province (0.85) and the District (0.89). When comparing the three municipalities in the Sedibeng District, it is noted the Midvaal has the lowest infrastructure index. This is due to the high population growth and household formation in recent times, exacerbating the infrastructure backlogs.

Graph 8: Infrastructure Index



Growth in ***Household Formation*** between 2008 and 2017 was 33%, the second highest of all three municipalities in the district. In absolute numbers, the growth of households in Midvaal was 8 793 during the period.

Graph 9: Household Formation



By comparing backlogs of ***Sanitation, Water, Refuse Removal and Electricity*** in urban as well as non-urban areas, Midvaal Municipality performed below the average service delivery in the Sedibeng District. Its service delivery challenge given the population growth is reflected in the 17% of households that experience electricity backlogs, 10% sanitation backlogs and 10% refuse removal backlogs.

TABLE 2: HOUSEHOLD INFRASTRUCTURE PROVISION

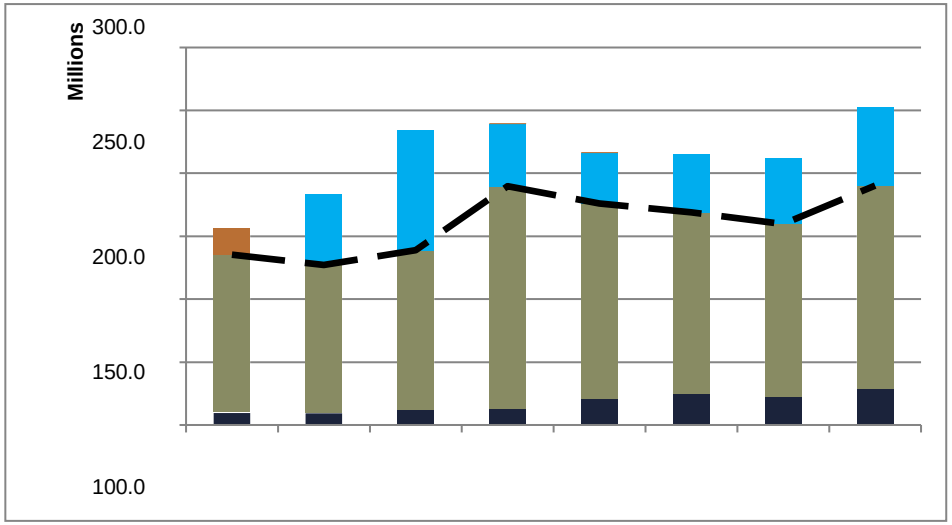
Infrastructure	Sedibeng DM	%	Midvaal	%
Above RDP Level				
Sanitation	287 949	93.7%	32 027	89.9%
Water	304 653	99.1%	34 986	98.2%
Electricity	283 238	92.1%	29 521	82.8%
Refuse Removal	289 146	94.1%	32 061	90.0%
Below RDP Level or None				
Sanitation	19 473	6.3%	3 610	10.1%
Water	2 769	0.9%	650	1.8%
Electricity	24 184	7.9%	6 116	17.2%
Refuse Removal	18 276	5.9%	3 575	10.0%
Total No. of Households	**307 421**	**100.0%**	**35 636**	**100.0%**

1	Planning Process
2	Updated Perspectives (Demographic, Economic, Household Infrastructure)
3	**Updated Historic Financial Assessment**
4	Future Revenues
5	Affordable Future Capital Investment
6	Scenario Analysis
7	Ratio Analysis
8	Conclusions

Financial Position

The financial position of Midvaal LM improved noticeably since the last assessment in FY2016. The balance sheet demonstrates this improvement by an increase in Total Assets from R 2.30 billion to R 2.43 billion as at 30 June 2018. (an increase of R 131.05 million, which includes an increase in Cash and Cash Equivalents of R 101.98 million). This positive growth in assets should also be viewed in the context of the increase in liabilities of only R 22.17 million for the past 2 years. To gain a deeper understanding of these movements the categories of assets and liabilities were analysed further.

Graph 10: Long Term Liabilities: Interest Bearing vs Non-Interest Bearing

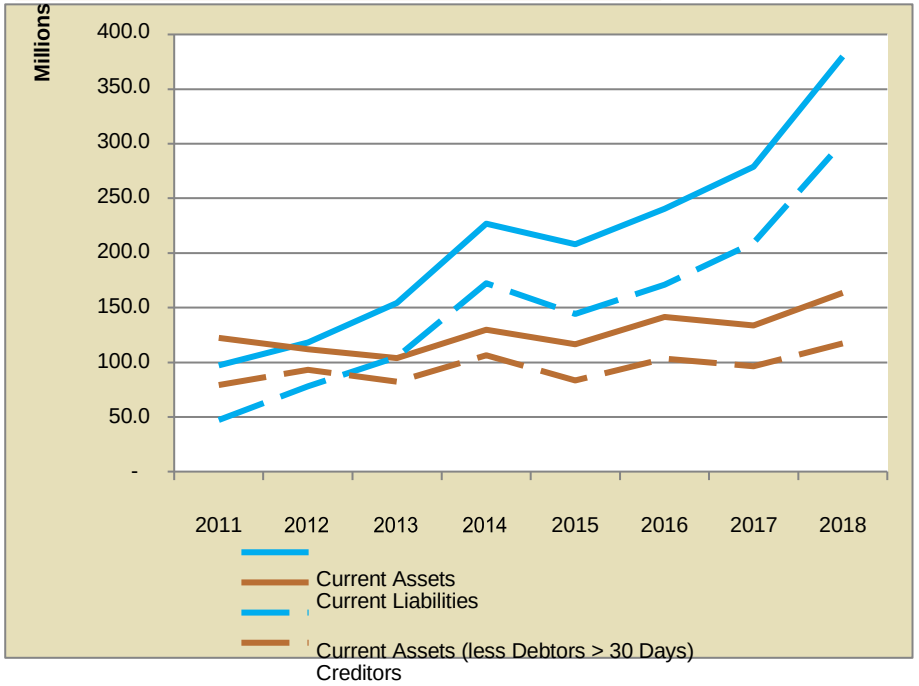


The Total Interest-bearing Liabilities have increased by R30.52 million (19.1%) from R 159.72 million as at FYE2017 to R 190.24 million as at FYE2018. This increase was driven by an additional borrowing of R 51.7 million during FY2018 as part of the funding mix utilised for Capital Expenditure.

The additional take-up of external loans had no significant impact in the Gearing Ratio, which only increased by 1 percentage point to 19% as atFYE2018. This implicates that the Gearing Ratio remained below the maximum norm of 40% suggested by National Treasury. The debt service cover ratio (which measures the ability of the municipality to service its debt from cash generated by operations) came to a healthy 3.24, indicating that the current levels of debt are affordable to the municipality.

Long term Non-interest bearing liabilities increased by R9.85 million (18.9%).

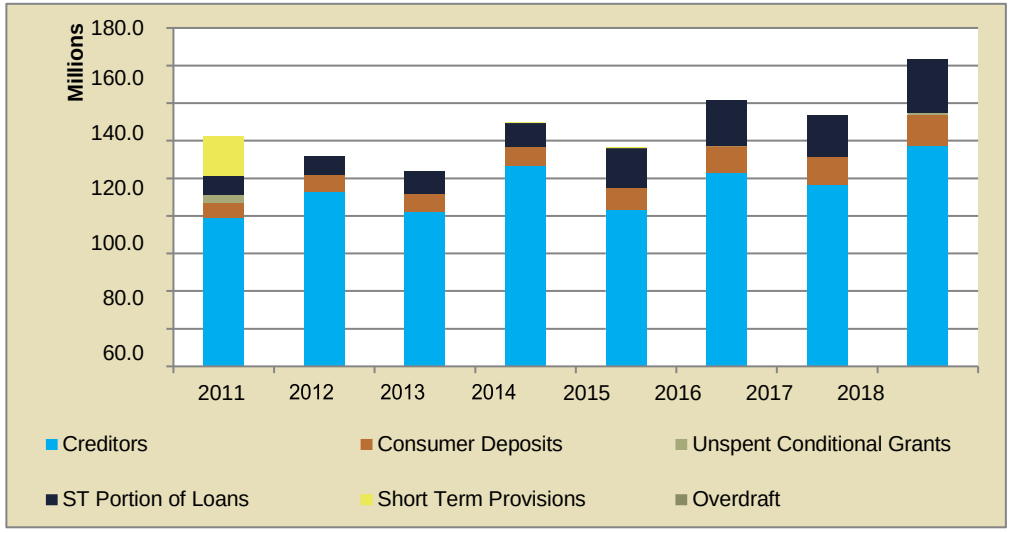
Graph 11: Current Assets vs Current Liabilities



The Liquidity Ratio improved from 2.09 as at FYE2017 to 2.32 as at FYE2018. Should all debtors older than 30 days be excluded, this ratio reflects a healthy 1.84 as at FYE2018, compared to 1.56 as at FYE2017.

The increase in Current Assets of R100.74 million (36.1%) was mainly a result of increases in Cash and Cash Equivalents (R71.89 million or 55.3%) and Net Consumer Debtors (R 10.21 million or 8.8%).

Graph 13: Current Liabilities

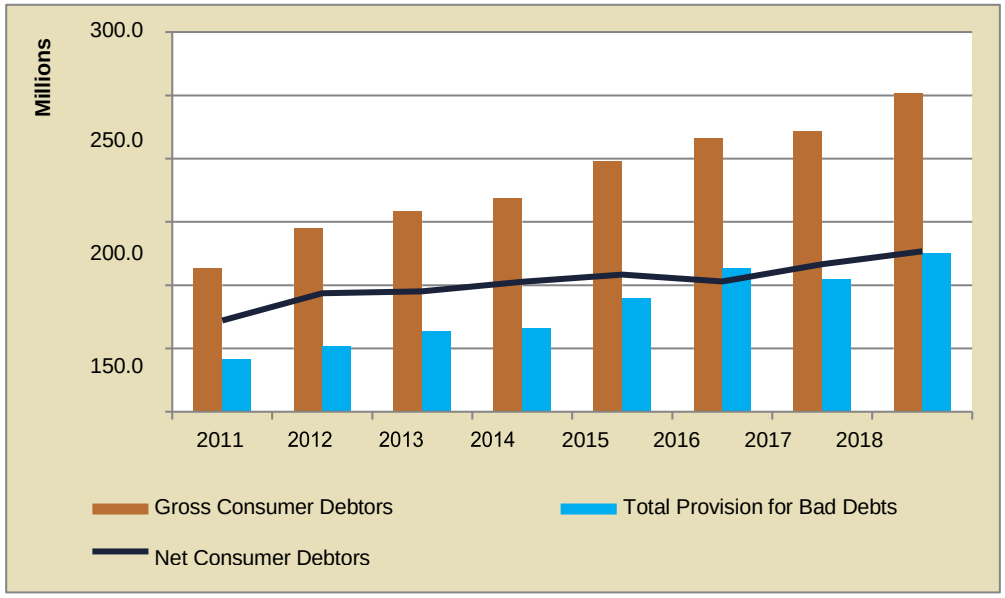


Notwithstanding these positive increases in Current Assets, Creditors increased by R 20.94 million (21.7%) during FY2018, which was the main reason for the R 29.77 million (22.2%) increase in Current Liabilities.

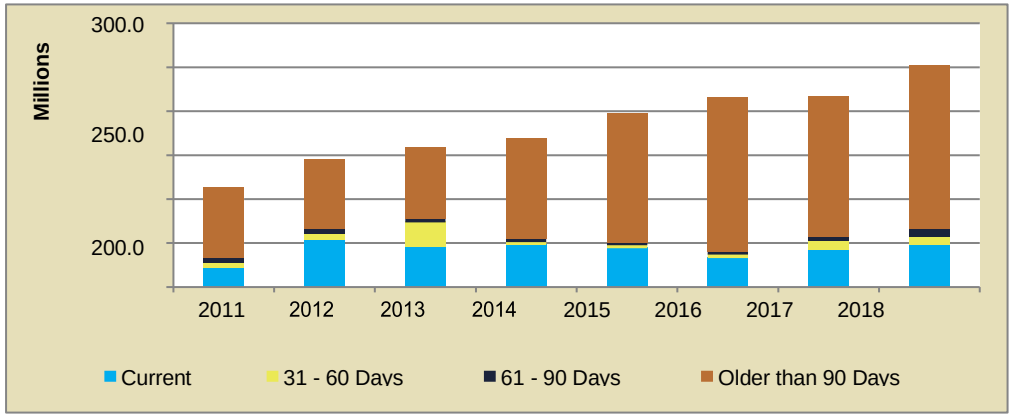
Debtors Management

In the past 2 years, Gross Consumer Debtors increased by R 30.63 million (13.8%) while Net Consumer Debtors increased at a smaller extent by R 10.21 million (8.8%), due the effect of an increase in the provision for doubtful debt of R20.42 million (19.5%) to R125.24 million as at FYE2018. This provision is still not sufficient to cover all debtors older than 90 days (R185.85 million as at FYE2018(.

Graph 14: Gross Consumer Debtors vs Net Consumer Debtors



Graph 15: Consumer Debtors Age Analysis

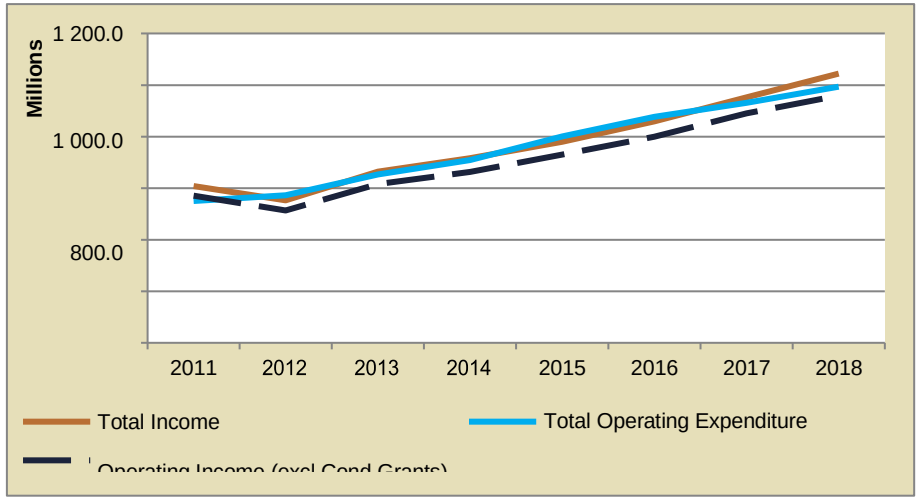


The collection rate of 93% in FY2018, which is also the average rate for the past 7 years, is still below the minimum acceptable benchmark of 95%. This has resulted in the ageing of the debtors' book and may result in higher consumer debtor write-offs in future.

Financial Performance

Surplus/Deficit

Graph 16: Total Income vs Total Expenditure



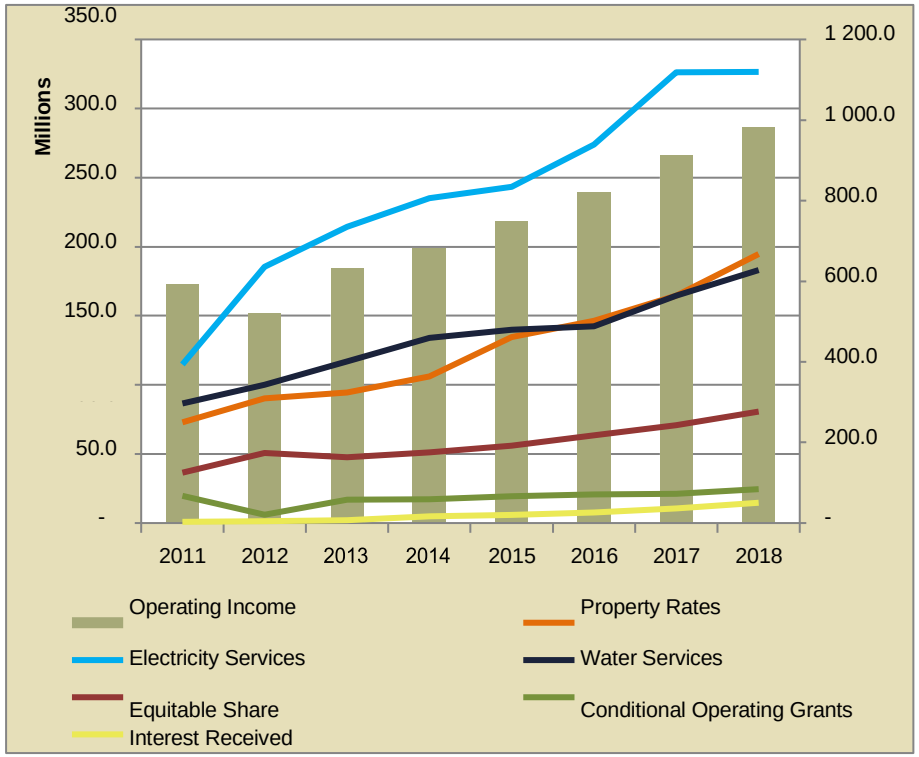
Total operating income increased by R 72.25 million or 7.9% in FY2018, which is higher than the growth in Operating Expenditure (excluding capital grants) of R 62.33 or 6.7% in the same period. This had a positive impact on Midvaal's profitability by reducing operating deficits to R 10.4 million in FY2018 from R20.3 million in FY2017.

Revenue Management

Total Income for FY2018 was R 1.04 billion against a Total Operating Expenditure of R 993.7 million, leading to an accounting surplus of R 50.6 million.

The increase in Total Income was mainly driven by increases in Property Rates (R 29.88 million or 18.1%), Water Services (R 18.62 million or 11.3%), Equitable Share (R 9.73 million or 13.7%), Interest Received (R 4.35 million or 41.9% and Conditional Operating Grants (R 3.39 million or 16.0%)

Graph 17: Contribution per Income Source



Expenditure Management

The increase in operating expenditure was mainly driven by increases in Staff Costs of R 15.71 million (7.1%), Water Services (R 48.34 million or 83.2%), and Depreciation Charges (R 6.02 million or 5.2%).

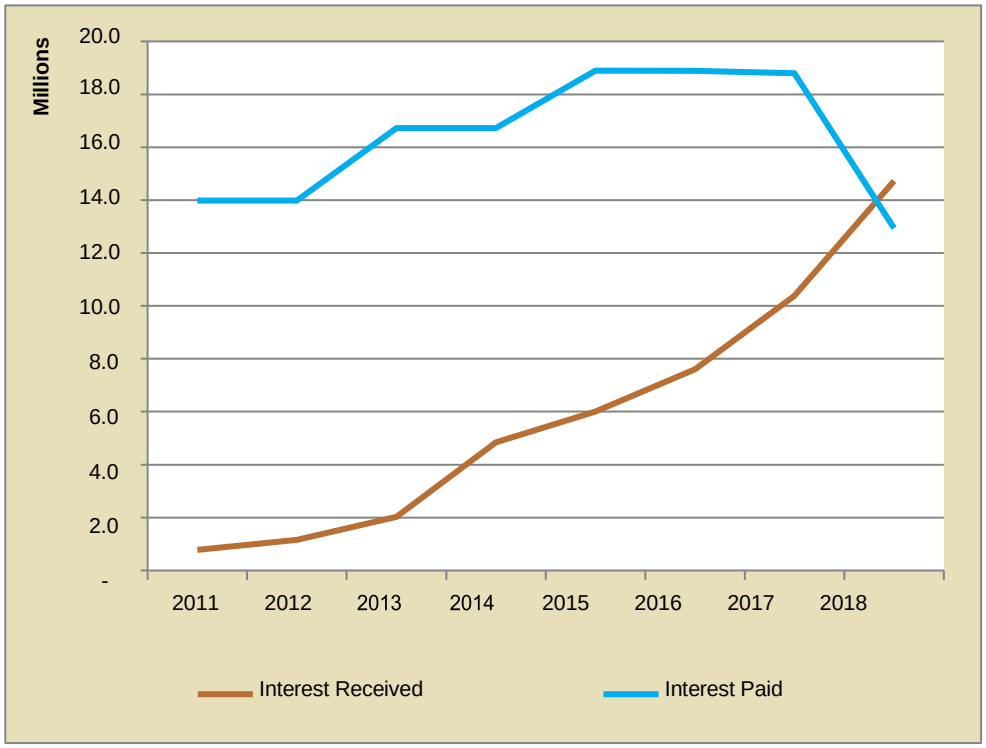
Positive to note is the decrease of R 25.53 million or 9.6% in Electricity bulk purchases for the current year; resulting in surplus margins increasing to 26% in FY2018 from 18% the previous year.

The electricity distribution losses decreased slightly from 11.79% in FY2017 to 11.16% in FY2018.

The water distribution losses remained high at 28.77% in FY2018.

The repairs and maintenance expense has increased to R 93.25 million or 5% of the carrying value of PPE and investment property.

Graph 19: Interest Paid vs Interest Received



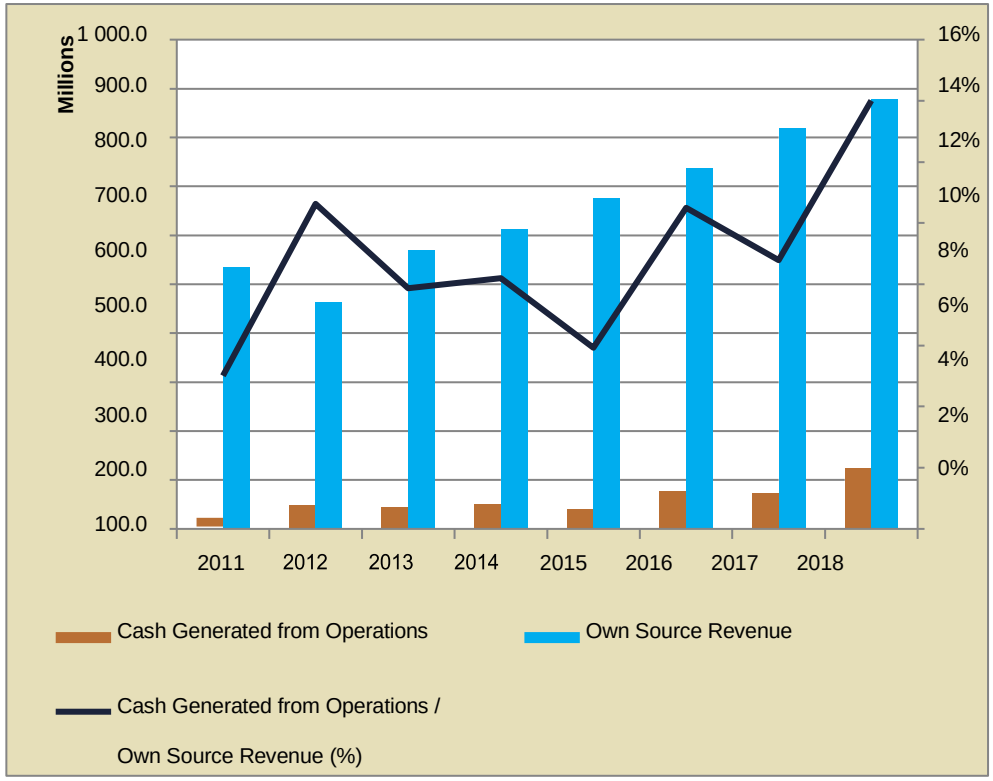
Noteworthy, although relatively small, is that the Interest Received from external investments exceeded Interest Paid on external loans for the first time during the 8-year assessment, resulting in a net interest inflow of R 1.79 million. The expectation is that the Interest Received will continue to increase as cash and investments grow in the future.

CASH FLOW

Cash Generated from Operations

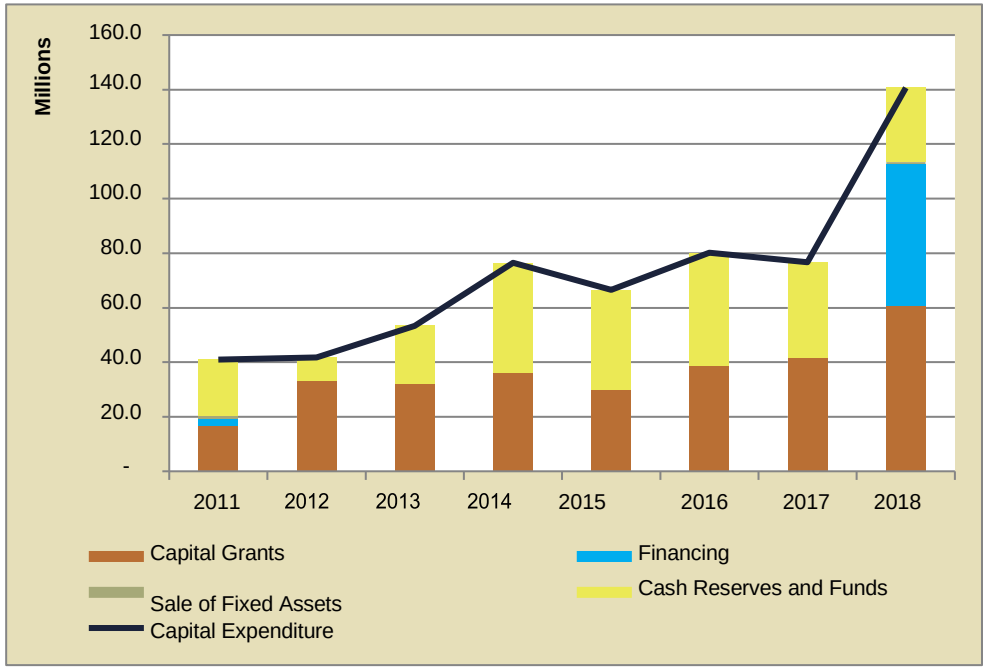
Cash generated from operations (excl Capital grants) for FY2018 increased by 71% (R 51.08 million) to R 123.02 million for the year.

GRAPH 20: CASH GENERATED FROM OPERATIONS / OWN SOURCE REVENUE



Capital Expenditure and Funding Mix

GRAPH 21: ANNUAL CAPITAL FUNDING MIX

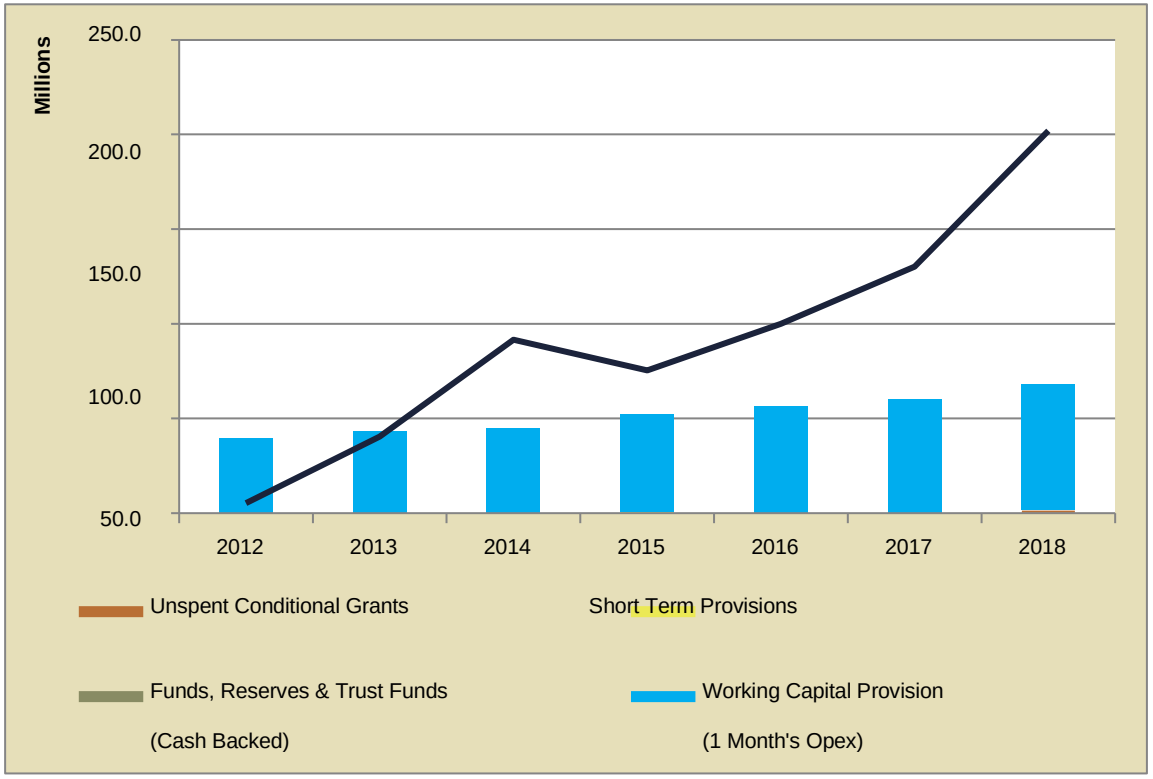


The positive cash generated from operations and the external loan liability of R 51.71 million taken up during the year enabled Midvaal to accelerate their capital expenditure program by R 64 million or 83.5% in FY2018. The other main funding source was Capital Grants which increased from R 41.80 million in FY2017 to R 60.94 million in FY2018. The funding mix appears more balanced as compared to the past 7 years of assessment.

The Capex was R 20.21 million less than budgeted and this was against the backdrop of an increase in capital grants received of R 19.14 million (46%).

Minimum Liquidity Requirements

GRAPH 22: MINIMUM LIQUIDITY REQUIRED



The ***unencumbered*** cash and cash equivalents of R 202 million as at FYE2018 was R 134.1 million more than the minimum liquidity required (including one month's operational expenditure) of R 67.9 million. The cash coverage improved from 1.8 in FY2016 to 3.0 in FY2018.

It is important to note that the table below reflects a distorted view of cash coverage ratio (excl working capital). This is because, except for the R1.5 million Unspent Conditional Grants, Midvaal's AFS did not reflect any statutory requirements to be cash backed. The inclusion of Short-Term Provisions, and Funds and reserves will increase statutory requirements and reduce the cash surpluses at the end of the year.

TABLE 3: MINIMUM LIQUIDITY LEVELS

	2011	2012	2013	2014	2015	2016	2017	2018
Unspent Conditional Grants	4.2	-	-	-	0.1	0.0	-	1.5
Short Term Provisions	20.7	-	-	0.4	0.5	-	-	-
Funds, Reserves & Trust Funds (Cash Backed)	-	-	-	-	-	-	-	-
Total Statutory Requirements	**25.0**	**-**	**-**	**0.4**	**0.6**	**0.0**	**-**	**1.5**
Unencumbered Cash ***	**4.7**	**5.4**	**40.5**	**91.5**	**75.5**	**100.0**	**130.1**	**202.0**
Cash Coverage Ratio (excl Working Capital) *	0.2			214.6	123.2	4 251.5		135.8
Working Capital Provision (1 Month's Opex) ******	34.4	39.4	43.0	44.7	51.5	56.7	60.3	66.4
Cash Coverage Ratio (incl Working Capital) ****	0.1	0.1	0.9	2.0	1.4	1.8	2.2	3.0
Minimum Liquidity Required *********	59.4	39.4	43.0	45.1	52.1	56.7	60.3	67.9
Cash Surplus/(Shortfall)	**(54.7)**	**(34.0)**	**(2.6)**	**46.4**	**23.4**	**43.3**	**69.8**	**134.1**

*Cash coverage ratio = Unencumbered cash and cash equivalents/Total statutory requirements

**Total Expenditure/12

***Total cash and cash equivalents – ceded investments

****Total statutory requirements + working capital provision

*****Minimum liquidity required – Unencumbered cash and cash equivalents

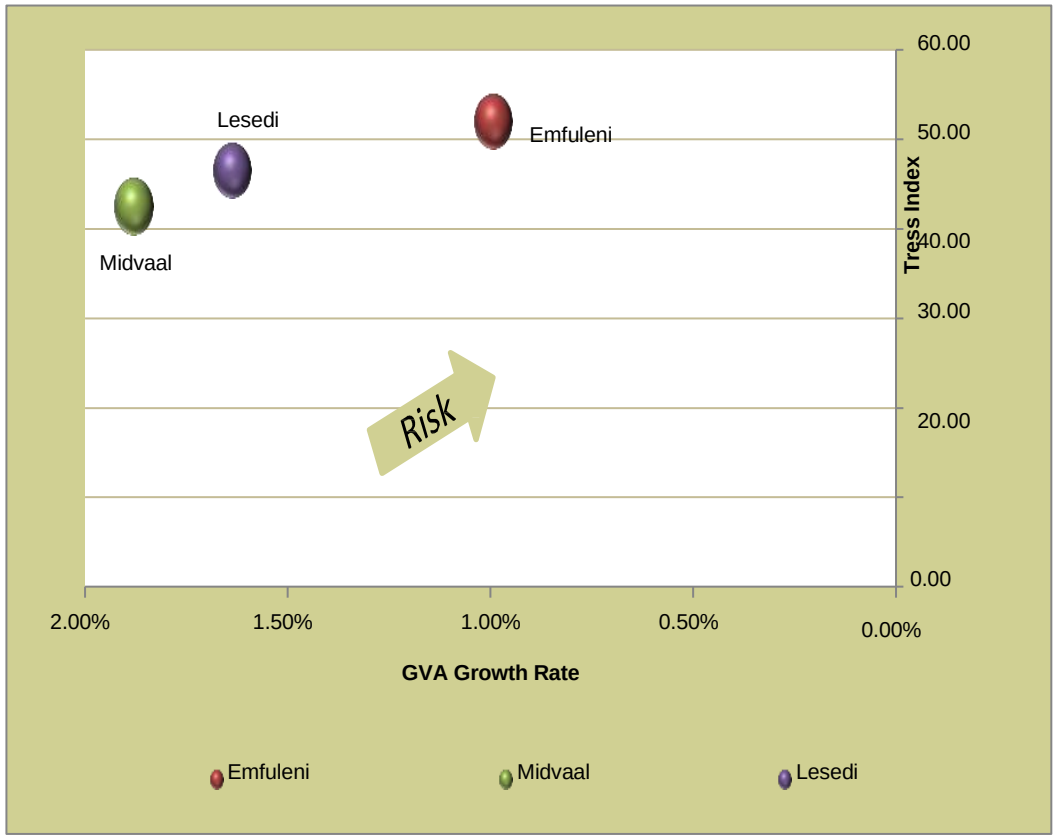
1	Planning Process
2	Updated Perspectives (Demographic, Economic, Household Infrastructure)
3	Updated Historic Financial Assessment
4	**Future Revenues**
5	Affordable Future Capital Investment
6	Scenario Analysis
7	Ratio Analysis
8	Conclusions

MUNICIPAL REVENUE RISK INDICATOR (MRRI) = "MEDIUM TO HIGH"

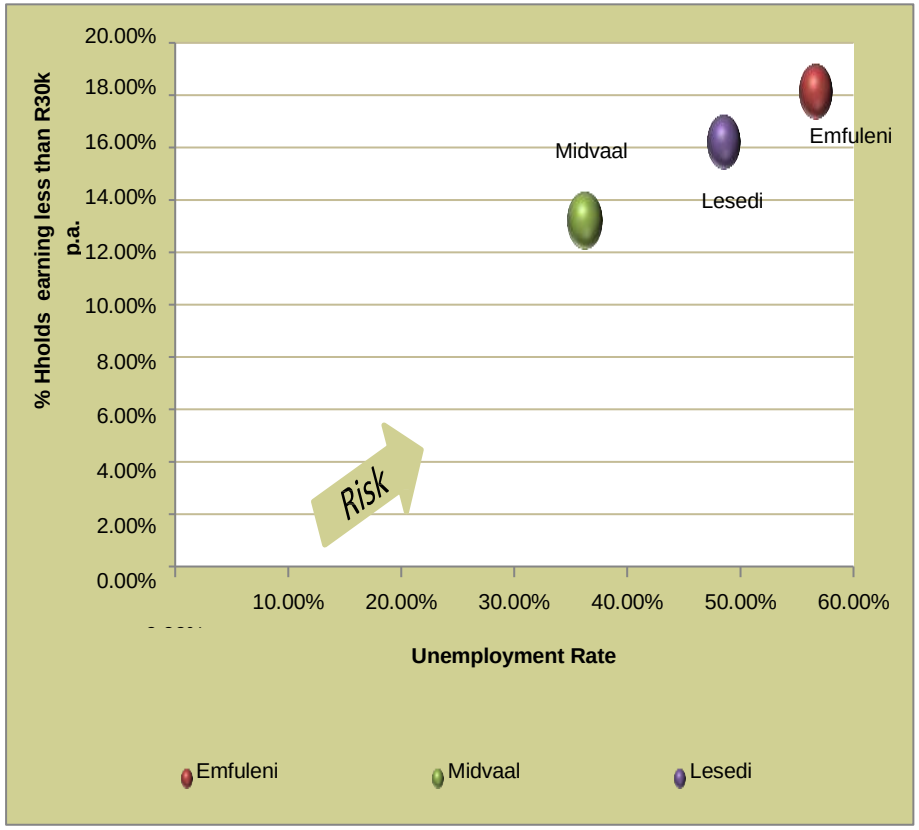
The latest iHS Global Insight update of the Midvaal economy reveals that the average economic growth rate during the past 5 years was on the higher end of the scale at 1.88% p.a. With a Tress Index of 43, the Midvaal economy is reasonably well diversified. This combination of factors produced an ***Economic Risk*** component of the MRRI for Midvaal of "Medium", representing the risk of capacity to generate own revenue in the future.

The Municipalities in Sedibeng district experience high unemployment rates and Midvaal is no exception, with a rate of 36.21%. The percentage of households earning less than R 30 000 p.a. is 13.24%, and these factors combine to return a *Household Ability to Pay Risk* component of the MRRI of "Medium to high", and the overall MRRI of "Medium to High".

GRAPH 23: ECONOMIC RISK COMPONENT OF MRRI

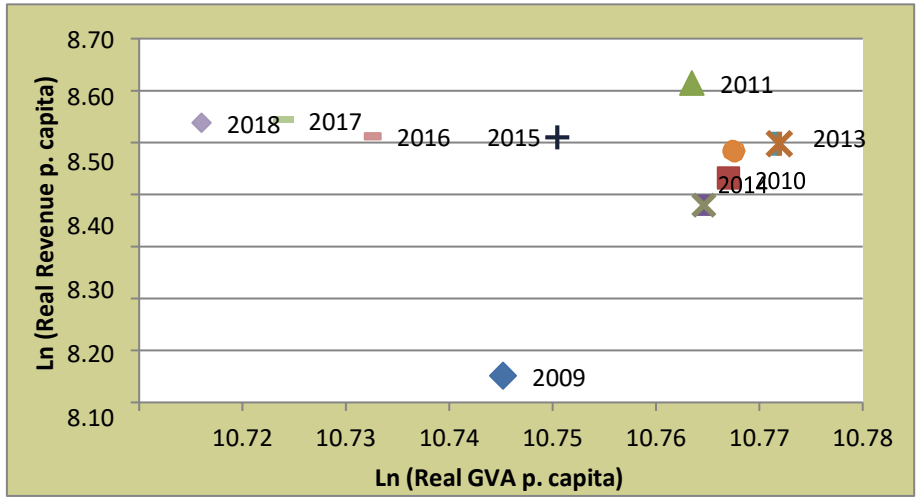


GRAPH 24: HOUSEHOLD ABILITY TO PAY RISK COMPONENT OF MRRI



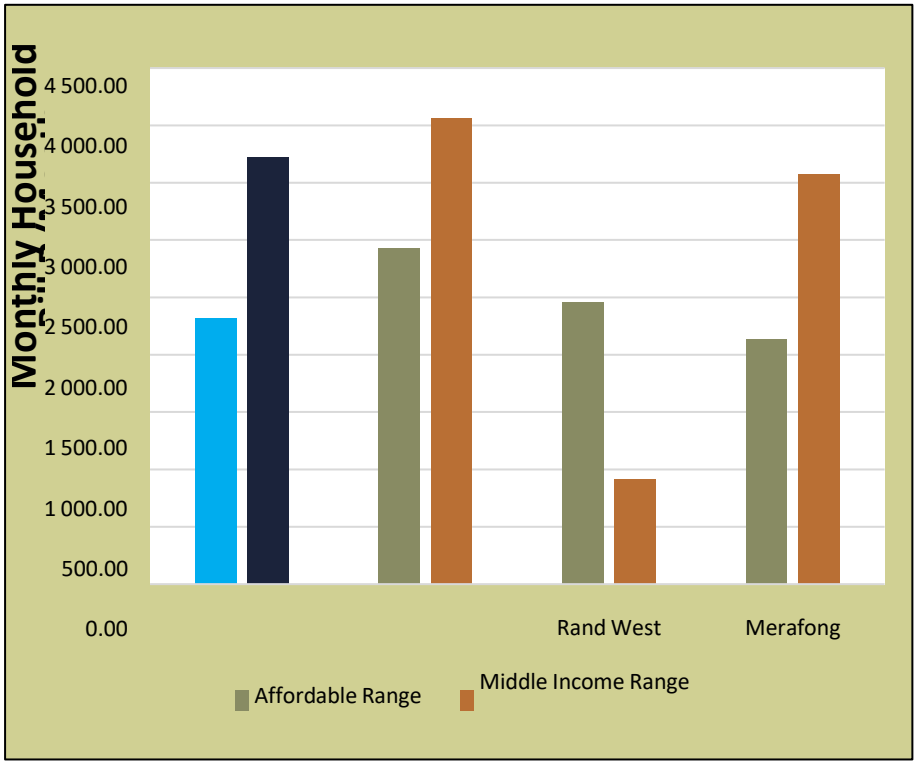
In 2018 both ***Real Municipal Revenue (excluding transfers) per Capita*** and ***Real GVA per Capita*** remained stable. The trend since 2013 reflects a consistent decrease in Real GVA per capita while Real Revenue per capita remained at the same level.

GRAPH 25: REAL REVENUES PER CAPITA VS REAL GVA PER CAPITA



A comparison of the *Average Household Bill* for the Middle Income- and Affordable Range of a selected number of local municipalities in Gauteng Province (extracted from Budget Table SA14), based on the 2017/18 tariffs reveals that Midvaal continued to be on the high end of the selected sample but it has been surpassed by Emfuleni since we last reported. The Monthly average household bill will most likely remain high as, according to Midvaal's projections, tariff increases for the MTREF period could not be contained within projected inflation targets due to the high cost of service provision.

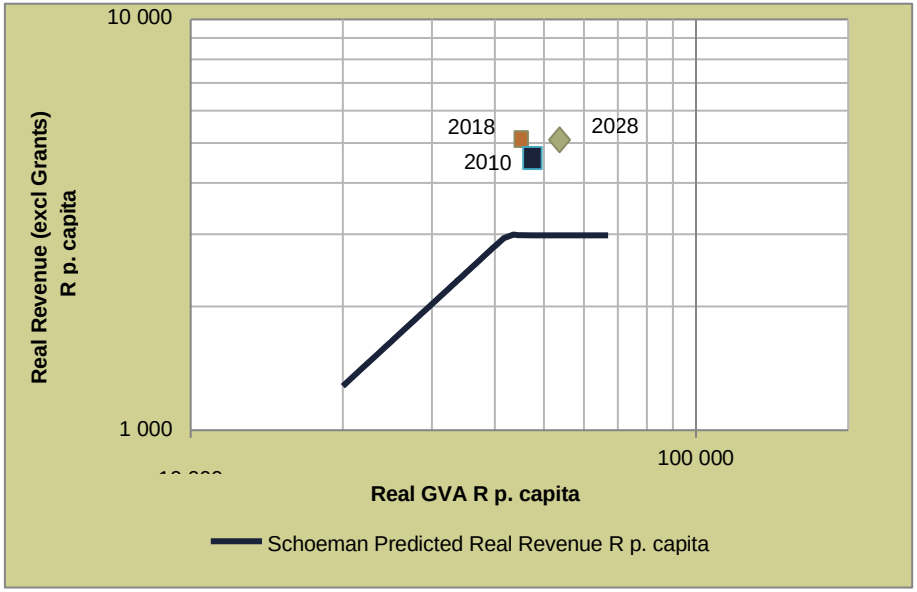
GRAPH 26: AVERAGE MONTHLY HOUSEHOLD BILL



Municipal Revenues

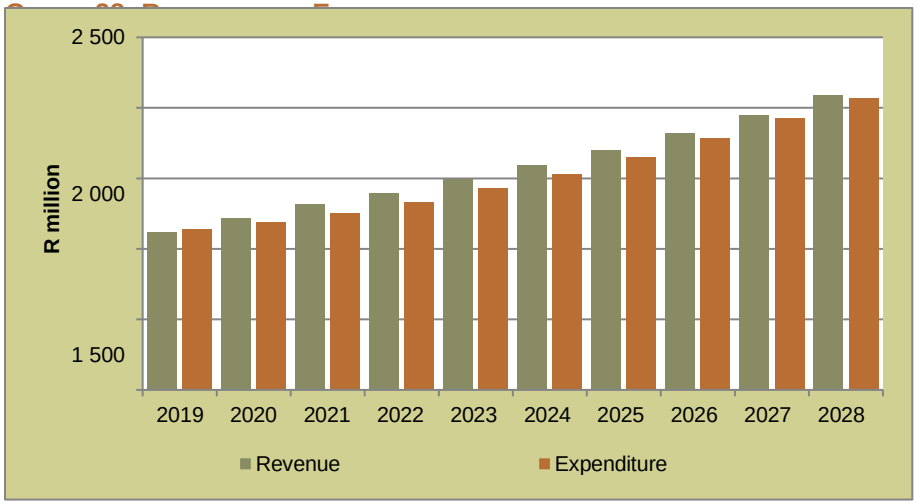
In 2018 the ***Real Revenue per Capita*** of R 5 107 p.a. exceeded the expected amount for the Real GVA per Capita as researched by Schoeman[2]. In real terms the projected revenue per capita of R 5 198 in 2028 is predicted to be at the same level as the revenue per capita in 2018. This correlates with the growing number of indigent households and high unemployment rates.

Graph 27: Real Revenue per Capita Across Time



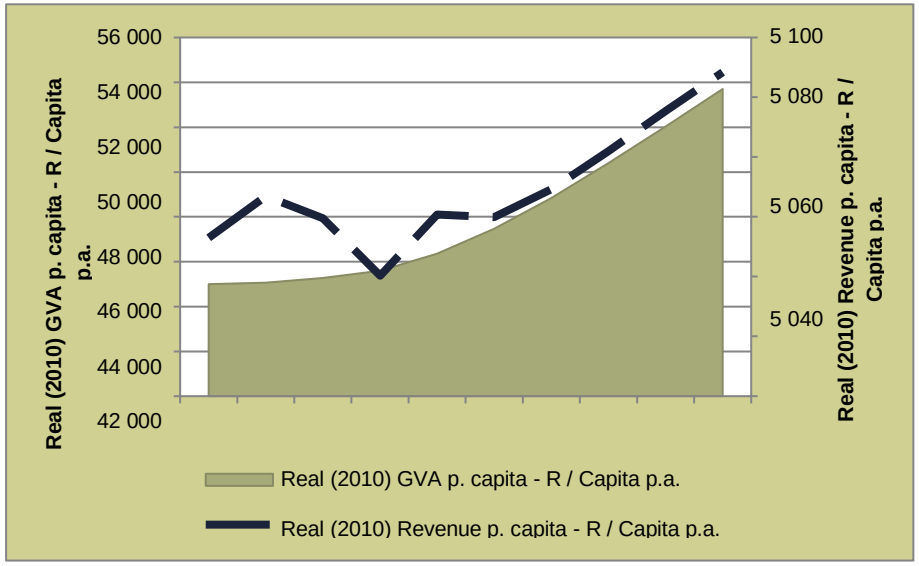
Future Nominal Revenue is growing at an average rate of 7.1% p.a. This is a combination of (i) tariff increases (ii) increased sales and (iii) potentially additional revenue sources. This revenue growth is however still less than the average growth of 9% p.a. during the past 5 years, between 2013/14 and 2017/18. Revenue is expected to exceed expenditure for the duration of the planning period, with the gap narrowing in the later years.

2 *Fiscal Performance of Local Government in South Africa - an Empirical Analysis*; Niek Schoeman; UP 22 July 2011; https://editorialexpress.com/cgi-bin/conference/download.cgi?db_name=IIPF67&paper_id=40



Both the Real ***GVA per Capita*** and the ***Real Revenue per Capita*** are expected to improve after a significant decline in 2022

Graph 29: Projected Real GVA and Revenues per Capita



1	Planning Process
2	Updated Perspectives (Demographic, Economic, Household Infrastructure)
3	Updated Historic Financial Assessment
4	Future Revenues
5	**Affordable Future Capital Investment**
6	Scenario Analysis
7	Ratio Analysis
8	Conclusions

Capex Affordability and Funding

The total Capex Demand was determined during the preparation of the LTFP in 2017 but is expected to have changed since then. However, for purposes of this report the affordability is of more concern and not so much the demand.

Total 10-year Capex **Demand**	**=**	R 5 910 million
Total 10-year Capex **Affordability:**	=	R 2 149 million

The Capex Demand exceeds the Capex Affordability by R 3 761 million. It needs to be stressed however that the capex demand estimates were based on the desk top estimates undertaken in 2017, which included an analysis of the Asset Registers and IPM's estimates of new capital investments. These estimates need to be revised pursuant to updated Master Plans.

MTREF Capital Funding Mix

Midvaal's MTREF budget 2020/21 to 2022/23 as tabled in its Adopted Budget 2018/19 expects a capital budget amounting to R 401 652 thousand and funded as follows:

Table 4: 3-Year MTREF Funding Mix R'000

R'000	*Total*	*2018/19*	*2019/20*	*2020/21*
Loans	**105 890**	32 650	33 300	39 940
Cash	**41 784**	12 289	15 190	14 305
Grants	**253 978**	65 223	89 468	99 287
Contributions	**0**	0	0	0
Total	**401 652**	**110 162**	**137 958**	**153 532**

IPM's model accommodated the intended borrowing of R 105.89 m, Internally Generated Funding of R 41.78 m and Capital Transfers of R 253.98 m for the MTREF period of 3 years to 2022/23 and allowed the model to calculate the future optimal funding mix.

The MTREF capex budget of the municipality is financially feasible. This is due to a conservative capex budget and the blended funding mix during the MTREF period. The cash surplus above the minimum liquidity levels is expected to reach its peak of R 246 million in 2025. These findings are illustrated in graph 30.

We have investigated a few alternatives in addition to this Base Case, which will be discussed in the following chapter on "Scenarios".

10-YEAR CAPITAL FUNDING MIX

The 10-year capital funding mix is presented in the table below:

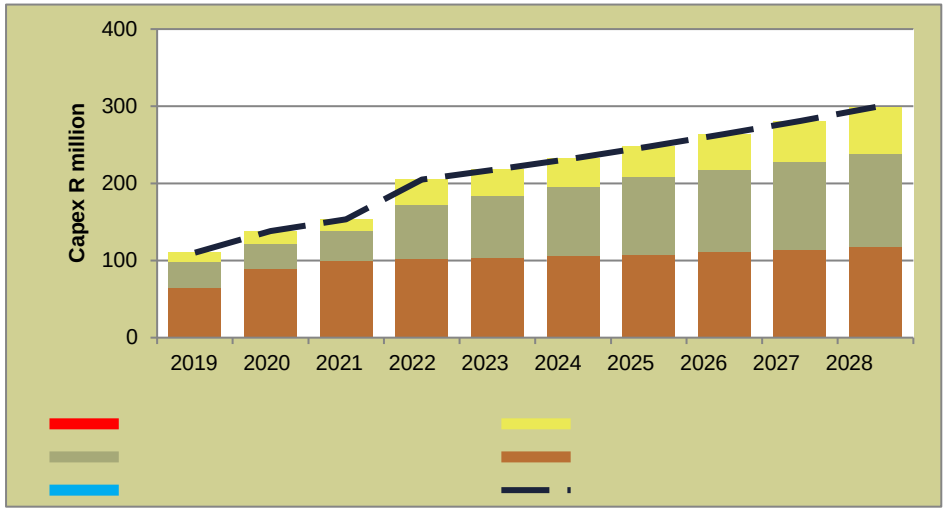
Table 5: Capital Funding Mix

Source	Rm	%
Public & Developers' Contributions	0	0%
Capital Grants	1 017	47%
Financing	787	37%
Cash Reserves and Funds	345	16%
Capital Expenditure	**2 149**	**100%**

The capital funding mix reflects the MTREF budget for the first 3 years. An increase of capital expenditure thereafter is possible at an average annual growth rate of 6.5% which can be achieved by making use of the projected growing cash surpluses. Borrowings can also be increased more rapidly to allow for the capex program acceleration.

The distribution of the funding mix is illustrated as per **Graph 30** below:

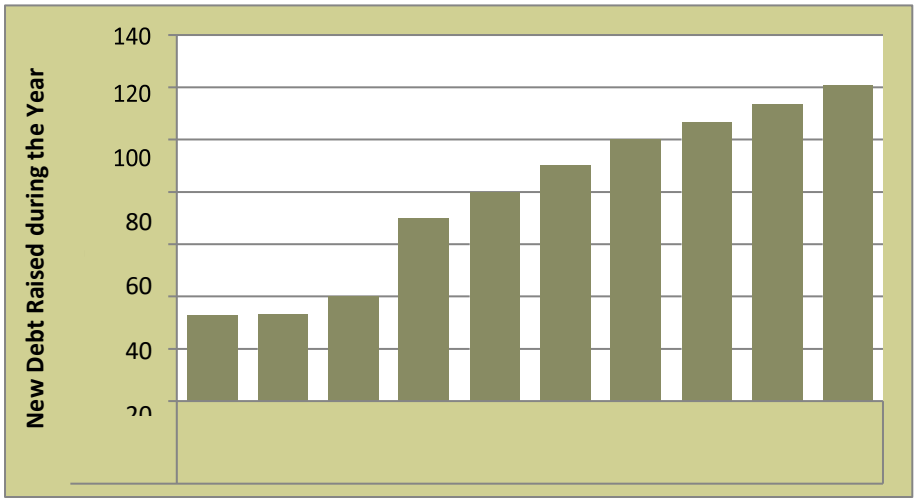
GRAPH 30: DISTRIBUTION OF FUTURE FUNDING



Cash Shortfall	Cash Reserves and Funds
Financing	Capital Grants
Public & Developers' Contributions	Capital Expenditure

The amount of annual external financing is estimated to be distributed as follows:

GRAPH 31: ESTIMATE OF FUTURE EXTERNAL FINANCING

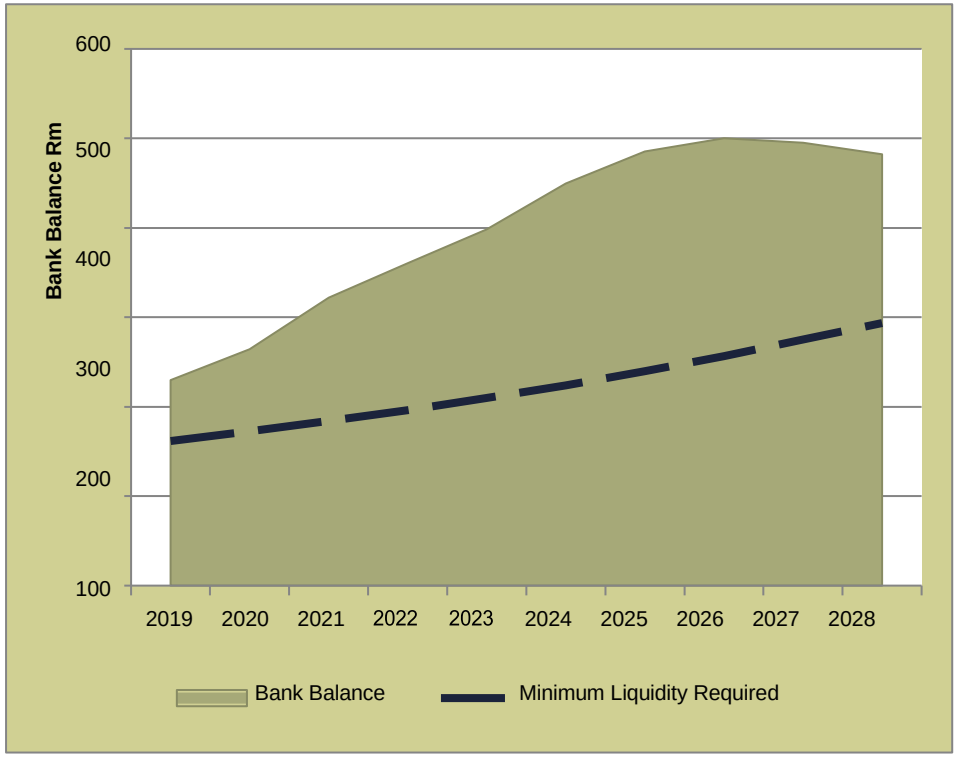


	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
R million	33	33	40	70	80	90	100	107	113	121

Liquidity and Capital Replacement Reserve

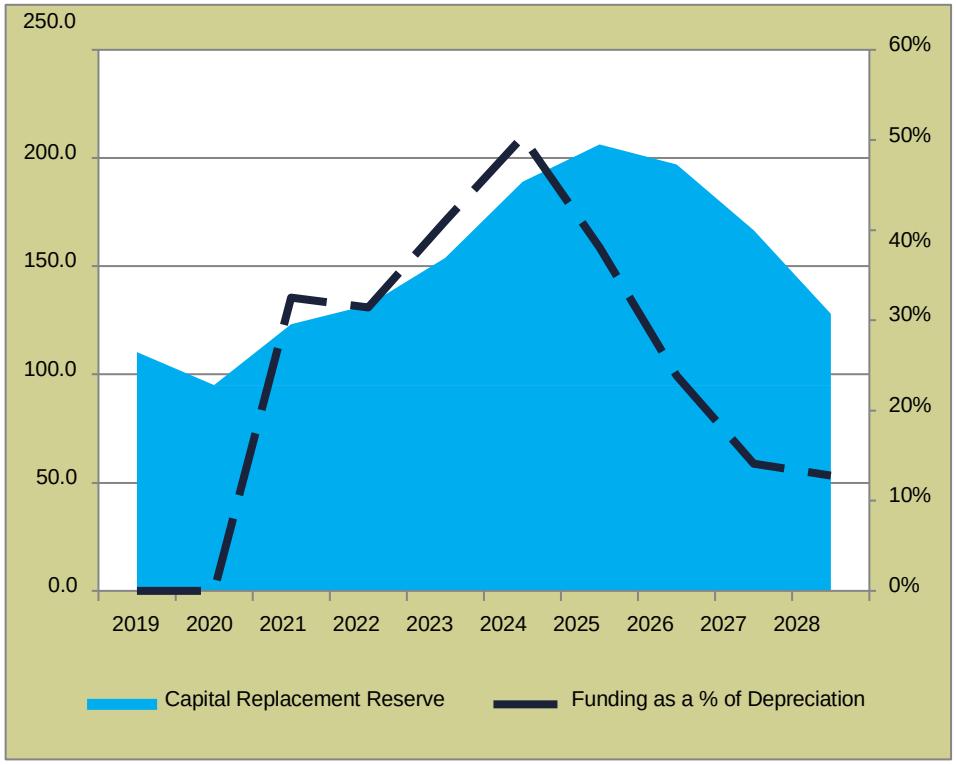
For purposes of this report the minimum required liquidity level caters for unspent conditional grants, reserves, short term provisions, and 1 month working capital. The municipality will build a healthy bank balance in excess of the estimated minimum liquidity required over the 10-year period. The Liquidity Ratio will peak at 2.5:1 in 2023 before decreasing to 1.8:1 by the end of the 10-year planning period.

Graph 32: Bank Balance vs Proposed Cash Backed Reserves



The accumulation of internally generated funds to fund capital expenditure will allow for a CRR to be fully funded for most of the planning period. Since Midvaal currently did not have a cash backed Capital Replacement Reserve in 2018, it would be prudent to start making this provision to cater for the growing capex demand.

Graph 33: Capital Replacement Reserve



Gearing

The ratio of Long-Term Interest-Bearing Liabilities to Income is illustrated in the graph below. A level of gearing of 30% (NT Norm is 45%) is regarded appropriate for Midvaal currently. During the MTREF period Gearing increases gradually but never exceeds this threshold. Throughout the 10-year planning period the ratio remains in the range of 17.6% to 29.7%. The Debt Service Cover Ratio (Cash Generated by Operations / Debt Service) which should at least be 1:1 and preferably 2:1 peaks at 3.5:1 in 2021 before decreasing to 1.8:1 at the end of the planning period.

Graph 34: Gearing

1	Planning Process
2	Updated Perspectives (Demographic, Economic, Household Infrastructure)
3	Updated Historic Financial Assessment
4	Future Revenues
5	Affordable Future Capital Investment
6	**Scenario Analysis**
7	Ratio Analysis
8	Conclusions

Scenarios

Realistic Upside and Downside Scenarios were compared to the Base Case Scenario.

Table 6: Variables Assessed in a Scenario Analysis

VARIABLE	BASE CASE	UPSIDE	DOWNSIDE
	% of Base Case		
Population Growth Rate	100%	98.0%	102.0%
GVA Growth Rate	100%	120.0%	80.0%
Employee related cost escalation (Margin above Inflation rate)	100%	100.0%	120.0%
Bulk electricity cost escalation (Margin above Inflation rate)	100%	100.0%	120.0%
Bulk water cost escalation (Margin above Inflation rate)	100%	80.0%	120.0%
Collection Rate of customer billings	100%	80.0%	120.0%

For the 10-year period, the Accumulated Accounting Surplus will be positive for the Upside but negative for the Downside. The same applies with Cash generated by Operations. The cash position after 10 years of R 482 million in the Base Case and R 473 million for the Upside are both above the minimum required liquidity but in the case of the Downside, the municipality will experience a R 1 271 million cash shortfall.

Whereas the 10-year capital investment for the Base Case is R 2 149 million, this may increase to almost R 2 989 million in the Upside.

The great variation of outcome for a realistic combination of input variables, demonstrates the need to manage the municipality's finances with care and discipline.

Table 7: Outcome of Scenario Analysis

OUTCOME	BASE CASE	UPSIDE	DOWN SIDE
Average annual % increase in Revenue	7.2%	7.3%	6.9%
Average annual % increase in Expenditure	7.6%	7.5%	8.9%
Accounting Surplus accumulated during Planning Period (Rm)	R 391	R 918	-R 1 394
Operating Surplus accumulated during Planning Period (Rm)	-R 627	-R 99	-R 2 412
Cash generated by Operations during Planning Period (Rm)	R 1 003	R 1 660	-R 788
Average annual increase in Gross Consumer Debtors	9.9%	-5.3%	20.0%
Capital investment programme during Planning Period (Rm)	R 2 149	R 2 989	R 1 979
External Loan Financing during Planning Period (Rm)	R 787	R 1 038	R 646
Cash and Cash Equivalents at the end of the Planning Period (Rm)	R 482	R 473	-R 1 271

1	Planning Process
2	Updated Perspectives (Demographic, Economic, Household Infrastructure)
3	Updated Historic Financial Assessment
4	Future Revenues
5	Affordable Future Capital Investment
6	Scenario Analysis
7	**Ratio Analysis**
8	Conclusions

Predicted Ratios

The Base Case predicted ratios are presented below. Although the model is not programmed to measure the ratios as required by National Treasury in all instances, it does provide comfort that the municipality is sustainable in future - on condition that it operates within the assumed benchmarks set in the financial plan.

Table 8: Outcome of Future Ratio Analysis

		N.T. NORM	2019	2021	2023	2025	2027	2029	COMMENTS
FINANCIAL POSITION									
ASSET MANAGEMENT									
R29	Capital Expenditure / Total Expenditure	10% - 20%	8.8%	10.4%	10.9%	13.4%	13.3%	13.2%	Capex post 2019 is well within the proposed benchmark of between 10% and 20% of Total Expenditure.
DEBTORS MANAGEMENT									
R4	Gross Consumer Debtors Growth		16.6%	12.7%	9.8%	9.4%	9.0%	8.8%	The collection rate is below the minimum acceptable benchmark of 95% in the early years. All efforts must be put in place to ensure that a payment ratio in excess of 95% is achieved and maintained
R5	Payment Ratio / Collection Rate	95%	93.0%	94.0%	95.0%	95.0%	95.0%	95.0%	
LIQUIDITY MANAGEMENT									
R49	Cash Coverage Ratio (excl Working Capital)		2.6 : 1	2.8 : 1	3.2 : 1	3.4 : 1	3.5 : 1	3.8 : 1	Liquidity is stable and the expected trend is positive resulting in a healthy liquidity ratio of more than 2:1 in future and a cash position that exceeds the minimum required liquidity level.
R50	Cash Coverage Ratio (incl Working Capital)		1.4 : 1	1.5 : 1	1.7 : 1	1.8 : 1	1.9 : 1	2 : 1	
R51	Cash Surplus / Shortfall on Minimum Liquidity Requirements		R 67.2 m	R 90.8 m	R 136.3 m	R 163.5 m	R 186.9 m	R 224.1 m	
R1	Liquidity Ratio (Current Assets : Current Liabilities)	1:1.5 - 1:2.0	2.3 : 1	2.3 : 1	2.4 : 1	2.4 : 1	2.5 : 1	2.5 : 1	
LIABILITY MANAGEMENT									
R45	Debt Service as % of Total Operating Expenditure	6% - 8%	4.3%	4.5%	4.6%	5.2%	5.4%	4.5%	The municipality has scope to increase its borrowings. However, for it to receive credit it must demonstrate financial discipline and continue to manage its liquidity prudently.
R6	Total Debt (Borrowings) / Operating Revenue	45%	18.6%	17.6%	16.8%	18.1%	19.4%	22.1%	
R7	Repayment Capacity Ratio		1.78	1.37	1.14	1.27	1.44	1.76	
R46	Debt Service Cover Ratio (Cash Generated by Operations / Debt Service)		2.7 : 1	3.2 : 1	3.5 : 1	3.1 : 1	2.8 : 1	3.3 : 1	
SUSTAINABILITY									

		N.T. NORM	2019	2021	2023	2025	2027	2029	COMMENTS
	Net Financial Liabilities Ratio	< 60%	1.0%	-0.6%	-3.7%	-2.9%	-1.5%	0.4%	The Operating Surplus Ratio that is negative during the early years but somewhat improves during the latter years.
	Operating Surplus Ratio	0% - 10%	-8.6%	-5.6%	-3.2%	-2.8%	-2.9%	-2.9%	
	Asset Sustainability Ratio	> 90%	29.8%	33.7%	35.8%	49.2%	50.5%	51.7%	
FINANCIAL PERFORMANCE									
EFFICIENCY									
R42	Net Operating Surplus / Total Operating Revenue	>= 0%	-8.6%	-5.6%	-3.2%	-2.8%	-2.9%	-2.9%	Electricity surplus margins appears to be under threat and the municipality should ensure that its tariffs are adjusted accordingly in the future.
R43	Electricity Surplus / Total Electricity Revenue	0% - 15%	26.0%	25.6%	25.2%	24.2%	23.2%	22.2%	
REVENUE MANAGEMENT									
R8	Increase in Billed Income p.a. (R'm)		R 70.5 m	R 65.6 m	R 65.5 m	R 65.1 m	R 71.4 m	R 77.2 m	Billed income is above the assumed inflation rate due to an increase in quantities of services sold as well as increase in tariffs. The national fiscal constraints will necessitate that the municipality strengthens its ability to generate cash from own revenue.
R9	% Increase in Billed Income p.a.	CPI	9.0%	7.7%	7.1%	6.6%	6.8%	6.9%	
R12	Operating Revenue Growth %	CPI	6.6%	7.6%	7.8%	6.3%	7.4%	7.0%	
R47	Cash Generated by Operations / Own Revenue		14.2%	16.8%	19.0%	18.7%	17.8%	17.0%	
R48	Cash Generated by Operations / Total Operating Revenue		12.6%	14.9%	16.7%	16.5%	15.8%	15.1%	
EXPENDITURE MANAGEMENT									
R30	Contribution per Expenditure Item: Staff Cost (Salaries, Wages and Allowances)	25% - 40%	24.1%	24.0%	24.0%	23.2%	23.2%	23.0%	Employee related costs are at the lower end of the proposed norm although increasing over time and Contracted Services as a % of Total Expenditure is above the norm.
	Contribution per Expenditure Item: Contracted Services	2% - 5%	10.9%	10.5%	10.4%	9.9%	9.9%	9.9%	
GRANT DEPENDENCY									
R10	Total Grants / Total Revenue		16.6%	17.9%	18.6%	18.0%	17.7%	17.4%	The municipality's dependence on transfers from other spheres of government is never entirely eliminated. It is however essential to try and reduce such dependence in future.
R11	Own Source Revenue to Total Operating Revenue		88.6%	88.7%	88.1%	88.5%	88.5%	88.5%	

		N.T. NORM	2019	2021	2023	2025	2027	2029	COMMENTS
	Capital Grants to Total Capital Expenditure		59.2%	64.9%	64.7%	49.9%	47.6%	45.6%	

1	Planning Process
2	Updated Perspectives (Demographic, Economic, Household Infrastructure)
3	Updated Historic Financial Assessment
4	Future Revenues
5	Affordable Future Capital Investment
6	Scenario Analysis
7	Ratio Analysis
8	**Conclusions**

Outcome of the Independent Financial Assessment

Midvaal posted a Net Surplus of R 50.6 million in 2018 (FYE2017: R 21.5 million). The increases in grants, and other revenue sources resulted in Total Income of R 1.04 billion for the year under review. Of this, R 958.8 million was Operating Revenue. Against the Operating Expenses of R 993.7 million, the Municipality posted an Operating Deficit of R 10.4 million (compared to R 20.3 million in 2017).

Analysing income by source and expenditure by item, it was noted that Midvaal generated R 48.80 million more from the 3 main revenue sources as compared to FYE2017. The largest increase per item was Property Rates at R 29.88 million (18%) followed by Water Services at R 18.62 million (11%), and Electricity services at a lesser extent of R 0.30 million (0%).

Midvaal proved its ability to translate the Accounting Surpluses into cash, with R 123 million Cash Generated from Operations (excl capital grants), regardless of the low collection rate of 93% on its Consumer Debtors.

The improved Cash generated from operations enabled Midvaal to accelerate their capital spending to R 140.6 million at FYE2018. In addition, Midvaal took up external borrowing of R 51.7 million during the year to part-fund its growing Capital Expenditure programme. The Municipality also received Capital Grants amounting to R 60.9 million, increasing from R 41.8 million the previous year to fund CAPEX. The Debt Service Cover Ratio, which is an indication of the municipality's ability to service its debt from cash generated by operations, improved from 2.79 in 2017 to a healthy 3.24 in 2018.

The level of CAPEX can also be assessed by using National Treasury's guideline benchmark of 10% to 20% of Total Expenditure which indicates the prioritisation of expenditure towards current operations versus future capacity in terms of municipal services. The ratio improved from 8% to 12% and is now within the norms and it is encouraged that it increases further to keep up with the high level of service delivery and address current backlog challenges.

This concentrated effort to improve the liquidity and cash position of the municipality is further evidenced in an improved liquidity ratio of 2.32 as at FYE2018, compared to 2.09 as at FYE2017 and the cash coverage ratio (including 2 months Opex) that improved from 2.16 as at FY2017 to 2.97 as at FYE2018.

The unencumbered cash and investments of R 202 million were sufficient to cover minimum liquidity required comprising of unspent conditional grants (R 1.5 million), and the 1 months Opex provision (R 66.4 million); resulting in a cash surplus of R 134.1 million at year end. Of concern though, is the absence of a capital asset replacement reserve (CRR).

Positively, 53% of current assets is represented by very liquid cash and cash equivalents, which highlights this healthy liquidity position. Consumer debtors (representing 33% of current assets) seem to be fast growing, with 74% of gross consumer debtors being older than 90 days. The provision for doubtful debts leaves room for improvement as it only covers 67% of debtors older than 90 days currently.

The gearing ratio of 19% and the positive debt service cover ratio (which measures the ability of the municipality to service its debt from cash generated by operations) at 3.24, indicate that the current levels of debt are affordable to the municipality.

STRENGTHS

- Healthy liquidity ratio of 2.32 in 2018, supported by an increased cash and cash equivalents balance, suggesting that the municipality will be able to service its liabilities as and when it becomes due.
- Balanced capital funding mix which supported the municipality in effectively managing its borrowings and increasing its cash balances.
- Manageable debt levels with a Gearing ratio of 19%.
- Consistent cash generated from operations even when capital grants are not included
- Very low levels of Unspent conditional grants

Weaknesses

- Midvaal posted Operating deficits consistently for the past 7 years.

- Absence of a Capital Asset Replacement Reserve to address the risk of unexpected future increases in capital requirements.
- Low consumer debtors collection rate of 93%.
- Debtors aging profile indicates that 74% of debtors are older than 90 days and not sufficiently provided for.

Outcome of the Future Predictions

The latest version of IPM's Municipal Financial Model was populated with the latest available financial, demographic and economic data of Midvaal and calibrated against the municipality's 2018/19 MTREF. Due to the incremental adjustments made on the model each year we always place more reliance on the latest outcome, i.e. this 2018 Estimate.

The 2018 the *Real Revenue per Capita* of R 5 107 p.a. exceeded the expected amount for the Real GVA per Capita. In real terms the projected revenue per capita of R 5 198 in 2028 is predicted to be more than the revenue per capita in 2018 which provides comfort in the light of a growing number of indigent households and high unemployment rates. The estimated average Household Bill based on the 2017/18 tariffs reveals that Midvaal continued to be on the high end of the selected sample will most likely remain high as tariff increases for the MTREF period could not be contained within projected inflation targets due to the high cost of service provision. The *Economic Risk* component of the MRRI for Midvaal remained "Medium", representing sufficient capacity to generate own revenue in the future. This is attributable to the average economic growth rate of 1.88% during the past 5 years and a high Tres Index of 43.

The municipality's collection rate of 93% is below the National Treasury benchmark and is assumed to be increased to the acceptable level of 95% which will be maintained throughout the 10-year planning period. The municipality should put all efforts in place to implementing effective revenue collection strategies improve debt collection.

The possibility to accelerate capital expenditure to R 153.53 million in 2021 during the MTREF period is possible through the anticipated blended funding mix. The model then follows an aggressive borrowing approach to increase the potential of bridging the gap between capex demand and affordability from 2022 onwards without depleting the Municipality's cash reserves. Capex will reach 13.2% of Total Expenditure by 2029. We estimate that the municipality will be able to invest in a capital programme of R 2 149 million in the planning period to FYE2029 and be able to afford that 37% of this capex is funded with external financing.

With continued good financial management there is no reason why the municipality's liquidity position cannot be maintained or even improved upon. This would allow a cash backed capital replacement reserve ("CRR") to be funded to finance future asset replacement expenses.

As demonstrated in the scenario analysis, a great variation of outcome for a realistic range of input variables is possible. It is therefore also possible that future performance will provide a different outcome to the base case scenario in this report. It is however encouraging to note that the cash generated by operations remains positive for the planning period.

An analysis of projected financial ratios does not reveal any serious concerns. It is however probable that a slight deterioration in most ratios will occur in future due to a greater demand placed on the municipality to provide services, the full costs of which are not recoverable.

An analysis of the projected financial ratios reveals positive trends for most metrics, except for the continuing Operating Deficits as grant dependency is expected to increase in the earlier years despite the deteriorating national fiscus.

The expected positive outlook is subject to the condition that the municipality manages its finances with care and discipline.

ANNEXURE 1: ROJECTED FINANCIAL STATEMENTS

Municipal Financial Model - Midvaal
Statement of Financial Performance

Model year	0	1	2	3	4	5	6	7	8	9	10
Financial year (30 June)	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**
R thousands											
Revenue											
Property rates	194 658	206 373	227 722	246 952	265 420	289 609	317 614	349 670	386 000	426 797	472 217
Service Charges	584 086	642 955	687 086	733 250	779 834	826 964	876 037	928 691	985 786	1 047 895	1 115 728
Rental of facilities and equipment	1 345	1 300	1 378	1 454	1 531	1 640	1 757	1 882	2 017	2 164	2 323
Interest earned - external investments	14 725	10 503	12 647	14 544	17 593	19 928	22 367	25 830	28 636	30 333	30 868
Interest earned - outstanding debtors	9 181	7 529	7 829	8 121	8 418	15 179	16 384	17 772	19 355	21 142	23 136
Dividends received	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	34 362	50 342	53 362	56 297	59 289	63 508	68 019	72 868	78 105	83 779	89 953
Licences and permits	1	40	45	47	51	56	61	67	74	82	91
Agency services	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies (operating)	105 174	119 802	127 829	144 771	149 114	159 297	170 189	181 909	194 574	208 306	223 251
Other revenue	39 536	9 239	9 793	10 332	10 642	11 399	12 209	13 079	14 019	15 038	16 146
Gain on disposal of PPE	279	–	–	–	–	–	–	–	–	–	–
Revaluation on investment property gain / (loss)	–	–	–	–	–	–	–	–	–	–	–
Total revenue before Capital Grants	983 348	1 048 083	1 127 692	1 215 768	1 291 892	1 387 580	1 484 636	1 591 768	1 708 567	1 835 536	1 973 714
Capital Grants	60 939	65 223	89 468	99 287	102 266	103 966	105 944	108 265	110 985	114 162	117 861
Public & developers contributions	–	–	–	–	–	–	–	–	–	–	–
Total Revenue after Capital Grants	1 044 287	1 113 306	1 217 160	1 315 055	1 394 157	1 491 545	1 590 581	1 700 033	1 819 552	1 949 698	2 091 575
Operating expenditure											
Employee related costs	225 728	288 593	305 908	324 263	341 537	366 021	388 228	419 267	453 159	490 247	522 993
Remuneration of councillors	11 726	12 390	13 133	13 921	14 478	15 278	16 136	17 064	18 070	19 167	20 362
Debt impairment	73 894	94 798	92 354	88 536	93 887	100 415	107 436	115 076	123 424	132 553	142 550
Depreciation and asset impairment	122 503	131 381	130 190	130 719	132 186	137 031	142 498	148 592	155 328	162 720	170 787
Finance charges	17 080	21 926	22 876	24 111	28 106	32 285	37 585	45 010	52 849	60 570	69 239
Bulk purchases	347 657	384 328	415 984	450 376	488 194	527 808	570 558	616 689	666 886	721 677	781 701
Other Materials	12 939	13 638	14 285	15 071	15 760	17 197	18 729	20 450	22 337	24 414	26 656
Contracted services	117 702	135 741	139 079	146 743	151 243	163 732	173 678	189 201	206 061	224 409	238 936
Transfers and subsidies	275	287	295	312	323	346	371	397	426	456	490
Other expenditure	(29 046)	54 895	57 213	60 279	62 839	67 355	72 099	77 314	82 948	89 055	95 569
Loss on disposal of PPE	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure	993 711	1 137 977	1 191 318	1 254 331	1 328 553	1 427 467	1 527 318	1 649 060	1 781 488	1 925 269	2 069 281
Suplus/ (Shortfall) for the year	**50 576**	**(24 671)**	**25 842**	**60 724**	**65 604**	**64 078**	**63 262**	**50 973**	**38 064**	**24 429**	**22 294**

Municipal Financial Model - Midvaal
Statement of Financial Position

Model year	0	1	2	3	4	5	6	7	8	9	10
Financial year (30 June)	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**
R thousands											
Non-current assets:	2 052 167	2 030 948	2 038 716	2 061 529	2 134 342	2 215 637	2 305 654	2 404 692	2 513 090	2 631 237	2 759 574
Property, plant and equipment	2 004 552	1 983 332	1 991 100	2 013 913	2 086 727	2 168 021	2 258 039	2 357 076	2 465 474	2 583 622	2 711 959
Intangible assets	1 027	1 027	1 027	1 027	1 027	1 027	1 027	1 027	1 027	1 027	1 027
Investment properties	46 570	46 570	46 570	46 570	46 570	46 570	46 570	46 570	46 570	46 570	46 570
Investments	–	–	–	–	–	–	–	–	–	–	–
Long-term receivables	–	–	–	–	–	–	–	–	–	–	–
Other non-current assets	19	19	19	19	19	19	19	19	19	19	19
Current assets:	379 941	389 255	424 062	481 796	521 189	559 047	611 084	647 868	663 429	659 234	647 233
Inventories	8 601	7 510	7 835	8 258	8 614	9 266	9 954	10 714	11 538	12 435	13 394
Trade and other receivables	169 356	151 794	151 794	151 794	151 794	151 794	151 794	151 794	151 794	151 794	151 794
Cash & Short term investments	201 984	229 950	264 432	321 744	360 781	397 987	449 336	485 360	500 097	495 004	482 044
	2 432 109	**2 420 203**	**2 462 778**	**2 543 324**	**2 655 531**	**2 774 684**	**2 916 738**	**3 052 560**	**3 176 519**	**3 290 471**	**3 406 807**
TOTAL ASSETS											
Municipal Funds:	2 044 706	2 020 035	2 045 877	2 106 600	2 172 205	2 236 283	2 299 545	2 350 518	2 388 582	2 413 011	2 435 304
Housing development fund & Other Cash Backed Reserves	–	82 693	85 295	87 900	90 661	93 588	96 691	99 980	103 466	107 161	111 078
Reserves (Not Cash Backed)	–	–	–	–	–	–	–	–	–	–	–
Accumulated surplus	2 044 706	1 937 342	1 960 582	2 018 700	2 081 543	2 142 694	2 202 854	2 250 539	2 285 116	2 305 850	2 324 226
Non-current liabilities:	223 814	229 937	232 659	235 519	264 371	316 656	373 010	432 628	494 017	558 949	620 219
Long-term liabilities (Interest Bearing)	161 836	165 113	164 667	164 186	189 597	238 338	291 041	346 899	404 414	465 357	522 518
Non-current provisions	61 978	64 825	67 992	71 333	74 774	78 319	81 969	85 730	89 603	93 592	97 701
Current liabilities:	163 589	170 230	184 242	201 205	218 956	221 745	244 183	269 413	293 920	318 511	351 283
Consumer deposits	16 419	17 662	18 913	20 158	21 404	22 645	23 881	25 116	26 348	27 578	28 825
Provisions	–	2 846	6 014	9 356	12 798	16 344	19 996	23 757	27 631	31 622	35 732
Trade and other payables	118 769	119 494	125 570	131 270	140 165	151 497	163 009	176 398	190 956	206 831	223 093
Bank overdraft	–	–	–	–	–	–	–	–	–	–	–
Current portion of interest bearing liabilities	28 401	30 228	33 745	40 421	44 589	31 259	37 297	44 142	48 984	52 479	63 634
	2 432 109	**2 420 203**	**2 462 778**	**2 543 324**	**2 655 531**	**2 774 684**	**2 916 738**	**3 052 560**	**3 176 519**	**3 290 471**	**3 406 807**
TOTAL MUNICIPAL FUNDS AND LIABILTIES											

Municipal Financial Model - Midvaal
Cash Flow Statement

Model year	1	2	3	4	5	6	7	8	9	10
Financial year (30 June)	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**
R thousands										
Cash flows from Operating Activities										
Suplus/Deficit for the year *including* Capital Grants	(24 671)	25 842	60 724	65 604	64 078	63 262	50 973	38 064	24 429	22 294
Suplus/Deficit for the year *excluding* Capital Grants & Contributions	(89 894)	(63 626)	(38 563)	(36 662)	(39 888)	(42 682)	(57 292)	(72 921)	(89 733)	(95 568)
Capital Grants & Contributions	65 223	89 468	99 287	102 266	103 966	105 944	108 265	110 985	114 162	117 861
Adjustments for non-cash items:										
Depreciation, amortisation and impairment loss	131 381	130 190	130 719	132 186	137 031	142 498	148 592	155 328	162 720	170 787
Revaluation on investment property (gain) / loss	–	–	–	–	–	–	–	–	–	–
Increase / (Release from) current provisions & non-interest bearing liabilities	2 846	3 168	3 342	3 442	3 546	3 652	3 761	3 874	3 991	4 110
Increase / (Release from) other non-current provisions & non-interest bearing liabilities	2 847	3 167	3 341	3 441	3 544	3 651	3 760	3 873	3 989	4 109
(Increase) / Release from non-current interest bearing assets	–	–	–	–	–	–	–	–	–	–
Capitalised interest	–	–	–	–	–	–	–	–	–	–
Operating surplus before working capital changes:	112 403	162 367	198 126	204 674	208 199	213 063	207 087	201 139	195 129	201 300
Change in W/C Investment	19 378	5 751	5 278	8 539	10 680	10 824	12 629	13 734	14 978	15 302
(Increase)/decrease in inventories	1 091	(325)	(422)	(356)	(652)	(688)	(760)	(824)	(897)	(960)
(Increase)/decrease accounts receivable	17 562	–	–	–	–	–	–	–	–	–
Increase/(decrease) in trade payables	725	6 076	5 700	8 895	11 333	11 512	13 389	14 558	15 875	16 262
	131 781	168 118	203 403	213 213	218 879	223 887	219 716	214 873	210 107	216 602
Net cash flow from Operating activities										
Cash flows from Investing Activities										
Capital expenditure	(110 162)	(137 958)	(153 532)	(205 000)	(218 325)	(232 516)	(247 630)	(263 726)	(280 868)	(299 124)
Decrease/(Increase) in non-current receivables	–	–	–	–	–	–	–	–	–	–
(Additions) / Disposals of investment property	–	–	–	–	–	–	–	–	–	–
Net cash flow from Investing activities	(110 162)	(137 958)	(153 532)	(205 000)	(218 325)	(232 516)	(247 630)	(263 726)	(280 868)	(299 124)
Cash flows from Financing Activities										
New loans raised	32 650	33 300	39 940	70 000	80 000	90 000	100 000	106 500	113 423	120 795
Loans repaid	(27 546)	(30 228)	(33 745)	(40 421)	(44 589)	(31 259)	(37 297)	(44 142)	(48 984)	(52 479)
(Decrease) / Increase in consumer deposits	1 243	1 251	1 246	1 246	1 241	1 237	1 234	1 232	1 231	1 246
Net cash flow from Financing activities	6 347	4 323	7 440	30 824	36 652	59 978	63 937	63 589	65 669	69 562
Change in Cash	27 966	34 483	57 312	39 037	37 206	51 349	36 024	14 737	(5 092)	(12 960)
Cash/(Overdraft), Beginning	201 984	229 950	264 432	321 744	360 781	397 987	449 336	485 360	500 097	495 004
Cash/(Overdraft), Ending	**229 950**	**264 432**	**321 744**	**360 781**	**397 987**	**449 336**	**485 360**	**500 097**	**495 004**	**482 044**

Prepared by INCA Portfolio Managers

Tel: +27 [0]11 202 2210

Fax: +27 [0]11 202 2231

Unit F14, Pinewood Square
Pinewood Office Park

33 Riley Road
Woodmead

Annexure W
Disposal of Assets Policy
2024/2025

DISPOSAL OF ASSETS POLICY

2024/2025 FINANCIAL YEAR

MIDVAAL
LOCAL MUNICIPALITY

TABLE OF CONTENTS

TABLE OF CONTENTS 2
ABBREVIATIONS 3
1. PURPOSE OF THIS DOCUMENT 4
2. DEFINITIONS 5
3. CONSTITUTIONAL AND LEGAL BACKGROUND 8
4. OBJECTIVES 9
5. APPROVAL AND EFFECTIVE DATE 10
6. POLICY AMENDMENT 11
7. RELATIONSHIP WITH OTHER POLICIES 12
8. REFERENCES 13
9. ASSET TYPES 9
10. TRANSFER OR DISPOSAL OF A CAPITAL ASSET 13
11. VALUATION 32
12. CALCULATION OF PROFIT AND LOSS ON DISPOSAL 33
13 SCRAP ITEMS / OBSOLETE INVENTORY / LIBRARY BOOKS……..34
14. POLICY IMPLEMENTATION 28

ABBREVIATIONS

MLM	Midvaal Local Municipality
AMP	Asset Management Plan
AO	Accounting Officer
ASB	Accounting Standards Board
ATR	Asset Transfer Regulations
CFO	Chief Executive Officer
DRC	Depreciated Replacement Cost
GRAP	Generally Recognised Accounting Practise
HOD	Head of Department
MDA	Municipal Demarcation Act
MFMA	Municipal Finance Management Act
MM	Municipal Manager
MSA	Municipal Systems Act
PPE	Property, Plant and Equipment
SCM	Supply Chain Management
VAT	Value Added Tax

1. PURPOSE OF THIS DOCUMENT

The purpose of this document is to provide a framework for the disposal or transfer of the municipality's capital assets and scrap items (obsolete inventory stock).

2. DEFINITIONS

"Asset" means a resource controlled by a municipality as a result of past events and from which future economic benefits or service potential are expected to flow to the municipality;

"Basic Municipal Services" shall mean a municipal service necessary to ensure an acceptable and reasonable quality of life, which service – if not provided – would endanger public health or safety or the environment;

"Capital asset" –

(a) any immovable asset such as land, property or buildings; or

(b) any movable asset that can be used continuously or repeatedly for more than one year in the production or supply of goods or services, for rental to others or for administrative purposes, and from which future economic or social benefit can be derived, such as plant, machinery and equipment;

"Chief Financial Officer" means the person appointed as the Chief Financial Officer of the Municipality, or his or her nominee;

Commercial services

Commercial services means a service other than municipal services –

(a) rendered by a private sector party or organ of state to or from a municipality on a commercial basis; and

(b) which is procured by the municipality through its supply chain management policy.

"Council" means the Council of the Midvaal Local Municipality;

"Councillor" shall mean a member of the Council of the Municipality;

“Disposal” in relation to a capital asset or scrap items, includes -

(a) the demolition, dismantling or destruction of the capital asset or scrap items; or

(b) any other process applied to a capital asset which results in loss of ownership of the capital asset otherwise than by way of transfer of ownership.

"Exempted capital asset" means a municipal capital asset which is exempted by 14(6) or 90(6) of the Municipal Finance Management Act, 2003 (MFMA) from the other provisions of that section;

“Fair market value” in relation to capital assets, means the value at which a knowledgeable willing buyer would buy and a knowledgeable willing seller would sell the capital asset in an arm’s length transaction;

“Financial Year” shall mean the period starting from 1 July in any year and ending on 30 June of the following year;

"Immovable Property" also includes -

(a) an undivided share in immovable property, and

(b) any right in immovable property.

"High value" in relation to a capital asset of a municipality, means that the fair market value of the capital asset exceed any of the following amounts:-

(a) R50 million;

(b) one percent of the total value of the capital assets of the municipality, as determined from the latest available audited annual financial statements of the municipality; or

(c) an amount determined by resolution of the Council of the municipality which is less than a) or b);

“the Municipality” means Midvaal Local Municipality;

"Non-exempted capital asset" means a capital asset which is not exempted by section 14(6) or 90(6) of the Municipal Finance Management Act, 2003 (MFMA) from the other provisions of that section;

“Organ of state” – means

(a) a national department or national public entity;

(b) a provincial department or provincial public entity;

(c) a municipality or municipal entity; or

(d) any other organ of state within the meaning assigned to ‘organ or state’ in section 239 of the Constitution;

"Regulation" refers to the Municipal Asset Transfer Regulations, Government Gazette no.31346;

“Scrap” refers to obsolete Inventory items such as any metal, steel, copper or any other discarded waste material that is suitable for reprocessing;

"Service Provider"

(a) in relation to a municipal service, means a private sector party or organ of state appointed by a municipality in terms of Chapter 8 of the Municipal Systems Act (MSA) to perform a municipal service in accordance with that Act; and

(b) in relation to a commercial service, means a private sector party or organ of state appointed in terms of the supply chain management policy of a municipality to render a commercial service to or for the municipality as an independent contractor;

"Subsidiary asset" in relation to a capital asset, means an asset that forms an integral part of the capital asset or of the operations or maintenance of the asset;

"Transfer" in relation to a capital or subsidiary asset, means transfer of ownership in the asset as a result of a sale or other transaction.

3. CONSTITUTIONAL AND LEGAL BACKGROUND

Section 14 and 90 of the Municipal Finance Management Act (MFMA) (Act 56, 2003) states:

"A municipality may not transfer ownership as a result of a sale or other transaction, or otherwise permanently dispose of any capital asset needed to provide a minimum level of basic municipal services."

The following key principals were adopted to assist in the identification and management of risks associated with the transfer and disposal of capital assets. These principles must be considered and implemented in the context of any asset transfer:

- **Valuation principle**, i.e. the need to attach a value to the transfer or disposal of a municipal capital asset, in order to ensure that the interests of the municipality and each of its stakeholders are not prejudiced by the transfer or disposal;
- **Continuity of service principle**, i.e. the need to ensure the uninterrupted continuance of a municipal service when a municipal capital asset that is being used in the delivery of that service, is transferred or disposed of, particularly when the asset is used in the provision of a minimum level of basic municipal service;
- **Risk transfer principle**, i.e. the need to transfer the risk relating to a municipal capital asset in conjunction with the transfer of the asset; and
- **Asset preservation principle**, i.e. the need to prevent the indiscriminate or unsustainable transfer or disposal of a municipal capital asset in order not to undermine the ability of the municipality to render or expand municipal services in the longer term.

4. OBJECTIVES

The objectives of the Asset Disposal Policy are to:

- Ensure that only assets that are assessed and deemed not to be critical to provide the minimum level of basic municipal services are disposed of;
- Ensure that assets are not disposed when the disposal of the asset or the terms of the disposal of the asset could disadvantage the municipality or community financially or otherwise;

- Ensure that all disposals are, in terms of section 14 (5) of the MFMA, fair, equitable transparent, competitive and consistent with the Supply Chain Management Policy (SCM) of the municipality; and
- Ensure that assets disposed of are updated in the municipality's Asset Register timeously and accurately.

5. APPROVAL AND EFFECTIVE DATE

The policy will be effective as from 1 July 2024.

6. POLICY AMENDMENT

This policy should be reviewed annually to ensure continued compliance with the relevant legislation and accounting standards. Changes to this document shall only be applicable if approved by Council. Any proposals in this regard shall be motivated by the CFO in consultation with the AO and respective HODs. The recommendations of the CFO shall be considered for adoption by Council.

7. RELATIONSHIP WITH OTHER POLICIES

This policy needs to be read in conjunction with other relevant adopted policies of the municipality, including the following:

- Delegation of Powers;
- Accounting Policy;
- Supply Chain Management Policy;
- Land Use Management Policy;
- Asset Management Policy.

8. REFERENCES

The following references were observed in compiling this document:

- Municipal Finance Management Act, 2003
- Municipal Systems Act, 2000
- Local Government Supply Chain Management Guidelines, National Treasury, 2005
- Guide to the Municipal Asset Transfer Regulations
- Municipal transfer and disposal regulations, Government Gazette no.31346

9. ASSET TYPES

In this policy asset means any tangible or intangible resource capable of being owned. Tangible assets include physical assets, such as land, building, plant and equipment; whereas intangible assets include servitudes and similar assets that can not necessarily be seen.

It is important that a municipality has a fully up-to-date asset register that records the name, type, allocation and value of the assets under its control. The asset register forms a critical source of information required during the decision making process on the validity and reasonability of asset transfers and disposals.

9.1 Capital assets

A capital asset may be movable or immovable, provided that it has a life span of at least one year and can be used to produce or supply goods and services, for rentals to others or for administrative purposes (where a future economic or social benefit can be enjoyed).

9.2 High value capital assets

The municipality will firstly have to determine the <u>combined value</u> of any capital assets it intends to transfer or dispose of in the particular financial year (such must also be reflected in its Medium Term Revenue and Expenditure Framework (MTREF) budget).

If the combined value of such capital assets *exceeds* five percent of the total value of its assets (as determined from its latest available audited financial statements), a public participation process must be followed for each of the capital assets identified for transfer or disposal, irrespective of each capital asset's individual value.

If the combined value of capital assets identified for transfer or disposal during the financial year *does not exceed* five percent of the total value of its assets, the municipality will have to assess whether each individual capital asset identified for transfer or disposal in that particular year is a high value capital asset. For each high value capital asset a public participation process must be followed.

If it appears that any or all of the assets are "high value", Council must be approached to authorise the public participation process.

“High value” threshold relating to an *individual capital* asset is determined as the lower of the following:

1. R50 million; or
2. 1% or the total value of all capital assets of the municipality;
3. or otherwise a value determined by Council, provided that the value is less than (a) or (b).

9.3 Exempted capital assets

An exempted capital asset is an asset exempted by sections 14(6) or 90(6) of the MFMA and regulation 20 from the rest of sections 14 and 90 as well as the SCM Regulations.

Exempted capital assets are assets transferred to another organ of state as a result of any of the following circumstances (regulation 20):

(a) a review by a municipality of its service delivery mechanisms for the performance of a municipal service in terms of Chapter 8 of the Municipal Systems Act (MSA), and the subsequent appointment of an organ of state to perform this service;

(b) a reorganisation of powers and functions between a parent municipality and its municipal entity;

(c) an assignment of any of the powers and functions of a municipality to another organ of state by national legislation or in terms of a power contained in national legislation;

(d) when municipal housing or land is transferred to a national or provincial organ of state for housing for the poor in terms of a national or provincial housing policy;

(e) when the transfer is required or permitted in terms of national legislation and that legislation determines the conditions of the transfer; or

(f) any other circumstance provided that the capital asset to be transferred to the organ of state is determined by resolution of the Council not to be needed to provide a minimum level of basic municipal service and is surplus to the requirements of the municipality and municipal entity.

9.4 Non-exempted capital assets

If the transfer or disposal is not the result of any of the above transactions, the asset to be transferred or disposed of will be considered to be a non-exempted capital asset where sections 14 and 90 of the MFMA and the SCM Regulations will apply. In these situations therefore:

- the municipality may not transfer or dispose of a capital asset deemed to be needed to provide a minimum level of basic municipal service;
- the municipality in making the decision as to whether an asset is required to provide a minimum level of basic municipal service, must make that decision and consider the fair market value, and economic and community value to be received for the asset at a meeting open to the public; and
- any transfer must be fair, equitable, transparent, competitive and consistent with the municipality's supply chain management policy.

The requirement to hold a public meeting to consider the decision to transfer or dispose of a movable capital asset below a value determined by Council, may be delegated to the Accounting Officer (AO) to make a decision in some cases (section 14(4) of the MFMA). All transfers or disposals of this nature will be regulated by sections 14 and 90 of the MFMA and Chapter 2 of the ATR – 'Transfer and Permanent disposal of non-exempted capital assets'.

9.5 Subsidiary assets

A subsidiary asset is an asset that forms an important part of a capital asset, as well as an asset that forms part of the operation or maintenance of that capital asset.

These assets are particularly relevant in the transfer of a service, power or function. In these instances, the ATR allow certain subsidiary assets to be transferred with the transfer of that service, power of function. The following subsidiary assets may be included in the transfer:

- movable and immovable assets used for or in connection with the service, power or function to be transferred (including investment property);
- intangible assets which are an integral part of that service, power or function;
- short and long-term receivables associated with that service, power or function; and
- investments, cash and bank balances or reserves derived from the performance of that service, power or function.

Subsidiary assets are always linked to the capital asset being transferred and therefore a municipality will not need to consider whether they should be regarded as high value or otherwise, they may be either – provided that their transfer comes as a result of the transfer of a service, power or function. If the capital asset to which the subsidiary asset is linked, is of high value, that the public consultation process on that capital asset must include consultation on all the subsidiary assets linked to that capital asset, to ensure transparency of the transaction as a whole.

If the transfer of the capital asset is classified as exempted, the transfer of the subsidiary asset is also exempted, if it is part of the same transaction.

10. TRANSFER OR DISPOSAL OF A CAPITAL ASSET

10.1 Classification of capital assets

Capital assets are classified as either exempted or non-exempted capital assets, in terms of sections 14(6) or 90(6) of the MFMA and regulation 20 of the ATR, refer to 9.3 and 9.4 above.

Exempted capital assets are capital assets transferred to another organ of state as a result of any of the circumstances described in section 9.3 of this policy.

10.2 Non-exempted capital assets

Once the asset identified for transfer or disposal has been classified as a non-exempted capital asset, the municipality must consider whether the asset is a high value capital asset as described in section 9.2 of this policy.

10.2.1 High value capital asset

In the case where a high value capital asset forms part of a transfer or disposal of the appointment of a service provider to perform a municipal or commercial service in terms of regulation 12(2), sections 14(2) or 90(2) of the MFMA and regulation 5(1) prescribes that a public participation process should be undertaken as part of and concurrent with the process envisaged in regulation 12(2).

The public participation process may only be authorised by the Council, although any party may make a request to the Council that such a process be considered. The request must be submitted to the Council together with an information statement stating the following (regulation 5(3)(b)):

- the valuation of the asset;
- the method of valuation used to determine that value;
- the reasons for the proposal; and
- the benefits, proceeds and gain or loss that could be realized or incurred from the transfer or disposal.

Where Council has authorised the AO to conduct a public participations process, the AO of the municipality must at least 60 days before the Council meeting authorising the asset transfer or disposal:

- Make public the proposal and information statement, as described above, to all affected communities and interested parties;
- Invite all affected communities and interested parties to submit their comments and representations; and
- Request the views and recommendations for National Treasury on the matter.

After the public participation process, Council may at this point make the section 14(2) or 90(2) determinations, as stated below, and depending on the outcomes of these determinations, either not to transfer or dispose of the asset or to *approve in-principal* of the transfer or disposal of the asset.

In terms of section 14(2) or 90(2) of the MFMA the municipal Council must:

(a) reasonably decide (or confirm) that the asset is not needed to provide a minimum level of basic municipal service; and

(b) consider the fair market and economic and community value to be received in exchange for the asset.

All transfers or disposals should be fair, equitable, transparent, competitive and consistent with the SCM policy of the municipality. This is however not applied in the case where the capital asset forms part of the appointment of a service provider to perform a municipal or commercial service in terms of regulation 12(2), refer to 10.2.5 of this policy).

SCM Regulation 40 states that:

(a) immovable property may be sold only at market related prices except when the public interest or plight of the poor demands otherwise; and

(b) 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, etc.

In the case where the bids are well in excess of the fair market value or any other valuation method used by the municipality, the competitive process relies on the AO

and bid committee to make a decision. Compensation received should be at the most advantageous to the municipality.

10.2.2 Not considered a high value capital asset

In the case where the asset is not considered to be high value, and the total value of asset transactions are not more than the 5% threshold value, as stated in 9.2 above, the municipal Council must follow the same considerations at a meeting open to the public as in the case of a high value capital asset transfer or disposal in terms of section 14(2) or 90(2) of the MFMA, as described in 10.2.1 above.

Such determinations are only necessary when the Council wishes to consider the transfer or disposal of the asset. It may resolve not to go ahead with the transfer or disposal without the need for a meeting open to the public.

If the asset is considered needed to provide a minimum level of basic municipal service, then that asset **cannot** be transferred or disposed of (regulations 5(1)(b), MFMA sections 14(2) and 90(2)).

10.2.3 Mandatory considerations

During the public meeting, before approving *in-principle* to either retain, transfer or dispose of the asset, the Council must first consider the following factors (regulation 5(1)(b) & 7), irrespective of whether a high value capital asset or not is under consideration:

- whether it may need the asset at a later date;
- expected gain or loss on transfer or disposal;
- compensation for the asset and if it will result in a cost or benefit;
- management of any risk;
- impact on its credit rating and ability to raise further borrowings in the future;
- limitations or conditions attached to the asset and the consequences of any potential non-compliance of those;
- cost of the proposed transfer or disposal;
- transfer of any liabilities and reserves associated with the capital asset;
- stakeholder comments and recommendations;

- the impact on its own strategic, legal and economic interests; and
- compliance with legislative regime applicable to the proposed transfer or disposal.

10.2.4 Apply discretionary conditions to the transfer or disposal of a non-exempted capital asset

When the Council provides an *in-principle* decision that a non-exempted capital asset may be transferred or disposed of (irrespective of whether the transaction involves a high value capital asset or not), the Council *may impose* conditions on the transfer or disposal, including conditions to specify *(regulation 11)*:

- the way in which the asset is to be sold or disposed of (within the framework set by the SCM regulations);
- a floor price or minimum compensation;
- whether the asset can be transferred or disposed of for less than fair market value (subject to the Council first considering the regulation 13(2) criteria); and
- a framework in which direct negotiations with another person may apply, if relevant.

10.2.5 Transfer or disposal of the asset

The MFMA requires the actual transfer or disposal to be fair equitable, transparent, competitive and consistent with the SCM Regulations. Council only has an oversight role in this process to ensure that Council policy are implemented and no Councillor of any municipality may be a member of a municipal bid committee or any other committee evaluating or approving tenders, quotations, contracts or other bids or attend any such meeting as an observer. (Refer MFMA section 117).

Once Council has approved the transfer or disposal, the municipality may commence proceedings to transfer or dispose of the asset – irrespective of the value of the asset or whether it is to be transferred to a private sector party or an organ of state, can only be done in accordance with its SCM policy.

In terms of regulation 12(2), there are two exceptions to the requirement that the actual transfer or disposal of the non-exempted capital asset be done in terms of a competitive process:

- when a municipality undertakes a review of service delivery mechanisms in terms of Chapter 8 of the MSA and a private sector party is selected; and
- when a municipality appoints a private sector party or organ of state to perform a commercial.

In these cases, provided that a competitive bidding process is used to appoint the service provider, a municipality may transfer the asset as part of the appointment of the service provider and negotiate directly with the selected bidder (regulation 12(3)).

10.2.6 Compensation payable

Compensation payable to a municipality for a capital asset in terms of the ATR must always be in line with the disposal management system, see SCM regulation 40 stated in 10.1.2 above.

If the transfer is the result of the transfer of a commercial service or the sale of immovable property such as land or buildings then compensation must reflect fair market value (regulation 13(1), SCM regulation 40(2)).

If movable assets such as plant or equipment are sold, they must be sold at a price most advantageous to the municipality or entity by way of written quotes, competitive bidding or auction or at market related prices (SCM regulation 40(2)).

Once the municipality received compensation relating to the transfer or disposal, the proceeds must be used to discharge any borrowings against the asset at its redemption date or at another date agreed between the municipality and the lender *(regulation 16)*.

Alternatively, the municipality may seek to negotiate with the private sector party or organ of state to which the asset is to be transferred, to take over any borrowings made against the asset as part of the compensation payable, subject to the agreement of the lender.

This effectively means that any liability for borrowings taken out for an asset is removed once the municipality no longer has ownership of the asset. This precludes a municipality from having to service a debt for an asset it no longer owns.

10.2.7 Finalise the asset transfer or disposal agreement

In accordance with regulation 17, a municipality may only transfer or dispose non-exempted capital assets approved for transfer or disposal, by way of a written agreement between the municipality and either private sector party or organ of state. The agreement must include the following:

- term and conditions of the transfer;
- details of the capital and subsidiary assets and liabilities to be transferred;
- compensation to be paid and the terms and conditions for payment; and
- the effective date in which risk and accountability for the assets are to be transferred.

10.3 Exempted capital assets

10.3.1 Considerations prior to the proposed transfer or disposal

The following considerations should be taken into account:

(a) Identify and distinguish all assets, staff and borrowings associated with the asset identified for transfer or disposal (regulations 23 and 26(1));

(b) Consider staff and staff liabilities associated with the assets identified to be transferred (regulation 27); and

(c) Whether the transfer is to another organ of state and circumstances of the transfer (regulations 20, refer to 9.3 above).

10.3.2 Mandatory conditions

Municipal capital assets needed to provide a minimum level of basic municipal services can only be transferred to an organ of state and in the circumstances provided for in regulation 20, refer to 9.3 above, subject thereto that the transferee (organ of state) demonstrated its ability to adequately maintain and safeguard the asset.

Under these circumstances, the municipality must impose certain mandatory legislated conditions on the transfer and ensure that the transfer documentation contains these conditions.

Conditions that must be included are (regulation 24):

- that ownership of the asset must immediately revert back to the municipality if the organ of state receiving the asset (the transferee) ceases or is unable to render the service; and
- that the transferee cannot without the written approval of the municipality, transfer, dispose, grant a right of use or encumber that asset in any way.

These conditions must also apply to any replacement, upgrade or improvements to the original asset (regulation 24(1), (3) and (4)).

10.3.3 Based on the circumstances of the transfer, the appropriate conditions will apply

(a) Transfer arising from a review of service delivery mechanisms by a municipality

If the asset is needed to provide a minimum level of basic municipal service, the municipality must ensure it receives the required assurances and imposes the necessary conditions, refer to 10.3.2 above, to ensure that the asset will be adequately maintained and appropriately safeguarded (regulation 24).

In all circumstances the municipality is responsible to ensure that the transfer or disposal will result in the continuance of the service to at least the same or better level than would otherwise have been provided by the municipality had it not transferred or disposed the asset (regulation 22(3)).

The municipality may agree with the organ of state to transfer all capital and subsidiary assets that are essential to the performance of that service which in addition to all movable and immovable assets including intangible assets, receivables, investments and cash equal to the difference between the assets and liabilities of that particular service as well as any reserve funds (regulation 25).

Borrowings or other amounts owing by the municipality associated with the service must also be transferred (regulation 26(2)).

In the case where the transfer gives rise to the transfer of staff associated with that service, the staff transfer must be done in accordance with applicable labour legislation and legislation regulating the transfer of liabilities associated with such staff if applicable – such liabilities may include leave entitlements, medical, post-retirement liabilities and other staff liabilities (regulation 27).

(b) Transfer arising from a re-organization of powers and functions between a municipality and its municipal entity

Asset transfers resulting from a re-organization of powers and functions between a municipality and its municipal entity are treated in a similar manner to those transfers resulting from a municipality's full review of service delivery mechanisms in terms of Chapter 8 of the MSA, described in scenario (a) above.

Transfers resulting from a re-organisation of powers and functions between a municipality and its entity, will generally be regarded as being limited to asset transfers to parties owned by the municipality in a closed system of control.

Regulation 22(3) relating to continuity of service is not relevant in this instance, as this is implicit in the conduct of all powers, functions and services within the municipality.

Regulations 25 and 26(2), relating to the transfer of subsidiary assets and borrowings are not applicable to these transfers – the municipality must manage this process in its own manner provided that it adheres to the principles in the regulations and other relevant legislation. Regulation 27 concerning staff transfers and liabilities associated with such staff remain relevant.

(c) Transfer arising from the assignment of a municipality's powers or functions to another organ of state

Asset transfers deriving from the assignment of certain municipal powers or functions to another organ of state, as a result of national legislation or in terms of a power contained in national legislation, are treated quite differently from the previous two scenarios.

Such transfers include situations such as the re-alignment of municipal boundaries or adding or taking away certain powers and functions of a municipality. This is normally done through national legislation such as the MSA or Municipal Demarcation Act (MDA) and supported by certain provincial legislation.

Regulation 24 conditions and assurance and regulations 22(3), described in scenario (a) above, are not relevant in this scenario, even if the transfer involves assets required to provide a minimum level of basic municipal services, as the transfer is initiated by the national government through legislation. It is anticipated that these factors were considered by the national department and the protection and service continuity will become the responsibility of the transferee (organ of state that is to receive the service).

Regulations 25, 26(2) and 27, refer to scenario (a) above, relating to subsidiary assets, borrowings and staff are applicable to these transfers may all be considered.

In the case where the asset transfer is a result of national legislation, thus an initiative of national government, a public participation process is not necessary. Therefore the provisions of regulation 22(1) are not relevant.

(d) Transfer of municipal land or housing for the poor in terms of the national or provincial policy

If a national or provincial policy on housing necessitates the transfer of municipal housing or land to a national or provincial organ of state for the poor, the provisions of regulations 22, 24, 25, 27 and 31 do not apply. As the transfer is limited to specific capital assets i.e. municipal housing and land, regulations that are pertinent to the

transfer of a municipal service, power or function are no longer relevant, scenarios (a), (b) and (c) above.

The transfer of borrowings associated with the municipal land or housing will still apply to these transfers (regulation 26(1)).

(e) Transfer required or permitted by national legislation

Certain transfers will be the result of national legislation that specifies the conditions of the transfer, unlike transfer described in scenarios (a), (b) and (c) above where the transfer conditions are not stipulated.

In this scenario, the same conditions attached to the transfer of municipal land and housing for the poor, described in scenario (d) above, will be applicable.

(f) Other transfers to organs of state

A capital asset may be transferred to any organ of state in any other circumstances not referred to in the scenarios above, provided that it was determined that the asset is not needed to provide a minimum level of basic municipal service and is surplus to the requirements of the municipality by the municipal Council.

In these situations, only the requirements of regulation 26(1) relating to borrowings associated with the capital asset are relevant. The municipality may directly negotiate the compensation to be paid with the neighbouring municipality.

The municipality must still properly identify and distinguish the assets (and staff if relevant) proposed to be transferred from other assets (and staff) of the municipality as required by regulation 23.

10.3.4 Compensation payable

Council should decide what is in the best interest of the municipality in the particular circumstances, taking into account the value the asset has for the municipality, any liabilities attached to it, etc. It is not necessarily a requirement that compensation is

actually paid. Asset and liability values should be determined in accordance with the methods, refer to section 11 Valuation, below.

As the disposal management system of the municipality is not applicable to exempted transfers to organs of state, a municipality may choose to negotiate with the transferee the amount of compensation payable, subject to certain limitations on transfers for less than fair market value contemplated in regulation 20(1)(f), refer to 9.3 above. The amount of compensation payable and the terms and conditions for payment must be set out in the transfer agreement (regulation 30), refer to 10.3.5 below.

If the transfer is the result of any other transfer not contemplated in regulation 20(1)(a) to (e), refer to 9.3 above, for instance when a municipality chooses to sell or donate an exempted capital asset which is not required to provide a minimum level of basic municipal service and is surplus to requirements, to another organ of state for less than fair market value, it may only do so if the municipality takes into account the following matters as per regulation 20(1)(f)(ii):

- whether the capital asset may be required for the municipality at a later date;
- the expected loss or gain that is expected to result from the proposed transfer;
- the extent to which any compensation to be received in respect of the proposed transfer will result in a significant economic or financial cost or benefit for the municipality;
- the risk and rewards associated with the operation or control of the capital asset that is to be transferred in relation to the interest of the municipality;
- the effect that the proposed transfer will have on the ability of the municipality to raise long-term or short-term borrowings in the future;
- any limitations or conditions attached to the capital asset of the transfer of the asset, and the consequences of any potential non-compliance with those conditions;
- the estimated cost of the proposed transfer;
- the transfer of any reserve funds associated with the capital asset;
- the interests of any affected organ of state, the municipality's own strategic, legal and economic interests and the interests of the local community; and
- compliance with the legislative regime applicable to the proposed transfer.

10.3.5 Finalise asset transfer agreement

Before entering into the transfer agreement, the organ of state to whom the asset will be transferred must undertake and document an exercise in due diligence on the assets and liabilities to be transferred. The results of the due diligence must be taken into account in any transfer decision to be made by the organ of state (regulation 32).

All exempted capital asset transfers may only take place by way of a written transfer agreement, signed by both parties and must include the following:

- the terms and conditions of the transfer;
- details of the capital and subsidiary assets and liabilities to be transferred (including valuation details and evidence to support the valuation, encumbrances, servitudes and rights of access requirements);
- compensation to be paid (if any) and the terms and conditions for payment;
- the effective date in which risk and accountability are to be transferred;
- details of any staff affected by the transfer – including details of staff that may be available to the organ of state on a temporary or defined basis, together with the compensation payable for such staff and any financial risk exposure to the municipality;
- if billing, information technology or other administrative systems are to be shared between the parties, the basis of that shared arrangement and any financial risk exposure to the municipality must also be defined and recorded; and
- where an asset is to be used by both the municipality and the organ of state, the basis of how the asset is to be shared as well as how the costs and benefits of the shared asset will be apportioned between the parties.

The transfer agreement must contain a separate clause that states that the transfer was affected on the basis of transfer of exempted capital assets as per the ATR, and that those provisions form part of the agreement (regulation 30(1) and (2)).

In the case of a transfer that emanates from a review of <u>service delivery mechanisms</u> when an organ of state is preferred, the transfer agreement must include provision for contract termination in case of non- or underperformance, dispute resolution and

periodic review. It must also provide assurances that the organ of state is able to maintain and safeguard the asset.

The agreement may contain conditions imposed by the municipality that limit or restrict the use or subsequent transfer of the asset, and the extent that the asset may be used to provide security over any borrowings taken out by the organ of state. Such conditions may also be incorporated into the service delivery agreement (regulation 30(3)).

11. VALUATION

11.1 Valuation of assets

When a transfer or disposal of a capital asset is considered, the value of the asset should be determined in accordance with the applicable GRAP standards.

In the absence of guidelines through GRAP, any of the following valuation methods must be used:

- **depreciated replacement cost (DRC)**: this is the cost to replace the asset less depreciation to take account of the age and condition of the asset;
- **fair market value**: this is the value that would be agreed between a knowledgeable and willing buyer and a knowledgeable and willing seller;
- **historical cost, adjusted for depreciation and impairment**: this is the original purchase price less adjustments for depreciation and impairment;
- **realisable value:** this is the amount that could be obtained from the transfer less any transfer and completion costs.

11.2 Valuation of liabilities

When a liability specifically associated is to be transferred or disposed asset, the value of the liability must also be determined in accordance with the applicable GRAP standard the municipality applies in preparing its annual financial statements. Such calculations are only necessary where borrowings are transferred or disposed in terms of *exempted* capital asset transfers or disposals to other organs of state in the circumstances described in 9.3.

In the absence of guidelines through GRAP, any of the following valuation methods must be used:

- **settlement value**: the amount that will be paid or the value of the service that will be provided to settle the liability; or
- **net present value**: the value after discounting a future settlement value to a present value.

12. CALCULATION OF PROFIT AND LOSS ON DISPOSAL

<u>Gain on disposal of asset</u> (if proceeds are greater than carrying value)

Asset (cost)			
		Profit / loss	xx

Accumulated depreciation			
Profit / loss	xx		

Profit / Loss			
Asset (cost)	xx	Acc. Depr.	xx
Gain (P/L)	xx	Bank	xx

Bank / Debtors			
Profit / loss	xx		

<u>Loss on disposal of asset</u> (if proceeds are less than carrying value)

Asset (cost)			
		Profit / loss	xx

Accumulated depreciation			
Profit / loss	xx		

Profit / Loss			
Asset (cost)	xx	Acc. Depr.	xx
Bank	xx	Loss (P/L)	xx

Bank / Debtors			
		Profit / loss	xx

13. SCRAP ITEMS / OBSOLETE INVENTORY / LIBRARY BOOKS

13.1 SCRAP ITEMS

Each Head of Department must identify scrap items that have an economic value and as such the scrap items should be sold on public auction as opposed to being disposed of at the municipal dumping site. The items, with a detailed list containing the description of the scrap items, the quantities as well as an estimated value of the scrap must be delivered to the Asset Disposal Store and proof of delivery must be obtained. The scrap items will be sold as part of the annual asset auction.

13.2 OBSOLETE INVENTORY

The CFO, in consultation with the Director Expenditure (and as per the approved System of Delegations) and the end-user departmental head concerned must approve the write-offs, if they are satisfied that:-

- The inventory has is redundant
- The inventory is of a specialised nature and has become outdated due to the introduction of upgraded and more effective products;
- The inventory cannot be used for the purposes for which it was originally intended; or
- The inventory has been damaged beyond repair and is rendered obsolete.

Refer to the SCM Policies and Procedures for detailed processes to be followed.

13.3 LIBRARY BOOKS

The disposal of library books must be done through a process of “weeding”. The relevant Head of Department must prepare a Library Book Weeding Policy for approval and implementation on an annual basis. All library books disposed of, must be recorded with details of the books disposed, estimated value of the books and the method of disposal and forwarded to the Finance Department for the updating of the Asset Register on an annual basis. The Finance Department will include these books in the item on the annual write-off of assets.

14. POLICY IMPLEMENTATION

The policy will be effective as from 1 July 2024.

Annexure X
Budget Implementation and Monitoring Policy
2024/2025

BUDGET IMPLEMENTATION AND MONITORING POLICY

2024/2025 FINANCIAL YEAR

MIDVAAL
LOCAL MUNICIPALITY

TABLE OF CONTENTS

TABLE OF CONTENTS 1
ABBREVIATIONS 2
1. PURPOSE OF THIS DOCUMENT 3
2. DEFINITIONS 4
3. BUDGETING PRINCIPLES 10
4. BUDGETING PROCESS 11
5. CONTENTS OF THE BUDGET 14
6. OPERATING BUDGET 17
7. CAPITAL BUDGET 19
8. FUNDING OF THE BUDGET 20
9. VIREMENTS 23
10. ADJUSTMENT BUDGET 26
11. BUDGET IMPLEMENTATION 29
12. APPROVAL AND EFFECTIVE DATE 31
13. POLICY AMENDMENT 32
14. RELATIONSHIP WITH OTHER POLICIES 33
15. POLICY IMPLEMENTATION 33
ANNEXURE A: BUDGET PROCESS TIMETABLE 34

ABBREVIATIONS

MLM	Midvaal Local Municipality
AO	Accounting Officer
ASB	Accounting Standards Board
CFO	Chief Financial Officer
HOD	Head of Department (Senior Manager – S56 of Systems Act)
IDP	Integrated Development Plan
MBRR	Municipal Budget and Reporting Regulations, 2008
MFMA	Municipal Finance Management Act
MTREF	Medium Term Revenue and Expenditure Framework
SCM	Supply Chain Management
VAT	Value Added Tax

1. PURPOSE OF THIS DOCUMENT

1.1 The objective of the budget policy is to set out:

(a) The principles which the municipality will follow in preparing each medium-term revenue and expenditure framework budget (MTREF);

(b) The responsibilities of the mayor, the accounting officer, the chief financial officer and other senior managers in compiling the budget;

(c) To control and inform the basis, format and information included in the Budget documentation; and

(d) To establish and maintain procedures to ensure adherence to the Municipality's IDP review and budget processes.

2. DEFINITIONS

In this Budget Implementation Policy, unless the context otherwise indicates, a word or expression to which a meaning has been assigned in the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003), has the meaning so assigned, and:

"Accounting Officer"- means the Municipal Manager;

"Allocation", means-

- a municipality's share of the local government's equitable share referred to in section 214(l)(a) of the Constitution;
- an allocation of money to a municipality in terms of section 214(1) (c) of the Constitution;
- an allocation of money to a municipality in terms of a provincial budget; or
- any other allocation of money to a municipality by an organ of state, including by another municipality, otherwise than in compliance with a commercial or other business transaction;

"Annual Division of Revenue Act" means the Act of Parliament, which must be enacted annually in terms of section 214 (1) of the Constitution;

"Approved budget," means an annual budget-

- approved by a municipal council, or
- includes such an annual budget as revised by an adjustments budget in terms of section 28 of the MFMA;

"Basic Municipal Service" means a municipal service that is necessary to ensure an acceptable and reasonable quality of life and which, if not provided, would endanger public health or safety or the environment;

- "Budget-related Policy" means a policy of a municipality affecting or affected by the annual budget of the municipality, including-
- the tariffs policy, which the municipality must adopt in terms of section 74 of the Municipal Systems Act;

- the rates policy which the municipality must adopt in terms of legislation regulating municipal property rates; or
- the credit control and debt collection policy, which the municipality must adopt in terms of section 96 of the Municipal Systems Act;

"Budget transfer" means transfer of funding within a function / vote.

"Budget Year" means the financial year of the municipality for which an annual budget is to be approved in terms of section 16(1) of the MFMA;

“chief financial officer” means a person designated in terms of section 80(2) (a) of the MFMA;

“councillor” means a member of a municipal council;

"creditor", means a person to whom money is owed by the municipality;

"current year" means the financial year, which has already commenced, but not yet ended;

"delegation", in relation to a duty, includes an instruction or request to perform or to assist in performing the duty;

"financial recovery plan" means a plan prepared in terms of section 141 of the MFMA;

"financial statements", means statements consisting of at least-

- a statement of financial position;
- a statement of financial performance;
- a cash-flow statement;
- any other statements that may be prescribed; and
- any notes to these statements;

"financial year" means a twelve months period commencing on 1 July and ending on 30 June each year;

"financing agreement" includes any loan agreement, lease, and instalment purchase contract or hire purchase arrangement under which a municipality undertakes to repay a long-term debt over a period of time;

"fruitless and wasteful expenditure" means expenditure that was made in vain and would have been avoided had reasonable care been exercised;

"irregular expenditure", means-

- expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of the MFMA Act, and which has not been condoned in terms of section 170 of the MFMA;
- 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;
- 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 20 of 1998); or
- 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";

"investment", in relation to funds of a municipality, means-

- the placing on deposit of funds of a municipality with a financial institution; or
- the acquisition of assets with funds of a municipality not immediately required, with the primary aim of preserving those funds;

"lender", means a person who provides debt finance to a municipality;

"**local community**" has the meaning assigned to it in section 1 of the Municipal Systems Act;

“long-term debt" means debt repayable over a period exceeding one year;

"Municipal Structures Act" means the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998);

"Municipal Systems Act" means the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000);

"mayor" means the councillor elected as the mayor of the municipality in terms of section 55 of the Municipal Structures Act;

"municipal council" or "council" means the council of a municipality referred to in section 18 of the Municipal Structures Act;

"municipal debt instrument" means any note, bond, debenture or other evidence of indebtedness issued by a municipality, including dematerialised or electronic evidence of indebtedness intended to be used in trade;

"municipality"-

- when referred to as a corporate body, means a municipality as described in section 2 of the Municipal Systems Act; or
- when referred to as a geographic area, means a municipal area determined in terms of the Local Government: Municipal Demarcation Act, 1998 (Act 27 of 1998);

"accounting officer" means a person appointed in terms of section 82(l) (a) or (b) of the Municipal Structures Act;

"municipal service" has the meaning assigned to it in section 1 of the Municipal Systems Act (refer to the MSA for definition);

"municipal tariff" means a tariff for services which a municipality may set for the provision of a service to the local community, and includes a surcharge on such tariff;

"municipal tax" means property rates or other taxes, levies or duties that a municipality may impose;

"National Treasury" means the National Treasury established by section 5 of the Public Finance Management Act;

"official", means-

- 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 or municipal entity otherwise than as an employee;

"overspending"-

- 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;
- in relation to a vote, means causing expenditure under the vote to exceed the amount appropriated for that vote; or
- in relation to expenditure under section 26 of the MFMA, means causing expenditure under that section to exceed the limits allowed in subsection (5) of this section;

"past financial year" means the financial year preceding the current year;

"quarter" means any of the following periods in a financial year:

- 1 July to 30 September;
- 1 October to 31 December;
- 1 January to 31 March; or
- 1 April to 30 June;

"service delivery and budget implementation plan" means a detailed plan approved by the mayor of a municipality in terms of section 53(l)(c)(ii) of the MFMA for implementing the municipality's delivery of municipal services and its annual budget, and which must indicate-

- projections for each month of-

- revenue to be collected, by source; and
- operational and capital expenditure, by vote;
- service delivery targets and performance indicators for each quarter; and
- capital budget broken down per ward
- any other matters that may be prescribed, and includes any revisions of such plan by the mayor in terms of section 54(l) of the MFMA.

"short-term debt" means debt repayable over a period not exceeding one year;

"standards of generally recognised accounting practice," means an accounting practice complying with standards applicable to municipalities or municipal entities as determined by the Accounting Standards Board;

"unauthorised expenditure", means any expenditure incurred by a municipality otherwise than in accordance with section 15 or 11(3) of the MFMA, and includes-

- overspending of the total amount appropriated in the municipality's approved budget;
- overspending of the total amount appropriated for a vote in the approved budget;
- expenditure from a vote unrelated to the department or functional area covered by the vote;
- expenditure of money appropriated for a specific purpose, otherwise than for that specific purpose;
- spending of an allocation referred to in paragraph (ii), (iii) or (iv) of the definition of "allocation" otherwise than in accordance with any conditions of the allocation; or
- a grant by the municipality otherwise than in accordance with the MFMA

"virement" means transfer of funds between functions / votes.

"vote" means-

- 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
- which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.

In this document unless the context otherwise indicates, words and expressions denoting the singular shall include the plural and vice versa, words and expressions denoting the male sex shall include the female sex and vice versa and reference to a natural person shall include a legal person and vice versa.

3. BUDGETING PRINCIPLES

The municipality shall not budget for a deficit and should also ensure that revenue projections in the budget are realistic taking into account actual collection levels.

Where operating budget results in a deficit, it shall not exceed the net of non-cash depreciation and capital grant transfers.

The budget shall be funded in terms of section 18 of the MFMA.

Expenses may only be incurred in terms of the approved annual budget (or adjustments budget) and within the limits of the amounts appropriated for each vote in the approved budget.

Municipality shall prepare a multi-year budget (three year) – medium term revenue and expenditure framework (MTREF)) and that be reviewed annually and approved by Council.

4. BUDGETING PROCESS

4.1 Planning for the preparation of the budget

4.1.1 The Accounting Officer with the assistance of the Chief Financial Officer and the Executive Director Development & Planning shall draft the IDP process plan as well as the budget timetable for the municipality for the ensuing financial year.

4.1.2 The mayor shall table the IDP process plan as well as the budget timetable to Council by 31 August each year for approval (10 months before the start of the next budget year).

4.1.3 IDP process plan as well as the budget timetable shall indicate the key deadlines for the review of the IDP as well as the preparation of the medium term revenue and expenditure framework (MTREF) budget and the revision of the annual budget. Such target dates shall follow the prescriptions of the Municipal Finance Management Act as well as the guidelines set by National Treasury.

4.1.4 The mayor shall convene a strategic workshop with the senior managers in order to determine the IDP priorities which will form the basis for the preparation of the MTREF budget taking into account the financial and political pressures facing the municipality. The mayor shall table the IDP priorities with the draft budget to Council.

4.1.5 The Mayor shall table the Draft IDP and MTREF budget to council by 31 March (90 days before the start of the new budget year) together with the draft resolutions and budget related policies

4.1.6 The Chief Financial Officer and senior managers undertake the technical preparation of the budget including:-

4.1.6.1 Review past performance;
4.1.6.2 Prepare initial preview assumptions;
4.1.6.3 Analyse past revenue trends and develop initial projections;

4.1.6.4 Prepare the IDP and make necessary revisions;

4.1.6.5 Prepare initial budget scenarios:-

(a) The budget must be in the prescribed format, and must be divided into capital and operating budget.

(b) The budget must reflect the realistically expected revenues and expenditure by major source for the budget year concerned; and

(c) Estimated revenue and expenditure by vote for the budget year; and

4.1.7 In terms of the MFMA Budget and Reporting Regulations, the Mayor must establish a budget steering committee to provide technical assistance to him / her in discharging his / her responsibilities set out in section 53 of the MFMA.

The minimum membership requirements of a budget steering committee as per MFMA are the following:

- Councillor responsible for financial matters
- Municipal Manager
- Chief Financial Officer
- Senior Managers responsible for at least the three largest votes in the municipality
- The Manager responsible for Budgeting
- The Manager responsible for Planning
- Any Technical Experts on Infrastructure

Annexure A provides an outline of the budget activities, timeframes and responsibilities.

4.2 Public participation process

4.2.1 During the consultation process administration should consult with political executive; and

4.2.2 Immediately after the draft annual budget has been tabled, the municipality must convene hearings on the draft budget in April and invite the public and stakeholder organisations, to make representation at the council hearings and to submit comments in response to the draft budget.

4.3 Approval of the budget

4.3.1 Council shall consider the next medium-term expenditure framework budget for approval not later than 31 May (30 days before the start of the budget year);

4.3.2 The council resolution, must contain budget policies and performance measures be adopted; and

4.3.3 Should the municipality fail to approve the budget before the start of the budget year, the mayor must inform the MEC for Finance that the budget has not been approved in terms of Section 53(2) of the MFMA.

4.4 Publication of the budget

4.4.1 Within 10 working days after the Chief Financial Officer must post the budget and other budget-related documentation onto the municipal website so that it is accessible to the public as well as send hard copies to National and Provincial Treasury; and

4.4.2 The Chief Financial Officer must within 10 working days submit the approved budget in both printed and electronic formats to the National Treasury, the Provincial Treasury as well as post it on the municipal website.

5. CONTENTS OF THE BUDGET

The budget consist of the following key elements:

5.1 Mayor's Report

5.2 Council Resolutions

5.3 The Council approves and adopts: -

5.3.1 Budget set out in various tables;
5.3.2 by standard classification;
5.3.3 by municipal vote;
5.3.4 by source and expenditure by type;
5.3.5 Policies; and
5.3.6 Tariffs.

5.4 Executive Summary

5.4.1 Operating Revenue Framework

5.4.1.1 Property Rates ;
5.4.1.2 Sale of Water and Impact of Tariff Increases;
5.4.1.3 Sale of Electricity and Impact of Tariff Increases;
5.4.1.4 Sanitation and Impact of Tariff Increases;
5.4.1.5 Waste Removal and Impact of Tariff Increases; and
5.4.1.6 Overall impact of tariff increases on households.

5.4.2 Operating Expenditure Framework

5.4.2.1 Main operational expenditure categories;
5.4.2.2 Priority areas i.e. repairs and maintenance; and
5.4.2.3 Free Basic Services: Basic Social Services Package.

5.4.3 Capital expenditure

5.4.3.1 IDP Reference
5.4.3.2 Highlighted projects where major investment in Capex is made
5.4.3.3 Future operational cost of new infrastructure

5.5 Supporting Documentation

5.5.1 Budget Process Overview

5.5.1.1 IDP and Service Delivery and Budget Implementation Plan
5.5.1.2 Financial Modelling and Key Planning Drivers
5.5.1.3 Community Consultation
5.5.1.4 Overview of alignment of annual budget with IDP

5.5.2 Measurable performance objectives and indicators

5.5.3 Overview of budget related-policies

5.5.4 Monthly revenue cash flow projections by month

5.5.5 IDP amendments

5.5.6 Amendments to Budget related policies

5.5.7 Details of investments

5.5.8 Municipal entities – new and existing

5.5.9 Proposed service delivery agreements

5.5.10 Grants to external bodies

5.5.11 Contracts having future budgetary implications

5.5.12 Capital expenditure details

5.5.13 Legislation compliance status

5.5.14 Salary, allowances and benefits of:

5.5.14.1 Councillors
5.5.14.2 MM, CFO and senior managers

5.5.15 Overview of budget assumptions

5.5.15.1 External factors
5.5.15.2 General inflation outlook and its impact on the municipal activities
5.5.15.3 Credit rating outlook
5.5.15.4 Interest rates for borrowing and investment of funds
5.5.15.5 Collection rate for revenue services
5.5.15.6 Growth or decline in tax base of the municipality
5.5.15.7 Salary increases
5.5.15.8 Impact of national, provincial and local policies
5.5.15.9 Ability of the municipality to spend and deliver on the programmes; and

5.5.16 Municipal manager's quality certificate

6. OPERATING BUDGET

6.1 The municipality shall budget in each annual and adjustments budget for the contribution to:

6.1.1 provision for accrued leave entitlements equal to 100% of the accrued leave

6.1.2 provision for bad debts in accordance with its collection rates

6.1.3 provision for the obsolescence and deterioration of stock

6.1.4 Depreciation and finance charges shall be charged to or apportioned only between the departments or votes to which the projects relate.

6.1.5 A sufficient proportion of the operating budget component of each annual and adjustments budget shall be set aside for maintenance in accordance with the asset maintenance plans of the Municipalities.

6.2 When considering the draft annual budget, council shall consider the impact, which the proposed increases in rates and service tariffs will have on the monthly municipal accounts of households.

6.3 The impact of such increases shall be assessed on the basis of a fair sample of randomly selected accounts.

6.4 The operating budget shall reflect the impact of the capital component on:

6.4.1 depreciation charges

6.4.2 repairs and maintenance expenses

6.4.3 interest payable on external borrowings

6.4.4 other operating expenses.

6.5 The chief financial officer shall ensure that the cost of indigency relief is separately reflected in the appropriate votes.

6.6 Internal consumption of municipal services are costed to the user departments according to actual consumption / service level at the approved tariffs in terms of the mSCOA costing segment.

7. CAPITAL BUDGET

7.1 Expenditure of a project shall be included in the capital budget if it meets the asset definition and has a useful life in excess of one year.

7.2 Vehicle replacement shall be done in terms of Council's vehicle replacement policy. The budget for vehicles shall distinguish between replacement and new vehicles. No globular amounts shall be budgeted for vehicle acquisition.

7.3 A municipality may spend money on a capital project only if the money for the project has been appropriated in the capital budget.

7.4 The envisaged sources of funding for the capital budget must be properly considered and the Council must be satisfied that this funding is available and has not been committed for other purposes.

7.5 Before approving a capital project, the Council must consider:

7.5.1 the projected cost of the project over all the ensuing financial years until the project becomes operational,

7.5.2 future operational costs and any revenues, which may arise in respect of such project, including the likely future impact on operating budget (i.e. on property rates and service tariffs).

7.5.3 the impact on the present and future operating budgets of the municipality in relation to finance charges to be incurred on external loans,

7.5.4 depreciation of fixed assets,

7.5.5 maintenance of fixed assets, and

7.5.6 any other ordinary operational expenses associated with any item on such capital budget.

7.6 Council shall approve the annual or adjustment capital budget only if it has been properly balanced and fully funded.

8. FUNDING OF THE BUDGET

8.1 Operational Budget

The operational budget can only be funded from –

8.1.1 Realistically expected revenues.

8.1.1.1 Based on collection levels to date

8.1.1.2 Actual revenue collected in previous financial years

8.1.2 Uncommitted accumulated surpluses to the extent that the surpluses are cash backed.

8.2 Capital Budget

8.2.1 Revenue or Surplus

8.2.1.1 If any project is to be financed from revenue this financing must be included in the cash budget to raise sufficient cash for the expenditure.

8.2.1.2 If the project is to be financed from surplus there must be sufficient cash available at time of execution of the project.

8.2.2 External loans

8.2.2.1 External loans can be raised only if it is linked to the financing of an asset;

8.2.2.2 A capital project to be financed from an external loan can only be included in the budget if the loan has been secured or if can be reasonably assumed as being secured;

8.2.2.3 The loan redemption period should not exceed the estimated life expectancy of the asset. If this happens the interest payable on the excess redemption period shall be declared as fruitless expenditure;

8.2.2.4 Interest payable on external loans shall be included as a cost in the expenditure budget;

8.2.2.5 Finance charges relating to such loans shall be charged to or apportioned only between the departments or votes to which the projects relate.

8.2.3 Grant Funding

8.2.3.1 Non-capital expenditure funded from grants;

8.2.3.2 Must be budgeted for as part of the expenditure budget;

8.2.3.3 Capital expenditure must be budgeted for in the capital budget;

8.2.3.4 Interest earned on investments of Conditional Grant Funding shall be capitalised if the conditions state that interest should accumulate in the fund. If there is no condition stated the interest can then be allocated directly to the revenue accounts;

8.2.3.5 Grant funding does not need to be cash backed at the time of budget approval, but cash should be secured before spending can take place.

8.3 Unspent Funds / Roll over of Budget

8.3.1 The appropriation of funds in an annual or adjustments budget will lapse to the extent that they are unspent by the end of the relevant budget year Where project/s could not be completed, the user department must make budget provision in the new financial to complete the project.

8.3.2 Only unspent grant (if the conditions for such grant funding allows that) or loan funded capital budget may be rolled over to the next budget year.

8.3.3 Conditions of the grant fund shall be taken into account in applying for such roll over of funds.

8.3.4 In order to apply for a rollover of unspent conditional grants the following must be submitted to National Treasury:

8.3.4.1 Municipalities must submit their June conditional grant expenditure reports according to section 71 of MFMA reflecting all accrued expenditure on conditional grants;

8.3.4.2 Submit the pre-audited AFS indicating the portion of each national conditional allocation it received which remained unspent as at 30 June;

8.3.4.3 Formal letter addressed to the National Treasury requesting the rollover of unspent conditional grants in terms of section 21(2) of the of DoRA

8.3.4.4 Motivation of Commitment:

(a) Evidence that work on each of the projects has commenced, namely either of the following:

- Proof that the project tender was published and the period for tender submissions closed before 30 June; or
- Proof that a contract for delivery of the project was signed before 30 June.

(b) A progress report on the state of implementation of each of the projects;

(c) The amount of funds committed to each project, and the conditional allocation from which the funds come;

(d) An indication of the time-period within which the funds are to be spent.

8.3.5 Adjustments to the rolled over budget shall be done during the 1st Adjustments budget in the new financial year after taking into account expenditure up to the end of the previous financial year.

8.3.6 No unspent operating budget shall be rolled over to the next budget year.

9. VIREMENTS

Virements represents a flexible mechanism to effect budgetary amendments within a municipal financial year, and is the major mechanism to align and take corrective (financial / budgetary) action within a Directorate (Vote) or functional area during a financial year.

9.1 Virement procedure requirements and restrictions

9.1.1 In order for a “vote” to transfer funds from one cost element, operating or capital project to another cost element, operating or capital project, a saving has to be identified within the monetary limitations of an identified cost element, operating or capital project allocations on the respective budgets.

9.1.2 Sufficient, budgetary provision should be available within the “giving” vote’s cost element or capital project concerned to give effect to the budgetary transfer (virement). In addition, the transferring function must clearly indicate to which cost element operating, or capital project the budget provision will be transferred to and provide a clear motivation for the transfer.

9.1.3 Any budgetary amendment of which the net impact will be a change to the total approved annual budget allocation and any other amendments not covered in this policy are to be considered for budgetary adoption via an Adjustments Budget (per MFMA Section 28).

9.1.4 In terms of Section 17 of the MFMA a Municipality’s budget is divided into an operating and capital budget and consequently no virements are permitted between Operating and Capital Budgets other than through an Adjustments Budget.

9.1.5 A virement may not create new policy, significantly vary current policy, or alter the approved outcomes / outputs as approved in the IDP for the current or subsequent years (MFMA Sections 19 and 21).

9.1.6 Virements resulting in adjustments to the approved SDBIP need to be submitted with an Adjustments Budget to the Council with revised targets and indicators for approval. (MFMA Circular 13).

9.1.7 No virement may be made to cover/ allow for unauthorised, irregular or fruitless and wasteful expenditure (MFMA Section 32).

9.1.8 All virements should be approved in line with the Council's System of delegations.

9.2 Operating and Capital Budget Virements

9.2.1 Virements from non-cash expenditure items to cash expenditure items are not permitted.

9.2.2 Virements of conditional grant funds to purposes outside of that specified in the relevant conditional grant framework must not be permitted.

9.2.3 Motivations for virements between projects should clearly state the reason for the saving within the “giving” project, as well as the reason for the additional amount required.

9.2.4 Virements in capital budget allocations are only permitted within funding sources.

9.2.5 Virements between different functions and/or above prescribed value must be tabled to council for ratification prior to financial year-end closure.

10. ADJUSTMENT BUDGET

The MFMA 28(2) recognises that there will be instances where unforeseen and unavoidable expenditure is required, as well as other circumstances which could necessitate the submission of an Adjustments Budget:

It is compulsory to prepare an adjustments budget:-

10.1 when there is an under collection of revenue

10.2 when a downwards adjustment of revenue and expenditure is required

The MFMA also recognises that a voluntary adjustment budget can be prepared as a result of the following:-

10.3 Over-collection of revenue – to support existing budgeted programmes (MFMA 28(2) (b) to be submitted after midyear performance assessment and before 28 February.

10.4 Unforeseen and unavoidable expenditure recommended by the Mayor (MFMA 28(2) (c) must be reported to Council at its next meeting and be included in adjustments budget within 60 days of expenditure being incurred.

10.5 May authorise the utilisation of projected savings in one vote (MFMA 28(2) (d) towards spending in another vote.

10.6 Under spending in prior financial year – if unforeseen (MFMA 28(2) (e) should be completed after year end but before 25 August.

10.7 Correct errors (MFMA 28(2) (f) to be submitted after midyear performance assessment and before 28 February.

10.8 To ratify unauthorised expenditure and any other expenditure within a prescribed framework in terms of Unauthorised Expenditure the Municipality may submit a Special Adjustments Budget when submitting the Annual Report for consideration.

10.9 When an adjustments budget is tabled, it must be accompanied by—

- an explanation how the adjustments budget affects the annual budget;
- a motivation of any material changes to the annual budget;
- an explanation of the impact of any increased spending on the annual budget and the annual budgets for the next two financial years; and
- any other supporting documentation that may be prescribed.

10.10 The Municipality may not change tax and tariffs unless in terms of a financial recovery plan.

10.11 Formats of adjustments budget

An adjustment budget and supporting documentation of a municipality must be in a the format specified in Schedule B of the MBRR and include all the required tables, charts and explanatory information, in view of any guidelines issued by National Treasury

10.12 Funding of adjustment budgets

An adjustments budget of a municipality must be suitably funded. The supportive documentation to accompany an adjustments budget in terms of section 28(5) of the MFMA must contain an explanation of how the adjustments budget is funded.

10.13 Submission of tabled adjustments budgets

The municipal manager must comply with section28(7) of the MFMA together with section 22(b)(i) of the MFMA, within ten working days after mayor has tabled an adjustments budget in the municipal council. When submitting the tabled adjustments budget to National Treasury and relevant provincial treasury in terms of section 28(7) of the MFMA, municipal manager must submit in both printed and electronic format.

10.14 Approval of adjustments budgets

The municipal council must consider the full consequences, fiscal or otherwise, of the adjustments budget and supporting documentation. When approving an adjustments

budget, the municipal council must consider and adopt separate resolutions dealing with each of the matters listed below:

10.14.1 Approval of the adjustment budget;

10.14.2 Approval of any adjustments permitted in terms of section 28(2) of the MFMA;

10.14.3 Approval of the transfer of funds to a separate bank account for purpose contemplated in section 12 of the MFMA;

10.14.4 Approval of revisions to the monthly and quarterly service delivery targets and performance indicators in the service delivery and budget implementation plan, if any, to correspond with the approval of the adjustments budget;

10.14.5 Approval of any amendments to budget related policies necessitated by the adjustments budget.

10.15 Quality Certification

When an adjustment budget and supporting documentation is tabled in council, made public or submitted to another organ of state, it must be accompanied by a quality certificate complying with Schedule B and signed by the municipal manager.

10.16 Publication of approved adjustment budgets

Within five working days after the municipal council has approved an adjustments budget, the municipal manager must in agreement with section 21(A) of the Municipal System Act make public that approved adjustments budget and supporting documentation.

11. BUDGET IMPLEMENTATION

11.1 Monitoring

11.1.1 The accounting officer with the assistance of the chief financial officer and other senior managers is responsible for the implementation of the budget, and must take reasonable steps to ensure that:

- funds are spent in accordance with the budget;
- expenses are reduced if expected revenues are less than projected; and
- revenues and expenses are properly monitored.

11.1.2 The Accounting officer with the assistance of the chief financial officer must prepare any adjustments budget when such budget is necessary and submit it to the Mayor for consideration and tabling to Council.

11.1.3 The Accounting officer must report in writing to the Council any impending shortfalls in the annual revenue budget, as well as any impending overspending, together with the steps taken to prevent or rectify these problems.

11.2 Reporting

11.2.1 Monthly budget statements

The accounting officer with the assistance of the chief financial officer must, not later than ten working days after the end of each calendar month, submit to the Mayor and Provincial and National Treasury a report in the prescribed format on the state of the municipality's budget for such calendar month, as well as on the state of the budget cumulatively for the financial year to date.

This report must reflect the following:

- actual revenues per source, compared with budgeted revenues;
- actual expenses per vote, compared with budgeted expenses;
- actual capital expenditure per vote, compared with budgeted expenses;
- actual borrowings, compared with the borrowings envisaged to fund the capital budget;
- the amount of allocations received, compared with the budgeted amount;
- actual expenses against allocations, but excluding expenses in respect of the equitable share;

- explanations of any material variances between the actual revenues and expenses as indicated above and the projected revenues by source and expenses by vote as set out in the service delivery and budget implementation plan;
- the remedial or corrective steps to be taken to ensure that the relevant projections remain within the approved or revised budget; and
- projections of the revenues and expenses for the remainder of the financial year,
- The report to the National Treasury must be both in electronic format and in a signed written document

11.2.2 Quarterly reports

The Mayor must submit to Council within thirty days of the end of each quarter a report on the implementation of the budget and the financial state of affairs of the municipality

11.2.3 Mid-year budget and performance assessment

The Accounting officer must assess the budgetary performance of the municipality for the first half of the financial year, taking into account all the monthly budget reports for the first six months, the service delivery performance of the municipality as against the service delivery targets and performance indicators which were set in the service delivery and budget implementation plan in terms of Section 72 of the MFMA.

The Accounting Officer must then submit a report on such assessment to the Mayor by 25 January each year and to Council, Provincial Treasury and National Treasury.

The Accounting Officer may in such report make recommendations after considering the recommendation of the Chief Financial Officer for adjusting the annual budget and for revising the projections of revenues and expenses set out in the service delivery and budget implementation plan.

12. APPROVAL AND EFFECTIVE DATE

The policy will be effective as from 1 July 2024.

13. POLICY AMENDMENT

The Budget Implementation and Monitoring Policy must be reviewed on an annual basis.

14. RELATIONSHIP WITH OTHER POLICIES

This policy needs to be read in conjunction with other relevant adopted policies of the municipality, including the following:

- Delegation of Powers;
- Funding and Reserves Policy;
- Long Term Financial Plan Policy;

15. POLICY IMPLEMENTATION

The policy will be effective as from 1 July 2024.

ANNEXURE A: BUDGET PROCESS TIMETABLE

TIMEFRAME	ACTIVITY	RESPONSIBILITY
1 November Year 1 – 10 December Year 1	Heads of Departments to prepare and submit first draft operating and capital budgets in line with the approved operational plans, budget guidelines and secured financing sources.	Heads of Departments
10 December Year 1 –	Revision of the current operational and capital budget.	CFO / Heads of Departments
	Compilation of the MFMA Sec 72 Report and submission to the Executive Mayor.	AO / CFO
	Approval of adjustments budget by Mayoral Committee.	AO / CFO
	Approval of adjustments budget by Council.	AO / Executive Mayor
10 December Year 1 – 21 January Year 2	Finance Department to consolidate and prepare the first draft capital and operating budget in the following formats:	CFO / Director: Financial Control / Heads of Departments
	High level consolidated format;	
	Line item budget; and	
	Proposed Tariffs.	
	Evaluation of and discussions on first draft budget by Mayoral Committee in line with operational plans, budget guidelines and IDP.	AO / CFO/ Heads of Departments
21 January Year 2 – 4 February Year 2	Finance Department to consolidate and prepare the second draft capital and operating budget.	CFO / Director: Financial Control / Heads of Departments
	Evaluation of and discussions on second draft by Mayoral Committee.	AO / CFO
7 February Year 2 – 14 February Year 2	Evaluation of and discussions on second draft by Portfolio Committees.	Chairpersons of Portfolio Committees /
		Heads of Departments
14 February Year 2 – 4 March Year 2	Evaluation and discussions of proposals from Portfolio Committees by the Mayoral Committee.	AO / CFO
4 March Year 2 – 11 March Year 2	Finance Department to consolidate and prepare the third draft capital and operating budget.	CFO / Director: Financial Control /Heads of Departments
	Evaluation and finalisation of the draft MTREF operational and capital budgets by the Mayoral Committee.	AO / CFO
11 March Year 2 – 31 March Year 2	Finance Department to consolidate and prepare the final draft capital and operating budgets.	CFO / Director: Financial Control / Heads of Departments

TIMEFRAME	ACTIVITY	RESPONSIBILITY
	Tabling of final draft capital and operating budget to Council.	AO / Executive Mayor
31 March Year 2 – 29 April Year 2	Consultation on final draft budget through formal meetings with all possible stakeholders.	Executive Mayor /
		AO / CFO
29 April Year 2 – 13 May Year 2	Finance Department to consolidate and prepare the final draft capital and operating budgets.	CFO / Heads of Departments
	Evaluation of and discussions on final draft by Mayoral Committee.	AO / CFO
13 May Year 2 – 31 May Year 2	Finance Department to consolidate and prepare the final capital and operating budgets.	CFO / Heads of Departments
	Adoption of budget by Council.	AO / Executive Mayor
31 May Year 2 – 13 June Year 2	Finance Department to submit approved budget to Provincial Treasury and National Treasury.	CFO
31 May Year 2	Finance Department to finalise all preparations to ensure proper and timeous implementation of budget, including promulgation of tariffs	CFO
30 June Year 2	Municipal Manager to submit draft SDBIP's and draft performance agreements of all section 57 personnel to Executive Mayor – 14 July	AO
	Executive Mayor to approve SDBIP's and note performance agreements – 28 July	AO / Executive Mayor

Annexure Y
Unauthorised, Irregular, Fruitless and Wasteful Expenditure Policy 2024/2025

UNAUTHORISED, IRREGULAR, FRUITLESS & WASTEFUL EXPENDITURE POLICY

25 Mitchell Street
MEYERTON
1960

PO Box 9
MEYERTON
1960

TEL: 016-360-7400

www.midvaal.gov.za

MIDVAAL
LOCAL MUNICIPALITY

INDEX

1. PURPOSE OF THE POLICY 2

3. DEFINITIONS 2

4. LEGAL FRAMEWORK 5

5. ROLE OF THE ACCOUNTING OFFICER 7

6. PROCEDURE FOR UNFORESEEN AND UNAVOIDABLE EXPENDITURE 8

8. PROCESS TO BE FOLLOWED IN CASES OF UNAUTHORISED, IRREGULAR, FRUITLESS 10

AND WASTEFUL EXPENDITURE 10

9. INVESTIGATIONS AND DISCIPLINARY ACTION 13

10. REPORTING 14

11. CONCLUSION 15

12. POLICY ADOPTION 15

1. PURPOSE OF THE POLICY

The Unauthorised, Irregular, Fruitless & Wasteful Expenditure Policy, compiled and adopted by Council is to ensure compliance with Section 32 of the Local Government: Municipal Finance Management Act, Act 56 of 2003 and MFMA Circular 68 specifically dealing with unauthorised, irregular, fruitless and wasteful expenditure issued by National Treasury on 10 May 2013.

2. OBJECTIVES OF THE POLICY

The main objectives of the policy are:

1. To state the regulatory and legislative requirements surrounding unauthorised, irregular, fruitless and wasteful and expenditure.

2. To provide the definitions of unauthorised, irregular, fruitless and wasteful expenditure.

3. To provide examples of unauthorised, irregular, fruitless and wasteful expenditure.

4. To outline procedures to manage such expenditures and the implementation of consequence management to ensure strong ethical, accountable and transparent financial governance and institutional arrangements.

5. To inform officials of the consequences of not complying with the relevant regulatory and legislative requirements.

6. To comply with the relevant legislative requirements.

7. To strengthen the enforcement provisions enabled in the MFMA to respond to various challenges.

8. To ensure Council's resources are used effectively, efficiently and economically.

9. To prevent unauthorised, irregular, fruitless and wasteful expenditure.

10. To implement stronger monitoring, supporting, reporting and enforcement measures to reduce incidents of unauthorised, irregular, fruitless and wasteful expenditure.

3. DEFINITIONS

"municipality/Council"
Midvaal Local Municipality (MLM)

"the Act"
Local Government: Municipal Finance Management Act, Act 56 of 2003

"the POBA"
Public Office-Bearers Act, Act 20 of 1998

"*official*"
Any person employed by Midvaal 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)

"*department*"
Any internal department of Midvaal Local Municipality as per the latest approved Organisational Structure of Council.

''*overspending*''

(a) In relation to the budget of the municipality, means causing the operational or capital expenditure incurred during the 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

''*Vote*''

(a) One of the main segments into which the budget of the municipality is divided for the appropriation of money for the different department 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.

The definitions of unauthorised, irregular, fruitless and wasteful expenditure as per the MFMA are as follows:

"irregular expenditure"

(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 or 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, Act 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 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".

"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 the Act.

"fruitless and wasteful expenditure"
Expenditure that was made in vain and would have been avoided had reasonable care been exercised.

"Unforeseen and unavoidable expenditure"

Expenditure that:

(a) Could not have been foreseen at the time the annual budget of the municipality was passed;

(b) The delay that will be caused by a pending adjustments budget may:

1. Result in significant financial loss for the municipality

2. Cause a disruption or suspension or serious threat to the continuation of municipal services

3. Lead to loss of life or serious injury or significant damage to property

4. Obstruct the municipality from instituting or defending legal proceedings on an urgent basis.

4. LEGAL FRAMEWORK

The following legislation and regulations, amongst others, inform this policy:

1. Local Government: Municipal Finance Management Act, Act 56 of 2003: Section 32 (Unauthorised, Irregular or Fruitless and Wasteful Expenditure)

(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 Sub-section (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.

2. Local Government: Municipal Finance Management Act, Act 56 of 2003: Section 176 (Liability of functionaries exercising powers and functions in terms of this Act)

(1) No municipality or any of its political structures, political office-bearers or officials, no municipal entity or its board of directors or any of its directors or officials, and no other organ of state or person exercising a power or performing a function in terms of this Act, is liable in respect of any loss or damage resulting from the exercise of that power or the performance of that function in good faith.

(2) Without limiting liability in terms of the common law or other legislation, a municipality may recover from a political office-bearer or official of the municipality, and a municipal entity may recover from a director or official of the entity, any loss or damage suffered by it because of the deliberate or negligent unlawful actions of that political office-bearer or official when performing a function of office.

3. Local Government: Municipal Finance Management Act, Act 56 of 2003: Section 170 (Departures from Treasury Regulations or Conditions)

(1) The National Treasury may on good grounds approve a departure from a treasury regulation or from any condition imposed in terms of this Act.

(2) Non-compliance with a regulation made in terms of Section 168, or with a condition imposed by the National Treasury in terms of this Act, may on good grounds shown be condoned by the Treasury.

4. Local Government: Municipal Finance Management Act, Act 56 of 2003: Section 173 (Offences)

Offences committed by the accounting officer, senior manager, councillor and an official are addressed under this section.

5. **Local Government: Municipal Finance Management Act, Act 56 of 2003: Section 62 (General Financial Management Functions)**

The accounting officer of a municipality is responsible for managing the financial administration of the municipality and must for this purpose take all reasonable steps to ensure resources are used effectively, efficiently and economically.

6. **Local Government: Municipal Finance Management Act, Act 56 of 2003: Section 79 (Delegations)**

The accounting officer of a municipality must for the proper application of this Act in the municipality's administration, develop an appropriate system of delegation that will both maximise administrative and operational efficiency and provide adequate checks and balances in the municipality's financial administration.

7. **Local Government: Municipal Finance Management Act, Act 56 of 2003: Section 60 (Municipal Managers to be Accounting Officers)**

The Municipal Manager of a municipality is the Accounting Officer of the municipality for the purposes of this Act, and, as Accounting Officer, must-

(a) Exercise the functions and powers assigned to an accounting officer in terms of this Act; and

(b) Provide guidance and advice on compliance with this Act to:

(i) the political structures, political office-bearers and officials of the municipality; and

(ii) any municipal entity under the sole or shared control of the municipality.

8. **Local Government: Municipal Finance Management Act, Act 56 of 2003: Regulations on Municipal Budget & Reporting Regulations**

Regulations 23 and 74 of the Municipal Budget and Reporting Regulations.

5. ROLE OF THE ACCOUNTING OFFICER

The Accounting Officer is responsible, amongst others, for the following:

1. Exercise all reasonable care to prevent and detect unauthorised, irregular, fruitless and wasteful expenditure and must for this purpose implement effective, efficient and transparent processes of financial and risk management;

2. 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, fruitless and wasteful expenditure;

3. On discovery of any unauthorised, irregular, fruitless and wasteful expenditure to report promptly (in writing), the particulars of the expenditure to the Executive Mayor;

4. Follow the prescribed processes to deal with unauthorised, irregular, fruitless and wasteful expenditure.

6. PROCEDURE FOR UNFORESEEN AND UNAVOIDABLE EXPENDITURE

MLM hereby adopts the MFMA Budget and Reporting Regulations' prescribed processes to be followed for the approval of unforeseeable and unavoidable expenditure as set out below:

1. No unavoidable expenditure exceeding R15 million may be approved during a financial year.

2. Any official / department becoming aware of the need to incur unforeseen or unavoidable expenditure must immediately approach the Chief Financial Officer and the Municipal Manager with the full details on the unforeseen expenditure, providing information on the consequences of not incurring the expenditure as well as an indication of the expected cost (both for the current year as well as any recurring cost resulting from the event). A confirmation that the expenditure does not constitute expenditure that may not be allowed by the Executive Mayor as per Section 73(2) of the MFMA Budget and Reporting Regulations must be given by the department when approaching the Chief Financial Officer.

3. The Chief Financial Officer will determine whether the cost cannot be dealt with through a process of shifting of funds within the relevant votes in terms of the virements policy. If sufficient funds are available, the virements process will be followed. If not, the matter will be reported to the Municipal Manager for consideration as unforeseen and unavoidable expenditure.

4. Once the Municipal Manager has granted approval, the relevant Executive Director will be authorised to submit a report to the Executive Mayor requesting approval. If approval is granted, the financial system will be adjusted to allow the department to process the financial transaction.

5. The abovementioned process will be dealt with as highest priority to ensure that administrative delays do not exacerbate the situation.

6. An adjustments budget will be submitted to the next Council meeting. The preferred process would be to shift funds between votes to avoid any negative impact on the total cash position of Council.

7. EXAMPLES OF UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE

The following examples are only guides and are not exhaustive:

7.1 Unauthorised expenditure

Unauthorised expenditure in MLM is expenditure that has not been budgeted for. Expenditure that is not in terms of the conditions of an allocation received from another sphere of government, entity or organ of state and expenditure in the form of a grant that is not permitted in terms of the MFMA. Unauthorised expenditure is accounted for as an expense in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

Unauthorised expenditure in MLM includes the following:

1. Procuring of goods and services that are not budgeted for;

2. Expenditure not in terms of the conditions of an allocation (grant) received from another sphere of government, entity or organ of state;

3. Expenditure in the form of a grant that is not permitted in terms of the MFMA.

7.2 Irregular expenditure

Irregular expenditure in MLM is expenditure that is contrary to the Local Government: Municipal Finance Management Act, Act 56 of 2003, the Municipal Systems Act, Act 2 of 2000 and the Public Office Bearers Act, Act 20 of 1998 or is in contravention of the entity's Supply Chain Management Policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

Irregular expenditure in MLM includes the following:

1. Irregular expenditure incurred as a result of procuring goods or services by means other than through competitive bids and where reasons for deviating from inviting competitive bids have not been recorded and approved by the Accounting Officer;

2. Irregular expenditure incurred as a result of non-compliance with a requirement of the MLM's Delegations of Authority;

3. Irregular expenditure incurred due to it being in contravention of the MLM's Supply Chain Management Policy;

4. Expenditure paid out to service providers who are in the service of the state;

5. Irregular expenditure incurred as a result of non-compliance with a provision contained in any applicable legislation.

7.3 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

Fruitless and wasteful expenditure in MLM includes the following:

1. Procuring of goods and services that are not beneficial to the municipality;

2. Costs of goods and services are in excess of what would have been the case have proper procedures been followed (quotes);

3. Renting of property when sufficient and appropriate unoccupied property is owned by the entity;

4. Exuberant costs on parties and entertainment;

5. Incurring penalty and interest costs on late payment of accounts;

6. Mismanagement of funds.

8. PROCESS TO BE FOLLOWED IN CASES OF UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE

1. Any unauthorised, irregular, fruitless and wasteful expenditure as defined above, must be promptly reported to the Chief Financial Officer and the Municipal Manager will initiate the process of dealing with the unauthorised, irregular, fruitless and wasteful expenditure.

2. Upon receiving a report of unauthorised, irregular, fruitless and wasteful expenditure, the Chief Financial Officer will advise, in writing, the Municipal Manager.

3. The Municipal Manager will oversee the initiation of the process to deal with the unauthorised, irregular, fruitless and wasteful expenditure.

4. The Financial Services Department: Expenditure Unit will maintain the Register, in a prescribed format.
5. The end user departments shall be responsible for drafting of the report in an item format to report the instance of Unauthorized, Irregular, Fruitless and Wasteful expenditure to the next Council meeting.

6. The PMS Section to convene a Financial Disciplinary Board (FDB) sitting once Council adopted the recommendations as per (5) above where necessary.

7. The instance of unauthorised, irregular, fruitless and wasteful expenditure to be reported to the Chief Audit Executive by PMS Section

8. The Chief Audit Executive will institute an investigation as contemplated in Section 32 of the MFMA, and in particular, determine the following:

    1. Nature of the non-compliance (non-compliance with MFMA, MSA, Remuneration of Public Officer Bearer's Act, etc.);

    2. Nature and reason for the unauthorised expenditure, irregular or fruitless and wasteful expenditure ;

    3. 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 of official involved advised that such a decision would result in unauthorised, irregular or fruitless and wasteful expenditure;

    4. Whether the irregular expenditure result from a minor breach in the procurement policy;

    5. Whether the municipality suffered a financial loss;

    6. Whether the accounting officer / official / public officer bearer acted deliberately, negligently, or grossly negligently;

    7. Grounds shown as to why the unauthorised expenditure should be authorised (such as interest of the municipality);

    8. Whether the accounting officer can condone the non-compliance with the SCM policy as a minor breach;

    9. Whether the non-compliance must be submitted to the National Treasury for condonation;

10. Whether the non-compliance must be submitted to the Minister of Co-operative Governance and Traditional Affairs for condonation.

9. The findings of the Chief Audit Executive will be submitted to the Municipal Manager for consideration of the following:

    1. Introduction of an adjustments budget to authorise the un-authorised expenditure (if unforeseen and unavoidable and the process outlined in paragraph 3 of this policy could not be followed);

    2. Recommendation to recover funds;

    3. Recommendation to write the funds off as irrecoverable;

    4. Disciplinary / Criminal action to be instituted.

10. The Chief Audit Executive must, in considering (h) above, take due cognisance of Section 176 of the MFMA.

11. The Municipal Manager must advise the Executive Mayor of the unauthorised, irregular, fruitless and wasteful expenditure and the recommendations that will be made to the Municipal Public Accounts Committee (MPAC).

12. The Municipal Manager will be responsible to institute criminal charges where applicable.

13. The findings of the Chief Audit Executive and the recommendations of the Municipal Manager will be submitted to the Municipal Public Accounts Committee (MPAC) after consideration by the Financial Disciplinary Board (FDB) for consideration of the following:

    1. Introduction of an adjustments budget to authorise the unauthorised expenditure (if unforeseen and unavoidable and the process outlined in paragraph 3 of this policy could not be followed);

    2. Recommendation to recover funds;
    3. Recommendation to write the funds off as irrecoverable.

14. The recommendations of MPAC will be submitted, in committee, to the next Mayoral Committee and Council meetings for final decision.

15. Upon conclusion of the Council process, the PMS Section must promptly advise the MEC for Local Government and the Auditor-General of the unauthorised, irregular or fruitless and wasteful expenditure and the decision taken by Council.

16. If the unauthorised expenditure is not authorised by Council, the process to recover the funds from the liable official or political officer bearer must be initiated by the Legal Section, within a period not exceeding 30 days.

17. The Register of Unauthorised, Irregular, Fruitless and Wasteful Expenditure will form part of the Municipal Manager's management meeting agenda to ensure the reported items are dealt with in a prompt manner.

18. All instances of unauthorised, irregular, fruitless and wasteful expenditure must be disclosed in the Annual Report.

19. The Chief Financial Officer must initiate a special adjustments budget (if applicable) to deal with the authorisation of unauthorised expenditure.

9. INVESTIGATIONS AND DISCIPLINARY ACTION

9.1 In terms Sections 172 and 173 of the MFMA, an Accounting Officer is guilty of financial misconduct and an offence respectively if he or she:

(a) Will fully or negligently fails to take effective and appropriate steps to prevent unauthorised, irregular or fruitless and wasteful expenditure as required by the MFMA;

(b) fails to take effective and appropriate disciplinary steps against an official in the department who makes or permits unauthorised, irregular or fruitless and wasteful expenditure;

(c) fails to report unauthorised, irregular or fruitless and wasteful expenditure in terms of the MFMA.

9.2 As soon as the Accounting Officer becomes aware of an allegation of financial misconduct against an official, the Accounting Officer has a responsibility to ensure that the Executive Mayor (Council) initiates an investigation into the matter and if the allegations are confirmed, holds a disciplinary hearing in accordance with the prescripts of the applicable legislation.

9.3 In terms of Section 172 of the MFMA, an official of a department to whom a duty or power has been assigned commits an act of financial misconduct if that official will fully or negligently fails to perform that duty or exercise that power in line with applicable legislation.

9.4 In terms of the MFMA, the Accounting Officer must take appropriate and effective disciplinary steps against an official who makes or permits unauthorised, irregular or fruitless and wasteful expenditure.

9.5 When the Accounting Officer determines the appropriateness of disciplinary steps against an official in terms of applicable legislation, he or she must take into account the following:

(a) circumstances of the transgression;

(b) extent of the expenditure involved;

(c) nature and seriousness of the transgression.

Reference to the Local Government: Municipal Finance Management Act, Act 56 of 2003: Financial Misconduct Regulations on Financial Misconduct Procedures and Criminal Proceedings

All alleged financial misconduct must be reported according to the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.

All financial misconduct in terms of Section 171 of the MFMA must be investigated in terms of the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.

10. REPORTING

10.1 The Accounting Officer must comply with the following reporting requirements:

1. Immediately upon discovery of unauthorised, irregular, fruitless and wasteful expenditure, the Accounting Officer must report the details of the unautho rised, irregular or fruitless, and wasteful expenditure to the Executive Mayor.

The report must include the following details:

1. Amount of the unauthorised, irregular, fruitless and wasteful expenditure;
2. Name of the vote from which the expenditure was made;
3. Reason why the unauthorised, irregular, fruitless and wasteful expenditure could not be avoided;
4. Name and title of the responsible official;
5. Details of any recovery steps taken or to be taken by the municipality;
6. Details of any disciplinary steps taken or to be taken by the municipality,

2. The Accounting Officer must also include the expenditure in the department's monthly revenue and expenditure report submitted to the Council in terms of the MFMA.

3. All unauthorised, irregular or fruitless and wasteful expenditure must be re- ported as a note to the Annual Financial Statements.

11. CONCLUSION

Irregular expenditure resulting from non-compliance with the MFMA and the MSA can't be condoned by Council and approval must be sought from the National Treasury, the Minister of Co-operative Governance and Traditional Affairs respectively.

Irregular expenditure resulting from non-compliance with the Public Officer Bearer's Act can't be condoned and such irregular expenditure must be recovered from the political officer bearer concerned.

Council may condone irregular expenditure resulting from a contravention of the SCM Policy provided that the contravention is not also a contravention of the MFMA or the SCM Regulations, in which case only the National Treasury can condone a contravention of the SCM Regulations.

Minor breaches of the procurement process can be ratified by the Accounting Officer (if the municipality's SCM policy allows for it). Only the breaches in the process can be ratified and not the irregular expenditure itself. The irregular expenditure must still be ratified by Council.

12. POLICY ADOPTION

This policy will be effective once approved by the Midvaal Local Municipality.

This policy must also be read with the MFMA Unauthorised, Irregular, Fruitless and Wasteful Expenditure Reduction Strategy, dated Sep 2021.

Reviewed Date: 6 March 2023
/rvg

---oOo---

MIDVAAL LOCAL MUNICIPALITY

MINUTES OF THE 5TH ORDINARY MEETING OF 2022 HELD ON THURSDAY, 26 MAY 2022 AT 14:00 IN THE COUNCIL CHAMBERS

C 2831/05/2022
MC A/5770/05/2022

9.A.7 [CC:CS]: UNAUTHORISED, IRREGULAR, FRUITLESS & WASTEFUL EXPENDITURE (UIFW) POLICY: REVIEWED

5/1/1

COMPETENCY: COUNCIL

RESOLVED

1. That the reviewed Unauthorised, Irregular, Fruitless & Wasteful Expenditure Policy, attached to the report as Annexure "A", be approved.

2. That Paragraph 5(5.21) of Council Resolution C2550/05/2021 dated 27 May 2021, attached to the report as Annexure "B", be rescinded.

Annexure Z
Unclaimed Credits Policy
2024/2025

ALLOCATION OF UNCLAIMED CREDITS

2024/2025 FINANCIAL YEAR

MIDVAAL
LOCAL MUNICIPALITY

ALLOCATION OF UNCLAIMED CREDITS POLICY

1. PURPOSE

This policy provides guidelines to determine a uniform approach for the allocation of unclaimed credits on consumer accounts.

2. ACCOUNT CREDITS

Account credits of Midvaal Local Municipality (MLM) customers may be allocated to the Unclaimed Credits Register in accordance with the following stipulations:

2.1 When an account has been finalised and closed after property transfer and the credit remains unclaimed for a period exceeding six months.

2.2 When the credit has not been refunded to the customer or transferring attorney and neither the client nor the transferring attorney claims the refund after transfer of the property has taken place.

2.3 The credit must be transferred to the Unclaimed register after a six month period and the account marked as inactive.

2.4 The unclaimed credits will remain in the Unclaimed register and after a period of three years will be advertised for 14 days as an unclaimed credit.

2.5 If no claim is received for a specific account and rand value, the unclaimed amount will be transferred to the Income of the Municipality.

2.6 A Journal to this effect must be done annually during the Financial Year end processes.

3. IMPLEMENTATION DATE

The policy will be effective as from 1 July 2024.

4. POLICY REVIEW

The policy is to be reviewed annually before the start of the financial year.

Annexure AA
Bulk Developer Contributions Policy
2024/2025

PAYMENT OF BULK DEVELOPER CONTRIBUTIONS POLICY

2024/2025 FINANCIAL YEAR

MIDVAAL
LOCAL MUNICIPALITY

CONTENTS

1.	Preamble	3
2.	Purpose of Policy	3
3.	Need for Calculating Bulk Services Contributions (Development Contributions)	4
4.	Consent use	5
5.	Township establishment	5
6.	General	5
7.	Conditions	6
8.	Implementation	7

1. Preamble

1.2 The progressive realisation of fundamental constitutional rights *inter alia* requires township development. Township development in turn requires the provision of engineering services.

1.3 Local government must ensure the provision of engineering services to communities and promote social and economic development in a sustainable manner. As a general principle local government should within budgetary constraints accept responsibility for the installation and financing of external engineering services.

1.4 As a general principle for township developers is that the onus is on them to be responsible for the installation and financing of internal engineering services.

1.5 Local government has the discretionary power when granting development approvals to impose conditions in relation to the provision of engineering services and the payment of money which is directly related to requirements resulting from those approvals in respect of the provision of the necessary services to the land to be developed.

1.6 Local government must act in accordance with the law when exercising those powers.

2. Purpose of Policy

2.1 The adoption of policy guidelines by organs of state to assist decision-makers in exercising their discretionary powers has long been accepted as legally permissible.

2.2 The purpose of this policy document is first to assist and guide municipal decision-makers in the exercise of their discretionary powers when considering appropriate conditions of approval to be imposed under the Land Use Planning Ordinance; their negotiations with developers relating to the payment of development contributions and the division of engineering services costs between the Municipality and Applicants; and

2.3 The application of the calculation methods for Development Contributions as outlined in the Reports defined below.

2.4 The purpose of this policy document is also to inform interested and affected parties regarding the principles and calculation methods of development contributions and the process to be followed in reaching and recording agreements in respect thereof; and ensure the provision of adequate engineering services and / or payment of development contributions in respect of new developments.

3. Need for Calculating Bulk Services Contributions (Development Contributions)

3.1 Background

A Local Authority may request "Development Contributions", which means financial contributions calculated in accordance with this policy document, which an Applicant is required to make in terms of conditions of approval imposed by the Municipality when granting approvals under the Ordinance and which relate to requirements resulting from those approvals in respect of the provision of the necessary engineering services to the land to be developed.

Where sewer purification services are rendered by the Ekurhuleni Metropolitan Municipality (ERWAT) the calculation of bulk contributions for sewer purification will be in terms of their policy in addition to the policy and tariffs of the Midvaal Local Municipality.

3.2 Rezoning

The newly approved zoning becomes effective on promulgation in the Provincial Gazette and the commencement of the scheme is 56 calendar

days from the promulgation date if no objection against the proposed application was lodged and the liability of bulk contributions becomes payable by the property owner.

Within 30 days from the date that the amendment scheme comes into operation, in terms of Section 58 (1) of the Town Planning And Townships Ordinance, Ordinance 15 of 1986, the ED: Development & Planning directs the owner by means of a registered letter, as contemplated by Section 63, of said Ordinance that the Bulk Contributions are payable. A copy of the Section 63 letter Contributions will be levied by finance on date of mayoral resolution as an interim / provisional contribution.

4. Consent use

If no payment is received from the applicant/owner within 90 days from the date of the approval letter, the Council will recalculate the bulk contributions payable, subject to escalation costs or increase in tariff and/or fees and will be determined as and when the applicant/developer/owner wishes to exercise the new right.

On cancellation of the approved application Development & Planning will inform finance within 10 working days to remove the contributions from the system.

5. Township establishment

The applicant will be informed of bulk and link contributions payable in accordance with a signed Services Agreement, subject to the conditions pertaining to such agreement.

6. General

6.1 Any arrangements regarding the payment of contributions are already delegated to the mayoral committee per resolution MC1211/12/2006 and such

arrangements will be backed by an irrevocable bank guarantee. Any payment arrangement made may not exceed a period of 12 months.

6.2 The authority to cancel an approved application for consent use be delegated to the Executive Director: Development & Planning. This automatically authorises removal of outstanding contributions.

6.3 The authority to amend bulk contributions be delegated to the Municipal Manager on written request by the Executive Director's Development & Planning, and Engineering.

6.4 That all communication regarding the final bulk contributions payable be mailed to the property owner by registered post.

7. Conditions

7.1 If no payment is received from the applicant/owner within 90 days from the date of the approval letter, Finance in conjunction with Engineering may recalculate the bulk contributions payable, subject to escalation costs or increase in tariff and/or fees and will be determined as and when the applicant/developer/owner wishes to exercise the new right.

This condition will come into immediate effect, and also apply to all applications that have already been considered but in respect of which external bulk contributions are still outstanding.

7.2 In the event of a Township Establishment application this condition shall form part of the Services Agreement.

7.3 The Executive Director: Engineering Services must recalculate the bulk contributions as and when required.

7.4 All land use applications where bulk contributions have not been paid within 90 days from the date of the approval letter shall be re-circulated to the Department: Engineering Services in order to recalculate revised bulk contributions prior to the approval of building plans or any certificate enabling transfer of the newly subdivided portions.

8. Implementation

The policy will be effective as from 1 July 2024.

Annexure AB
Related Party Policy
2024/2025

RELATED PARTY POLICY

2024/2025 FINANCIAL YEAR

MIDVAAL
LOCAL MUNICIPALITY

TABLE OF CONTENTS

TABLE OF CONTENTS 2
1. INTRODUCTION 2
2. PURPOSE 2
3. DEFINITIONS 3
4. IDENTIFICATION 5
5. CONTROL 7
6. INFLUENCE 9
7. MANAGEMENT 9
8. CLOSE FAMILY MEMBERS 10
9. RELATED PARTY TRANSACTIONS 11
10. DISCLOSURE 11
11. SUMMARY OF KEY PRINCIPLES 14
12. POLICY AUDIT 16
13. POLICY AMENDMENT 16

1. INTRODUCTION

GRAP 20 is applicable to all entities on the accrual basis of accounting in identifying and disclosing related party relationships, transactions and balances at year-end, including commitments.

This policy framework shall be read in the context of the provisions of the following Acts, Regulations and Administrative Guidelines:

- Accounting guidelines, National Treasury, June 2012
- MFMA, Act 56 of 2003;
- GRAP 20

2. PURPOSE

This policy outlines the identification, treatment, recognition and reporting of Related party transactions in the municipality according to the requirements of the MFMA.

The accounting officer of an institution must ensure that internal procedures and internal control measures are in place for all payment approval and processing, including related party transactions. These internal controls should provide reasonable assurance that all expenditure is necessary, appropriate, paid promptly and is adequately recorded and reported on.

The objective of this Standard is to ensure that a reporting entity's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and surplus or deficit may have been affected by the existence of related parties and by transactions and outstanding balances with such parties.

3. DEFINITIONS

Related party transactions – is a transfer of resources or obligations between related parties, regardless of whether a price is charged.

Related party – parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions, or if the related party entity and another entity are subject to common control.

Related parties include:

- Entities that directly, or indirectly through one or more intermediaries, control or are controlled by the reporting entity;
- Associates and joint ventures;
- Individuals owning, directly or indirectly, an interest in the reporting entity that gives them significant influence over the entity, and close member of the family of such an individual;
- Key management personnel, and close members of the family of key management personnel; and
- Entities in which a substantial ownership interest is held, directly or indirectly, by any person described in (c) or (d), or over which such a person is able to exercise significant influence.

Significant influence – is the power to participate in the financial and operating policy decision of an entity, but not control those policies.

Control – is the power to govern the financial and operating policies of another entity so as to benefit from its activities.

Joint control – is the agreed sharing of control over an activity by a binding agreement.

Entities – entities referred to in GRAP 20 and in this policy, i.e. for which this is applicable, are:

- Public entities;
- Constitutional institutions;
- Municipalities and all other entities under their control;
- Parliament and provincial legislature; and
- Trading entities (only effective from 1 April 2013).

Key Management personnel:

- all Directors or members of a governing body of the entity;
- other persons having the authority and responsibility for planning, directing and controlling the activities of the reporting entity. Where they meet this requirement, key personnel include:
- where there is a member of the governing body of a whole-of-government entity who has the authority and responsibility for planning, directing and controlling the activities of the reporting entity, that member (e.g. Councillors);
- any key advisor of that member; and unless included in (a), the senior management group of the reporting entity, including the chief executive or permanent head of the reporting entity (e.g. the Accounting Officer)

4. IDENTIFICATION

Parties are considered to be related if one party has the ability to **control** (or jointly control) the other party or exercise **significant influence** over the other party, or vice versa, or an entity that is subject to **common control**, or joint control.

As a minimum, the following are regarded as related parties of the reporting entity:

- A person or a close member of that person's family is related to the reporting entity if that person:
- has control or joint control over the reporting entity;
- has significant influence over the reporting entity; or
- Is a member of the management of the entity or its controlling entity.
- An entity is related to the reporting entity if any of the following conditions apply:
- The entity is a member of the same economic entity (which means that each controlling entity, controlled entity and fellow controlled is related to the others);
- One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of an economic entity of which the other entity is a member);
- Both entities are joint ventures of the same third party;
- One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- The entity is a post-employment benefit plan for the benefit of employees of either the entity or an entity related to the entity. If the reporting entity is itself such a plan, the sponsoring employers are related to the entity;
- The entity is controlled or jointly controlled by a related person; and

- A person who has control or joint control over the reporting entity has significant influence over that entity or is a member of the management of that entity (or its controlling entity).

In identifying related party relationships, attention should be given to the substance of a relationship and not merely its legal form.

Where two entities have a member of management in common, it is necessary to consider the possibility, and to assess the likelihood, that this person would be able to affect the policies of both entities in their mutual dealings. However, the mere fact that two entities have a member of management in common does **not necessarily** create a related party relationship.

The following other instances also do **not necessarily** create related party relationships:

- Two ventures **merely** because they share joint control over a joint venture;

- Providers of finance and trade unions;

- A customer, supplier, distributor or general agent with whom an entity transacts a significant volume of business, **merely** by virtue of the resulting economic dependence.

Other factors could, however, result in the parties being related.

5. CONTROL

Control is the power to govern the financial and operating policies of another entity so as to benefit from its activities.

An entity (or a person or body of persons) has control over another entity when it has certain decision-making capabilities over another and that it benefits from the activities of that entity.

Further indicators that can also individually or collectively be indicative of control are:

- The entity has the ability to veto operating and capital budgets of the other entity;
- The entity has the ability to veto, overrule, or modify the board of directors or equivalent governing body decisions of the other entity;
- The entity has the ability to approve the hiring, reassignment and removal of key personnel of the other entity;
- The mandate of the other entity is established and limited by legislation;
- The entity holds a “golden share” (or equivalent) in the other entity that confers rights to govern the financial and operating policies of that entity;
- The entity holds direct or indirect title to the net assets of the other entity;
- The entity has a right to a significant level of the net assets of the other entity in the event of a liquidation or in a distribution other than a liquidation;
- The entity is able to direct the other entity to co-operate with it in achieving its objectives;
- The entity is exposed to the residual liabilities of the other entity.

In the South African context, the government is divided into three spheres, namely the national, provincial and local spheres of

government. Although provinces and municipalities are responsible for executing its assigned functions in line with the overall policies and objectives set by the relevant national department, the autonomy of the different spheres is guaranteed in terms of the Constitution of South.

Africa and provinces and municipalities can therefore decide how it will achieve those objectives. The national government does not **control** provinces or municipalities for accounting purposes, although funding may be received from the national government.

The following figure illustrates the related parties in the South African government context (note that the different spheres of government are not related to each other):

Local sphere:

For example: The City of Johannesburg and its municipal entities are related parties. The City of Tshwane and the City of Johannesburg are not related parties as they are not under common control.

6. INFLUENCE

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

Significant influence may be exercised in several ways, usually by representation on the board of directors or equivalent governing body but also by, for example, participation in the policy making process. Significant influence may be gained by an ownership interest, statute, or agreement.

7. MANAGEMENT

Management are those persons responsible for planning, directing and controlling the activities of the entity, including those charged with the

governance of the entity in accordance with legislation, in instances where they are required to perform such functions.

Management include any sub-committees of the governing body or key advisors of a member of management as well as the senior management group of the entity (if not part of the governing body of the entity).

Management hold positions of responsibility within an entity. They are responsible for the strategic direction and operational management of an entity and are entrusted with significant authority. This responsibility may enable them to influence the decisions of the entity and therefore the benefits of office that may flow to them or their related parties.

In respect of a municipality, the accounting authority or all the members (e.g. major, speaker, council members), and their close family relatives, are related parties of the municipality.

The senior management team of entities across all spheres of government (including the chief executive or permanent head of the entity) also form part of management.

8. CLOSE FAMILY MEMBERS

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity. A person is considered to be a close member of the family of another person if they:

- are married or live together in a relationship similar to a marriage; or
- are separated by no more than two degrees of natural or legal consanguinity or affinity.

Close family members of management (and entities under significant influence of such individuals) are related parties of an entity.

The reason for the inclusion of close family members in the definition of a related party is to prevent entities from transacting with these individuals rather than with management in order to circumvent the disclosure requirements of the standard.

Judgement will be necessary in determining whether an individual should be identified as a close member of the family of an individual for purposes of related party disclosures.

9. RELATED PARTY TRANSACTIONS

A related party transaction is a transfer of resources or obligations between related parties, regardless of whether a price is charged.

According to GRAP 20, an entity should disclose all transactions with its related parties (refer to disclosure) other than transactions that would occur within:

- Normal supplier or client / recipient relationship on terms and conditions no more or less favourable than those which it is reasonable to expect the entity would have adopted if dealing with that individual entity or person in the same circumstances; and

Terms and conditions within the normal operating parameters established by that reporting entity's legal mandate.

10. DISCLOSURE

The minimum disclosure in the annual financial statements for related party relationships, transactions and balances are the following:

Accounting policies

"The municipality operates in an economic sector currently dominated by entities directly or indirectly owned by the South African

Government. As a consequence of the constitutional independence of the three spheres of government in South Africa, only entities within the local sphere of government are considered to be related parties.

Management are those persons responsible for planning, directing and controlling the activities of the entity, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that member of management in their dealings with the entity.

Only transactions with related parties where the transactions are not concluded within normal operating procedures or on terms that are not no more or no less favourable than the terms it would use to conclude transactions with another entity or person are disclosed.

The following are situations where related party transactions may lead to disclosures required by a reporting entity

- Rendering or receiving of services
- Purchases or transfers/sales of goods (finished or unfinished)
- Purchases or transfers/sales of property and other assets
- Agency arrangements;
- Leasing arrangements;
- Transfer of research and development;
- Licence agreements;
- Finance (including loans, capital contributions, grants whether in cash or in kind and other financial support including cost sharing arrangements); and
- Guarantees and collaterals;
- Settlement of liabilities

Management remuneration

An entity should disclose the remuneration of management per person and in aggregate, for each class of management, in the following categories:

- Fees for services as a member of management;
- Basic salary;
- Bonuses and performance related payments;
- Other short-term employee benefits;
- Post-employment benefits such as pensions, other retirement benefits, post-employment life insurance and post-employment medical care;
- Termination benefits;
- Other long-term benefits;
- Any commission, gain or surplus sharing arrangements; and
- Any other benefits received.

Entities shall make separate disclosures about the major classes of management that they have. For example, where an entity has a governing body, such as a board or a council, which is separate from its senior management group, disclosures about remuneration of the two groups must be made separately.

Where a person is a member of both the governing body and the senior management group, that person will be included in only one of those groups.

11. SUMMARY OF KEY PRINCIPLES

GRAP 20 sets out the principles for the identification and disclosure or related party relationships and transactions.

Identification

Parties are considered to be related if one party has the ability to **control** the other party or exercise **significant influence** over the other party in making financial and operating decisions or if the related party and other entity are subject to **common control**.

Related parties include:

- Entities that directly, or indirectly through one or more intermediaries, control, or are controlled by the reporting entity;
- Associates
- Joint ventures
- Individuals owning, directly or indirectly, an interest in the reporting entity that gives them significant influence over the entity, and close members of the family or any individual;
- Management, and close members of the family of management; and
- Entities in which a substantial ownership interest is held, directly or indirectly, by any person described in the two bullets above, or over which such a person is able to exercise significant influence.

All departments and public entities in the national sphere of government are related parties;

All departments and public entities in each province are related parties; and

Each municipality and its own municipal entities are related parties. A municipality is not “related” to another municipality as they are not under common control.

The National government does not control provinces or municipalities for accounting purposes, although funding may be received from the national government.

Disclosure

The reporting entity must disclose:

- Relationships between an entity and its controlling entities (or entities that it controls) needs to be disclosed.
- The nature of its related party relationships;
- The types of transactions that have occurred' and
- The elements of the transactions necessary to clarify the significance of these transactions to its operations and sufficient to enable the financial statements to provide relevant and reliable information for decision-making and accountability purposes.

Disclosure of management information must also be made.

Entities are not required to disclose the value of transactions (other than those dealt with above) with other public sector entities where the transactions are concluded within normal operating procedures and on terms that are no more or no less favourable than the terms it would use to conclude transactions with another entity or person.

12. POLICY AUDIT

A periodic policy audit process shall be conducted either by the Finance section, or Municipal Manager, when deemed necessary. The Provincial Government and or Auditor-General may also audit and formally request amendment of the policy, as may be required from time to time, to ensure appropriate application and compliance the relevant Treasury and MFMA regulations and other legislation.

13. POLICY AMMENDMENT

No amendment(s) may be made to any section of this policy without such amendment(s) first being:

- Consulted upon with the Chief Financial Officer and the Municipal Manager.
- Duly approved by the Council.

Annexure AC
Cell phone and connectivity allowance Policy
2024/2025

CELL PHONE AND CONNECTIVITY ALLOWANCE POLICY

2024/2025 FINANCIAL YEAR

MIDVAAL
LOCAL MUNICIPALITY

TABLE OF CONTENTS

TABLE OF CONTENTS 1
1. OBJECTIVE 2
2. SCOPE 2
3. GUIDELINES 3
4. ALLOWANCE 5
5. CELL PHONE USAGE WHILE DRIVING 6
6. VIOLATION OF POLICY 7

CELLPHONE AND CONNECTIVITY ALLOWANCE POLICY

1. OBJECTIVE

Council understands and appreciates that employees utilise their cell phones for business purposes so as for services to be delivered on a continuous basis. With the implementation of a cell phone allowance policy Council will have a universal tool to clearly define who is entitled to a cell phone allowance and how the costs will be met.

The policy will provide guidelines as to the attainment and management of the benefit of a cell phone allowance, so as to promote service delivery and ensure that services continue even when employees are not office bound.

Council will therefore pay a cell phone allowance to employees as determined by assessing an employee's individual needs.

2. SCOPE

This policy covers the usage of a cell phone allowance by permanent employees where the regular use of a cell phone is necessary to meet the requirements of the job and is applicable to any official who has received approval from the Municipal Manager, based on a recommendation from the relevant head of department, for a cellular allowance.

3. GUIDELINES

3.1 HANDSET & MAINTENANCE

Employees who are entitled to a cell phone allowance will only receive monetary remuneration and will be expected to provide their own handset by means of a contract with a cellular service provider (i.e. Vodacom, MTN, or Cell C). Council will not be responsible to provide any handset or additions to a handset to any employee or stakeholder covered in this policy.

Employees are encouraged to structure their contract with the service provider in a manner which best suits the individual's needs and personal circumstances. Recipients of a cell phone allowance must avail their cell phone number to their HOD and must continue to maintain the cell phone contract or air-time/pay-as-you-go contract while in receipt of the allowance.

The contract should be entered into between the Employee and Service Provider and the onus is on the employee to ensure the monthly payment of the contract.

Furthermore the Employee should ensure that the mobile phone is available, at all times, for Council's use, failing which the allowance will be forfeited. Employees must inform the Human Resources Division of any cancellation arising from theft, sale, termination of the contract, etc. by no later than the 3rd of the month following the month in which the event occurred.

An allowance will not be granted to employees without official authorisation to acquire a cell phone for official use. Council will not be liable for any costs incurred without official authorisation if a private contract has been obtained for official use.

3.2 PRE-PAID CONTRACTS

Employees making use of a prepaid contract with a service provider are entitled to a cell phone allowance benefit. Employees on a prepaid contract should ensure that the mobile phone is always available i.e. that enough airtime is available for making and receiving business calls, failing which the allowance will be forfeited.

3.3 PROCEDURE TO BE FOLLOWED WHEN APPLYING FOR A CELL PHONE ALLOWANCE OR INCREASING AN EXISTING BENEFIT

3.3.1 NEW POSITIONS

Executive Directors, when requesting a position to be filled, should clearly indicate on the provided portion on the “Request to fill a vacancy form” that the position will be requiring a cell phone allowance. The amount, in terms of this policy, should also be reflected. This will ensure that the cell phone allowance forms part of the employee’s remuneration package.

3.3.2 EXISTING POSITIONS

In the event of an employee already being appointed and the need for a cell phone allowance arise the following procedure should be followed:

A written application, supported by a detailed motivation as to the need for a cell phone allowance, from the employee should be forwarded to the relevant Head of Department. The Head of Department will consider the application, if supported the recommendation should be forwarded to the Municipal Manager for final approval. Thereafter, the approved application must be forwarded to Human Resources Division for record purposes, from where it will be forwarded to the Finance Department so as to include the benefit on the employee's salary advice.

3.3.3 INCREASING BENEFITS

In the event of an employee continually exceeding the approved limits of the cell phone allowance provided for to him / her, as a result of their job function, a written motivation should be made to the relevant Head of Department to approve a revised limit. Again the application should be forwarded to the Municipal Manager, to Human Resources Division and Finance. In the event of increasing the cell phone allowance, proof of the exceeded amount should be provided i.e. itemised billing.

3.4 INTERNATIONAL CALLS

Officials, travelling abroad must activate international roaming; the cost of the activation will be for the user's account. Only official international calls made by the user will be paid by Council and is subject to proof i.e. itemised billing.

4. ALLOWANCE

A Cell phone allowance is payable to an employee on a monthly basis and may be amended from time to time in terms of business related costs incurred by the individual and per approval from the relevant Head of Department and Municipal Manager.

Any increase in a cell phone allowance payable to an employee should be within the prescriptions of this policy. The maximum amount will only be payable if sufficient evidence, from the employee, is provided and agreed to by the relevant Head of Department and Municipal Manager.

Job Level	Office Bound	Non-Office Bound
Level 1	Capped at R1 000.00 p.m.	
Level 3/2	R750.00 p.m.	
Level 4	R650.00 p.m	
Level 5/6	R450.00 p.m.	R750.00 – R1 000.00 p.m.
Level 7/8	R250.00 p.m	R350.00 – R 500.00 p.m.
Level 9 and below	R250.00 p.m.	
Contract Posts	Capped at R1 000.00 p.m.	
HOD's	Capped at R2 000.00 p.m.	
Municipal Manager	Capped at R2 500.00 p.m	

The table above is indicative of allowance for the respective levels and inclusive of a connectivity allowance. Employees that currently receive a connectivity allowance/benefit will be informed that such allowance will be cancelled effective from date of approval of the report.

All other prescriptions not specified in the report or as contained in the Allowance Policy (C1071/03/2014) remain applicable in terms of requesting and approval of cell-phone allowances.

5. CELL PHONE USAGE WHILE DRIVING

Council is aware that in utmost circumstances, that employees use their cell phones for business purposes while driving. Due to the recent research about the safety of cell phone usage while driving, Council prohibits employees from using their cell phones while driving, unless the vehicle is fitted with a blue tooth device.

Council recognises that other distractions occur while driving, however, eliminating the use of cell phones, while driving is one way to minimize the risk to employees

of accidents. Employees are therefore required to either park the vehicle so as to safely communicate via cell phone or to request the caller for permission to contact them at a more convenient and safer time as to driving.

6. VIOLATION OF POLICY

Employees who violate this policy may be subject to disciplinary action and may have their allowance suspended.

Annexure AD
Caucus Budget Policy
2024/2025

CAUCUS BUDGET POLICY

2024/2025 FINANCIAL YEAR

MIDVAAL
LOCAL MUNICIPALITY

CAUCUS BUDGET POLICY

1. BACKGROUND

The various political parties of Council have a need to incur certain operational costs and should have access to the required resources as allowed for in the Remuneration of Public Office Bearers Act, 20 of 1998.

National Treasury has issued Draft Cost Containment Regulations in July 2017, and in anticipation of the promulgation, the Draft Regulations are being applied insofar as practically possible and as such these provisions have included in the Caucus Budget Policy.

This policy must be read in conjunction with the Councillor Allowances Policy approved by Council per Item C1619/04/2017 dated 20 April 2017, as well as the Policy dealing with attending conferences, meetings, training and workshops: Bookings for Councillors and Officials per Item C1499/08/2016 dated 25 August 2016.

2. CATERING FOR CAUCUS MEETINGS

Catering will be allowed for the monthly caucus meetings at an amount as indicated in the annual budgetary provision as per paragraph 6 of this policy for planning purposes. Catering expenditure may vary from month to month as long as it remains within budget for the year. Virements will be allowed between lines but the total budget cannot be increased. The caucus must procure the catering services in compliance with the Supply Chain Management Policy of the municipality and preference must be given to township suppliers in line with the Township Economies Revitalisation Programme of the Gauteng Provincial Government. Meals eaten in or ordered from restaurants will be subject to the approval of the Speaker of Council and only be allowable in cases where the total monthly expenditure is less than R2 000 as per the Supply Chain Management Policy.

3. STATIONERY AND RELATED OFFICE EXPENSES FOR CAUCUS's

Caucus's will be allowed a maximum amount for stationery and related office expenses as indicated in the annual budgetary provision as per paragraph 6 of this policy and must be procured by the Speaker's Office in compliance with the Supply Chain Management Policy of the municipality.

4. CAUCUS LEKGOTLA's

Each caucus will be allowed a Lekgotla once every financial year to a maximum amount as indicated in the annual budgetary provision as per paragraph 6 of this policy. This amount

is all inclusive of transport, food and beverages, accommodation, venue, facilitator, Midvaal branded clothing etc. It must be noted that no party-political branding can be funded from municipal resources. Approval must be obtained by the Speaker of the Council for such Lekgotla. In addition, the provisions of the Draft Cost Containment Regulations will be applicable i.e.

- No subsistence allowances will be paid for Lekgotla's;
- No municipal funds may be used or incurred on alcoholic beverages;
- Lekgotla's must, as far as practically possible, be held in-house;
- Lekgotla's may not be financed by any suppliers or sponsors.

5. ATTENDANCE OF CONFERENCES

Each caucus will be allowed a maximum annual amount for the attendance of conferences as indicated in the annual budgetary provision as per paragraph 6 of this policy. This amount is all inclusive of transport, food and beverages, accommodation, and subsistence allowances. Attendance of all conferences must be approved by the Executive Mayor and the Policy dealing with attending conferences, meetings, training and workshops: Bookings for Councillors and Officials will apply.

6. CAUCUS BUDGET

The budget for the 2024/2025 financial year is as per the Annual Approved Budget.

7. EFFECTIVE DATE

The policy is effective from 1 July 2024.

8. ANNEXURES

- Councillor Allowances Policy approved by Council per Item C1619/04/2017 dated 20 April 2017.
- Policy dealing with attending conferences, meetings, training and workshops: Bookings for Councillors and Officials per Item C1499/08/2016 dated 25 August 2016.
- Draft Cost Containment Regulations, issued on 16 February 2018 per Government Gazette 41445.

C1619/04/2017
SMC A/3402/04/2017

9.A.2 [CC:CS]: POLICY COUNCILLOR ALLOWANCES

5/12/1/1

COMPETENCY: COUNCIL

RESOLVED

That the policy relating to the benefits for Councillors, attached to the report as Annexure "A", be approved.

7

C1619/04/2017
SMC A/3402/04/2017

9.A.2 [CC:CS]: POLICY COUNCILLOR ALLOWANCES

5/12/1/1

COMPETENCY: COUNCIL

PURPOSE

To submit the proposed policy relating to allowances flowing from the regulations on the remunerations of Councillors.

RECOMMENDATION

That the policy relating to the benefits for Councillors, attached to the report as Annexure "A", be approved.

REPORT

Pursuant to promulgation of the notice on the Determination of the Upper Limits of Councillors's Salaries, Allowances and Benefits, the auditors have requested clarity on the implementation of certain benefits for Councillors. The matters are indicated in the policy attached as Annexure "A" and it is suggested that it be approved as a policy for the Municipality.

COMMENTS: MEETING OF THE MUNICIPAL MANAGER AND HEADS OF DEPARTMENT: 10 APRIL 2017

Resolved to Recommend

That the item be referred to the Mayoral Committee.

ANNEXURE "A"

MIDVAAL
LOCAL MUNICIPALITY

POLICY

COUNCILLOR ALLOWANCES

3 April 2017

21

POLICY: BENEFITS EMANATING FROM COUNCILLOR ALLOWANCES

Pursuant to promulgation of the notice on the Determination of the Upper Limits of the Salaries, Allowances and Benefits of Municipal Councillors the following policy relating to matters contained therein are approved:

1. Out of Pocket Expenses

   Reimbusement for such expenses will be limited to urgent and unforeseen expenditure items incurred whilst attending to Council business with the approval of the Executive Mayor and /or the Municipal Manager.

2. Use of Council-Owned Vehicles:

   The principle is that if a Councillor receives a travel allowance as per the stated promulgated notice, such Councillor may not make use of official Council-owned vehicles for official purposes, except in the following circumstances:

   - Two vehicles with Drivers/Protectors are made available to the Executive Mayor for official purposes.
   - A vehicle with a Driver is made available to the Speaker for official purposes.
   - Other office bearers or part-time Councillor's may only make use of Council-owned transport in special circumstances as may be approved by the Executive Mayor or the Speaker, such as joint site inspections, joint strategic events or where joint transport is more cost effective or practical than travelling separately.
   - Any claims for reimbursement of other qualifying travel costs incurred by Councillors will be dealt with in terms of Council's relevant travel policy.

3. Tools of Trade

- All Councillors are to be provided with a laptop, whether Council-owned or on a rental basis.
- Full time Office Bearers will be provided with the following resources:
  - An office
  - Official telephone
  - Access to a centralised printer
  - Support by a secretary, whether collectively or otherwise
  - Stationary for office use
  - No off-site printing facilities or printers will be provided, neither will such costs be reimbursed or provided for. However, a provisio to this limitation is in circumstances for example when an off-site strategic session / joint meeting is held and copying / printing facilities are required as approved by the Executive Mayor and /or the Municipal Manager.

4. Personal security – SAPS Risk Analysis

- An annual SAPS risk assessment will be conducted for the Executive Mayor. If circumstances so dictate, more frequent assessment of this nature may be requested for the Executive Mayor.
- If circumstances so require and as agreed to by the Executive Mayor and the Municipal Manager, a SAPS risk analysis or other approved similar assessment may be conducted for any other full-time Office Bearer or part-time Councillor.

5. Cost-Curtailment Measures

The cost-curtailment measures as per the National Treasury directives applicable to the administration apply equally to Councillors.

C 1489/07/2016 (No quorum)
C 1499/08/2016
MC A/3286/06/2016

9.A.4 [CS]: POLICY DEALING WITH ATTENDING CONFERENCES, MEETINGS, TRAINING AND WORKSHOPS: BOOKINGS FOR COUNCILLORS AND OFFICIALS

4/5/2/P

COMPETENCY: COUNCIL

RESOLVED

1. That the current Policy dealing with attending conferences, meeting, training and workshop: bookings for Councillors and Officials approved on 26 June 2014 under item C 1138/06/2014, be repealed.

2. That the Policy dealing with attending conferences, meeting, training and workshop: bookings for Councillors and Officials, attached to the report as Annexure "A", be approved.

C 1489/07/2016 (No quorum)
C 1499/08/2016
MC A/3286/06/2016

9.A.4 [CS]: POLICY DEALING WITH ATTENDING CONFERENCES, MEETINGS, TRAINING AND WORKSHOPS: BOOKINGS FOR COUNCILLORS AND OFFICIALS

4/5/2/P

COMPETENCY: COUNCIL

PURPOSE

To submit the amended Policy dealing with attending conferences, meeting, training and workshop: bookings for Councillors and Officials.

RECOMMENDATIONS

1. That the current Policy dealing with attending conferences, meeting, training and workshop: bookings for Councillors and Officials approved on 26 June 2014 under item C 1138/06/2014, be repealed.

2. That the Policy dealing with attending conferences, meeting, training and workshop: bookings for Councillors and Officials, attached to the report as Annexure "A", be approved.

REPORT

Attached to the report as Annexure "A", is the amended Policy dealing with attending conferences, meeting, training and workshop: bookings for Councillors and Officials.

COMMENTS: MEETING OF THE MUNICIPAL MANAGER AND HEADS OF DEPARTMENT: 31 MAY 2016

Resolved to Recommend

That the item be referred to the Section 80 Corporate Services Portfolio Committee.

COMMENTS: SECTION 80 CORPORATE SERVICES PORTFOLIO COMMITTEE: 07 JUNE 2016

The recommendations are supported.

1

4/5/2/P

ATTENDING CONFERENCES, MEETINGS, TRAINING AND WORKSHOPS POLICY

BOOKINGS FOR

COUNCILLORS AND OFFICIALS

: H:Louiseve/Meyertonl/User/Policy conference arrangements/Revised 18/05/2016

56

Section 167 of The Municipal Finance Management Act inter alia states as follows:

"Councillors' Remuneration

167. (1) A municipality may remunerate its political office bearers and members of its political structures, but only –

(a) within the framework of the Public Office-Bearers Act, 1998 (Act No. 20 of 1998), setting the upper limits of the salaries, allowances and benefits for those political office-bearers and members; and

(b) in accordance with section 219(4) of the Constitution.

(2) Any remuneration paid or given in cash or in kind to a person as a political office-bearer or as a member of a political structure of a municipality otherwise than in accordance with subsection(1), including any bonus, bursary, loan, advance or other benefit, is an irregular expenditure and the municipality –

(a) must, and has the right to recover that remuneration from the political office-bearer or member, and

(b) may not write off any expenditure incurred by the municipality in paying or giving that remuneration.

The upper limits of the salaries, allowances and benefits for political office bearers and members is determined annually and nothing in this policy may be interpreted or implemented contrary to such determinations.

The salaries and benefits of officials are determined through a collective bargaining process in terms of the Labour Relations Act.

This policy seeks to address the payment of subsistence and travel allowances in appropriate circumstances for permissible events outside of the first mentioned processes.

POLICY:

Payments are based on the following principles:

i) To reimburse **actual expenditure**;

ii) When a choice is made, **Council will not be worse off to what the expenditure for Council would otherwise be**;

: H:Louisevs/Meyerton1/User/Policy conference arrangements/Revised 18/05/2016

iii) Existing remuneration is meant to include service delivery within the jurisdiction of Midvaal (Remuneration of Office Bearers Act) for which no additional allowances are to be paid.

1. Attending conferences and training:

For purposes of implementation of this policy, "training" shall mean:

Specific municipal short training courses (i.e. not bursary-type courses) where sleep-over is required at a venue beyond a 120km radius from the Midvaal Municipal Office precinct: EXCEPT within such radius if the practicalities dictate it differently and it has been approved in writing by the Executive Mayor in respect of Councillors and by the Municipal Manager in respect of all other staff.

The Authorisation Form (attached hereto as **Annexure "1** (Mayor)/ **1B"** (Speaker)**)** must be completed and signed off by the Executive Mayor in respect of Councillors and by the Municipal Manager in respect of all other staff **PRIOR** to attendance of meetings, workshops, training and conferences.

Training/conferences over a period of 5 days or longer will be considered on merit and on an ad hoc basis, subject to availability of the budget.

2. ACCOMMODATION

Accommodation for Councillors and officials attending conferences, training, workshops, etc. over 2 days and more will only be arranged if, **based on a motivated request**, approval by the Executive Mayor or Municipal Manager has been granted.

The following will apply:

- In view of the high population density and travel congestion in Gauteng, where the conference is within 120km radius of Midvaal (e.g. in Gauteng) no accommodation is applicable, **unless PRIOR APPROVED** in writing by the Executive Mayor and/or Municipal Manager who must consider all practicalities and safety factors.

- Where the conference is out of the 120km radius of Midvaal (e.g. Cape Town, KwaZulu-Natal, etc) accommodation is applicable as follows:

  - The allowances payable will be capped as per National Treasury rate levels grid for Band 2 for 4 and 5 star accommodation (**Annexure 2**), subject to the prerogative of the Executive Mayor and / or Municipal Manager in deserving circumstances given the considerations of practicalities, safety or other documented merit.

  - The hotel quotes are to be sourced from those included on the National Treasury hotel group list, if applicable, and others the travel agents may

source from hotels/guest houses, depending on availability, locality and rates which could be lower.

- One extra travel day is allowed to local destinations and two days maximum for international travel is allowed when the conference, meeting or training commencement requires this: Provided that if the last day of a conference, meeting or training session ends after 16h00, accommodation may be arranged for that evening only on **PRIOR APPROVAL** by the Executive Mayor and/or Municipal Manager as appropriate.
- Where the delegate makes his/her own accommodation arrangements, the following will apply:
  - The delegate may elect to being issued the cheapest rand value of a bed and breakfast per night rate at the standard of an approved hotel quoted at the time of registration.

- **It must be kept in mind that all expenses incurred must be in the best interest of Council.**

3. TRANSPORT

Transport to and from the venues will be as follows, keeping in mind of the high population density and travel congestion in Gauteng, as well as all practicalities and safety factors that may apply to such trips:

3.1 Where the conference is within 120km radius of Midvaal (e.g. in Gauteng) no travel arrangements are applicable. Official transport may be used by officials not in travel bearing positions where the Municipal Manager has approved it based on all practical factors involved. Where no official transport is available, prior approval by the HOD is required to claim transport costs for using a private vehicle.

Kilometres may be claimed on submission of a completed and signed Travel Claim Form (attached hereto as **Annexure "3")** on return and will be reimbursed as follows:

- Officials who receive a travel allowance will be reimbursed in the next payroll at the AA running cost.
- Employees who do not receive a travel allowance will be reimbursed in the next payroll at the rates approved by the National Department of Transport as updated from time to time.
- Councillors will be reimbursed according to the rates as set out in the relevant Gazette under the Public Office Bearers Act.
- Councillors and officials should make use of a shuttle service at conferences and similar gatherings/meetings if the cost of such a service is

below the cost of hiring a vehicle and if practical.

- If a vehicle/s is/are hired, it should be done from a **Group B** or lower class/category, unless an upgrade is offered free of charge.
- Vehicle travel claims by Councillors and employees of the municipality must be restricted to the actual distance travelled in excess of the normal distance from the Councillor or employee's residence to his or her place of work if the latter distance would have been travelled in any event or if it makes the claimed distance shorter.

3.2 Where the conference is out of the 120km radius of Midvaal (e.g. Cape Town, Kwazulu-Natal, etc) the following travel arrangements are applicable:

4. AIR TRAVEL

- Only economy class air tickets may be purchased for flights.
- The air ticket quotes are to be sourced from the National Treasury "full service carriers" discounted list, if applicable, and others as may be sourced from other carriers, depending seat availability and rates which may be lower.
- Please note that business class is not encouraged, however where a single flight exceeds 5 hours, consideration may be applied.
- For car rental the same provisions as under Transport above will apply.
- One extra travel day is allowed for local destinations and two days maximum for international travel are allowed when the conference, meeting or training commencement requires this: Provided that if the last day of a conference, meeting or training session ends after 16h00, accommodation may be arranged for that evening only on **PRIOR APPROVAL** by the Executive Mayor and/or Municipal Manager.

4.1 Where the delegate makes his/her own transport arrangements, the following will apply:

* The delegate may elect to being issued the rand value of the cheapest plane ticket (Economy class) quoted at the time of registration.
* On discretion of the Municipal Manager the total rand value for the car hire may be equally divided amongst the delegates attending a conference should the car hire not be utilised and delegates arrange

own travel.

OR

* The delegate may drive/travel at own cost and claim the kilometres on submission of a completed and signed Travel Claim Form on return and officials will be reimbursed at the stipulated AA running or full cost (where applicable), whichever option is in the best interest of Council given all practicalities, cost and any other applicable factors as approved by the Municipal Manager in the case of officials or the Executive Mayor in the case of Councillors.

* Councillors will be reimbursed according to the rates as set out in the Gazette under the Public Office Bearers Act. Reimbursement will be on the next payroll. All toll fees and parking fees may be claimed as well. (Refer to payment principles.)

4.2 If official transport is approved by the HOD or Municipal Manager in circumstances where practicalities so dictate, no other transport payments may be made.

5. SUBSISTENCE ALLOWANCE

Allowances are payable as per Annexure 2.

6. GENERAL

- Expenditure in general will be reimbursed to Councillors and Officials on proof of actual costs subject to the approval of the Executive Mayor and/or Municipal Manager within the parameters of the remuneration of the Gazette under the Public Office Bearers Act and/or this or other Council policy.

- Councillors attending meetings arranged through SALGA, Sedibeng and Provincial Government as indicated in the approved Section 80 Committees, Mayoral Committees and Council Year Planner do not require prior approval.

A.S.A. DE KLERK **MUNICIPAL MANAGER**	**DATE**

: H:Louisevs/Meyerton1/User/Policy conference arrangements/Revised 18/05/2016

AUTHORISATION FOR ATTENDING A CONFERENCE/TRAINING (ANNEXURE "1")

1 DESCRIPTION OF CONFERENCE OR TRAINING **AND MOTIVATION FOR ATTENDANCE**

NB!! **Please complete the registration form and attach to this form together with a COPY OF YOUR ID (as well as your companion's, if applicable).**

2 * **CONFERENCE WILL BE HELD AT:**

3 * **DATE OF CONFERENCE/TRAINING**

SUPPORTED / NOT SUPPORTED

SIGNATURE: HEAD OF DEPARTMENT

4 * **RECOMMENDATION:**

COUNCILLORS TO ATTEND : Please include your pay number for payment of your subsistence

OFFICIALS TO ATTEND : Please include your pay number for payment of your subsistence

5 * **VOTE NUMBER TO BE USED:**

APPROVED / NOT APPROVED

APPROVED / NOT APPROVED

CLLR B. BALOYI
EXECUTIVE MAYOR

MR A.S.A. DE KLERK
MUNICIPAL MANAGER

6 **PREFERENCES:**
HOTEL

FLIGHT (and preferred times):

Departure date and time *

Return date and time *

* **INDICATES MANDATORY FIELD**

62

AUTHORISATION FOR ATTENDING A CONFERENCE/TRAINING (ANNEXURE "1B")

1 DESCRIPTION OF CONFERENCE OR TRAINING **AND MOTIVATION FOR ATTENDANCE**

* Please complete the registration form and attach to this form together with a COPY OF YOUR ID (as well as your companion's, if applicable).

2 **CONFERENCE WILL BE HELD AT:**

*

3 **DATE OF CONFERENCE/TRAINING**

*

SUPPORTED / NOT SUPPORTED

SIGNATURE: HEAD OF DEPARTMENT

4 **RECOMMENDATION:**

COUNCILLORS TO ATTEND : Please include your pay number for payment of your subsistence

*

OFFICIALS TO ATTEND : Please include your pay number for payment of your subsistence

5 **VOTE NUMBER TO BE USED:**

*

APPROVED / NOT APPROVED

APPROVED / NOT APPROVED

CLLR F.W. PETERS
OFFICE OF THE SPEAKER

MR A.S.A. DE KLERK
MUNICIPAL MANAGER

6 **PREFERENCES:**

HOTEL

FLIGHT: (SAA, BA, Kulula, 1Time, Mango)

Departure date and time

*

Return date and time

*

* INDICATES MANDATORY FIELD

63

Table 1: Rates set for Domestic Hotel Accommodation **ANNEXURE "2"**

Accommodation Grid			
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 Drink at Dinner
Graded Hotel	**BAND 1**	**BAND 2**	**BAND 3**
1 Star property	R 580.00	R 710.00	R 855.00
2 Star property	R 900.00	R 1 030.00	R 1 230.00
3 Star property	R 1 100.00	R 1 200.00	R 1 400.00
4 Star property	R 1 250.00	R 1 350.00	R 1 550.00
5 Star property	R 2 100.00	R 2 200.00	R 2 500.00
Bed & Breakfast or Guest house	**BAND 1**	**BAND 2**	**BAND 3**
1 Star property	-	R 180.00	R 270.00
2 Star property	-	R 250.00	R 350.00
3 Star property	-	R 400.00	R 520.00
4 Star property	-	R 600.00	R 750.00
5 Star property	-	R 800.00	R 975.00
S & T Allowance	**BAND 1**	**BAND 2**	**BAND 3**
Breakfast	R 120.00	-	-
Lunch	R 120.00	R 150.00	-
Dinner	R 150.00	R 150.00	-
Total as per TP	R 390.00	R 300.00	-
S&T Claims accepted based on Travel Policy, detail include Parking and Wi Fi **Important Note**: All other costs incurred are for the individuals account. **Note**: Consideration should be given to include such a table in policies.			

ANNEXURE 3

MIDVAAL LOCAL MUNICIPALITY

VEHICLE ALLOWANCE CLAIM: LOGSHEET

MONTH: _____ **2016**

PARTICULARS:

Name: _____

Designation: _____

PARTICULARS OF VEHICLE:

Make: _____

Registration No: _____

Engine Capacity: _____

ODOMETER READING			DISTANCE TRAVELLED			PURPOSE OF TRIP AND SERVICE RENDERED
DATE	BEGIN	END	OFFICIAL	PRIVATE	TOTAL	

I certify that the distance, given under official distance travelled, was exclusively for the performance of official functions on behalf of Midvaal Local Municipality and that the details in respect thereof are true and correct.

_____ DATE

_____ SIGNATURE: CLAIMANT

I certify that the official trips as indicated on this schedule were necessary and authorise the payment thereof:

_____ DATE

_____ EXEC DIRECTOR

_____ DATE

_____ MAYOR (if applicable)

AND

_____ DATE

_____ MUNICIPAL MANAGER
ACCOUNTING OFFICER

H:Louisevs/Meyerton1/User/User/Revised 18/05/2016

REPUBLIC OF SOUTH AFRICA
REPUBLIEK VAN SUID AFRIKA

Vol. 632 16 February Februarie 2018 No. 41445

PART 2 OF 3

N.B. The Government Printing Works will not be held responsible for the quality of "Hard Copies" or "Electronic Files" submitted for publication purposes

ISSN 1682-5843

9 771682 584003 41445

AIDS HELPLINE: 0800-0123-22 Prevention is the cure

NATIONAL TREASURY

NO. 120 **16 FEBRUARY 2018**

LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 2003 - MUNICIPAL COST CONTAINMENT REGULATIONS

In terms of section 169(1)(b) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), draft regulations intended to be made in terms of section 168(1)(b) and (p) of that Act, as set out in Part A of the Schedule, are hereby publish for public comment.

An explanatory memorandum regarding the draft regulations is in Part B of the Schedule.

All comment received by 30 March 2018 will be considered and should be emailed to MFMA@treasury.gov.za or faxed to 012 315 5230.

SCHEDULE

PART A
DRAFT MUNICIPAL COST CONTAINMENT REGULATIONS
TABLE OF CONTENTS

1. Definitions
2. Object of Regulations
3. Application of Regulations
4. Cost containment policies
5. Use of consultants
6. Vehicles used for political office-bearers
7. Travel and subsistence
8. Domestic accommodation
9. Credit cards
10. Sponsorships, events and catering
11. Communication
12. Conferences, meetings and study tours
13. Other related expenditure items
14. Enforcement procedures
15. Disclosures of cost containment measures
16. Short title and commencement

Definitions

1. In these Regulations, a word or expression to which a meaning has been assigned in the Act has the same meaning as in the Act, unless the context indicates otherwise, and–

   "Act" means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);
   "consultant" means a professional person, individual, partnership, corporation, or a company appointed to provide technical and specialist advice or to assist with a design and implementation of projects or to assist a municipality or municipal entity perform its functions to achieve the objects of local government in terms of section 152 of the Constitution;
   "cost containment" means measures implemented to curtail spending in terms of these regulations; and
   "credit card" means a card issued by a financial service provider, which creates a revolving account and grants a line of credit to the cardholder.

This gazette is also available free online at www.gpwonline.co.za

Object of Regulations

2. The object of these Regulations, in line with section 62(1)(a), 78(1)(b), 95(a) and 105(1)(b) of the Act, is to ensure that resources of a municipality and municipal entity are used effectively, efficiently and economically by implementing cost containment measures.

Application of Regulations

3. These Regulations apply to all municipalities and municipal entities.

Cost containment policies

4. (1) Each municipality and municipal entity must revise or develop and implement a cost containment policy which must–
   (a) in the case of a municipality, be adopted by the municipal council, and in the case of a municipal entity, by the board of directors as part of its budget related policies; and
   (b) be consistent with the Act and these Regulations.

(2) The cost containment policy of a municipality or a municipal entity contemplated in sub-regulation (1) must–
   (a) be in writing;
   (b) give effect to these Regulations;
   (c) be reviewed annually, as may be appropriate;
   (d) be communicated on the municipality's or municipal entity's website; and
   (e) set out–
      (i) measures for ensuring implementation of the policy;
      (ii) procedures for the annual review of the policy; and
      (iii) consequences for non-adherence to the measures contained therein.

Use of consultants

5. (1) A municipality or municipal entity may only appoint consultants if an assessment of the needs and requirements confirms that the affected municipality or municipal entity does not have the requisite skills or resources in its full time employ to perform the function.

(2) An accounting officer must adopt a fair and reasonable remuneration framework for consultants taking into account the rates–
   (a) determined in the "Guideline on fees for audits undertaken on behalf of the Auditor-General of South Africa", issued by the South African Institute of Chartered Accountants;
   (b) set out in the "Guide on Hourly Fee Rates for Consultants", issued by the Department of Public Service and Administration;
   (c) as prescribed by the body regulating the profession of the consultant.

(3) The tender documentation for the appointment of consultants must include a clause that the remuneration rates will be subject to negotiation, not exceeding the applicable rates mentioned in sub-regulation (2).

(4) When negotiating cost-effective consultancy rates for international consultants, the accounting officer may take into account the relevant international and market-determined rates.

(5) When consultants are appointed, an accounting officer must–
   (a) appoint consultants on a time and cost basis with specific start and end dates;
   (b) where practical, appoint consultants on an output-specified basis, subject to a clear specification of deliverables and associated remuneration;
   (c) ensure that contracts with consultants include overall cost ceilings by specifying whether the contract price is inclusive or exclusive of travel and subsistence disbursements;
   (d) develop consultancy reduction plans; and
   (e) undertake all engagements of consultants in accordance with the Municipal Supply Chain Management Regulations and the municipality's Supply Chain Management policy.

This gazette is also available free online at www.gpwonline.co.za

(6) All contracts with consultants must include fee retention or penalty clause for poor performance.
(7) A municipality or municipal entity must ensure that the specifications and performance, are used as a monitoring tool for the work to be undertaken and is appropriately recorded and monitored.
(8) The travel and subsistence costs of consultants must be in accordance with the travel policy issued by the National Department of Transport, as updated from time to time.
(9) The contract price must specify all travel and subsistence cost and, if the travel and subsistence costs for appointed consultants are excluded from the contract price, such costs must be reimbursed in accordance with the abovementioned travel policy of the National Department of Transport.

Vehicles used for political office-bearers

6. (1) The threshold limit for vehicle purchases relating to official use by political office-bearers may not exceed R700 000 or 70% of the total annual remuneration package for different grades, whichever is greater.
(2) The procurement of vehicles must be undertaken using the national government transversal contract mechanism.
(3) If any other procurement process is used, the cost may not exceed the threshold set out in sub-regulation (1).
(4) Before deciding on another procurement process as contemplated in sub-regulation (3), the chief financial officer must provide the council with information relating to the following criteria which must be considered:
(a) status of current vehicles;
(b) affordability;
(c) extent of service delivery backlogs;
(d) terrain for effective usage of vehicle; and
(e) any other policy of council.
(5) Regardless of their usage, vehicles for official use by public office bearers may only be replaced after completion of 120 000 kilometres.
(6) Notwithstanding sub-regulation (5), a municipality or municipal entity may replace vehicles for official use by public office bearers before completion of one hundred and twenty thousand kilometres only in instances where the vehicle experiences serious mechanical problem and is in a poor condition, and subject to obtaining a detailed mechanical report by the vehicle manufacturer or approved dealer.

Travel and subsistence

7. (1) An accounting officer–
(a) may only approve purchase of economy class tickets for officials where the flying time for the flights is five hours or less; and
(b) for flights exceeding five hours, may purchase business class tickets only for accounting officers, and persons reporting directly to accounting officers.
(2) Notwithstanding sub-regulation (1), an accounting officer may approve the purchase of business class tickets for officials with disabilities.
(3) The cost containment policy must limit international travel to meetings or events that are considered critical. The number of officials attending such meetings or events must be limited to those officials directly involved in the subject matter related to such meetings or events.
(4) An accounting officer may approve accommodation costs that exceed an amount as determined from time to time by the National Treasury only–
(a) during peak holiday periods; or
(b) when major local or international events are hosted in a particular geographical area that results in an abnormal increase in the number of local and/or international guests in that particular geographical area.
(5) Officials of a municipality or municipal entity must–
(a) utilise the municipal fleet, where viable, before incurring costs to hire vehicles;

This gazette is also available free online at www.gpwonline.co.za

(b) make use of shuttle service if the cost of such a service is lower than-
  (i) the cost of hiring a vehicle;
  (ii) the cost of kilometres claimable by the employee; and
  (iii) the cost of parking.
(c) not hire vehicles from a category higher than Group B or an equivalent class; and
(d) where a different class of vehicle is required for a particular terrain or to cater for the special needs of an official, seek the written approval of the accounting officer before hiring the vehicle.

(6) Municipalities and municipal entities must utilise the negotiated rates for flights and accommodation, communicated by the National Treasury, from time to time, or any other available cheaper flight and accommodation.

Domestic accommodation

8. An accounting officer must ensure that costs incurred for domestic accommodation and meals are in accordance with the maximum allowable rates for domestic accommodation and meals, as communicated by the National Treasury, from time to time.

Credit cards

9. (1) An accounting officer must ensure that no credit card or debit card linked to a bank account of a municipality or a municipal entity is issued to any official or public office bearer, including members of the board of directors of municipal entities.
(2) Where officials or public office bearers incur expenditure in relation to official municipal activities, such officials or public officer bearers must use their personal credit cards or cash or arrangements made by the municipality or municipal entity, and request reimbursement from the municipality or municipal entity in accordance with the relevant municipality or municipal entity's policy and processes.

Sponsorships, events and catering

10. (1) A Municipality or municipal entity may not incur catering expenses for meetings which are only attended by persons in the employ of the municipality or municipal entity, unless the prior written approval of the accounting officer is obtained.
(2) An accounting officer may incur catering expenses for hosting of meetings, conferences, workshops, courses, forums, recruitment interviews, and proceedings of council that exceed five hours.
(3) Entertainment allowances of officials may not exceed two thousand rand per person per financial year, unless approved otherwise by the accounting officer.
(4) An accounting officer may not incur expenses on alcoholic beverages.
(5) An accounting officer must ensure that social functions, team building exercises, year-end functions, sporting events, budget vote dinners and other functions that have a social element are not financed from the municipality or municipal entity's budgets or by any suppliers or sponsors.
(6) A municipality or municipal entity may not incur expenditure on corporate branded items like clothing or goods for personal use of officials, other than uniforms, office supplies and tools of trade, unless costs related thereto are recovered from affected officials.
(7) An accounting officer may incur expenditure to host farewell functions in recognition of officials who retire after serving the municipality or municipal entity for ten or more years or retire on grounds of ill health, not exceeding the limits for petty cash usage.

Communication

11. (1) A Municipality or municipal entity must, as far as possible, advertise municipal related events on its website instead of advertising in magazines or newspapers.
(2) An accounting officer must ensure that allowances to officials for private calls are limited to an amount as determined by the accounting officer in the cost containment policy of the municipality or municipal entity.

This gazette is also available free online at www.gpwonline.co.za

(3) Newspapers and other related publication for the use of officials must be discontinued on expiry of existing contracts or supply orders.
(4) A municipality or municipal entity must participate in the transversal term contract arranged by the National Treasury for the acquisition of mobile communication services.

Conferences, meetings and study tours

12. (1) An accounting officer must establish policies and procedures to manage application by officials to attend conferences or events hosted by professional bodies or non-governmental institutions held within and outside the borders of South Africa taking into account their merits and benefits, costs and available alternatives.
(2) An accounting officer may consider appropriate benchmark costs with other professional bodies or regulatory bodies prior to granting approval for an official to attend a conference or event within and outside the borders of South Africa.
(3) Such benchmark costs may not exceed an amount as determined by the National Treasury.
(4) When considering applications from officials to attend conferences or events within and outside the borders of South Africa, an accounting officer must take the following into account--
(a) the official's role and responsibilities and the anticipated benefits of the conference or event;
(b) whether the conference or event addresses relevant concerns of the institution;
(c) the appropriate number of officials, not exceeding three officials, attending the conference or event; and
(d) availability of funds to meet expenses related to the conference or event.
(5) The amount referred to in sub-regulation (3) above excludes costs related to travel, accommodation and related expenses, but includes--
(a) conference or event registration expenses; and
(b) any other expense incurred in relation to the conference or event.
(6) When considering costs for conferences or events these may not include items, such as laptops, tablets and other similar tokens that are built into the price of such conferences or events.
(7) The accounting officer of a municipality or municipal entity must ensure that meetings and planning sessions that entail use of municipal funds are, as far as may be practically possible, held in-house.
(8) Municipal or provincial office facilities must be utilised for conference, meetings, strategic planning sessions, inter alia, where an appropriate venue exists within the municipal jurisdiction.
(9) An accounting officer may consider granting approval, as contemplated in sub-regulation (4), for officials, and in the case of Councillors, the Mayor.
(10) A municipality or municipal entity must, where applicable, take advantage of early registration discounts by granting the required approvals to attend the conference, event or study tour, in advance.

Other related expenditure items

13. (1) All commodities, services and products covered by a transversal contract concluded by the National Treasury must be procured through that transversal contract before approaching the market, to benefit from savings where lower prices or rates have been negotiated.
(2) Municipal resources may not be used to fund elections, campaign activities, including the provision of food, clothing and other inducements as part of, or during election periods.

Enforcement Procedures

14. Failure to implement or comply with these Regulations may result in any official of the municipality or municipal entity, political office bearer or director of the board that authorised or incurred any expenditure contrary to these regulations being held liable for financial misconduct

This gazette is also available free online at www.gpwonline.co.za

as set out in Chapter 15 of the Act read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.

Disclosures of cost containment measures

15. (1) The disclosure of cost containment measures applied by the municipality and municipal entity must be included in the municipal in-year budget reports and annual costs savings disclosed in the annual report.

(2) The measures implemented and aggregate amounts saved per quarter, together with the regular reports on reprioritisation of cost savings, on the implementation of the cost containment measures must be submitted to the Municipal Council for review and resolution. The municipal council can refer such reports to an appropriate Council Committee for further recommendations and actions.

(3) Such reports must be copied to the National Treasury and relevant Provincial Treasuries within seven calendar days after the report is submitted to Municipal Council.

Short title and commencement

16. These Regulations are called the Municipal Cost Containment Regulations, 2018 and take effect on 01 July 2018.

This gazette is also available free online at www.gpwonline.co.za

PART B

EXPLANATORY MEMORANDUM ON DRAFT COST CONTAINMENT REGULATIONS INTENDED TO BE MADE IN TERMS OF LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 2003

The wider implementation of the Local Government: Municipal Finance Management Act, 2003 (MFMA) in all municipalities and entities is an important element in the roll out strategy to modernise and improve financial management in local government. Linked to this strategy are the fundamental principles of effective and efficient utilisation of public resources in a transparent and accountable manner.

Despite the provisions in the MFMA and the reforms developed over the last 13 years to support the implementation of the MFMA, municipalities and municipal entities continue to spend public funds and municipal resources on non-priority items. More often than not this results in a diversion of public funds from core service delivery to other expenditures resulting in dissatisfaction by communities and delays in service delivery.

Government has therefore committed in the Medium Term Strategic Framework for 2014 – 2019 to urgently implement cost saving measures across all three spheres of government to assist in re-prioritizing expenditure and free up resources that can be targeted towards service delivery. These measures introduced are also intended to eliminate wastage of public resources on non-service delivery items. This will be undertaken through advocacy, strengthening the legal and policy prescripts and frameworks aimed at cost containment and ensuring the implementation thereof by municipalities and municipal entities.

The Minister of Finance has also pronounced during the February 2016 Budget Speech and the October 2016 Medium Term Budget Policy Statement that the National Treasury will issue regulations on cost containment measures for local government. The initial cost containment measures were introduced through MFMA Circular. Additional measures will also be taken to ensure a transparent tendering system by ensuring that value for money is attained through the revised procurement process. Similar measures have also been introduced in national and provincial government in terms of the Public Finance Management Act 1 of 1999.

Over the last 4 to 5 years, the Auditor-General's General Report on Local Government Audit Outcomes highlighted the extent of wastage of public resources. This was also observed through various publications in the print media and other government publications. Weak governance as well as the significant increase in the number of municipalities incurring unauthorised, irregular as well as fruitless and wasteful expenditure, were also highlighted as areas of concern.

Building on the MFMA Circular, the National Treasury in association with other stakeholders, have drafted regulations that will promote the cost containment measures introduced in a number of spending areas.

Section 168(1)(b) and (p) of the MFMA provides that the Minister may.regulate financial management and internal control and generally, any other matter that may facilitate the enforcement and administration of the Act, respectively. The object of the draft Regulations is to ensure that the resources of municipalities and municipal entities are used effectively, efficiently and economically (regulation 2). The Regulations will apply to all municipalities and municipal entities (regulation 3).

Regulation 1 contains the definition of terms that are used in the regulations. Regulation 4 deals with the establishment of cost containment policies including the principles applicable to such policies.

Regulations 4 to 13 contain the actual cost containment measures to be implemented by municipalities and municipal entities. These measures include:

- Principles around appointment of consultants to perform municipal functions and assessment to be undertaken by municipalities and municipal entities before appointing consultants;

This gazette is also available free online at www.gpwonline.co.za

- Procurement of mayoral vehicles. The regulations introduce a ceiling in terms of the value of the vehicles to be procured and principles in terms of management of such vehicle by the municipalities and municipal entities;

- Travel and subsistence allowance. This section of the regulations provides the thresholds for purchasing air tickets and hiring of vehicles. 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;

- Prohibition on issuance of credit or debit cards linked to municipal bank accounts to officials or public office bearers;

- Prohibition on using municipal funds for specific functions which include, amongst others, spending on catering for internal meetings only attended by officials, and social, farewell or team building activities. This section also prohibits the utilisation of municipal funds on alcoholic beverages;

- The regulations also make it mandatory for institutions to procure vehicles, cell phone and other related assets via the transversal contract negotiated at National Government level. This will ensure that there are cost savings and benefits passed to municipalities on all such items;

- The regulations also introduce a monetary threshold for conference fees which include the attendance of both local and international conferences;

- The regulations are intended to reduce excessive spending on office furniture and equipment;

- Municipalities and municipal entities are also encouraged to ensure that proper processes are followed when dismissing and suspending officials, this minimise unnecessary legal costs. Institutions are also encouraged to manage their expenditure on leave and overtime benefits; and

- The regulations make it mandatory for municipalities to conduct threat assessments before approving any security measures for councillors or officials.

Regulation 4 introduces consequence management aspects for non-adherence to the regulations. Non-compliance with these measures must be investigated for financial misconduct in terms of the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.

Regulation 5 provides the framework for disclosure of actual cost savings achieved by institutions in their annual reports, this improve transparency.

Regulation 6 contains the short title and the commencement date of the regulations.

These draft regulations therefore propose to provide a framework that is consistent with the provisions of the MFMA. The effective implementation of the regulations is intended to ensure that municipalities and municipal entities achieve value for money in utilising public resources to deliver municipal services. It is the intention that the Regulations would become effective on 01 July 2018.

Comments received during the consultation process will be considered and processed with a view to addressing any shortcomings.

This gazette is also available free online at www.gpwonline.co.za

Annexure AE
Billing Policy
2024/2025

BILLING POLICY

2024/2025 FINANCIAL YEAR

MIDVAAL
LOCAL MUNICIPALITY

TABLE OF CONTENTS

1. DEFINITIONS 3
2. ABBREVIATIONS 8
3. PREAMBLE 9
4. OBJECTIVE OF THE POLICY 9
5. UNDERLYING PRINCIPLES OF THIS POLICY 10
6. LEGISLATIVE FRAMEWORK 11
7. SUPERVISORY AUTHORITY 15
8. IMPLEMENTING AUTHORITY 15
9. APPLICATION FOR THE PROVISION OF MUNICIPAL SERVICES 17
10. DEPOSITS AND GUARANTEES 19
11. ACCOUNTS AND BILLING 20
12. RATES 21
13. ELECTRICITY 21
14. WATER CHARGES 22
15. REFUSE AND SEWER CHARGES 22
16. SUNDRY CUSTOMER ACCOUNTS 22
17. FINAL ACCOUNTS 23
18. METERING OF MUNICIPAL SERVICES 23
19. PAYMENT OF ACCOUNTS 27
20. INTEREST ON ARREAR DEBT 27
21. DISPUTES AND APPEALS 28
22. PRIMA FACIE EVIDENCE 31
23. POWER OF ENTRY AND INSPECTION 31
24. IMPLEMENTATION AND REVIEW OF THIS POLICY 32

1. DEFINITIONS

"Accounting Officer" means the municipal manager appointed in terms of Section 60 of the Municipal Finance Management Act.

"Actual Consumption" means the measured consumption by a customer of a municipal service.

"Applicable Charges" means the rate (including the cent in the rand for property rates) charges, tariffs or subsidies determined by council.

"Annually" means once every financial year.

"Arrangement" means a written agreement entered into between the Municipality and the customer where specific repayment terms are agreed to. Such arrangements do not constitute a credit facility envisaged in terms of section 8(3) of the National Credit Act but is deemed to be Incidental Credit as envisaged in terms of section 4(6)(b) read with section 5(2) and (3) of the National Credit Act.

"Arrears" means those property rates (rates) and service charges that have not been paid by the due date and for which no arrangement has been made.

"Authorised Representative" means a person or delegated person legally appointed by the Municipality to act or to fulfill a duty on its behalf.

"Availability Charges" means a fixed monthly or annual charge levied against the account holder which is based on the cost for providing a municipal service to the premises of the account holder.

"Basic Municipal Services" shall mean a municipal service necessary to ensure an acceptable and reasonable quality of life, which service – if not provided – would endanger public health or safety or the environment.

"Billing" refers to the process of charging for service provided by issuing accounts.

“Billing Date” means the date upon which the monthly statement is generated and debited to the customer's account.

“Business and Commercial Property” means -

- property used for the activity of buying, selling or trading in commodities or services and includes any office or other accommodation on the same property, the use of which is incidental to such activity; or
- property on which the administration of the business of private or public entities take place.

“By-law” shall mean legislation passed by the council of the Municipality, and which shall be binding on the Municipality and on the persons and institutions to which it applies.

"Chief Financial Officer" means the person appointed as the Chief Financial Officer or the person appointed to act in the position of Chief Financial Officer of the Municipality, or his or her nominee.

"Consolidated Account" means an account which is a consolidation of any separate accounts of a person who is liable for payment to the Municipality.

"Council" means the Council of the Midvaal Local Municipality.

“Councillor” shall mean a member of the Council of the Midvaal Local Municipality.

“Connection” means the point at which a customer gains access to municipal services.

"Customer" means the occupier of any premises to which the Municipality has agreed to supply or is actually supplying municipal services to, or if no occupier can be identified or located, then the owner of the premises.

“Disconnections” means interrupting the supply of water and electricity to a debtor as a result for non-payment of an account or outstanding Consumer Deposit.

“Defaulter” means any person who fails to make payment to the municipality by the due date. owes arrears to the Municipality.

“Delivery Date” shall mean the date on which the periodic account is delivered to the customer or 3 days after the date on which the account was posted, or one day after the account being sent by electronic mail, whichever is the first.

“Domestic Customer or User” of municipal services means a customer who occupies a dwelling, structure or premises primarily for residential purposes.

“Due Date” in relation to rates and services -

(a) rates due in respect of any immovable property, means: -

(i) the date for payment indicated on the account,

(ii) in the case where rates and services are levied on a monthly basis, the due date shall always be the 7th of each month.

“Dwelling” means a building, structure or place of shelter to live in or conduct business from.

“Electricity Charges” means service charges in respect of the provision of electricity.

“**Executive Mayor**” means the Executive Mayor of the municipality.

“Financial Year” shall mean the period starting from 1 July in any year and ending on 30 June of the following year.

“Indigent Customer” means the head of an indigent household: -

(a) who makes application for indigent support in terms of Council's Indigent Policy on behalf of all members of his or her household.

(b) who applied for and has been declared indigent in terms of Council's Indigent Policy for the provision of services from the Municipality; and

“Indigent Policy” means the Indigent Policy adopted by the Council of the Municipality.

“Indigent Program” means a structured program for the provision of indigent support subsidies to qualifying indigent customers in terms of the Council's Indigent Policy.

“Illegal Connection” means a connection to any system through which a municipal service is provided and that is not authorised or approved by the municipality.

"Interest" means a charge levied with the same legal priority as service fees and calculated at a rate determined by council from time to time.

“Municipal Tariff” shall mean a tariff for services which the Municipality may set for the provision of a service to the local community and may include a surcharge on such service.

“Tariffs for major services and minor tariffs” shall mean tariffs set for the supply and consumption or usage of electricity, water, sewerage and refuse removal, and minor tariffs shall mean all other tariffs, charges, fees, rentals or fines levied or imposed by the Municipality in respect of other services supplied including services incidental to the provision of the major services.

“Normal Office Hours” means the hours when the Chief Financial Officer’s offices are open to the public from Mondays to Fridays, excluding public holidays, Saturdays and Sundays.

“Owner” in relation to immovable property means -

(a) the person in whom is vested the legal title thereto provided that:-
   (i) the lessee of immovable property which is leased for a period of not less than thirty years, whether the lease is registered or not, shall be deemed to be the owner thereof;
   (ii) the occupier of immovable property occupied under a service servitude or right analogous thereto, shall be deemed to be the owner thereof;

(b) if the owner is deceased or insolvent or has assigned his or her estate for the benefit of his creditors, has been placed under curatorship by order of court or is a company being wound up or under judicial management, the person in whom the administration of such property is vested as executor, administrator, trustee, assignee, curator, liquidator or judicial manager, as the case may be, shall be deemed to be the owner thereof.

“Person” means a natural and juristic person, including any department of state, statutory bodies or foreign embassies.

“Service Delivery Agreement” means an agreement between the Municipality and an institution or persons mentioned in section 76(b) of the Local Government: Municipal Systems Act 32 of 2000.

"Sundry Customer Accounts" means accounts raised for miscellaneous charges for services provided by the Municipality or charges that were raised against a person as a result of an action by a person, and were raised in terms of Council's policies, by-laws and decisions.

“Tampering and bypassing” means unauthorised reconnection of a supply that has been disconnected for non-payment, the interference with the supply mains or bypassing of the metering equipment.

2. ABBREVIATIONS

AO	Accounting Officer
CFO	Chief Financial Officer
EM	Executive Mayor
MFMA	Municipal Finance Management Act 56 of 2003 (as amended)
MPRA	Municipal Property Rates Act 6 of 2004 (as amended)
MSA	Municipal Systems Act 32 of 2000 (as amended)
NCA	National Credit Act 34 of 2005 (as amended)
VAT	Value Added Tax Act 89 of 1991 (as amended)
IBT	Inclining Block Tariff

3. PREAMBLE

Whereas section 152 (1) (b) of the Constitution of the Republic of South Africa Act 108 of 1996 *('the Constitution)* provides that one of the objects of local government is to ensure that the provision of services to communities occurs in a sustainable manner;

And whereas section 4 (1) (c) of the Local Government: Municipal Systems Act 32 of 2000, as amended *('the Systems Act')* provides that the Council of a Municipality has the right to finance the affairs of the Municipality by charging fees for services, imposing surcharges on fees, rates on property and, to the extent authorised by national legislation, other taxes, levies and duties;

And whereas section 5 (1) (g), read with subsection (2) (b) of the Systems Act provides that members of the local community have the right to have access to municipal services which the municipality provides, provided that, where applicable and subject to the policy for indigent customers, pay promptly for services charges levied, surcharges on fees, other taxes, levies and duties imposed by the municipality;

And whereas Chapter 9, sections 95, 96, 97, 98, 99 and 100, of the Systems Act provides for Customer Care Management, and the responsibility for Debt Collection of the Municipality, contents of the policy, by-laws that give effect to the policy, Supervisory authority and Implementing authority, respectively.

Now therefore the Municipal Council of Midvaal Local Municipality adopts the following policy regarding Billing of Services to Customers.

4. OBJECTIVE OF THE POLICY

Section 95 of the Local Government: Municipal Systems Act, 32 of 2000 (hereinafter referred to as the MSA) requires the Municipality to:

4.1 establish a sound customer management system;

4.2 establish mechanisms for users of services and ratepayers to give feedback to the municipality regarding the quality of services;

4.3 take reasonable steps to ensure that users of services are informed of the costs of service provision, the reason for the payment of service fees, and the manner in which monies are utilised;

4.4 take reasonable steps to ensure the accurate measurement of consumption of services;

4.5 ensure the receipt by persons liable for payments of regular and accurate accounts that indicate the basis for calculating the amounts due;

4.6 provide accessible mechanisms for those persons to query or verify accounts and metered consumption, and appeal procedures which allow for prompt redress for inaccurate accounts;

4.7 provide accessible mechanisms for dealing with complaints, prompt replies and corrective action;

4.8 provide mechanisms to monitor response times to such complaints;

4.9 provide accessible pay points and other mechanisms for settling accounts or for making pre-payments for services.

5. UNDERLYING PRINCIPLES OF THIS POLICY

The principles of Billing in the Municipality are to ensure that:-

5.1 The administrative integrity of the Municipality must be maintained at all times.

5.2 This policy must have the full support of Council.

5.3 Councillors must have full knowledge of the implementation and enforcement of the policy.

5.4 Customers must be informed of the contents of this policy.

5.5 Customers must apply for services from the Municipality by the completion of the prescribed application form.

5.6 A person liable for property rates and consumption levies must furnish the municipality with an address where correspondence can be directed to and remains his / her responsibility to enquire with the municipality if the account is not rendered

5.7 Customers must receive regular and accurate accounts that indicate the basis for calculating the amounts due. The customer is entitled to have the details of the account explained upon request.

5.8 Customers must pay their accounts regularly on or before the due date.

5.9 Customers are entitled to reasonable access to pay points and to a variety of reliable payment methods.

5.10 Customers are entitled to an efficient, effective and reasonable response to appeals, and should not suffer any disadvantage during the processing of a reasonable appeal.

5.11 Debt collection action will be instituted promptly, consistently, and effectively without exception and with the intention of proceeding until the debt, including the cost of collection, is recovered.

5.12 All tariffs to calculate Property Rates, Electricity and Water consumption, Sewer and Refuse collection charges are determined annually, approved by Council and contained in the Tariff booklet produced by the Municipality.

6. LEGISLATIVE FRAMEWORK

The legal framework central to Billing and the functioning of municipalities is contained in various pieces of legislation, some of which is briefly outlined in the section to follow.

6.1 Constitution of the Republic of South Africa, 1996 (Act 108 of 1996)

The Constitution of the Republic of South Africa, 1996, (Act 108 of 1996), is the supreme law of the Republic, any law or conduct inconsistent with it is invalid, and the obligations imposed by it must be fulfilled. The right to sufficient water and appropriate assistance where one is unable to support them and their dependents is enshrined in the Constitution. In this instance the state must take reasonable legislative and other measures, within its available resources, to achieve the progressive realisation of these rights.

The objectives of local government are set out in Section 152 of the Constitution and include:

6.1.1 providing a democratic and accountable government for local communities;
6.1.2 provision of services to communities in a sustainable manner;
6.1.3 promoting social and economic development;
6.1.4 promoting a safe and healthy environment; and
6.1.5 encouraging the involvement of communities and community organisations in the matters of local government.

Furthermore, a municipality must achieve these objectives within its financial and administrative capacity. It is therefore within the powers and functions of a municipality to impose rates on property and surcharges on fees for services provided by or on behalf of a municipality as it aims to achieve its objective of providing services to communities in a sustainable manner.

6.2 Electricity Regulation Act, 2006 (4 of 2006)

The Electricity Regulation Act, 2006 (4 of 2006) prohibits a municipality (licensee) from reducing or terminating the supply of electricity unless;

6.2.1 the customer is insolvent,

6.2.2 the customer has failed to honour, or refuses to enter into, an agreement for the supply of electricity; or

6.2.3 the customer has contravened the payment conditions of that licensee.

As such, the municipality must ensure that it enters into service agreements with its customers for the supply of services, including electricity, and that these agreements clearly spell out the service and payment terms and conditions which the customer will be subject to.

6.3 Water Services Act, 1997 (Act 108 of 1997)

The main objective of this Act is to provide for the right of access to “basic water supply” and “basic sanitation” necessary to ensure sufficient water and an environment not harmful to health or well-being. The responsibility lies on the municipality as a water services authority to take reasonable measures to realise these rights.

Basic water supply refers to the prescribed minimum standard of water supply services necessary to support life and personal hygiene. A municipality cannot deny any person access to basic water services due to non-payment, where that person proves, to the satisfaction of the municipality, that they are unable to afford to pay for basic services. The implication for municipalities is that they cannot disconnect or discontinue services beyond the basic water supply as defined but may limit/restrict the flow of water to a property.

6.4 Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003)

The Municipal Finance Management Act (Act 56 of 2000) places responsibility on the Municipal Manager as the Accounting Officer to ensure that a municipality has and implements a Credit Control and Debt Collection Policy. As an Accounting Officer, the Municipal Manager is also responsible for the management of the revenue of the municipality and is under obligation to take all reasonable steps to ensure that the municipality has effective revenue collection systems consistent with Section 95 of the Municipal Systems Act and the municipality’s Credit Control and Debt Collection Policy. Further that the municipality charges interest on arrears, except where the council has granted exemptions in accordance with its budget-related policies.

6.5 Local Government: Municipal Structures Amendment Act, (Act 117 of 1998 as amended)

The Municipal Structures Act 117 of 1998 sets out the powers and function of municipalities where District Municipalities where tasked with the supply of potable water, bulk electricity, sewerage and waste disposal. With the **Municipal Structures Amendment Act, 2000 (Act 33 of 2000),** these functions are now performed by both the District and Local Municipalities based on the locality of the municipality.

6.6 Local Government: Municipal Property Rates Act,(Act 6 of 2004) as amended

The Act aims to regulate the powers of municipalities to impose rates on property. As required by the Act, the council of a municipality must adopt a rates policy and pass bylaws to enable the municipality to levy rates on all rate-able properties in its area as required.

The owner of a property is liable for the payment of a rate levied by a municipality on the property, subject to the municipality's Credit Control and Debt Collection Policy. The municipality may recover any unpaid rates on the property from the tenant, occupier or agent of the owner after serving them with a written notice. This is irrespective of any contractual obligation that might exist with the owner and is limited to the rent or money due and payable.

6.7 Municipal By-laws

Section 160(4) of the Constitution provides that no bylaw may be passed by a Municipal Council unless all the members of the Council have been given reasonable notice; and the proposed bylaw has been published for public comment.
Only once the by law has been published in the official gazette of the relevant province can it be enforceable.
Where there no changes to the bylaws, there is no need for it to be published in the official gazette of the relevant province.

Further, Section 90 of the Municipal Systems Act requires municipalities to adopt credit control and debt collection bylaws in order to give effect to the policy and to give the municipality

legislative powers to enforce the policy. These bylaws may differentiate between categories of ratepayers, user of service, debtors, taxes, services, service standards and other matters, as long as the differentiation does not amount to unfair discrimination.

6.8 Local Government: Municipal Systems Act (Act 32 of 2000)

The Act requires a municipality to collect all money due and payable to it, and in so doing a municipality must adopt, maintain and implement a credit control and debt collection policy. A municipality is empowered by the Act to levy and recover fees, charges or tariffs in respect of any function or service of the municipality; and to recover collection charges and interest on any outstanding amount subject to the provisions of the National Credit Act. The Act further outlines the contents required of a municipal credit control and debt collection policy.

7. SUPERVISORY AUTHORITY

7.1 As provided by section 99 of the Systems Act, the Executive Mayor of the municipality is responsible for overseeing and monitoring:

7.1.1 The implementation and enforcement of this policy; and

7.1.2 The performance of the Municipal Manager in implementing this policy.

7.2 The Executive Mayor shall at least once a year cause an evaluation or review of this policy and the by-law to be performed, in order to improve the efficiency of the municipality's Billing processes and procedures, as well as the implementation of this policy.

8. IMPLEMENTING AUTHORITY

8.1 As contemplated in Section 100 of the Systems Act, the Municipal Manager: -

8.1.1 Implements and enforces the Billing policy.

8.1.2 Must establish effective administration mechanisms, processes and procedures to

bill amounts that are due and payable to the Municipality.

8.1.3 Where necessary make recommendations to the Executive Mayor with the aim of improving the efficiency of the billing mechanisms, processes and procedures.

8.1.4 Establish effective communication between the Municipality and account holders with the aim of keeping account holders abreast of all decisions by Council that my affect account holders.

8.1.5 Establish customer service centres, located in such communities as determined by the Municipal Manager.

8.1.6 Convey to account holder's information relating to the costs involved in service provision, and how funds received for the payment of services are utilised and may where necessary employ the services of local media to convey such information.

8.2 The Municipal Manager may, in writing, delegate any of the powers entrusted or delegated to him or her in terms of Council's Billing policy to the Chief Financial Officer.

8.3 A delegation in terms of subsection (2): -

8.3.1 Is subject to any limitations or conditions that the Municipal Manager may impose;

8.3.2 May authorise the Chief Financial Officer in writing, to sub-delegate duties and responsibilities to the Director Income.

8.3.3 The delegation does not divest the Municipal Manager of the responsibility concerning the exercise of the delegated power.

8.4 The Chief Financial Officer is accountable to the Municipal Manager for the implementation, enforcement and administration of this policy, and the general exercise of his powers in terms of this policy.

8.5 The Director Income shall be accountable to the Chief Financial Officer for the sections of this policy delegated to the Director Income in terms of the MFMA section 82.

9. APPLICATION FOR THE PROVISION OF MUNICIPAL SERVICES

9.1 A customer who requires the provision of municipal services must apply for the service from the Municipality. The application must be made on the prescribed form.

9.2 The application for the provision of municipal services must be made by the registered owner of immovable property. An applicant can apply for the connection of services (water and electricity) without approved building plans.

9.3 The Municipality will not entertain an application for the provision of municipal services by a tenant of a property, or any other person who is not the owner of the property. The only exception will be: -

9.3.1 Individuals and Businesses with lease agreements to lease properties from the Municipality;

9.3.2 Government Departments;

9.3.3 Body Corporates who take the responsibility for the payment of basic water, basic sewer and refuse removal services on behalf of the individual sectional title owners; and

9.3.4 Approved Indigent Customers for the purposes of registering and allocating the applicable subsidy to qualified indigent customers who will be allowed to open an account in the name of the lessee of the property.

9.4 In case of existing arrangements where tenants have existing accounts, and the tenant is guilty of non-payment, the owner will be liable for the outstanding debt, except where the property concerned is owned by the Municipality.

9.5 In terms of section 102(3) of the Municipal Systems Act the Municipality must provide an owner of a property in its jurisdiction with copies of accounts sent to the occupier of the property for municipal services supplied to such a property if the owner requests such accounts in writing from the Municipality.

9.6 An agent may with a proxy open an account in the name of the owner.

9.7 The application for the provision of municipal services must be made in writing on the prescribed application form that is provided by the Municipality.

9.8 By completing the prescribed application form for the provision of municipal services the consumer of services enters into an agreement with the Municipality. Such agreement does not constitute a credit facility envisaged in terms of section 8(3) of the National Credit Act (NCA) but shall be incidental credit as envisaged in terms of section 4(6)(b) of the NCA, to which the NCA will only apply to the extent as stipulated in section 5 of the NCA.

9.9 The agreement with the Municipality makes provision for the following:-

9.9.1 An undertaking by the occupier or the owner that he or she will be liable for collection costs including administration fees, interest, disconnection and reconnection costs, and any other legal costs occasioned by his or her failure to settle accounts by the due date on the attorney and client scale;

9.9.2 An acknowledgement by the occupier or the owner that accounts will become due and payable by the due date notwithstanding the fact that the owner did not receive the account;

9.9.3 That the onus will be on the occupier or the owner to ensure that he or she is in possession of an account before the due date; and

9.9.4 An undertaking by the Municipality that it shall do everything in its power to deliver accounts timeously.

9.10 The application for the provision of municipal services shall be made at least fourteen (14) days prior to the date on which the services are required to be connected.

9.11 On receipt of the application for provision of municipal services, the Municipality will cause the reading of metered services linked to the property to be taken on the working day after the application.

9.12 The first account for services will be rendered after the first meter reading cycle to be billed following the date of signing the service agreement.

9.13 In case of new buildings being erected and a connection is made for the first time to the main service lines the metering and levying of services actually consumed or received will take place as follow: -

9.13.1 Charges for sewer will be levied with effect from the date when the property is registered in the deeds office and a connection is available.

9.13.2 Refuse removal charges will be levied with effect from the date of the Occupancy Certificate issued by the Building Control Section.

10. DEPOSITS AND GUARANTEES

10.1 At the time of registration as a customer, a deposit will be required based on the criteria set by the Chief Financial Officer from time to time.

10.2 The Chief Financial Officer may accept an irrevocable bank guarantee in lieu of a deposit on application for the provision of municipal services at his / her own discretion and in exceptional cases in pursuance of local economic development.

10.3 Existing customers moving to a new address are required to pay the prescribed customer deposit on application for the provision of municipal services at the new address.

10.4 Guarantees less than R100 000 in lieu of a cash deposit will no longer accepted.

10.6 Deposits levied not paid within a three (3) month period after being levied will result in disconnection of the services until such time the deposit has been paid or for not submitting the relevant supporting document.

10.7 On termination of the supply of services the amount of the deposit less any payment due to the Municipality will be refunded to an account holder, provided that payments due are less than the deposit paid, and that the account holder has provided a forwarding address.

10.8 No interest will be paid on any deposit held by Council

10.9 Review of the Deposits

10.9.1 The minimum amount for all new deposits shall be reviewed annually with the review of the tariffs.

10.9.2 If the customer poses a credit risk, the value of the original deposit paid or a guarantee held may be reviewed from time to time by the Chief Financial Officer.

10.9.3 The deposit on an account may be reviewed when:

10.9.3.1 The account is paid after the due date

10.9.3.2 Payment by negotiable instrument or direct debit, is dishonoured

10.9.3.3 There is an increase in consumption of services

10.9.3.4 On applying for any new services connection, the account must be paid up to date before any connection will be done.

11. ACCOUNTS AND BILLING

11.1 The Municipality shall provide all customers with a monthly consolidated account for municipal service rendered as per Section 102 of the Municipal Systems Act, Act 32 of 2000. .

11.2 The monthly consolidated account can include property rates charges, in which case the account shall comply with section 27 of the Municipal Property Rates Act 6 of 2004.

11.3 All accounts rendered by the Municipality shall be payable on the due date.

11.4 Account balances which remain unpaid after 30 days from the delivery date of the account shall attract interest on arrears, irrespective of the reasons for non-payment.

11.5 All accounts are payable as above regardless of the fact that the customer has not received the account, the onus being on the customer to obtain a copy of the account before the due date.

11.6 Accounts will be rendered using either one of the following channels ;

11.6.1 Conventional postal services,

11.6.2 Hand delivery at the premises

11.6.3 By means of an email if so requested by the customer or

11.6.4 By means of Multimedia system (MMS) if the account holder is registered for such a service

12. PROPERTY RATES

12.1 Property Rates shall be billed annually and maybe recovered annually or monthly, as determined by the Municipality.

12.2 Property rates which are billed and recovered annually shall be billed in the July account of each year.

12.3 Property rates for a specific financial year may be recovered in twelve monthly instalments to assist its customers.

12.4 Property rates may be paid in full at the beginning of the financial year or settled over a period which does not exceed twelve months

13. ELECTRICITY

13.1 The provisions of this policy, in respect of the supply of electricity to a customer, shall constitute the payment conditions of the Municipality as licensee, contemplated in section 21(5) of the Electricity Regulation Act 4 of 2006.

13.2 Service charges in respect of electricity shall be determined in accordance with metered consumption.

13.3 Monthly accounts shall be rendered for electricity consumption and the customer shall effect payment thereof by the due date.

14. WATER CHARGES

14.1 The provisions of this policy, in respect of the supply of water to a customer, shall constitute the payment conditions of the Municipality as water services authority and water services provider, contemplated in sections 4 and 21 of the Water Services Act 108 of 1997.

14.2 Service charges in respect of water shall be determined in accordance with metered consumption.

14.3 Monthly accounts shall be rendered for water consumption and the customer shall effect payment thereof by the due date.

15. REFUSE AND SEWER CHARGES

15.1 Monthly accounts shall be rendered for Refuse and Sewer charges

16. SUNDRY CUSTOMER ACCOUNTS

16.1 Sundry customer accounts may be rendered by the Municipality from time to time.

16.2 Any sundry customer account may be included in the monthly consolidated account produced by the Municipality in terms of section 102 of the Municipal Systems Act, 32 of 2000,

17. FINAL ACCOUNTS

17.1 Upon receipt of a customer's application for the termination of municipal services, the Municipality shall: -

17.1.1 Take final readings in respect of metered municipal services;

17.1.2 Prepare and render a final account;

17.1.3 Appropriate the customer deposit towards the reduction or settlement of any outstanding amount owed by the customer; and

17.1.4 Return the customer deposit to the customer in the event that all amounts owing to the municipality have been settled in full.

17.1.5 The water and / or electricity services will be disconnected with a final reading taken until such time the new owner signs a new services agreement.

18. METERING OF MUNICIPAL SERVICES

18.1 The Municipality may introduce various types of metering equipment and options and may encourage customers to convert to a system which is preferred by the Council when Council considers this to be beneficial to its functioning and operations.

18.2 Electricity and water consumption is measured with conventional and prepayment meters.

18.3 Customers may apply to Council for the installation of a prepaid electricity or water meter in place of a conventional meter at the cost of the customer, subject to the account of customer being paid in full and the availability of stock.

18.4 Where a customer has successfully applied for indigent status the conventional meter for electricity and water will be changed to a prepaid electricity and/or water meter at the cost of the Council.

18.5 The following applies to the reading of conventional meters: -

18.5.1 Conventional electricity and water meters are read in cycles of approximately 30 days.

18.5.2 If for any reason the conventional electricity and water meters cannot be read, the Municipality will render an account based on interim consumption. The interim amount will be based on the average of the previous 6 months' consumption.

18.5.3 Interim consumption will be allowed subject to escalating it monthly by 10% or as prescribed.

18.5.4 The amount based on interim consumption will be adjusted in a subsequent account based on the actual consumption.

18.5.5 The customer is responsible to ensure unhindered access to metering equipment for the purposes of obtaining the meter readings for billing purposes.

18.5.6 Customers can, for reasons of non-accessibility to their properties by meter readers, provide the Municipality with monthly meter readings for billing purposes. Customers can phone in or email the above information to billing personnel with their readings and a photo will be compulsory with the meter number and the reading clearly visible

18.5.7 Should the customer fail to provide the municipality with the meter readings, the meter number and the photo of the meter, the following will apply;

(a) A letter requesting access to the meter will be hand delivered or left at the gate by the premises.

(b) If the municipality does not receive readings as requested within seven (7) days then the service will be terminated until the requested information is provided to the municipality.

18.5.8 If any calculation, reading or metering error is discovered, or an actual meter reading is obtained in cases where the Municipality did not have access to the meter, in respect of any account rendered to a customer: -

18.5.8.1 The error shall be corrected or the adjustment made in the subsequent account;

18.5.8.2 Any such correction / adjustment in favour of Council may apply in respect of an account from a date no more than 3 years for municipal services from the date on which the error on the account was discovered or the adjustment were done. All interims levied during this period will be reversed.

18.5.8.3 any such correction / adjustment in favour of the customer may apply in respect of an account from a date no more than 3 years for municipal services from the date on which the error on the account was discovered or the adjustment were done.

18.5.8.4 The correction shall be based on the tariffs applicable during the period in which the error occurred.

18.5.9 Any water leakage within the property of the customer (consumer's side of the meter) will be the responsibility of the customer and the customer will be liable for the payment of the water that has leaked.

18.6 The following applies to prepayment metering: -

18.6.1 Prepayment electricity and water is purchased at prepayment vending points for consumption after the date of purchase.

18.6.2 Amounts tendered for the purchase of prepayment electricity and water will not be refunded after the prepayment meter voucher has been produced.

18.6.3 On request of the customer, copies of the previous prepayment meter vouchers will be produced. Lost vouchers will not be replaced under any circumstances.

18.6.4 Credits remaining in the prepayment meter will not be refunded when the premises are vacated by a customer.

18.6.5 The Municipality shall not be liable for the reinstatement of credit in a prepayment meter due to tampering with, or the incorrect use or abuse, of prepayment meters.

18.6.6 The Municipality may appoint vendors for the sale of prepaid electricity and water vouchers but does not guarantee the continued operation of any vendor.

18.6.7 The Municipality may apply all the debt collection functions available on the prepayment system to collect all arrear debt on the account of the customer.

18.6.8 The municipality reserves the right to allocate a proportion of the prepayment amount towards any other arrears that remain owing to the municipality.

The amount that may be deducted for the 2024-2025 financial year and allocated towards other arrears will remain at 60%

19. PAYMENT OF ACCOUNTS

19.1 All accounts rendered by Midvaal Local Municipality shall be payable by no later than the 7th of each month.

19.1 The Municipality has established the following accessible Pay Points and other mechanisms for settling accounts:

Direct Deposits towards Midvaal Local Municipality's Bank Account
Various Cashier Pay Points.
Third Party payments such as:

- EasyPay
- Post Office
- Pick 'n Pay
- Checkers
- Shoprite

19.2 Account balances which remain unpaid after 30 days from the due date shall attract interest on arrears irrespective of the reason for non-payment.

19.3 All accounts are payable by the due date regardless of the fact that the customer may not have received the account; the onus being on the customer to obtain a copy or the balance on the account before the due date.

19.4 Payments received in respect of rates and service charges will be allocated by the CFO of Midvaal Local Municipality entirely within his or her discretion, on the account of the customer.

20. INTEREST ON ARREAR DEBT

20.1 Interest charges will be raised on all amounts that remain unpaid for longer than 30 days from the due date.

20.2 The interest rate is determined by the Chief Financial Officer and is reviewed annually

with the review of the Sundry Tariffs. Interest shall accrue for each completed month in respect of any amounts unpaid after 30 days of the due date. A part of a month shall be deemed to be a completed month.

20.3 Payments on assessed / estimated charges, where the final amount has not been determined but which would have been due and payable had the amount been determined, shall attract interest from the date when it would have been so due and payable, i.e. 30 days from the due date of the account.

20.4 Interest may only be reversed under the following circumstances:

20.5 If the Municipality has made an administrative error on the account

20.6.1 Where the Chief Financial Officer approves such reversal from time to time in terms of interest waiver scheme.

21. DISPUTES AND APPEALS

21.1 In this policy “dispute” refers to the instance when a debtor questions the correctness of any account rendered by the Municipality with the Municipal Manager as per the process in sub-item (2) below.

21.2 In order for a dispute to be registered with the municipality, the following procedures must be followed:

21.2.1 By the customer

21.2.1.1 The dispute must be submitted in writing

21.2.1.2 No dispute will be registered verbally whether in person or over the telephone.

21.2.1.3 The customer must furnish full personal particulars including all account numbers held with the Municipality, direct contact telephone number, fax-number, postal and e-mail addresses and any other relevant particulars required by the municipality.

21.2.1.4 The full nature of the dispute must be described in the correspondence referred to above.

21.2.1.5 The onus will be on the debtor to ensure that he receives a written acknowledgement of the dispute.

21.2.1.6 The debtor will remain liable for the payment of the amount(s) that are not in dispute, on or before the due date for the account rendered.

21.2.2 By the Municipality:

21.2.2.1 On receipt of the dispute the following actions are to be taken:

21.2.2.2 A written acknowledgement of the receipt of the dispute must be provided to the debtor.

21.2.2.3 The amount payable by the debtor for the specific month of the dispute and inform the debtor that all accounts thereafter must be paid in full.

21.2.2.4 Specify the time to resolve the dispute - disputes must be resolved within 3 (three) months

21.2.2.5 The dispute must be registered in a dispute register

21.2.2.6 Inform the Debt Collection Department of the dispute

21.2.2.7 Ensure that all relevant information received is rectified accordingly on the financial system

21.2.2.8 Conduct checks or follow-ups on the progress of all disputes

21.3 The following provisions apply to the consideration of disputes:

21.3.1 All disputes must be concluded by the Municipal Manager or delegated official

21.3.2 The Municipal Manager's or the delegated official's decision is final and will result in the immediate implementation of any debt collection and credit control measures provided for in this Policy after the debtor is provided with the outcome of the appeal.

21.3.3 The same debt will not again be defined as a dispute in terms of this paragraph and will not be reconsidered as the subject of a dispute.

21.3.4 Should the debtor not be satisfied with the outcome of the dispute; a debtor may lodge an appeal in terms of section 62 of the Systems Act.

21.4 The Municipality reserves the right to declare a dispute on any account as may be deemed necessary.

21.5 Any customer may appeal to the Council against the accuracy of an amount reflected in a particular account within one month after receiving the account

21.6 Appeals are made by way of written representation to the Council

21.7 In the event of a customer alleging that any meter, measuring device or service connection is defective or inaccurate, the Council may arrange for the meter, measuring device or service connection to be inspected and tested. Should the meter, measuring device or service connection prove not to be defective or inaccurate by more than 5%, the costs of carrying out the inspection and test are to be borne by the customer who requested the inspection and test.

21.8 Out of court settlement offers by debtors against whom legal action is pending can be considered after consultation with Councils legal representatives, if it is in the best financial interest of the Council.

22. PRIMA FACIE EVIDENCE

22.1 A certificate endorsed by the municipal manager, reflecting the amount due and payable to the Municipality, shall upon mere production thereof be accepted by any court of law as prima facie evidence of the indebtedness reflected therein.

23. POWER OF ENTRY AND INSPECTION

23.1 For any purpose related to the implementation or enforcement of this policy, and at all reasonable times, or in an emergency, a duly authorised representative of the Municipality may enter premises, request information and carry out such inspection or examination, as he or she may deem necessary: -

23.1.1 With regard to the installation or repair of any meter or service connection or reticulation; or

23.1.2 So as to limit, discontinue, disconnect or reconnect the provision of any service.

23.2 If the Municipality considers it necessary that work be performed to enable the afore stated authorised representative to perform a function referred to in subsection (1) properly and effectively, then it may: -

23.2.1 By written notice require the owner or occupier of the premises, at his or her own expense, to do specific work within a specified period; or

23.2.2 If, in its reasonable opinion, the situation is a matter of urgency, then the Municipality may do such work, or cause it to be done, at the expense of the owner or occupier, and without written notice.

23.3 If the work referred to in subsection (2)(b) above is carried out for the sole purpose of establishing whether a contravention of this policy has been committed, and no such contravention has taken place, then the Municipality shall bear the expense connected therewith, together with the expense of restoring the premises to its former condition.

24. IMPLEMENTATION AND REVIEW OF THIS POLICY

24.1 This policy shall be implemented once approved by Council. All future Billing Procedures must be made in accordance with this policy.

24.2 In terms of section 17(1)(e) of the MFMA this policy must be reviewed on an annual basis and the reviewed policy tabled to Council for approval as part of the budget process.

24.3 The policy is effective from 1 July 2024.

Annexure AF
Electricity By-laws
2024/2025

ELECTRICITY BY-LAWS

2024/2025 FINANCIAL YEAR

MIDVAAL
LOCAL MUNICIPALITY

CHAPTER 1
GENERAL

1. Definitions - In this by-law, unless inconsistent with the context –

"accredited person" means a person registered in terms of the Regulations as an electrical tester for single phase, an installation electrician or a master installation electrician, as the case may be;

"applicable standard specification" means the standard specifications as listed in Schedule 1 attached to this by-law;

"certificate of compliance" means a certificate issued in terms of the Regulations in respect of an electrical installation or part of an electrical installation by an accredited person;

"consumer" in relation to premises means:

(i) any occupier thereof or any other person with whom the Municipality has contracted to supply or is actually supplying electricity thereat; or

(ii) if such premises are not occupied, any person who has a valid existing agreement with the Municipality for the supply of electricity to such premises; or

(iii) if there is no such person or occupier, the owner of the premises;

"credit meter" means a meter where an account is issued subsequent to the consumption of electricity;

"electrical contractor" means an electrical contractor as defined in the Regulations;

"electrical installation" means an electrical installation as defined in the Regulations;

"high voltage" means the set of nominal voltage levels that are used in power systems for bulk transmission of electricity in the range of 44kV<Un ≤ 220 kV. [SABS 1019];

" low voltage" means the set of nominal voltage levels that are used for the distribution of electricity and whose upper limit is generally accepted to be an a.c. voltage of 1000V (or a d.c. voltage of 1500 V). [SABS 1019]

"the law" means any applicable law, proclamation, ordinance, act of parliament or enactment having force of law;

"medium voltage" means the set of nominal voltage levels that lie above low voltage and below high voltage in the range of 1 kV < Un ≤ 44 kV. [SABS 1019]

"meter" means a device which records the demand and / or the electrical energy consumed and includes conventional and prepayment meters;

"motor load, total connected" means the sum total of the kW input ratings of all the individual motors connected to an installation;

"motor rating" means the maximum continuous kW output of a motor as stated on the maker's rating plate;

"motor starting current" in relation to alternating current motors means the root mean square value of the symmetrical current taken by a motor when energised at its rated voltage with its starter in the starting position and the rotor locked;

"Municipality" means Midvaal Local Municipality, a municipality established in terms of the law or any legal entity duly authorised by the Midvaal Local Municipality to provide an electricity service within the jurisdiction of the Midvaal Local Municipality.

"occupier" in relation to any premises means –

(a) any person in actual occupation of such premises;

(b) any person legally entitled to occupy such premises;

(c) in the case of such premises being subdivided and let to lodgers or various tenants, the person receiving the rent payable by such lodgers or tenants, whether on his own account or as agent for any person entitled thereto or interested therein, or

(d) any person in control of such premises or responsible for the management thereof, and includes the agent of any such person when he / she is absent from the Republic of South Africa or his / her whereabouts are unknown;

"owner" in relation to premises means the person in whom is vested the legal title thereto; provided that –

(a) in the case of immovable property –

(i) leased for a period of not less than 50 years, whether the lease is registered or not, the lessee thereof, or

(ii) beneficially occupied under a servitude or right analogous thereto, the occupier thereof;

(b) if the owner as hereinbefore defined –

(i) is deceased or insolvent, has assigned his estate for the benefit of his creditors, has been placed under curatorship by order of court or is a company being wound up or under judicial management, the person in whom the administration of such property is vested as executor, administrator, trustee, assignee, curator, liquidator or judicial manager, as the case may be, or

(ii) is absent from the Republic of South Africa, or if his address is unknown to the Municipality, any person who as agent or otherwise receives or is entitled to receive the rent in respect of such property, and

(iii) if the Municipality is unable to determine who such person is, the person who is entitled to the beneficial use of such property, shall be deemed to be the owner thereof to the exclusion of the person in whom is vested the legal title thereto;

"point of consumption" means a point of consumption as defined in the Regulations;

"point of metering" means the point at which the consumer's consumption of electricity is metered and which may be at the point of supply or at any other point on the distribution system of the Municipality or the electrical installation of the consumer, as specified by the Municipality or any duly authorised official of the Municipality; provided that it shall meter all of, and only, the consumer's consumption of electricity;

"point of supply" means the point determined by the Municipality or any duly authorised official of the Municipality at which electricity is supplied to any premises by the Municipality;

"premises" means any land or any building or structure above or below ground level and includes any vehicle, aircraft or vessel;

"prepayment meter" means a meter that can be programmed to allow the flow of pre-purchased amounts of energy in an electrical circuit;

"Regulations" means Regulations made in terms of the Occupational Health and Safety Act, 1993 (Act 85 of 1993), as amended;

"safety standard" means the Code of Practice for the Wiring of Premises SABS 0142 incorporated in the Regulations;

"service connection" means all cables and equipment required to connect the supply mains to the electrical installation of the consumer at the point of supply;

"service protective device" means any fuse or circuit breaker installed for the purpose of protecting the Municipality's equipment from overloads or faults occurring on the installation or on the internal service connection;

"standby supply" means an alternative electricity supply not normally used by the consumer;

"supply mains" means any part of the Municipality's electricity network;

"tariff" means the Municipality*'s* tariff of charges for the supply of electricity, and

"token" means the essential element of a prepayment metering system used to transfer information from a point of sale for electricity credit to a prepayment meter and *vice versa;*

"voltage" means the root-mean-square value of electrical potential between two conductors.

2. **Other terms –** All other terms used in this by-law shall, unless the context otherwise requires, have the meaning assigned thereto in the Electricity Act, 1987 (Act 41 of 1987), as amended, or the Occupational Health and Safety Act, 1993 (Act 85 of 1993), as amended.

3. **Headings and titles –** The headings and titles in this by-law shall not affect the construction thereof.

CHAPTER 2
GENERAL CONDITIONS OF SUPPLY

4. Provision of Electricity Services – Only the Municipality shall supply or contract for the supply of electricity within the jurisdiction of the Municipality.

5. Supply by agreement – No person shall use or be entitled to use an electricity supply from the Municipality unless or until such person shall have entered into an agreement in writing with the Municipality for such supply, and such agreement together with the provisions of this by-law shall in all respects govern such supply. If a person uses an electricity supply without entering into an agreement he/she shall be liable for the cost of electricity used as stated in section 44 of this by-law.

6. Service of notice –

(1) Any notice or other document that is served on any person in terms of this by-law is regarded as having been served –

(a) when it has been delivered to that person personally;

(b) when it has been left at that person's place of residence or business in the Republic with a person apparently over the age of sixteen years;

(c) when it has been posted by registered or certified mail to that person's last known residential or business address in the Republic and an acknowledgement of the posting thereof from the postal service is obtained;

(d) if that person's address in the Republic is unknown, when it has been served on that person's agent or representative in the Republic in the manner provided by paragraphs (a), (b) or (c); or

(e) if that person's address and agent or representative in the Republic is unknown, when it has been posted in a conspicuous place on the property or premises, if any, to which it relates.

(2) When any notice or other document must be authorised or served on the owner, occupier or holder of any property or right in any property, it is sufficient if that person is described in the notice or other document as the owner, occupier or holder of the property or right in question, and it is not necessary to name that person.

(3) Any legal process is effectively and sufficiently served on the Municipality when it is delivered to the municipal manager or a person in attendance at the municipal manager's office.

7. Compliance with notices – Any person on whom a notice duly issued or given under this by-law is served shall, within the time specified in such notice, comply with its terms.

8. Application for supply –

(1) Application for the supply of electricity shall be made in writing by the prospective consumer on the prescribed form obtainable at the office of the Municipality, and the estimated load, in kVA, of the installation, shall be stated therein. Such application shall be made as early as possible before the supply of electricity is required in order to facilitate the work of the Municipality.

(2) An application for an electricity supply for a period of less than one year shall be regarded as an application for a temporary supply of electricity and shall be considered at the discretion of the Municipality or any duly authorised official of the Municipality, which may specify any special conditions to be satisfied in such case.

9. Processing of requests for supply – Applications for the supply of electricity will be processed and the supply made available within the periods stipulated in NRS 047.

10. Way leaves –

(1) The Municipality may refuse to lay or erect a service connection above or below ground on any thoroughfare or land not vested in the Municipality or on any private property, unless and until the prospective consumer shall have obtained and deposited with the Municipality written permission granted by the owner of the said private property or by the person in whom is vested the legal title to the land or thoroughfare as aforesaid exists, as the case may be, authorising the laying or erection of a service connection thereon.

(2) If such permission is withdrawn at any time or if the aforesaid private property or thoroughfare changes ownership and the new owner refuses to grant or continue such permission, the cost of any alteration required to be made to a service connection in order that the supply of electricity may be continued, and of any removal thereof which may become necessary in the circumstances, shall be borne by the consumer to whose premises the supply of electricity is required to be continued.

11. Statutory Servitude –

(1) Subject to the provisions of subsection (3) the Municipality may within its municipal area:

(a) provide, establish and maintain electricity services;

(b) acquire, construct, lay, extend, enlarge, divert, maintain, repair, discontinue the use of, close up and destroy electricity supply mains;

(c) construct, erect or lay any electricity supply main on, across, through, over or under any street or immovable property and the ownership of any such main shall vest in the Municipality;

(d) do any other thing necessary or desirable for or incidental, supplementary or ancillary to any matter contemplated by paragraphs (a) to (c).

(2) If the Municipality constructs, erects or lays any electricity supply main on, across, through, over or under any street or immovable property not owned by the Municipality or under the control of or management of the Municipality it shall pay to the owner of such street or property compensation in an amount agreed upon by such owner and the Municipality or, in the absence of agreement, be determined either by arbitration or a court of law.

(3) The Municipality shall, before commencing any work other than repairs or maintenance on or in connection with any electricity supply main on immovable property not owned by the Municipality or under the control or management of the Municipality, give the owner or occupier of such property reasonable notice of the proposed work and the date on which it proposes to commence such work.

12. Right of admittance to inspect, test and / or do maintenance work –

(1) The Municipality shall, through its employees, contractors and their assistants and advisers, have access to or over any property for the purposes of –

(a) doing anything authorised or required to be done by the Municipality under this by-law or any other law;

(b) inspecting and examining any service mains and anything connected therewith;

(c) enquiring into and investigating any possible source of electricity supply or the suitability of immovable property for any work, scheme or undertaking of the Municipality and making any necessary survey in connection therewith;

(d) ascertaining whether there is or has been a contravention of the provisions of this by-law *or any other law,* and

(e) enforcing compliance with the provisions of this by-law *or any other law,*

(2) The Municipality shall pay to any person suffering damage as a result of the exercise of the right of access contemplated by subsection (1), except where the Municipality is authorised to execute on the property concerned any work at the cost of such person or some other person or to execute on such property any work and recover the cost thereof from such person or some other person, compensation in such amount as may be agreed upon by the Municipality and such person or, in the absence of agreement, as may be determined by arbitration or court of law.

(3) An employee of the Municipality authorised thereto by such Municipality may, by notice in writing served on the owner or occupier of any property, require such owner or occupier to provide, on the day and at the hour specified in such notice, access to such property to a person and for a purpose referred to in subsection (1).

(4) The Municipality may gain access to or over any property without notice and may take whatever action as may, in its opinion, be necessary or desirable in consequence of the existence of a state of war or the occurrence of any calamity, emergency or disaster.

13. Refusal or failure to give information – No person shall refuse or fail to give such information as may be reasonably required of him / her by any duly authorised official of the Municipality or render any false information to any such official regarding any electrical installation work completed or contemplated.

14. Refusal of admittance – No person shall willfully hinder, obstruct, interfere with or refuse admittance to any duly authorised official of the Municipality in the performance of his duty under this by-law or of any duty connected therewith or relating thereto.

15. Improper use – If the consumer uses the electricity for any purpose or deals with the electricity in any manner which the Municipality has reasonable grounds for believing interferes in an improper or unsafe manner or is calculated to interfere in an improper or unsafe manner with the efficient supply of electricity to any other consumer, the Municipality may, with or without notice, disconnect the electricity supply but such supply shall be restored as soon as the cause for the disconnection has been permanently remedied or removed. The fee as prescribed by the Municipality for the disconnection and reconnection shall be paid by the consumer before the electricity supply is restored, unless it can be

shown that the consumer did not use or deal with the electricity in an improper or unsafe manner.

16. Electricity tariffs and fees – Copies of charges and fees may be obtained free of charge at the offices of the Municipality.

17. Deposits – The Municipality reserves the right to require the consumer to deposit a sum of money as security in payment of any charges which are due or may become due to the Municipality. The amount of the deposit in respect of each electricity installation shall be determined by the Municipality, and each such deposit may be increased if the Municipality deems the deposit held to be inadequate. Such deposit shall not be regarded as being in payment or part payment of any accounts due for the supply of electricity for the purpose of obtaining any discount provided for in the electricity tariff referred to in this by-law. On cessation of the supply of electricity, the amount of such deposit, free of any interest, less any payments due to the Municipality shall be refunded to the consumer.

18. Payment of charges –

(1) The consumer shall be liable for all charges listed in the prescribed tariff for the electricity service as approved by the Municipality. A copy of the prescribed tariff is obtainable free of charge from the Municipality.

(2) All accounts shall be deemed to be payable when issued by the Municipality and each account shall, on its face, reflect the due date and a warning indicating that the supply of electricity may be disconnected should the charges in respect of such supply remain unpaid after the due date.

(3) An error or omission in any account or failure to render an account shall not relieve the consumer of his obligation to pay the correct amount due for electricity supplied to the premises and the onus shall be on the consumer to satisfy himself/herself that the account rendered is in accordance with the prescribed tariff of charges in respect of electricity supplied to the premises.

(4) Where a duly authorised official of the Municipality has visited the premises for the purpose of disconnecting the supply of electricity in terms of subsection (2) and he / she is obstructed or prevented from effecting such disconnection, the prescribed fee shall become payable for each visit necessary for the purpose of such disconnection.

(5) After disconnection for non-payment of an account, the prescribed fees and any amounts due for electricity consumed shall be paid before the electricity supply is re-connected.

19. Interest on overdue accounts – The Municipality may charge interest on accounts which are not paid by the due date appearing on the account, at an interest rate as approved by the Municipality from time to time.

20. Resale of electricity –

(1) Unless otherwise authorised by the Municipality, no person shall sell or supply electricity, supplied to his premises under an agreement with the Municipality, to any other person or persons for use on any other premises, or permit or suffer such resale or supply to take place. If electricity is resold for use upon the same premises, such resale shall be subject to the conditions laid down in the Electricity Act, 1987 (Act 41 of 1987), provided that the reseller shall be permitted to recover

his / her actual electricity cost, provided further that he / she must substantiate these costs if called upon to do so.

(2) Further, in terms of Regulation 11(3)(a) of the Electricity Act, 1987 (Act 41 of 1987), the reseller of electricity may recover the administration costs incurred in metering reading and billing from the person so supplied with electricity, provided that, at the request of such person, the reseller must furnish such person with such information as may be necessary to enable him/her to determine whether the administration costs are fair and reasonable.

21. Right to disconnect supply –

(1) The Municipality shall have the right to disconnect the supply of electricity to any premises if the person liable to pay for such supply fails to pay any charge due to the Municipality in connection with any supply of electricity which he / she may at any time have received from the Municipality in respect of such premises, or, where any of the provisions of this by-law and / or the Regulations are being contravened, provided the Municipality has given the person 7 (seven) days' notice to remedy his / her default and the person has failed to remedy such default after notice has been given, or, in the case of a grave risk to person or property, or as envisaged in terms of Section 26 of this by-law, without notice. After disconnection for non-payment of accounts or the improper or unsafe use of electricity, the fee as prescribed by the Municipality shall be paid.

(2) In the case where an installation has been illegally reconnected on a consumer's premises after having been previously legally disconnected by the Municipality, or in the case where the Municipality's electrical equipment has been tampered with to prevent the full registration of consumption by the meter, the electricity supply may be physically removed from those premises.

22. Non-liability of the Municipality – The Municipality shall not be liable for any loss or damage, direct or consequential, suffered or sustained by a consumer as a result of or arising from the cessation, interruption or any other abnormality of the supply of electricity, unless caused by negligence on the part of the Municipality. Furthermore with the raise in vandalism residents are encourage to install surge arrestor. As the municipality will not be held liable for any surges resulting from vandalism.

23. Leakage of electricity – Under no circumstances shall any rebate be allowed on the account for electricity supplied and metered in respect of electricity wasted owing to leakage or any other fault in the electrical installation.

24. Failure of supply – The Municipality does not undertake to attend to a failure of supply of electricity due to a fault in the electrical installation of the consumer, except when such failure is due to the operation of the service protective device of the Municipality. When any failure of supply of electricity is found to be due to a fault in the electrical installation of the consumer or to the faulty operation of apparatus used in connection therewith, the Municipality shall have the right to charge the consumer the fee as prescribed by the Municipality for each restoration of the supply of electricity in addition to the cost of making good or repairing any damage which may have been done to the service main and meter by such fault or faulty operation as aforesaid.

25. Seals of the Municipality – The meter, service protective devices and all apparatus belonging to the Municipality shall be sealed or locked by a duly authorised official of the Municipality, and no person not being an official of the Municipality duly authorised thereto

shall in any manner or for any reason whatsoever remove, break, deface, or tamper or interfere with such seals or locks.

26. Tampering with service connection or supply mains –

(1) No person shall in any manner or for any reason whatsoever tamper or interfere with any meter or metering equipment or service connection or service protective device or supply mains or any other equipment of the Municipality.

(2) Where prima facie evidence exists of a consumer and / or any person having contravened subsection (1), the Municipality shall have the right to disconnect the supply of electricity immediately and without prior notice to the consumer. The person shall be liable for all fees and charges levied by the Municipality for such disconnection.

(3) Where a consumer and / or any person has contravened subsection (1) and such contravention has resulted in the meter recording less than the true consumption, the Municipality shall have the right to recover from the consumer the full cost of his estimated consumption.

27. Protection of Municipality's supply mains –

(1) No person shall, except with the consent of the Municipality and subject to such conditions as may be imposed –

(a) construct, erect or lay, or permit the construction, erection or laying of any building, structure or other object, or plant trees or vegetation over or in such a position or in such a manner as to interfere with or endanger the supply mains

(b) excavate, open up or remove the ground above, next to, under or near any part of the supply mains

(c) damage, endanger, remove or destroy, or do any act likely to damage, endanger or destroy any part of the supply mains

(d) make any unauthorised connection to any part of the supply mains or divert or cause to be diverted any electricity there from.

(e) The owner or occupier shall limit the height of trees or length of projecting branches in the proximity of overhead lines or provide a means of protection which in the opinion of the Municipality will adequately prevent the tree from interfering with the conductors should the tree or branch fall or be cut down. Should the owner fail to observe this provision the Municipality shall have the right, after prior written notification, or at any time in an emergency, to cut or trim the trees or other vegetation in such a manner as to comply with this provision and shall be entitled to enter the property for this purpose.

(2) The Municipality may subject to obtaining an order of court demolish, alter or otherwise deal with any building, structure or other object constructed, erected or laid in contravention with this by-law.

(3) The municipality may in the case of an emergency or disaster remove anything damaging, obstructing or endangering or likely to damage, obstruct, endanger or destroy any part of the electrical distribution system.

28. Prevention of tampering with service connection or supply mains – If the Municipality decides that it is necessary or desirable to take special precautions in order to prevent tampering with any portion of the supply mains, service connection or service protective device or meter or metering equipment, the consumer shall either supply and install the necessary protection or pay the costs involved where such protection is supplied by the Municipality.

29. Unauthorised connections – No person other than a person specifically authorised thereto by the Municipality in writing shall directly or indirectly connect, attempt to connect or cause or permit to be connected any electrical installation or part thereof to the supply mains or service connection.

30. Unauthorised reconnections –

(1) No person other than a person specifically authorised thereto by the Municipality in writing shall reconnect, attempt to reconnect or cause or permit to be reconnected to the supply mains or service connection any electrical installation or installations which has or have been disconnected by the Municipality.

(2) Where the supply of electricity that has previously been disconnected is found to have been reconnected, the consumer using the supply of electricity shall be liable for all charges for electricity consumed between the date of disconnection and the date the electricity supply was found to be reconnected and any other charges raised in this regard. Furthermore, the Municipality reserves the right to remove part or all of the supply equipment until such time as payment has been received in full. In addition, the consumer will be responsible for all the costs associated with the reinstatement of such supply equipment.

31. Temporary disconnection and reconnection –

(1) The Municipality shall, at the request of the consumer, temporarily disconnect and reconnect the supply of electricity to the consumer's electrical installation upon payment of the fee as prescribed by the Municipality for each such disconnection and subsequent reconnection.

(2) In the event of the necessity arising for the Municipality to effect a temporary disconnection and reconnection of the supply of electricity to a consumer's electrical installation and the consumer is in no way responsible for bringing about this necessity, the Municipality shall waive payment of the fee hereinbefore referred to.

(3) The Municipality may only under exceptional circumstances temporarily disconnect the supply of electricity to any premises without notice, for the purpose of effecting repairs or carrying out tests or for any other legitimate purpose. In all other instances adequate notice shall be given.

32. Temporary supplies – It shall be a condition of the giving of any temporary supply of electricity, as defined in this by-law, that, if such supply is found to interfere with the efficient and economical supply of electricity to other consumers, the Municipality shall have the right, with notice, or under exceptional circumstances without notice, to terminate such temporary supply at any time and, the Municipality shall not be liable for any loss or damage occasioned by the consumer by such termination.

33. Temporary work – Electrical installations requiring a temporary supply of electricity shall not be connected directly or indirectly to the supply mains except with the special permission in writing of the Municipality. Full information as to the reasons for and nature of such temporary work shall accompany the application for the aforesaid permission, and the Municipality may refuse such permission or may grant the same upon such terms and conditions as it may appear desirable and necessary.

34. Load reduction –

(1) At times of peak load, or in an emergency, or when, in the opinion of the Municipality, it is necessary for any reason to reduce the load on the electricity supply system of the Municipality, the Municipality may without notice interrupt and, for such period as the Municipality may deem necessary, discontinue the electricity supply to any consumer's electrically operated thermal storage water heater or any specific appliance or the whole installation. The Municipality shall not be liable for any loss or damage directly or consequentially due to or arising from such interruption and discontinuance of the electricity supply.

(2) The Municipality may install upon the premises of the consumer such apparatus and equipment as may be necessary to give effect to the provisions of subsection (1), and any duly authorised official of the Municipality may at any reasonable time enter any premises for the purpose of installing, inspecting, testing adjusting and/or changing such apparatus and equipment.

(3) Notwithstanding the provisions of subsection (2), the consumer or the owner, as the case may be, shall, when installing an electrically operated water storage heater, provide such necessary accommodation and wiring as the Municipality may decide to facilitate the later installation of the apparatus and equipment referred to in subsection (2).

35. Medium and low voltage switchgear and equipment –

(1) In cases where a supply of electricity is given at either medium or low voltage, the supply and installation of the switchgear, cables and equipment forming part of the service connection shall, unless otherwise approved by the Municipality or any duly authorised official of the Municipality, be paid for by the consumer.

(2) In the case of a medium voltage supply of electricity, all such equipment shall be approved by any duly authorised official of the Municipality and installed by or under the supervision of any duly authorised official of the Municipality.

(3) No person shall operate medium voltage switchgear without the written authority of the Municipality.

(4) All earthing and testing of medium voltage equipment linked to the Municipality's network shall be conducted by or under the supervision of an employee of the Municipality.

(5) In the case of a low voltage supply of electricity, the consumer shall provide and install a low voltage main switch and/or any other equipment required by the Municipality or any duly authorised official of the Municipality.

36. Substation accommodation – The Municipality may, on such conditions as may be deemed fit by the Municipality or any duly authorised official of the Municipality, require the owner to provide and maintain accommodation which shall constitute a substation and which shall consist of a separate room or rooms to be used exclusively for the purpose of

housing medium voltage cables and switchgear, transformers, low voltage cables and switchgear and other equipment necessary for the supply of electricity requested by the applicant. The accommodation shall be situated at a point to which free, adequate and unrestricted access is available at all times for purposes connected with the operation and maintenance of the equipment.

The Municipality reserves the right to supply its own networks from its own equipment installed in such accommodation, and if additional accommodation is required by the Municipality, such additional accommodation shall be provided by the applicant at the cost of the Municipality.

37. Wiring diagram and specification –

(1) When more than one electrical installation or electricity supply from a common main or more than one distribution board or meter is required for any building or block of buildings, the wiring diagram of the circuits starting from the main switch and a specification shall on request be supplied to the Municipality in duplicate for approval before the work commences.

(2) Where an electrical installation is to be supplied from a substation on the same premises on which the current is transformed from high voltage, or from one of the substations of the Municipality through mains separate from the general distribution system, a complete specification and drawings for the plant to be installed by the consumer shall, if so required, be forwarded to the Municipality for approval before any material in connection therewith is ordered.

38. Standby supply – No person shall be entitled to a standby supply of electricity from the Municipality for any premises having a separate source of electricity supply except with the written consent of the Municipality and subject to such terms and conditions as may be laid down by the Municipality.

39. Consumer's emergency standby supply equipment –

(1) No emergency standby equipment provided by a consumer in terms of any Regulations or for his own operational requirements shall be connected to any installation without the prior written approval of the Municipality. Application for such approval shall be made in writing and shall include a full specification of the equipment and a wiring diagram. The standby equipment shall be so designed and installed that it is impossible for the Municipality's supply mains to be energized by means of a back-feed from such equipment. The consumer shall be responsible for providing and installing all such protective equipment.

(2) Where by special agreement with the Municipality, the consumer's standby generating equipment is permitted to be electrically coupled to, and run in parallel with the Municipality's supply mains, the consumer shall be responsible for providing, installing and maintaining all the necessary synchronizing and protective equipment required for such safe parallel operation, to the satisfaction of the Municipality.

40. Circular letters – The Municipality may from time to time issue Circulars detailing the requirements of the Municipality regarding matters not specifically covered in the Regulations or this by-law but which are necessary for the safe, efficient operation and management of the supply of electricity.

CHAPTER 3
RESPONSIBILITIES OF CONSUMERS

41. Consumer to erect and maintain electrical installation – Any electrical installation connected or to be connected to the supply mains, and any additions or alterations thereto which may be made from time to time, shall be provided and erected and maintained and kept in good order by the consumer at his own expense and in accordance with this by-law and the Regulations.

42. Fault in electrical installation –

(1) If any fault develops in the electrical installation, which constitutes a hazard to persons, livestock or property, the consumer shall immediately disconnect the electricity supply. The consumer shall without delay give notice thereof to the Municipality and shall immediately take steps to remedy the fault.

(2) The Municipality may require the consumer to reimburse it for any expense to which it may be put in connection with a fault in the electrical installation.

43. Discontinuance of use of supply – In the event of a consumer desiring to discontinue using the electricity supply, he / she shall give at least two full working days' notice in writing of such intended discontinuance to the Municipality, failing which he / she shall remain liable for all payments due in terms of the tariff for the supply of electricity until the expiration of two full working days after such notice has been given.

44. Change of occupier –

(1) A consumer vacating any premises shall give the Municipality not less than two full working days' notice in writing of his intention to discontinue using the electricity supply, failing which he / she shall remain liable for such supply.

(2) If the person taking over occupation of the premises desires to continue using the electricity supply, he / she shall make application in accordance with the provisions of section 5 of this by-law, and if he / she fails to make application for an electricity supply within ten working days of taking occupation of the premises, the supply of electricity shall be disconnected, and he / she shall be liable to the Municipality for the electricity supply from the date of occupation till such time as the supply is so disconnected.

(3) Where premises are fitted with pre-payment meters any person occupying the premises at that time shall be deemed to be the consumer. Until such time as an application is made by this person for a supply of electricity, in terms of section 5 of this by-law, he / she shall be liable for all charges and fees owed to the Municipality for that metering point as well as any outstanding charges and fees whether accrued by that person or not.

45. Service apparatus –

(1) The consumer shall be liable for all costs to the Municipality arising from damage to or loss of any metering equipment, service protective device, service connection or other apparatus on the premises, unless such damage or loss is shown to have been occasioned by an Act of God or an act or omission of an employee of the Municipality or caused by an abnormality in the supply of electricity to the premises.

(2) If, during a period of disconnection of an installation from the supply mains, the service main, metering equipment or any other service apparatus, being the property of the Municipality and having been previously used, have been removed without its permission or have been damaged so as to render reconnection dangerous, the owner or occupier of the premises, as the case may be, during such period shall bear the cost of overhauling and/or replacing such equipment.

(3) Where there is a common metering position, the liability detailed in subsection (1) shall devolve on the owner of the premises.

(4) The amount due in terms of subsection (1) shall be evidenced by a certificate from the Municipality which shall be final and binding.

CHAPTER 4
SPECIFIC CONDITIONS OF SUPPLY

46. Service connection –

(1) The consumer shall bear the cost of the service connection, as approved by the Municipality.

(2) Notwithstanding the fact that the consumer bears the cost of the service connection, ownership of the service connection, laid or erected by the Municipality, shall vest in the Municipality, the Municipality shall be responsible for the maintenance of such service connection up to the point of supply. The consumer shall not be entitled to any compensation from the Municipality in respect of such service connection.

(3) The work to be carried out by the Municipality at the cost of the consumer for a service connection to the consumer's premises shall be determined by the Municipality or any duly authorised official of the Municipality.

(4) A service connection shall be laid underground, whether the supply mains are laid underground or erected overhead, unless an overhead service connection is specifically required by the Municipality.

(5) The consumer shall provide, fix and / or maintain on his premises such ducts, wire ways, trenches and fastenings as may be required by the Municipality for the installation of the service connection.

(6) The conductor used for the service connection shall have a cross-sectional area according to the size of the electrical supply but shall not be less than 10 mm^2 (copper or copper equivalent), and all conductors shall have the same cross-sectional area, unless otherwise approved by any duly authorised official of the Municipality.

(7) Unless otherwise approved, the Municipality shall only provide one service connection to each registered erf. In respect of two or more premises belonging to

one owner and situated on adjacent erven, a single bulk supply of electricity may be made available provided the erven are consolidated or notarially tied.

(8) Any covers of a wire way carrying the supply circuit from the point of supply to the metering equipment shall be made to accept the seals of the Municipality.

(9) Within the meter box, the service conductor or cable, as the case may be, shall terminate in an unobscured position and the conductors shall be visible throughout their length when cover plates, if present, are removed.

(10) In the case of blocks of buildings occupied by a number of individual consumers, separate wire ways and conductors or cables shall be laid from the common metering room or rooms to each individual consumer in the blocks of buildings. Alternatively, if trunking is used, the conductors of the individual circuits shall be clearly identified (tied together every 1.5 m) throughout their length.

47. Metering accommodation –

(1) The consumer shall, if required by the Municipality or any duly authorised official of the Municipality, provide accommodation in an approved position, the meter board and adequate conductors for the Municipality's metering equipment, service apparatus and protective devices. Such accommodation and protection shall be provided and maintained, to the satisfaction of the Municipality, at the cost of the consumer or the owner, as the circumstances may demand, and shall be situated, in the case of credit meters, at a point to which free and unrestricted access shall be had at all reasonable hours for the reading of meters but at all times for purposes connected with the operation and maintenance of the service equipment. Access at all reasonable hours shall be afforded for the inspection of prepayment meters.

(2) Where sub metering equipment is installed, accommodation separate from the Municipality's metering equipment shall be provided.

(3) The consumer or, in the case of a common meter position, the owner of the premises shall provide adequate electric lighting in the space set aside for accommodating the metering equipment and service apparatus.

(4) Where in the opinion of the Municipality the position of the meter, service connection, protective devices or main distribution board is no longer readily accessible or becomes a course of danger to life or property or in any way becomes unsuitable, the consumer shall remove it to a new position, and the cost of such removal, which shall be carried out with reasonable dispatch, shall be borne by the consumer.

(5) The accommodation for the Municipality's metering equipment and protective devices may, if approved, include the consumer's main switch and main protective devices. No apparatus other than that used in connection with the supply of electricity and use of electricity shall be installed or stored in such accommodation unless approved.

CHAPTER 5
SYSTEMS OF SUPPLY

48. Load requirements – Alternating current supplies shall be given as prescribed by the Electricity Act, 1987 (Act 41 of 1987), and in the absence of a quality of supply agreement, as set out in applicable standard specification.

49. Load limitations –

(1) Where the estimated load, calculated in terms of the safety standard, does not exceed 15 kVA, the electrical installation shall be arranged for a two-wire single-phase supply of electricity, unless otherwise approved by the Municipality or any duly authorised official of the Municipality.

(2) Where a three-phase four-wire supply of electricity is provided, the load shall be approximately balanced over the three phases but the maximum out-of-balance load shall not exceed 15kVA, unless otherwise approved by the Municipality or any duly authorised official of the Municipality.

(3) No current-consuming appliance, inherently single phase in character, with a rating which exceeds 15kVA shall be connected to the electrical installation without the prior approval of the Municipality.

50. Interference with other persons' electrical equipment –

(1) No person shall operate electrical equipment having load characteristics which, singly or collectively, give rise to voltage variations, harmonic currents or voltages, or unbalanced phase currents which fall outside the applicable standard specification.

(2) The assessment of interference with other persons' electrical equipment shall be carried out by means of measurements taken at the point of common coupling.

(3) Should it be established that undue interference is in fact occurring, the consumer shall, at his/her own cost, install the necessary equipment to filter out the interference and prevent it reaching the supply mains.

51. Supplies to motors –

Unless otherwise approved by the Municipality or any duly authorised official of the Municipality the rating of motors shall be limited as follows:

(1) Limited size for low voltage motors **–**

The rating of a low voltage single-phase motor shall be limited to 2kW and / or the starting current shall not exceed 70A. All motors exceeding these limits shall be wound for three phases at low voltage or such higher voltage as may be required.

(2) Maximum starting and accelerating currents of three-phase alternating current motors –

The starting current of three-phase low voltage motors permitted shall be related to the capacity of the consumer's service connection, as follows:

Insulated service cable, size in mm², copper equivalent mm²	Maximum permissible starting current A	Maximum motor rating in kW		
		Direct on line (6 x full-load current	Star/Delta (2.5 x full-load current)	Other means (1.5 x full-load current)
		kW	kW	kW
16	72	6	13.5	23
25	95	7.5	18	30
35	115	9	22	36.5
50	135	10	25	45
70	165	13	31	55
95	200	16	38	67
120	230	18	46	77
150	260	20	52	87

(3) Consumers supplied at medium voltage –

In an installation supplied at medium voltage the starting current of a low voltage motor shall be limited to 1.5 times the rated full-load current of the transformer supplying such a motor. The starting arrangement for medium voltage motors shall be subject to the approval of the Municipality.

52. Power factor –

(1) If required by the Municipality, the power factor of any load shall be maintained within the limits 0.85 lagging and 0.9 leading.

(2) Where, for the purpose of complying with subsection (1), it is necessary to install power factor corrective devices, such corrective devices shall be connected to the individual appliance terminals unless the correction of the power factor is automatically controlled.

(3) The consumer shall, at his / her own cost, install such corrective devices.

53. Protection – Electrical protective devices for motors shall be of such a design as effectively to prevent sustained overcurrent and single and reverse phasing, where applicable.

CHAPTER 6
MEASUREMENT OF ELECTRICITY

54. Metering –

(1) The Municipality shall, at the consumer's cost in the form of a direct charge or prescribed fee, provide, install and maintain appropriately rated metering equipment at the point of metering for measuring the electricity supplied.

(2) Except in the case of prepayment meters, the electricity used by a consumer during any metering period shall be ascertained by the reading of the appropriate meter or meters supplied and installed by the Municipality and read at the end of such period except where the metering equipment is found to be defective, or the Municipality invokes the provisions of section 58(2) of this by-law, in which case the consumption for the period shall be estimated.

(3) Where the electricity used by a consumer is charged at different tariff rates, the consumption shall be metered separately for each rate.

(4) The Municipality reserves the right to meter the supply to blocks of shops and flats, tenement-houses and similar buildings for the buildings as a whole, or for individual units, or for groups of units.

(5) No alterations, repairs or additions or electrical connections of any description shall be made on the supply side of the point of metering unless specifically approved in writing by the Municipality or any duly authorised official of the Municipality.

55. Accuracy of metering –

(1) A meter shall be conclusively presumed to be registering accurately if its error, when tested in the manner prescribed in subsection (5) hereof, is found to be within the limits of error as provided for in the applicable standard specifications.

(2) The Municipality shall have the right to test its metering equipment. If it is established by test or otherwise that such metering equipment is defective, the Municipality shall **–**

(i) in the case of a credit meter, adjust the account rendered;

(ii) in the case of prepayment meters, (a) render an account where the meter has been under-registering, or (b) issue a free token where the meter has been over-registering;

in accordance with the provisions of subsection (6).

(3) The consumer shall be entitled to have the metering equipment tested by the Municipality on payment of the prescribed fee. If the metering equipment is found not to comply with the system accuracy requirements as provided for in the applicable standard specifications, an adjustment in accordance with the provisions of subsections (2) and (6) shall be made and the aforesaid fee shall be refunded.

(4) In case of a dispute, the consumer shall have the right at his own cost to have the metering equipment under dispute tested by an approved independent testing authority, and the result of such test shall be final and binding on both parties.

(5) Meters shall be tested in the manner as provided for in the applicable standard specifications.

(6) When an adjustment is made to the electricity consumption registered on a meter in terms of subsection (2) or (3), such adjustment shall either be based on the percentage error of the meter as determined by the test referred to in subsection (5) or upon a calculation by the Municipality from consumption data in its possession. Where applicable, due allowance shall be made, where possible, for seasonal or other variations which may affect the consumption of electricity.

(7) When an adjustment is made as contemplated in subsection (6), the adjustment may not exceed a period of six months preceding the date on which the metering equipment was found to be inaccurate. The application of this section does not bar a consumer from claiming back overpayment for any longer period where the consumer is able to prove the claim in the normal legal process.

(8) Where the actual load of a consumer differs from the initial estimated load provided for under section 8(1) to the extent that the Municipality deems it necessary to alter or replace its metering equipment to match the load, the costs of such alteration or replacement shall be borne by the consumer.

(9) (a) Prior to the Municipality making any upward adjustment to an account in terms of subsection (6), the Municipality shall **–**

(i) notify the consumer in writing of the monetary value of the adjustment to be made and the reasons therefore;

(ii) in such notification provide sufficient particulars to enable the consumer to submit representations thereon, and

(iii) call upon the consumer in such notice to provide it with reasons in writing, if any, within 21 days or such longer period as the Municipality may permit why his/her account should not be adjusted as notified.

(b) Should the consumer fail to make any representations during the period referred to in subsection 9(a)(iii) the Municipality shall be entitled to adjust the account as notified in subsection 9(a)(i).

(c) The Municipality shall consider any reasons provided by the consumer in terms of subsection (9)(a) and shall, if satisfied that a case has been made out therefor, adjust the account appropriately.

(d) If a duly authorized official of the Municipality decides after having considered the representation made by the consumer that such representations do not establish a case warranting an amendment to the monetary value established in terms of subsection (6), the Municipality shall be entitled to adjust the account as notified in terms of subsection 9(a)(i), subject to the consumer's right to appeal the decision of the official in terms of section 62 of the Municipal Systems Act, 2000.

56. Reading of credit meters –

(1) Unless otherwise prescribed, credit meters shall normally be read at intervals of one month and the fixed or minimum charges due in terms of the tariff shall be assessed accordingly. The Municipality shall not be obliged to effect any adjustments to such charges.

(2) If for any reason the credit meter cannot be read, the Municipality may render an estimated account. The electrical energy consumed shall be adjusted in a subsequent account in accordance with the electrical energy actually consumed.

(3) When a consumer vacates a property and a final reading of the meter is not possible, an estimation of the consumption may be made and the final account rendered accordingly.

(4) If a special reading of the meter is desired by a consumer, this may be obtained upon payment of the prescribed fee.

(5) If any calculating, reading or metering error is discovered in respect of any account rendered to a consumer, the error shall be corrected in subsequent accounts. Any such correction shall only apply in respect of accounts for a period of 3 years preceding the date on which the error in the accounts was discovered, and shall be based on the actual tariffs applicable during the period. This also applies to a consumer claiming back overpayment where the consumer is able to prove the claim in the normal legal process.

57. Prepayment metering –

(1) No refund of the amount tendered for the purchase of electricity credit shall be given at the point of sale after initiation of the process by which the prepayment meter token is produced.

(2) Copies of previously issued tokens for the transfer of credit to the prepayment meter may be issued at the request of the consumer.

(3) When a consumer vacates any premises where a prepayment meter is installed, no refund for the credit remaining in the meter shall be made to the consumer by the Municipality.

(4) The Municipality shall not be liable for the reinstatement of credit in a prepayment meter lost due to tampering with, or the incorrect use or the abuse of, prepayment meters and / or tokens.

(5) Where a consumer is indebted to the Municipality for electricity consumed or to the Municipality for any other service supplied by the Municipality (including rates) or for any charges previously raised against him / her in connection with any service rendered, the Municipality may deduct a percentage from the amount tendered to offset the amount owing to the Municipality, as set out in the section 5 agreement for the supply of electricity.

(6) The Municipality may, at its discretion, appoint vendors for the sale of credit for prepayment meters and shall not guarantee the continued operation of any vendor.

CHAPTER 7
ELECTRICAL CONTRACTORS

58. In addition to the requirements of the Regulations the following requirements shall apply:

(1) Where an application for a new or increased supply of electricity has been made to the Municipality, any duly authorised official of the Municipality may at his/her discretion accept notification of the completion of any part of an electrical installation, the circuit arrangements of which permit the electrical installation to be divided up into well-defined separate portions, and such part of the electrical installation may, at the discretion of any duly authorised official of the Municipality, be inspected, tested and connected to the supply mains as though it were a complete installation.

(2) The examination, test and inspection that may be carried out at the discretion of the Municipality or any duly authorised official of the Municipality in no way relieves the electrical contractor / accredited person or the user or lessor, as the case may be, from his responsibility for any defect in the installation. Such examination, test and inspection shall not be taken under any circumstances (even where the electrical installation has been connected to the supply mains) as indicating or guaranteeing in any way that the electrical installation has been carried out efficiently with the most suitable materials for the purpose or that it is in accordance with this by-law or the safety standard, and the Municipality shall not be held responsible for any defect or fault in such electrical installation.

59. The Municipality shall not be held responsible for the work done by the electrical contractor / accredited person on a consumer's premises and shall not in any way be responsible for any loss or damage which may be occasioned by fire or by any accident arising from the state of the wiring on the premises.

CHAPTER 8
COST OF WORK

60. The Municipality may repair and make good any damage done in contravention of this by-law or resulting from a contravention of this by-law. The cost of any such work carried out by the Municipality which was necessary due to the contravention of this by-law, shall be to the account of the person who acted in contravention of this by-law.

CHAPTER 9
PENALTIES

61. (1) Any person who contravenes any of the provisions of sections 5, 7, 13, 14, 20, 25, 26, 27, 29 and 30 of this by-law shall be guilty of an offence.

(2) Any person who continues to commit an offence after notice has been served on him/her to cease committing such offence or after he / she has been convicted of such offence shall be guilty of a continuing offence.

(3) Any person convicted of an offence under this by-law for which no penalty is expressly provided shall be liable to a fine not exceeding ten thousand rands or imprisonment for a period not exceed six months or to such imprisonment without the option of a fine or to both such fine and such imprisonment and, in the case of a continuing offence, to an additional fine not exceeding two hundred rands or additional imprisonment for a period not exceeding ten days or to such additional imprisonment without the option of a fine or to both such additional fine and imprisonment for each day on which such offence is continued.

(4) Every person committing a breach of the provisions of this by-law shall be liable to recompense the Municipality for any loss or damage suffered or sustained by it in consequence of such breach.

***62.** Any person without legal right (the onus of proof of which shall be upon him to prove the contrary) who abstracts, branches off or diverts or causes to be abstracted, branches off or diverted any electric current, or consumes or uses any such current which has been wrongfully or unlawfully abstracted, branched off or diverted knowing it to have been wrongfully or unlawfully abstracted, branched off or diverted or who allows same shall be guilty of an offence of tampering with the municipality's electrical network and a tampering fee (per offence) and, as prescribed in Chapter 2(16) may be imposed on the illegal user, or occupier of the premises which wrongfully and unlawfully abstracted, branched off or diverted electric current or who has allowed same.

*Amended in terms of Notice 1467 of 2012 dated 13 January 2012.

SCHEDULE 1

“applicable standard specification” means

SABS 1607 Electromechanical watt-hour meters,

SABS 1524 Parts 0.1 & 2 - Electricity dispensing systems,

SABS IEC 60211 Maximum demand indicators, Class 1.0,

SABS IEC 60521 Alternating current electromechanical watt-hour meter (Classes 0.5, 1 & 2),

SABS 0142 Code of practice for the wiring of premises;

NRS 047 National Rationalised Specification for the Electricity Supply – Quality of Service

NRS 048 National Rationalised Specification for the Electricity Supply – Quality of Supply, and

NRS 057 Electricity Metering: Minimum Requirements

Annexure AG
Water By-laws
2024/2025

WATER SERVICES BY-LAWS

2023/2024 FINANCIAL YEAR

MIDVAAL
LOCAL MUNICIPALITY

Arrangement of sections

CHAPTER I: General provisions

Part 1: Definitions

Part 2: Application for water services

Special agreements for water services

Part 3: Tariffs and charges

Prescribed tariffs and charges for water services

Fixed charges for water services

Part 4: Payment

Payment of deposit

Payment for water services provided

Part 5: Termination, limitation and discontinuation of water services

Termination of agreement for the provision of water services

Limitation and / or discontinuation of water services provided

Restoration of water services

Part 6: General provisions

Responsibility for compliance with these bylaws

Exemption

Unauthorised use of water services

Change in purpose for which water services are used

Interference with water supply system or any sanitation services

Obstruction of access to water supply system or any sanitation services

Notices and documents

Power to serve and compliance with notices

Power of entry and inspection

False statements or information

Offences

Availability of bylaws

CHAPTER II: Water supply services

Part 1: Connection to water supply system

Provision of connection pipe

Location of connection pipe

Provision of single water connection for supply to several consumers on same premises

Interconnection between premises or water installations

Disconnection of water installation from connection pipe

Part 2: Communal water services works

Provision of a water services work for water supply to several consumers

Part 3: Temporary supply

Water supplied from a hydrant

Part 4: Standards and general conditions of supply

Quantity, quality and pressure

General conditions of supply

Part 5: Measurement of water supply services

Measuring of quantity of water supplied

Quantity of water supplied to consumer

Defective measurement

Special measurement

No reduction of amount payable for water wasted

Adjustment of quantity of water supplied through defective measuring device

Part 6: Installation work

Approval of installation work

Persons permitted to do installation and other work

Provision and maintenance of water installations

Use of pipes and water fittings to be authorised

Labelling of terminal water fittings and appliances

Part 7: Water pollution, restriction and wasteful use of water

Owner to prevent pollution of water

Water restrictions

Waste of water unlawful

Part 8: Water Audit

Water audit

Part 9: General provisions

Notification of boreholes

Sampling of water

Supply of non-potable water by municipality or its authorised agent

Testing of pressure in water supply systems

Pipes in streets or public places

CHAPTER I: General provisions

Part 1: Definitions

Definitions

(1) In these regulations, unless the context otherwise indicates -

“accommodation unit”	in relation to any premises, means a building or section of a building occupied or used or intended for occupation or use for any purpose;
“Act”	means the Water Services Act, 1997 (Act No. 108 of 1997), as amended from time to time;
"approved"	means approved by an authorised officer;
"authorised agent"	means a person authorised by the municipality to perform any act, function or duty in terms of, or exercise any power under, these bylaws;
“best practicable environmental option”	means the option that provides the most benefit or causes the least damage to the environment as a whole, at a cost acceptable to society, in the long term as well as in the short term;
"borehole"	means a hole sunk into the earth for the purpose of locating, abstracting or using subterranean water and includes a spring;
"Building Regulations"	means the National Building Regulations made in terms of the National Building Regulations and Building Standards Act, 1977 (Act No. 103 of 1977);
“communal water services work”	means a consumer connection through which water services are supplied to more than one person;
"connecting point"	means the point at which the drainage installation joins the connecting sewer;
"connecting sewer"	means a pipe owned by the municipality and installed by it for the purpose of conveying sewage from a drainage installation on a premise to a sewer beyond the boundary of those premises or within a servitude area or within an area covered by a wayleave or by agreement;

"connection pipe" means a pipe, the ownership of which is vested in the municipality or its authorised agent and installed by it for the purpose of conveying water from a main to a water installation, and includes a “communication pipe” referred to in SABS 0252 Part I;

"consumer" means –

(a) any occupier of any premises to which or on which the municipality or its authorised agent has agreed to provide water services or is actually providing water services, or if there be no occupier, then any person who has entered into a current agreement with the municipality or its authorised agent for the provision of water services to or on such premises, or, if there be no such person, then the owner of the premises; provided that where water services is provided through a single connection to a number of occupiers, it shall mean the occupier, or person, to whom the municipality or its authorised agent has agreed to provide water services; or

(b) person that obtains access to water services are provided through a communal water services work;

"drain" means that portion of the drainage installation that conveys sewage within any premises;

"drainage installation" means a system situated on any premises and vested in the owner thereof and is used for or intended to be used for or in connection with the reception, storage, treatment or conveyance of sewage on that premises to the connecting point and includes drains, fittings, appliances, septic tanks, conservancy tanks, pit latrines and private pumping installations forming part of or ancillary to such systems;

"drainage work" includes any drain, sanitary fitting, water supplying apparatus, waste or other pipe or any work connected with the discharge of liquid or solid matter into any drain or sewer or otherwise connected with the drainage of any premises;

"duly qualified sampler" means a person who takes samples for analysis from the sewage disposal and stormwater disposal systems and from public waters and who has been certified to do so by an authorised agent;

“effluent” means any liquid whether or not containing matter in solution or suspension;

“emergency”	means any situation that poses a risk or potential risk to life, health, the environment or property;
"environmental cost"	means the full cost of all measures necessary to restore the environment to its condition prior to the damaging incident;
“fire hydrant”	means a potable water installation that conveys water for fire fighting purposes only;
“fixed quantity water delivery system”	means a water installation, which delivers a fixed quantity of water to a consumer in any single day;
"flood level (1 in 50 year)"	means that level reached by flood waters resulting from a **storm** of a frequency of 1 in 50 years;
"flood plain (1 in 50 year)"	means the area subject to inundation by flood waters from a storm of a frequency of 1 in 50 years;
"high strength sewage"	means sewage with a strength or quality greater than standard domestic effluent;
"industrial effluent"	means effluent emanating from industrial use of water, includes for purposes of these bylaws, any effluent other than standard domestic effluent or stormwater;
"installation work"	means work in respect of the construction of, or carried out on a water installation;
"main"	means a pipe, other than a connection pipe, vesting in the municipality or its authorised agent and used by it for the purpose of conveying water to a consumer;
“measuring device”	means any method, procedure, process or device, apparatus, installation that enables the quantity of water services provided to be quantified and includes a method, procedure or process whereby quantity is estimated or assumed;
“meter”	means a water meter as defined by the Regulations published in terms of the Trade Metrology Act, 1973 (Act No. 77 of 1973), or, in the case of water meters of size greater than 100 mm, a device which measures the quantity of water passing through it;
"municipality"	means the water services authority as defined in the Act;

"occupier" means a person who occupies any premises or part thereof, without regard to the title under which he or she occupies;

"owner" means –

(a) the person in whom from time to time is vested the legal title to premises;

(b) in a case where the person in whom the legal title to premises is vested is insolvent or dead, or is under any form of legal disability whatsoever, the person in whom the administration and control of such premises is vested as curator, trustee, executor, administrator, judicial manager, liquidator or other legal representative;

(c) in any case where the municipality or its authorised agent is unable to determine the identity of such person, a person who is entitled to the benefit of the use of such premises or a building or buildings thereon;

(d) in the case of premises for which a lease agreement of 30 years or longer has been entered into, the lessee thereof;

(e) in relation to -

(i) a piece of land delineated on a sectional plan registered in terms of the Sectional Titles Act, 1986 (Act No. 95 of 1986), the developer or the body corporate in respect of the common property, or

(ii) a section as defined in the Sectional Titles Act, 1986 (Act No. 95 of 1986), the person in whose name such section is registered under a sectional title deed and includes the lawfully appointed agent of such a person;

"person" means any natural person, local government body or like authority, a company incorporated under any law, a body of persons whether incorporated or not, a statutory body, public utility body, voluntary association or trust;

"pollution" means the introduction of any substance into the water supply system, a water installation or a water resource that may directly or indirectly alter the physical, chemical or

biological properties of the water found therein so as to make it –

(a) less fit for any beneficial purpose for which it may reasonably be expected to be used; or

(b) harmful or potentially harmful –
   (i) to the welfare, health or safety of human beings;

   (ii) to any aquatic or non-aquatic organism;

"premises" means any piece of land, the external surface boundaries of which are delineated on –

(a) a general plan or diagram registered in terms of the Land Survey Act, 1927 (Act No. 9 of 1927), or in terms of the Deeds Registries Act, 1937 (Act No. 47 of 1937); or

(b) a sectional plan registered in terms of the Sectional Titles Act, 1986 (Act No. 95 of 1986);

(c) a register held by a tribal authority;

"prescribed tariff or charge" means a charge prescribed by the municipality;

"public notice" means a notice in a newspaper in at least two of the official languages in general use within the Province or area in question, and, where possible, the notice shall be published in a newspaper appearing predominantly in the language utilised in the publication of the notice;

"public water" means any river, watercourse, bay, estuary, the sea and any other water to which the public has the right of use or to which the public has the right of access;

“sanitation services” has the same meaning assigned to it in terms of the Act and includes for purposes of these bylaws water for industrial purposes and the disposal of industrial effluent;

“sea outfalls” means the discharge of effluent directly into the sea;

"service pipe" means a pipe which is part of a water installation provided and installed on any premises by the owner or occupier and which is connected or to be connected to a connection pipe to serve the water installation on the premises;

"sewage"	means waste water, industrial effluent, standard domestic effluent and other liquid waste, either separately or in combination, but shall not include stormwater;
"sewage disposal system"	means the structures, pipes, valves, pumps, meters or other appurtenances used in the conveyance through the sewer reticulation system and treatment at the sewage treatment plant under the control of the municipality or its authorised agent and which may be used by it in connection with the disposal of sewage and shall include the sea outfalls;
"sewer"	means any pipe or conduit which is the property of or is vested in the municipality or its authorised agent and which may be used for the conveyance of sewage from the connecting sewer and shall not include a drain as defined;
"standard domestic effluent"	means domestic effluent with prescribed strength characteristics in respect of chemical oxygen demand and settable solids as being appropriate to sewage discharges from domestic premises within the jurisdiction of the municipality or its authorised agent, but shall not include industrial effluent;
"stormwater"	means water resulting from natural precipitation or accumulation and includes rainwater, subsoil water or spring water;
"terminal water fitting"	means a water fitting at an outlet of a water installation that controls the discharge of water from a water installation;
"trade premises"	means premises upon which industrial effluent is produced;
"water fitting"	means a component of a water installation, other than a pipe, through which water passes or in which it is stored;
"water installation"	means the pipes and water fittings which are situated on any premises and vested in the owner thereof and used or intended to be used in connection with the use of water on such premises, and includes a pipe and water fitting situated outside the boundary of the premises, which either connects to the connection pipe relating to such premises or is otherwise laid with the permission of the municipality or its authorised agent;
“water services”	has the same meaning assigned to it in terms of the Act and includes for purposes of these bylaws water for industrial purposes and the disposal of industrial effluent;

“water supply services” has the same meaning assigned to it in terms of the Act and includes for purposes of these bylaws water for industrial purposes and the disposal of industrial effluent;

"water supply system" means the structures, aqueducts, pipes, valves, pumps, meters or other apparatus relating thereto which are vested in the municipality or its authorised agent and are used or intended to be used by it in connection with the supply of water, and includes any part of the system;

"wet industry" means an industry which discharges industrial effluent; and

"working day" means a day other than a Saturday, Sunday or public holiday.

Any word or expression used in these bylaws to which a meaning has been assigned in –

(a) the Act will bear that meaning; and

(b) the National Building Regulations and Building Standards Act, 1997 (Act No. 103 of 1977), the Building Regulations will in respect of Chapter III bear that meaning, unless the context indicates otherwise.

Any reference in Chapter I of these bylaws to water services or services must be interpreted as referring to water supply services or sanitation services depending on the services to which is applicable.

Part 2: Application for water services

Application for water services

2. (1) No person shall gain access to water services from the water supply system, sewage disposal system or through any other sanitation services unless he or she has applied to the municipality or its authorised agent on the prescribed form for such services for a specific purpose and to which such application has been agreed.

(2) Where a premises or consumer are provided with water services, it shall be deemed that an agreement in terms of Sub-Section (1) exists.

(3) An application agreed to by the municipality or its authorised agent shall constitute an agreement between the municipality or its authorised agent and the applicant, and such agreement shall take effect on the date referred to or stipulated in such agreement.

(4) A consumer shall be liable for all the prescribed tariffs and / or charges in respect of water services rendered to him or her until the agreement has been terminated in accordance with these bylaws or until such time as any arrears have been paid.

(5) In preparing an application form for water services the municipality or its authorised agent will ensure that the document and the process of interaction with the owner, consumer or any other person making application are understood by that owner, consumer or other person. In the case of illiterate or similarly disadvantaged persons, the municipality or its authorised agent will take reasonable steps to ensure that the person is aware of and understands the contents of the application form.

(6) Water services rendered to a consumer are subject to the provisions of these bylaws and the conditions contained in the relevant agreement.

(7) If a municipality or its authorised agent refuses an application for the provision of water services, is unable to render such water services on the date requested for such provision of water services to commence or is unable to render the water services the municipality or its authorised agent will inform the consumer of such refusal and / or inability, the reasons therefore and, if applicable, when the municipality or its authorised agent will be able to provide such water services.

3 Payment for Water Connection

1) The fees prescribed in the tariff to all consumers that receive or want to receive sanitation services will be for each individual stand payable by the owner in full before such a connection will be made to the sewer system.

2) The minimum charge payable in respect to have any application shall be the published tariff.

3) The Council shall have the right in the case of any special service being required from the Council to recover the cost thereof. Special service shall include but not limited to:

a) Any connection longer than 3 metres
b) Any road crossing and reinstatement of road the crossing
c) etc

Special agreements for water services

4. The municipality or its authorised agent may enter into a special agreement for the provision of water services to –

(a) an applicant inside its area of jurisdiction, if the services applied for necessitates the imposition of conditions not contained in the prescribed form; and

(b) an applicant outside its area of jurisdiction, if such application has been approved by the municipality or its authorised agent having jurisdiction in the area in which the premises is situated.

Part 3: Tariffs and charges

Prescribed tariffs and charges for water services

5. All tariffs and or charges payable in respect of water services rendered by the municipality or its authorised agent in terms of these bylaws, including but not limited to the payment of connection charges, fixed charges or any additional charges or interest in respect of failure to pay such tariffs or charges on the specified date will be set by the municipality –

   by a resolution passed by the Council; in accordance with –

   (i) its tariff policy;
   (ii) any bylaws in respect thereof; and
   (iii) any regulations in terms of Section (10) of the Act.

Fixed charges for water services

6. (1) The municipality may, in addition to the tariffs or charges prescribed for water services actually provided, levy a monthly fixed charge, annual fixed charge or once-off fixed charge in respect of the provision of water services in accordance with

   (a) its tariff policy;

   (b) any bylaws in respect thereof; and

   (c) any regulations in terms of Section (10) of the Act.

   (2) Where a fixed charge is levied in terms of Sub-Section (1), it shall be payable by every owner or consumer in respect of water services provided by the municipality or its authorised agent to him, her or it, whether or not water services are used by him, her or it.

Part 4: Payment

Payment of deposit

7. (1) Every consumer must on application for the provision of water services and before such water services will be provided by the municipality or its authorised agent, pay a deposit as determined by the municipality or its

authorised agent except in the case of a pre-payment measuring device being used by the municipality or its authorised agent.

(2) The municipality or its authorised agent may require a consumer to whom services are provided and who was not previously required to pay a deposit, for whatever reason, to pay a deposit on request, within a specified period.

(3) The municipality or its authorised agent may from time to time review the sum of money deposited by a consumer in terms of Sub-Section (1) and, in accordance with such review -

(a) require that an additional amount be deposited by the consumer; or

(b) refund to the consumer such amount as may be held by the municipality or its authorised agent in excess of the reviewed deposit.

(4) Subject to Sub-Section (5), an amount deposited with the municipality or its authorised agent in terms of Sub-Sections (1) or (2) shall not be regarded as being in payment or part payment of an account due for water services rendered.

(5) If, upon the termination of the agreement for the provision of water services, an amount remains due to the municipality or its authorised agent in respect of water services rendered to the consumer, the municipality or its authorised agent may apply the deposit in payment or part payment of the outstanding amount and refund any balance to the consumer.

(6) No interest shall be payable by the municipality or its authorised agent on the amount of a deposit held by it in terms of this Section.

(7) An agreement for the provision of water services may contain a condition that a deposit shall be forfeited to the municipality or its authorised agent if it has not been claimed within twelve months of the termination of the agreement.

Payment for water services provided

8. (1) Water services provided by the municipality or its authorised agent to a consumer shall be paid for by the consumer at the prescribed tariff or charge set in accordance with Sections (4) and (5), for the particular category of water services provided.

(2) A consumer shall be responsible for payment for all water services provided to the consumer from the date of an agreement until the date of termination thereof. If the consumer fails to pay, the owner shall be responsible.

(3) In the case of fault metering including stuck water meters,the municipality or its authorised agent may estimate the quantity of water services provided in respect of a period or periods within the interval between successive

measurements and may render an account to a consumer for the services so estimated. The estimated quantity of service might either be based on historical accurate readings or the consumption may be monitored for a period of three months and the net average quantity will be used to bill for the affected period

(4) If a consumer uses water supply services for a category of use other than that for which it is provided by the municipality or its authorised agent in terms of an agreement and as a consequence is charged at a rate lower than the rate which should have been charged, the Municipality or its authorised agent may make an adjustment of the amount charged in accordance with the rate which should have been charged and recover from the consumer the tariffs and charges payable in accordance with such adjustment. Provided that no such adjustment shall be made in respect of a period in excess **of 3 years** prior to the date on which the wrong charge was observed or the council was notified of such wrong charge by the consumer.

(5) A consumer must pay his or her or its account at an approved agent of the municipality or its authorised agent. A consumer shall remain liable for the payment of an account not paid with the municipality, its authorised agent or approved agent.

(6) A municipality or its authorised agent must inform a consumer as to who the approved agents for payment of accounts are.

Relocation of water service

8 The cost for the relocation of the water meter will be at the customer's account and at the prescribed water tariff

Part 5: Termination, limitation and discontinuation of water services

Termination of agreement for the provision of water services

9 (1) A consumer may terminate an agreement for the provision of water services by giving to the municipality or its authorised agent not less than ten (10) working days' notice in writing of his or her intention to do so.

(2) The municipality or its authorised agent may, by notice in writing of not less than thirty working days, advise a consumer of the termination of his, her or its agreement for the provision of water services if –

(a) he, she or it has not used the water services during the preceding six months and has not made arrangements to the satisfaction of the municipality or its authorised agent for the continuation of the agreement;

(b) he, she or it has failed to comply with the provisions of these bylaws and has failed to rectify such failure to comply on notice in terms of

Section (23) or to pay any tariffs or charges due and payable after the procedure set out in Section (11) was applied;

(c) in terms of an arrangement made by it with another water services institution to provide water services to the consumer.

(3) The municipality or its authorised agent may, after having given notice, terminate an agreement for services if a consumer has vacated the premises to which such agreement relates.

(4) The cost for the termination/removal of the water services will be at the customer's account and at the prescribed water tariff

Limitation and / or discontinuation of water services provided

10 (1) The municipality or its authorised agent may limit or discontinue water services provided in terms of these bylaws –

(a) on failure to pay the prescribed tariffs or charges on the date specified, after the provisions of Section (11) were applied;

(b) on failure to comply with any other provisions of these bylaws, after notice in terms of Section (23) was given;

(c) at the written request of a consumer;

(d) if the agreement for the provision of services has been terminated in terms of Section (13) and it has not received an application for subsequent services to the premises within a period of 90 (ninety) days of such termination;

(e) the building on the premises to which services were provided has been demolished;

(f) if the consumer has interfered with a limited or discontinued service; or

(g) in an emergency.

(2) The municipality or its authorised agent will not be liable for any damages or claims that may arise from the limitation or discontinuation of water services provided in terms of Sub-Section (1).

Restoration of water services

11. When a consumer enters into an agreement for the payment of the arrears amount in instalments after the receipt of a final demand notice or a discontinuation notice the water services will be restored to the type of service the consumer elected in terms of the agreement for the provision of water services, within 7 (seven) working days.

Part 6: General provisions

Responsibility for compliance with these bylaws

12. (1) The owner of premises is responsible for ensuring compliance with these bylaws in respect of all or any matters relating to any installation.

(2) The consumer is responsible for compliance with these bylaws in respect of matters relating to the use of any installation.

Exemption

13. (1) The municipality or its authorised agent may, in writing exempt an owner, consumer, any other person or category of owners, consumers or other persons from complying with a provision of these bylaws, subject to any conditions it may impose, if it is of the opinion that the application or operation of that provision would be unreasonable, provided that the municipality or its authorised agent shall not grant exemption from any section of these bylaws that may result in –

(a) the wastage or excessive consumption of water;

(b) the evasion or avoidance of water restrictions;

(c) significant negative effects on public health, safety or the environment;

(d) the non-payment for services;

(e) the installation of pipes and fittings which are not approved in terms of these bylaws; and

(f) the Act, or any regulations made in terms thereof, is not complied with.

(2) The municipality or its authorised agent may at any time after giving written notice of at least thirty days, withdraw any exemption given in terms of Sub-Section (1).

Unauthorised use of water services

14 (1) No person may gain access to water services from the water supply system, sewage disposal system or any other sanitation services unless an agreement has been entered into with the municipality or its authorised agent for the rendering of those services.

(2) The municipality or its authorised agent may, irrespective of any other action it may take against such person in terms of these bylaws, by written notice order a person who has gained access to water services from the water supply system, sewage disposal system or any other sanitation services

without an agreement with the municipality or its authorised agent for the rendering of those services,

(a) to apply for such services in terms of Sections 2 or 3; and

(b) to undertake such work as may be necessary to ensure that the consumer installation through which access was gained complies with the provisions of these bylaws.

(3) The provisions of Section 23 shall apply to a notice in terms of Sub-Section (2) above.

Change in purpose for which water services are used

15. Where the purpose or extent for which water services are used is changed, the consumer must enter into a new agreement with the municipality or its authorised agent.

Interference with water supply system or any sanitation services

16 (1) No person other than the municipality or its authorised agent shall manage, operate or maintain the water supply system or any sanitation system unless authorised by these bylaws or an authorised agent.

(2) No person other than the municipality or its authorised agent shall effect a connection to the water supply system or sewage disposal system or render any other sanitation services.

Obstruction of access to water supply system or any sanitation services

17. (1) No person shall prevent or restrict physical access to the water supply system or sewage disposal system.

(2) If a person contravenes Sub-Section (1), the municipality or its authorised agent may –

(a) by written notice require such person to restore access at his or her own expense within a specified period; or

(b) if it is of the opinion that the situation is a matter of urgency, without prior notice restore access and recover the cost from such person.

Notices and documents

18. (1) A notice or document issued by the municipality or its authorised agent in terms of these bylaws must be deemed to be duly authorised if the authorised agent signs it.

(2) If a notice or document is to be served on an owner, consumer or any other person in terms of these bylaws such service shall be effected by –

(a) delivering it to him or her personally or to his or her duly authorised agent;

(b) delivering it at his or her residence, village or place of business or employment to a person not less than sixteen years of age and apparently residing or employed there;

(c) if he or she has nominated an address for legal purposes, delivering it to such an address;

(d) if he or she has not nominated an address for legal purposes, delivering it to the address given by him or her in his or her application for the provision of water services, for the reception of an account for the provision of water services;

(e) sending by pre-paid registered or certified post addressed to his or her last known address;

(f) in the case of a legal person, by delivering it at the registered office or business premises of such legal person; or

(g) if service cannot be effected in terms of Sub-Sections (a) to (f), by affixing it to a principal door of entry to the premises concerned.

(3) In the case where compliance with a notice is required within a specified number of working days, such period shall be deemed to commence on the date of delivery or sending of such notice.

Power to serve and compliance with notices

19. (1) The municipality or its authorised agent may, by written notice, order an owner, consumer or any other person who fails, by act or omission, to comply with the provisions of these bylaws or of any condition imposed thereunder to remedy such breach within a period specified in the notice, which period shall not be less than thirty days.

(2) If a person fails to comply with a written notice served on him or her by the municipality or its authorised agent in terms of these bylaws within the specified period, it may take such action that in its opinion is necessary to ensure compliance, including –

(a) undertaking the work necessary itself and recovering the cost of such action or work from that owner, consumer or other person;

(b) limiting or discontinuing the provision of services; and

(c) instituting legal proceedings.

(3) A notice in terms of Sub-Section (1) will –

(a) give details of the provision of the bylaws not complied with;

(b) give the owner, consumer or other person a reasonable opportunity to make representations and state his or her case, in writing, to the municipality or its authorised agent within a specified period, unless the owner, consumer or other person was given such an opportunity before the notice was issued;

(c) specify the steps that the owner, consumer of other person must take to rectify the failure to comply;

(d) specify the period within which the owner, consumer or other person must take the steps specified to rectify such failure; and

(e) indicate that the municipality or its authorised agent –

(i) may undertake such work necessary to rectify the failure to comply if the notice is not complied with and that any costs associated with such work may be recovered from the owner, consumer or other person; and

(ii) may take any other action it deems necessary to ensure compliance.

(4) In the event of an emergency the municipality or its authorised agent may without prior notice undertake the work required by Sub-Section (3)(e)(i) and recover the costs from such person.

(5) The costs recoverable by the municipality or its authorised agent in terms of Sub-Sections (3) and (4) is the full cost associated with that work and includes, but is not limited to, any exploratory investigation, surveys, plans, specifications, schedules of quantities, supervision, administration charge, the use of tools, the expenditure of labour involved in disturbing or rehabilitation of any part of a street or ground affected by the work and the environmental cost.

Power of entry and inspection

20. (1) A municipality or its authorised agent may enter and inspect any premises –

(a) for the purposes set out in and in accordance with the provisions of Section 80 of the Act;

(b) for any purpose connected with the implementation or enforcement of these bylaws, at all reasonable times, after having given reasonable written notice of the intention to do so, unless it is an emergency situation.

False statements or information

21. No person shall make a false statement or furnish false information to the municipality or its authorised agent or falsify a document issued in terms of these bylaws.

Offences

22. (1) A person who –

(a) unlawfully and intentionally or negligently interfere with any water services works of the municipality or its authorised agent;

(b) fails to provide information or provide false information reasonably requested by the municipality or its authorised agent;

(c) fails or refuses to give access required by a municipality or its authorised agent in terms of Section 24;

(d) obstructs or hinders a municipality or its authorised agent in the exercise of his or her powers or performance of his or her functions or duties under these bylaws;

(e) contravenes or fails to comply with a provision of these bylaws;

(f) contravenes or fails to comply with a condition or prohibition imposed in terms of these bylaws;

(g) contravenes or fails to comply with any conditions imposed upon the granting of any application, consent, approval, concession, exemption or authority in terms of these bylaws; or

(h) fails to comply with the terms of a notice served upon him or her in terms of these bylaws; shall be guilty of an offence and liable on conviction to a fine not exceeding R3 000.00 or in default on payment, to imprisonment for a period not exceeding 4 months and in the event of a continued offence to a further fine not exceeding R1 000.00 for every day during the continuance of such offence after a written notice from the municipality or its authorised agent has been issued, and in the event of a second offence to a fine not exceeding R6 000.00 or, in default on payment to imprisonment for a period not exceeding 8 months.

Availability of bylaws

23. (1) A copy of these bylaws shall be included in the municipalities Municipal Code as required in terms of legislation.

(2) A copy of these bylaws shall be available for inspection at the municipal offices or at the offices of its authorised agent at all reasonable times.

(3) A copy of the bylaws may be obtained at the approved tariff from the municipality or its authorised agent.

CHAPTER II: Water supply services

Part 1: Connection to water supply system

Provision of connection pipe

24. (1) If an agreement for water supply services in respect of premises has been concluded and no connection pipe exists in respect of the premises, the owner shall make application on the prescribed form and pay the prescribed charge for the installation of such a pipe.

(2) If an application is made for water supply services which are of such an extent or so situated that it is necessary to extend, modify or upgrade the water supply system in order to supply water to the premises, the municipality or its authorised agent may agree to the extension subject to such conditions as it may impose.

Location of connection pipe

25 (1) A connection pipe provided and installed by the municipality or its authorised agent shall –

(a) be located in a position agreed to between the owner and the municipality or its authorised agent and be of a suitable size as determined by the municipality or its authorised agent;

(b) terminate at –

(i) the boundary of the land owned by or vested in the municipality or its authorised agent, or over which it has a servitude or other right; or

(ii) the outlet of the water meter if it is situated on the premises; or

(iii) the isolating valve if it is situated on the premises.

(2) In reaching agreement with an owner concerning the location of a connection pipe, the municipality or its authorised agent shall ensure that the owner is aware of

(a) practical restrictions that may exist regarding the location of a connection pipe;

(b) the cost implications of the various possible locations of the connection pipe;

(c) whether or not the municipality or its authorised agent requires the owner to indicate the location of the connection pipe by providing a portion of his or her water installation at or outside the boundary of his or her premises, or such agreed position inside or outside his or her premises where the connection is required, for the municipality or its authorised agent to connect to such installation.

(3) A municipality or its authorised agent may at the request of any person agree, subject to such conditions as he or she may impose, to a connection to a main other than that which is most readily available for the provision of water supply to the premises; provided that the applicant shall be responsible for any extension of the water installation to the connecting point designated by the municipality or its authorised agent and for obtaining at his or her cost, such servitudes over other premises as may be necessary.

(4) An owner must pay the prescribed connection charge.

Provision of single water connection for supply to several consumers on same premises

26. (1) Notwithstanding the provisions of Section 29 only one connection pipe to the water supply system may be provided for the supply of water to any premises, irrespective of the number of accommodation units, business units or consumers located on such premises.

(2) Where the owner, or the person having the charge or management of any premises on which several accommodation units are situated, requires the supply of water to such premises for the purpose of supply to the different accommodation units, the municipality or its authorised agent may, in its discretion, provide and install either –

(a) a single measuring device in respect of the premises as a whole or any number of such accommodation units; or

(b) a separate measuring device for each accommodation unit or any number thereof.

(3) Where the municipality or its authorised agent has installed a single measuring device as contemplated in Sub-Section (2)(a), the owner or the person having the charge or management of the premises, as the case may be, -

(a) must, if the municipality or its authorised agent so requires, install and maintain on each branch pipe extending from the connection pipe to the different accommodation units –

(i) a separate measuring device; and

(ii) an isolating valve; and

(b) will be liable to the municipality or its authorised agent for the tariffs and charges for all water supplied to the premises through such a single measuring device, irrespective of the different quantities consumed by the different consumers served by such measuring device.

(4) Notwithstanding Sub-Section (1), the municipality or its authorised agent may authorise that more than one connection pipe be provided on the water supply system for the supply of water to any premises comprising sectional title units or if, in the opinion of the municipality or its authorised agent, undue hardship or inconvenience would be caused to any consumer on such premises by the provision of only one connection pipe.

(5) Where the provision of more than one connection pipe is authorised by the municipality or its authorised agent under Sub-Section (4), the tariffs and charges for the provision of a connection pipe is payable in respect of each water connection so provided.

Interconnection between premises or water installations

27. An owner of premises shall ensure that no interconnection exists between –

(a) the water installation on his or her premises and the water installation on other premises; or

(b) where several accommodation units are situated on the same premises, the water installations of the accommodation units; unless he or she has obtained the prior written consent of the municipality or its authorised agent, and complies with any conditions that it may have imposed.

Disconnection of water installation from connection pipe

28. The municipality or its authorised agent may disconnect a water installation from the connection pipe and remove the connection pipe if –

(a) the agreement for supply has been terminated in terms of Section (13) and it has not received an application for a subsequent supply of water to the premises served by the pipe within a period of 90 days of such termination; or

(b) the building on the premises concerned has been demolished.

Part 2: Communal water services works

Provision of a water services work for water supply to several consumers

29. (1) A municipality or its authorised agent may install a communal water services work for the provision of water services to several consumers at a location it deems appropriate, provided that –

(a) the consumers to whom water services will be provided through that water services work has been consulted in respect of the level of service, tariff that will be payable and location of the work.

Part 3: Temporary supply

Water supplied from a hydrant

30. (1) The municipality or its authorised agent may authorise a temporary supply of water to be taken from one or more fire hydrants specified by it, subject to such conditions and period as may be prescribed by it.

(2) A person who desires a temporary supply of water referred to in Sub-Section (1) must apply for such water services in terms of Section (2).

(3) The supply of water in terms of Sub-Section (1) must be measured.

(4) The municipality or its authorised agent may for purposes of measuring provide a portable water meter to be returned to the municipality or its authorised agent on termination of the temporary supply, which portable meter and all other fittings and apparatus used for the connection of the portable water meter to a hydrant, shall remain the property of the municipality or its authorised agent and will be provided subject any conditions imposed by the municipality or its authorised agent.

Part 4: Standards and general conditions of supply

Quantity, quality and pressure

31. (1) Water supply services provided by the municipality or its authorised agent will comply with the minimum standards set for the provision of water supply services in terms of Section (9) of the Act.

(2) The municipality will provide the water service within the following pressure standards:

Residual pressures		
Types of Development	Minimum Head Under Instantaneous Peak Demand (m)	Maximum Head Under Zero Flow Condition (m)
Dwelling houses: house connections	24**	90
Dwelling houses: yard taps and yard tanks	10**	90

*** Plus the height difference between the Municipal main and the highest level at any point on the erf not exceeding 50m from the boundary adjacent to the Municipal main. The customer that requires more than the minimum pressure must install a pressure booster system.*

General conditions of supply

32. (1) The municipality or its authorised agent may specify the maximum height to which water will be supplied from the water supply system. Where a consumer requires water to be supplied at a greater height or pressure the consumer will be responsible therefor.

(2) The municipality or its authorised agent may, in an emergency, interrupt the supply of water to any premises without prior notice.

(3) If in the opinion of the municipality or its authorised agent the consumption of water by a consumer adversely affects the supply of water to another consumer, it may apply such restrictions as it may deem fit to the supply of water to the first mentioned consumer in order to ensure a reasonable supply of water to the other consumer and will inform that consumer of such restrictions.

Part 5: Measurement of water supply services

Measuring of quantity of water supplied

33. (1) The municipality or its authorised agent will measure the quantity of water supplied at regular intervals.

(2) Any measuring device through which water is supplied to a consumer by the municipality or its authorised agent and its associated apparatus shall be provided and installed by the municipality or its authorised agent, shall remain its property, and may be changed and maintained by the municipality or its authorised agent when deemed necessary by it.

(3) The municipality or its authorised agent may install a measuring device, and its associated apparatus, on premises at any point on the service pipe.

(4) If the municipality or its authorised agent installs a measuring device on a service pipe in terms of Sub-Section (3), it may install a section of pipe and associated fittings between the end of its connection pipe and the meter, and such section shall be deemed to form part of the water supply system.

(5) If the municipality or its authorised agent installs a measuring device together with its associated apparatus on a service pipe in terms of Sub-Section (3), the owner shall –

(a) provide a place satisfactory to the municipality or its authorised agent in which to install it;

(b) ensure that unrestricted access is available to it at all times;

(c) be responsible for its protection and be liable for the costs arising from damage thereto, excluding damage arising from normal fair wear and tear;

(d) ensure that no connection is made to the pipe in which the measuring device is installed, between the measuring device and the connection pipe serving the installation; and

(e) make provision for the drainage of water which may be discharged, from the pipe in which the measuring device is installed, in the course of work done by the municipality or its authorised agent on the measuring device.

(6) No person other than an authorised agent shall –

(a) disconnect a measuring device and its associated apparatus from the pipe in which they are installed;

(b) break a seal which the municipality or its authorised agent has placed on a meter; or

(c) in any other way interfere with a measuring device and its associated apparatus.

(7) If the municipality or its authorised agent considers that, in the event of the measuring device being a meter that the size of a meter is unsuitable by reason of the quantity of water supplied to premises, it may install a meter of

such size as it may deem necessary, and may recover from the owner of the premises concerned the prescribed charge for the installation of the meter.

(8) The municipality or its authorised agent may require the installation, at the owner's expense, of a measuring device to each dwelling unit, in separate occupancy, on any premises, for use in determining quantity of water supplied to each such unit; provided that where fixed quantity water delivery systems are used, a single measuring device may be used to supply more than one unit.

Quantity of water supplied to consumer

34. (1) For purposes of assessing the quantity of water measured by a measuring device installed by the municipality or its authorised agent on the premises of a consumer or, where applicable, estimated or determined by the municipality or its authorised agent in terms of any provision of these bylaws, it will, for the purposes of these bylaws, be deemed, unless the contrary can be proved, that –

(a) the quantity is represented by the difference between measurements taken at the beginning and end of such period;

(b) the measuring device was accurate during such period;

(c) the entries in the records of the municipality or its authorised agent were correctly made; and

(d) provided that if water is supplied to, or taken by, a consumer without its passing through a measuring device, the estimate by the municipality or its authorised agent of the quantity of such water shall be deemed to be correct.

(2) Where water supplied by the municipality or its authorised agent to any premises is in any way taken by the consumer without such water passing through any measuring device provided by the municipality or its authorised agent, the municipality or its authorised agent may for the purpose of rendering an account estimate, in accordance with Sub-Section (3), the

quantity of water supplied to the consumer during the period from the last previous reading of the water meter until the date it is discovered that water is so taken by the consumer.

(3) For the purposes of Sub-Section (2), an estimate of the quantity of water supplied to a consumer shall be based on, as the municipality or its authorised agent may decide -

(a) the average monthly consumption of water on the premises during any three consecutive measuring periods during the twelve months' period prior to the date on which the taking of water in the manner mentioned in Sub-Section (2) was discovered; or

(b) the average monthly consumption on the premises registered over three succeeding measuring periods after the date referred to in Sub-Section (3)(a).

(4) Nothing in these regulations shall be construed as imposing on the municipality or its authorised agent an obligation to cause any measuring device installed by the municipality or its authorised agent on any premises to be measured at the end of every month or any other fixed period, and the municipality or its authorised agent may estimate the quantity of water supplied over any period during the interval between successive measurements of the measuring device and render an account to a consumer for the quantity of water so estimated.

(5) The municipality or its authorised agent must, on receipt from the consumer of written notice of not less than 7 (seven) days and subject to payment of the prescribed charge, measure the quantity of water supplied to consumer at a time or on a day other than that upon which it would normally be measured.

(6) If a contravention of Sub-Section 36(6) occurs, the consumer shall pay to the municipality or its authorised agent the cost of such quantity of water as in the municipality or its authorised agent's opinion was supplied to him or her.

(7) Until such time a measuring device have been installed in respect of water supplied to a consumer the estimated or assumed consumption of that consumer must be based on the average consumption of water supplied to the specific zone within which the consumer's premises is situated, during a specific period.

(8) Where in the opinion of the municipality or its authorised agent it is not reasonably possible or cost effective to measure water supplied to each consumer within a determined zone, the municipality or its authorised agent may determine a basic tariff or charge to be paid by each consumer within that zone irrespective of actual consumption.

(9) A tariff or charge determined in terms of Sub-Section (8) will be based on the estimated average consumption of water supplied to that zone.

(10) Where water supply services are provided through a communal water services work the amount due and payable by consumers gaining access to water supply services through that communal water services work must be based on the estimated average consumption of water supplied to that water services work.

Defective measurement

35. (1) If a consumer has reason to believe that a measuring device, used for measuring water, which was supplied to him or her by the municipality or its authorised agent is defective he or she may, against payment of the prescribed charge, make application in writing for the measuring device to be tested.

(2) The provisions of Sections 10(8) to 10(12) will apply to such an application.

Special measurement

36 (1) If the municipality or its authorised agent wishes, for purposes other than charging for water consumed, to ascertain the quantity of water which is used in a part of a water installation, it may by written notice advise the owner concerned of its intention to install a measuring device at such point in the water installation as it may specify.

(2) The installation of a measuring device referred to in Sub-Section (1), its removal, and the restoration of the water installation after such removal shall be carried out at the expense of the municipality or its authorised agent.

(3) The provisions of Sections 37(5) and 37(6) shall apply insofar as they may be applicable in respect of a measuring device installed in terms of Sub-Section (1).

No reduction of amount payable for water wasted

37. A consumer shall not be entitled to a reduction of the amount payable for water wasted or water losses in a water installation.

Adjustment of quantity of water supplied through defective measuring device

38. (1) If a measuring device is found to be defective in terms of Section 10(11), the municipality or its authorised agent may estimate the quantity of water supplied to the consumer concerned during the period in which, in its opinion, such measuring device was defective, on the basis of the average daily quantity of water supplied to him or her over

(a) a period between two successive measurements subsequent to the replacement of the measuring device; or

(b) a period in the previous year corresponding to the period in which the measuring device was defective; or

(c) the period between three successive measurements prior to the measuring device becoming defective; whichever it considers the most appropriate.

(2) If the quantity of water supplied to a consumer during the period when his or her measuring device was defective cannot be estimated in terms of Sub-Section (1), the municipality or its authorised agent may estimate the quantity on any basis that is available to it.

(3) Provided that no such adjustment shall be made in respect of a period in excess of 12 months prior to the date on which the meter was found to be registering incorrectly.

Part 6: Installation work

Approval of installation work

39. (1) If an owner wishes to have installation work done, he or she must first obtain the municipality or its authorised agent's written approval; provided that approval shall not be required in the case of water installations in dwelling units or installations where no fire installation is required in terms of SABS

Code 0400 or for the repair or replacement of an existing pipe or water fitting other than a fixed water heater and its associated protective devices.

(2) Application for the approval referred to in Sub-Section (1) shall be made on the prescribed form and shall be accompanied by –

(a) the prescribed charge, if applicable;

(b) copies of the drawings as prescribed by the municipality or its authorised agent, giving information in the form required by Clause 4.1.1 of SABS Code 0252 : Part I; and

(c) a certificate certifying that the installation has been designed in accordance with SABS Code 0252 : Part I or has been designed on a rational basis.

(3) The provisions of Sub-Sections (1) and (2) shall not apply to a qualified plumber who replaces a fixed water heater or its associated protective devices.

(4) Authority given in terms of Sub-Section (1) shall lapse at the expiry of a period of twenty-four months after the first day of the month succeeding the month in which the authority is given.

(5) A complete set of approved drawings of installation work shall be available at the site of the work at all times until such work has been completed, where approval was required in terms of Sub-Section 1.

(6) If installation work has been done in contravention of Sub-Section (1) or (2), the municipality or its authorised agent may by written notice require the owner of the premises concerned to –

(a) comply with that regulation within a specified period;

(b) if work is in progress, to cease the work; and

(c) to remove all such work which does not comply with these bylaws.

Persons permitted to do installation and other work

Provision and maintenance of water installations

40. (1) An owner must provide and maintain his or her water installation at his or her own cost and, where permitted in terms of Sub-Section (2), must ensure that the installation is situated within the boundary of his or her premises.

(2) Before doing work in connection with the maintenance of a portion of his or her water installation which is situated outside the boundary of his or her premises, an owner shall obtain the written consent of the municipality or its

authorised agent or the owner of the land on which such portion is situated, as the case may be.

Use of pipes and water fittings to be authorised

41. (1) No person shall, without the prior written authority of the municipality or its authorised agent, install or use a pipe or water fitting in a water installation within the municipality or its authorised agent's area of jurisdiction unless it is included in the Schedule of Approved Pipes and Fittings as compiled by the municipality or its authorised agent.

(2) Application for the inclusion of a pipe or water fitting in the Schedule referred to in Sub-Section (1) must be made on the form prescribed by the municipality or its authorised agent and be accompanied by the prescribed charge.

(3) A pipe or water fitting may be included in the Schedule referred to in Sub-Section (1) if –

(a) it bears the standardisation mark of the South African Bureau of Standards in respect of the relevant SABS specification issued by the Bureau; or

(b) it bears a certification mark issued by the SABS to certify that the pipe or water fitting complies with an SABS Mark specification or a provisional specification issued by the SABS, provided that no certification marks shall be issued for a period exceeding two years.

(4) The municipality or its authorised agent may, in respect of any pipe or water fitting included in the Schedule, impose such additional conditions, as it may deem necessary in respect of the use or method of installation thereof.

(5) A pipe or water fitting shall be removed from the Schedule if it –

(a) no longer complies with the criteria upon which its inclusion was based; or

(b) is no longer suitable for the purpose for which its use was accepted.

(6) The current schedule shall be available for inspection at the office of the municipality or its authorised agent at any time during working hours.

(7) The municipality or its authorised agent may sell copies of the current schedule at the prescribed charge.

Labelling of terminal water fittings and appliances

42. All terminal water fittings and appliances using or discharging water shall be marked, or have included within the packaging of the item, the following information:

    (a) the range of pressure in kPa over which the water fitting or appliance is designed to operate;

    (b) the flow rates, in litres per minute, related to the design pressure range, provided that this information shall be given for at least the following water pressures –

        (i) 20 kPa
        (ii) 100 kPa
        (iii) 400 kPa

Part 7: Water pollution, restriction and wasteful use of water

Owner to prevent pollution of water

43. An owner shall provide and maintain approved measures to prevent the entry of a substance, which may be a danger to health or adversely affect the potability of water or affect its fitness for use, into –

    (a) the water supply system; and
    (b) any part of the water installation on his or her premises.

Water restrictions

44. (1) The municipality or its authorised agent may by public notice to prevent the wasteful use of water in terms of Section (51) or in the event of a water shortage, drought or flood –

    (a) prohibit or restrict the consumption of water in the whole or part of its area of jurisdiction in general or for –

        (i) specified purposes;

        (ii) during specified hours of the day or on specified days; and

        (iii) in a specified manner; and

    (b) determine and impose -

(i) limits on the quantity of water that may be consumed over a specified period;

(ii) charges additional to those prescribed in respect of the supply of water in excess of a limit contemplated in Sub-Section (1)(b)(i); and

(iii) a general surcharge on the prescribed charges in respect of the supply of water; and

(c) impose restrictions or prohibitions on the use or manner of use or disposition of an appliance by means of which water is used or consumed, or on the connection of such appliances to the water installation.

(2) The municipality or its authorised agent may limit the application of the provisions of a notice contemplated by Sub-Section (1) to specified areas and categories of consumers, premises and activities, and may permit deviations and exemptions from, and the relaxation of, any of the provisions on reasonable grounds.

(3) The municipality or its authorised agent may –

(a) take, or by written notice require a consumer at his or her own expense to take, such measures, including the installation of measurement devices and devices for restricting the flow of water, as may in its opinion be necessary to ensure compliance with a notice published in terms of Sub-Section (1); or

(b) discontinue or, for such period as it may deem fit, limit the supply of water to any premises in the event of a contravention on such premises or failure to comply with the terms of a notice published in terms of Sub-Section (1), subject to notice in terms of Section (23); and

(c) where the supply has been discontinued, it shall only be restored when the prescribed charge for discontinuation and reconnecting the supply has been paid.

(4) The provisions of this section shall also apply in respect of water supplied directly by the municipality or its authorised agent to consumers outside its area of jurisdiction, notwithstanding anything to the contrary in the conditions governing such supply, unless otherwise specified in the notice published in terms of Sub-Section (1).

Waste of water unlawful

45. (1) No consumer shall permit –

(a) the purposeless or wasteful discharge of water from terminal water fittings;

(b) pipes or water fittings to leak;

(c) the use of maladjusted or defective water fittings;

(d) an overflow of water to persist; or

(e) an inefficient use of water to persist.

(2) An owner shall repair or replace any part of his or her water installation which is in such a state of disrepair that it is either causing or is likely to cause an occurrence listed in Sub-Section (1).

(3) If an owner fails to take measures as contemplated in Sub-Section (2), the municipality or its authorised agent shall, by written notice in terms of Section (23), require the owner to comply with the provisions of Sub-Section (1).

(4) A consumer shall ensure that any equipment or plant connected to his or her water installation uses water in an efficient manner.

(5) The municipality or its authorised agent may, by written notice, prohibit the use by a consumer of any equipment in a water installation if, in its opinion, its use of water is inefficient. Such equipment shall not be returned to use until its efficiency has been restored and a written application to do so has been approved by the municipality or its authorised agent.

Part 8: Water Audit

Water audit

46. (1) Water users using more than 3 650 Kl per annum, excluding those comprising multiple dwelling units, must within one month after the end of each financial year of the municipality or its authorised agent undertake an annual water audit at their own cost.

(2) A copy of the audit must be available for inspection by officials from the Department of Water Affairs and Forestry, the water board, if applicable, and the municipality or its authorised agent.

(3) The audit must contain details in respect of –

(a) the amount of water used during the financial year;

(b) the amount paid for water for the financial year;

(c) the number of people living on the stand or premises;

(d) the number of people permanently working on the stand or premises;

(e) the seasonal variation in demand through monthly consumption figures;

(f) the water pollution monitoring methods;

(g) the current initiatives to manage demand for water;

(h) the plans to manage their demand for water;

(i) a comparison of the above factors with those reported in each of the previous three years (where available);

(j) estimates of consumption by various components of use; and

(k) a comparison of the above factors with those reported in each of the previous three years, where available.

Part 9: General provisions

Notification of boreholes

47. (1) The municipality or its authorised agent may, by public notice, require –

(a) the owner of any premises within the area of jurisdiction of the municipality or its authorised agent upon which a borehole exists or, if the owner is not in occupation of such premises, the occupier thereof, to notify it on the prescribed form of the existence of a borehole on such premises, and provide it with such information in respect thereof as it may require; and

(b) the owner or occupier of any premises who intends to sink a borehole on such premises to notify it on the prescribed form of such intention before work in connection therewith is commenced.

(c) The owner who has an existing borehole or who wants to drill a new borebole must pay a prescribed borehole registration fee

(2) The municipality or its authorised agent may require the owner or occupier of any premises who intends to sink a borehole to undertake an environmental impact assessment for such intended borehole, to the satisfaction of the municipality or its authorised agent, before sinking the borehole.

(3) Boreholes are subject to any requirements of the National Water Act, 1998 (Act No. 136 of 1998).

(4) The municipality or its authorised agent may by notice to an owner or occupier or by public notice require owners and occupiers on who has existing boreholes used for water services to –

(a) obtain approval from it for the use of a borehole for water services in accordance with Sections 6, 7 and 22 of the Act;

(b) impose conditions in respect of the use of a borehole for water services; and

(c) impose a fixed charge in respect of the use of such a borehole.

(5) The owner of a property with a borehole is required to install a meter on the borehole to monitor the abstraction. The monthly meter readings should be submitted every month by the 5th of the following month to the municipality for among other purposes sewage calculation charges. The meter should be calibrated every year and proof thereof submitted to the municipality

(6) No boreholes for the abstraction of groundwater are permitted on dolomite land in the Midvaal Local Municipality without the written consent of the Dolomite Risk Management Function of the municipality.

(7) Existing boreholes for the abstraction of groundwater on dolomite land in the Midvaal Local Municipality shall be registered with the Dolomite Risk Management Function within 12 (twelve) months of promulgation of these by laws. And where required such abstraction license or permission can be revoked in the interest of safety

Sampling of water

48. (1)The municipality or its authorised agent shall require the owner or occupier of any premises who intends to sink a borehole to submit water quality results 30 days after drilling the borehole. Thereafter water quality results must be submitted every six (6) months.

(2) If the results are not satisfactory, the municipality or its authorized agent may cause the decommissioning of the borehole.

(3)The municipality or its authorised agent may take samples of water obtained from a source, authorised in terms of Sections (6) or (7) of the Act, other than the water supply system for domestic purposes and cause the samples to be tested for compliance with any national standards prescribed in terms of Section (9) of the Act.

(4) The prescribed charge for the taking and testing of the samples referred to in Sub-Section (1) shall be paid by the person to whom approval to use the water for potable water was granted in terms of Section 6(1) of the Act.

Supply of non-potable water by municipality or its authorised agent

49. (1) The municipality or its authorised agent may on application in terms of Section (3) agree to supply non-potable water to a consumer, subject to such terms and conditions as the municipality or its authorised agent may impose.

(2) Any supply of water agreed to in terms of Sub-Section (1) shall not be used for domestic or any other purposes, which, in the opinion of the municipality or its authorised agent, may give rise to a health risk.

(3) No warranty, expressed or implied, shall apply to the purity of any non-potable water supplied by the municipality or its authorised agent or its suitability for the purpose for which the supply was granted.

(4) The supply of non-potable water shall, both as to condition and use, be entirely at the risk of the consumer, who shall be liable for any consequential damage or loss arising to himself, herself or others arising directly or indirectly therefrom, including the consequences of any bona fide fault of the municipality or its authorised agent or the malfunction of a treatment plant.

Testing of pressure in water supply systems

50. The municipality or its authorised agent may, on application by an owner and on payment of the prescribed charge, determine and furnish the owner with the value of the pressure in the water supply system relating to his or her premises over such period as the owner may request.

Pipes in streets or public places

51. No person shall for the purpose of conveying water derived from whatever source, lay or construct a pipe or associated component on, in or under a street, public place or other land owned by, vested in, or under the control of any municipality or its authorised agent, except with the prior written permission of that municipality or its authorised agent and subject to such condition as it may impose.

APPENDIX 1: BOREHOLE APPLICATION FORM

ENGINEERING SERVICES

APPLICATION FORM FOR DRILLING OF BOREHOLES

Applications shall be addressed to the office of Engineering Services, and they can be submitted to the Head of Department, at address 56 Rooibok street, Highbury for approval and shall be endorsed from the office of the Executive Director: Engineering Services.

None-domestic applications shall be addressed to Department of Water and Sanitation for approval.

Please select the type of work you propose to carry out:

1.1 Construct a new borehole **YES** ☐ ☐

(*If **YES** go to PART 2.0 and 4.0)*

1.2 Construction replacement borehole and backfill existing borehole **YES** ☐ **NO** ☐

1. APPLICANT (S) DETAILS	
Names (in full)	
Name of body corporate (if applicable)	
Residential address:	
Residential address:	
Contact name	
Phone/ Mobile number	
Email Address:	

(*If **YES** go to PART 3.0)*

1.3 Carry out work on an existing borehole **YES** **NO**

(*If **YES** go to PART 5.0)*

2. NEW BOREHOLE DETAILS

2.1 Number of boreholes to be drilled: _____

2.2 Proposed depth of the borehole: _____metres

2.3 GPS coordinates of the borehole: S_____ E_____

3. REPLACEMENT BOREHOLE DETAILS

3.1 Existing borehole permit number: _____ Depth_____

3.2 Proposed depth of the borehole: _____metres

3.3 GPS coordinates of the borehole:

South: _____

East: _____

4 PROPOSED BOREHOLE DETAILS

4.1Please indicate the proposed use of water:

a) Irrigation: ☐

b) Domestic: ☐ No. of Houses: _____ Human consumption **YES** ☐ **NO** ☐

*If **YES** distance of borehole from nearest septic tank: _____ metres*

5 CARRY OUT WORK ON EXISTING BOREHOLE

5.1 Borehole permit number: _____Date Drilled_____

5.2 Current depth: _____ metres Borehole purpose: _____

5.3 Borehole information at the current borehole:

1) Type_____ Diameter _____mm from _____metres to _____metres _____

2) Type_____ Diameter _____mm from _____metres to _____metres _____

3) Type_____ Diameter _____mm from _____metres to _____metres _____

Details of cementing: _____ Details of screen: _____

7.4 Is it proposed to deepen an existing borehole? **YES** ☐ **NO** ☐

Proposed diameter: _____mm Proposed diameter: _____mm

7.6 Is it proposed to remove, replace, alter, slot or repair the casing, lining or screen of borehole?

YES ☐ **NO** ☐ Details of rehabilitation: _____

7.7 Is it proposed to plug, backfill or seal the existing borehole? ☐ **YES** **NO** ☐

7.8 GPS coordinates of the borehole: S_____ E_____

6 SIGNED BY THE APPLICANT

I/We declare that the information that has been provided on this application is true and correct:

SIGNED:

1. Where the applicant is an individual or two		
Print name:	Sign Here:	Date:
Print name:	Sign Here:	Date:
2. Where the applicant is a company or an incorporated association the authorised person(s) duly ed to sign for and behalf of the organisation:		
Name of Company:		
Print name:	Sign Here:	Date:
Position Held		
Print name:	Sign Here:	Date:

Position Held

7 OFFICE USE:
Application receipt date: _____ Name of recipient: _____ Signature of recipient: _____
Permission granted: YES ☐ NO ☐ *If* YES *what are the conditions of approval:* _____ _____ _____ _____
APPROVAL GRANTED BY: Name: _____ Date: _____ Signature _____

Note: Approved applicants shall be expected to comply with the approval conditions, failure to comply may result to termination of the approval. Boreholes which are posing risk to the consumers and surrounding environment shall be terminated with immediate effect

ENGINEERING SERVICES

REGISTRATION OF PRIVATE BOREHOLE

APPLICANT DETAILS:
FULL NAMES: .....
SURNAME: .....
ID/PASSPORT NO.: .....

PHYSICAL ADDRESS:
.....
.....
.....

CONTACT TEL: (0) .....
CANTACT CELL: (0) .....
E-MAIL ADDRESS: .....

OWNER DETAILS:
FULL NAMES: .....
SURNAME: .....
ID/PASSPORT No.: .....
ACCOUNT NO. : .....

PHYSICAL ADDRESS:
.....
.....
.....

CONTACT TEL: (0) .....
CANTACT CELL: (0) .....
E-MAIL ADDRESS: .....

BOREHOLE DETAILS:

EXISTING OR NEW BOREHOLE : .....

BOREHOLE DEPTH (Meters): .....

WAS THE ENVIRONMENTAL IMPACT ASSESSMENT CONDUCTED? .....

IS THE ENVIRONMENTAL IMPACT ASSESSMENT REPORT ATTACHED? .....

0 BOREHOLE DETAILS

SHAFT DIAMETER (MM): .....
BOREHOLE YIELD: .....
CURRENT DEMAND: .....
PROJECTED DEMAND: .....
STORAGE TANK/S: .....
STORAGE TANK SIZE (M) .....
ELEVATED STORAGE: .....
CLOSED STORAGE TANK .....
NUMBER OF USERS: .....
USAGE OF BOREHOLE .....
CHLORINE INSTALLATION: .....

BOREHOLE PHYSICAL PROPERTIES

LOCATION OF BOREHOLE: X-COORDINATES: .....
Y-COORDINATES: .....

SOIL CONDITION AT BOREHOLE: .....
SOIL PROFILE REPORT ATATCHED .....
PROJECTED DEMAND: .....
GEOLOGIST REPORT ATTACHED: .....
SOIL PROFILE DURING DRILLING: .....

EXISTING MUNICIPAL WATER SUPPLY

IS THERE AN EXISTING MUNICIPAL WATER METER CONNECTED TO THE STAND ? : .....

IF YES TO THE ABOVE, DID OWNER ENSURE BOREHOLE IS NOT LINKED TO METER ?: .....

WATER SUPPLY QUALITY TESTING

TESTING DATE: .....
NAME OF LAB: .....

ATTACHED TEST LAB CERTIFICATE: .....
RECCOMENDED USE BY TEST LAB: .....

SIGNATORIES:

APPROVED	
NOT APPROVED	

.....
APPLICANT

.....
STAND OWNER

.....
EXECUTIVE DIRECTOR: ENGINEERING SERVICES

NOTE:
Attach the soil profile as encountered during the drilling to this registration. This soil profile need to be signed on a letter head of the drilling company!
The above registration needs to be read with the current approved Water Supply By-Law of the Midvaal Local Municipality By-law, Section 52, Should no provision be made in the above form for any additional information, as per the general provision in the current approved Water Services By-Law of Midvaal Local Municipality, such requirement need to be attached.

Annexure AH
Supply Chain Management Process Turn-around Time Policy
2024/2025

SUPPLY CHAIN MANAGEMENT PROCESS TURN-AROUND TIME POLICY

2024/2025 FINANCIAL YEAR

MIDVAAL
LOCAL MUNICIPALITY

NO.	INDEX	PAGE NO.

1.	BACKGROUND	3
2.	DEFINITIONS	3
3.	OBJECTIVES	3
4.	TURN AROUND TIMES FOR VARIOUS LEVEL OF PROCUREMENT PROCESSES	4

1. BACKGROUND

The MFMA SCM regulations provide that effective supply chain processes must be in place to render effective service delivery within the set legislative provisions.

The SCM Unit must ensure proper financial control; uphold the principle of effective administration and a high standard of service levels. The SCM unit assists the various departments in ensuring effective service delivery and ensuring the delivery of good quality products and services in the shortest possible turn-around time.

2. DEFINITIONS

In this Policy, unless the context indicates otherwise, the following definitions are applied: -

"End user" means an MLM official who has requested the goods and services who will receive such and utilise for the purpose it is intended.

"*Official order*" means a system generated document used to order goods and services.

"Working days" means office hours between 07:30 and 16:00 Monday to Friday excluding public holidays and weekends

3. OBJECTIVES OF THE POLICY

3.1 The aim of this policy is:

a) To set standards on turn-around times for the various supply chain processes.

b) To eliminate any potential delays in the procurement processes that may have a negative impact in delivering goods and services and getting capital projects off the ground

c) To ensure that services are rendered efficiently and effectively.

4. TURN AROUND TIMES FOR VARIOUS LEVELS OF PROCUREMENT PROCESSES

NO.	BID PROCESS INDICATORS	TURNAROUND TIME INDICATORS
1	Three written quotations for goods and services with a transaction value between R2 000.01 and R 30 000. (Specifications, request for quotations, evaluations, award and official order)	5 working days from date of receipt of correct specifications / order requests from end-user excluding delays Excluding Section 36 approvals
2	Seven (7) day process for goods and services with a transaction value between R30 000.01 and R300 000. (Specifications, advert, 7-day notice on website and notice boards, evaluations, approval memo awards and order/appointment letter)	20 working days from closing date of the bid.
3	Turnaround time for the formal SCM bid process for goods and services above R300 000. (specifications, bid spec committee, ad, formal ad in local media, on website and notice boards, bid opening commercial report capturing, technical evaluations, formal bid evaluation committee and formal bid adjudicating committee approval and issue of order/appointment letter)	90 working days from closing date of the bid. Excluding unforeseen delays and extension of validity.
4	**Bid Committees:** Bid Specification Committee Bid Evaluation Committee Bid Adjudication Committee	Notice minimum 2 working days in advance. Notice minimum 2 working days in advance. Notice minimum 3 working days in advance. Special meetings may be convened as and when required, the above time frames will not be applicable.

Annexure AI
EFT Policy
2024/2025

EFT POLICY

2024/2025 FINANCIAL YEAR

MIDVAAL
LOCAL MUNICIPALITY

Midvaal Local Municipality recognises that the use of electronic funds transfer as a faster, easier and more efficient method of payment to creditors.

Internal controls such as written policies and procedures, authorisations, segregation of duties and monitoring are still important in the new technological world.

Electronic banking will be used for, but not limited to, the following:

- Online banking services (reviewing account balances, retrieving bank statements
- Paying of creditors
- Paying of salaries
- Refund of billing payments
- Investment of funds in accordance with Council investment policy.

1. <u>Municipal Expenditure</u>

All expenditure of Midvaal Local Municipality shall be incurred in terms of section 15 of the MFMA.

2. <u>Electronic Fund Transfer</u>

1) The Chief Financial Officer shall delegate officials in writing for authority to process electronic payments. EFT payments processed on behalf of the Municipality shall be completed by different officials at different levels in line with delegations' policy to ensure segregation of duties. This will minimize fraud.

2) Delegation shall be made in terms of Section 79 of the MFMA.

Only the Accounting Officer or the Chief Financial Officer of Midvaal Local Municipality or any other delegated senior financial officer of the municipality acting on written authority of the Accounting Officer, may authorise the withdrawal

of money from Midvaal Local Municipality's bank account through the appropriate EFT process.

3) Such withdrawals shall be accompanied by official expenditure documents which are duly authorised for purposes as prescribed in section 11(a)-(j) of the MFMA.

4) Officials delegated in terms of Section 79 of the MFMA:
   - Chief Financial Officer
   - Director Supply Chain Management
   - Director Expenditure
   - Director: Financial Control

5) Once an EFT transaction has been completed, the payment list with banking details, together with the supporting documentation, is submitted to the 2nd approver for final verification and approval.

3. Banking details

1) Suppliers banking details are captured onto the system once the bank details have been verified on CSD (Central Supplier Database) or upon receipt of the bank stamped bank confirmation letter. Once captured, the bank details are then verified and authorised on the system. Banking details cannot be captured and authorised by the same official, thereby ensuring segregation of duties.

4. Controls for EFT users

1) Access to the banking system is restricted to authorised officials. These officials are authorised by completing a request for user form which is then signed by the authorised signatories at the bank.

2) Two different users are required to effect an EFT transaction, as two approvals are required before a payment is made. Both approvals have to be made the same day, otherwise the transaction is aborted.

5. Additional Precautions

1) The following precautions should be taken when entering user codes and passwords on the internet:
    - Check to make sure that the URL begins with "https" rather than "http".
    - Ensure that the website has a security certificate.
    - Always ensure the secrecy of your password

Annexure AJ
Policy on Impairment of Receivables
2024/2025

POLICY ON IMPAIRMENT OF RECEIVABLES (METHODOLOGY)

2024/2025 FINANCIAL YEAR

MIDVAAL
LOCAL MUNICIPALITY

CONTENTS

1. OBJECTIVES OF POLICY 3
2. INTRODUCTION 3
3. IMPAIRMENT OF RECEIVABLES 4
4. IMPLEMENTATION AND REVIEW OF THIS POLICY 6

POLICY ON IMPAIRMENT OF RECEIVABLES (METHODOLOGY)

1. OBJECTIVES OF POLICY

To ensure that receivables from exchange transactions and receivables from non-exchange transactions are disclosed in the annual financial statements at amounts that are deemed to be collectable.

To ensure that the methodology for making an assessment of the impairment provision is based on and consistent.

2. INTRODUCTION

This policy provides guidelines on the basis on which the impairment provision is calculated.

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures.

Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include the impairment of receivables.

The municipality assesses its receivables for impairment at the end of each reporting period.

The effective management of receivables include, amongst others, the following processes:

- Implementation and maintenance of the appropriate ICT (Information Communication Technology) systems and business processes;
- Regular and accurate billing;
- Customer care and accounts enquiry management;
- Effective and timeous implementation of credit control measures;
- Impairment of receivables; (Also referred to as the provision for doubtful debts);
- Write-off of uncollectable receivables.

3. IMPAIRMENT OF RECEIVABLES

The impairment for receivables is firstly assessed for individually significant receivables and then calculated on a portfolio basis, for the remaining balance, including those individually significant receivables for which no indicators of impairment were found.

For amounts due to the municipality, significant financial difficulties of the receivable, probability that the receivable will enter bankruptcy and default of payments are all considered indicators of impairment.

An impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired.

The impairment is measured as the difference between the receivable's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition (if practically determinable).

Where the effective interest rate at initial recognition is not practically determinable, the government bond rate is used as the risk-free rate and adjusted for any risks specific to the loans and receivables.

Credit risk extends to trade receivables. Trade receivables comprise a widespread customer base. Management should evaluate credit risk relating to customers on an ongoing basis.

If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the municipality.

The credit quality of trade and other receivables, and other receivables from non-exchange transactions that are neither past due, nor due, nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates.

Consumer debtors, long term receivables and other debtors are stated at cost less a provision for impairment.

The provision for impairment is made on an individual basis or based on expected cash flows.

In accordance with IAS 39, an objective assessment of financial assets is made at financial year-end in order to determine possible impairment. Impairment losses are recognized as an expense in the Statement of Financial Performance.

The impairment provision is deducted from the gross receivable amount in the Statement of Financial Position.

Individual classes of loans and receivables are assessed for impairment using different methodologies.

3.1 CONSUMER DEBTORS

Consumer Debtors and sundry debtors are evaluated at each reporting date and impaired as follows:

- The provision for impairment is compiled in accordance with GRAP. (Generally Recognised Accounting Practice)
- The following are used to calculate the provision:
  - Ageing of each debtor account;
  - Active versus inactive account;
  - Owner or tenant account;
  - An analysis of the debtor type

The following matrix is used:

	Debtor Type					
Indicator	**Residential**	**Business**	**Indigent**	**Government**	**Municipal**	**Agriculture**
Ageing between 0-30 days outstanding	5	5	0	5	5	5
Ageing between 31-60 days outstanding	4	5	0	5	5	4
Ageing between 61-90 days outstanding	3	4	0	5	5	3
Ageing between 91-120 days outstanding	2	3	0	5	5	2
Ageing between 121-365 days outstanding	1	2	0	5	5	1
Ageing more than 365 days outstanding	0	1	0	5	5	0
Active Account	2	2	0	2	2	2
Inactive Account	0	0	0	1	1	0
Owners' Account	2	2	0	2	2	2
Tenants Account	1	1	0	2	2	1
Max points that can be earned	**9**	**9**	**9**	**9**	**9**	**9**

Scoring per matrix	**% impairment**	**% determination**
0	100.00%	Full provision
1		% impairment scoring as per category 2+ Collection rate /8
2		% impairment scoring as per category 3+ Collection rate /8
3		% impairment scoring as per category 4+ Collection rate /8

4		% impairment scoring as per category 5+ Collection rate /8
5		% impairment scoring as per category 6+ Collection rate /8
6		% impairment scoring as per category 7+ Collection rate /8
7		% impairment scoring as per category 8+ Collection rate /8
8		Collection shortfall (100% minus actual collection rate)
9	Not impaired	No Provision

In terms of the provisions of GRAP standard AG125, the above-mentioned "*Percentage of debt provided for as irrecoverable*" will be reviewed and adjusted at the Statement of Financial Position date on the basis of current observable data to reflect the effects of current conditions that did not affect the period on which the historical loss experience is based and remove the effects of conditions in the historical period that do not exist currently.

The methodology and assumptions used for estimating future cash flows will be reviewed to reduce any differences between loss estimates and actual loss experience.

4. IMPLEMENTATION AND REVIEW OF THIS POLICY

The policy will be effective as from 1 July 2024.

This policy is to be reviewed annually and approved by Council together with the adoption of the MTREF for the following year.

Annexure AK
Supply Chain Management Policy for Infrastructure Procurement and delivery management
2024/2025

SUPPLY CHAIN MANAGEMENT POLICY FOR INFRASTRUCTURE PROCUREMENT AND DELIVERY MANAGEMENT

2024/2025 FINANCIAL YEAR

MIDVAAL
LOCAL MUNICIPALITY

Midvaal Local Municipality's SCM Policy for Infrastructure procurement and delivery management

Contents

1. SCOPE 1
2. TERMS, DEFINITIONS AND ABBREVIATIONS 1
   2.1 Terms and definitions 1
   2.2 Abbreviations 3
3. GENERAL REQUIREMENTS 3
   3.1 Delegations 3
   3.2 Implementation of the standard for infrastructure procurement and delivery management **Error! Bookmark not defined.**
   3.3 Supervision of the infrastructure delivery management unit 4
   3.4 Objections and complaints 4
   3.5 Resolution of disputes, objections, complaints and queries 4
4 CONTROL FRAMEWORK FOR INFRASTRUCTURE DELIVERY MANAGEMENT 6
   4.1 Assignment of responsibilities for approving or accepting end of stage deliverables 6
   4.2 Gateway reviews 13
   4.2.1 Gateway reviews for major capital projects above a threshold 13
5. CONTROL FRAMEWORK FOR INFRASTRUCTURE PROCUREMENT 14
6. INFRASTRUCTURE DELIVERY MANAGEMENT REQUIREMENTS 15
   6.1 Institutional arrangements 15
   6.1.1 Committee system for procurement 15
   6.1.2 Actions of an authorised person relating to the award of a contract or an order 22
   6.1.3 Conduct of those engaged in infrastructure delivery 22
   6.1.4 Measures to prevent abuse of the infrastructure delivery system 26
   6.1.5 Awards to persons in the service of the state 26
   6.1.6 Collusive tendering 27
   6.1.7 Placing of contractors under restrictions 27
   6.1.8 Complaints 28
   6.2 Acquisition management 28
   6.2.1 Unsolicited proposal 28
   6.2.2 Tax and rates compliance 29
   6.3 Reporting of infrastructure delivery management information 32
7. INFRASTRUCTURE PROCUREMENT 33
   7.1 Procurement documents 33
   7.2 Developmental procurement policy 34
   7.3 Payment of contractors 34
   7.4 Approval to utilise specific procurement procedures 35
   7.5 Use of another organ of state's framework agreement 35
   7.6 Insurances 35
   7.7 Written reasons for actions taken 37
   7.8 Request for access to information 37

1. SCOPE

This policy establishes the Midvaal Local Municipality's policy for infrastructure procurement and delivery management in accordance with the provisions of the regulatory frameworks for procurement and supply chain management. It excludes:

a) the storage of goods and equipment following their delivery to Midvaal Local Municipality which are stored and issued to contractors or to employees;

b) the disposal or letting of land;

c) the conclusion of any form of land availability agreement;

d) the leasing or rental of moveable assets; and

e) public private partnerships.

2. TERMS, DEFINITIONS AND ABBREVIATIONS

2.1 TERMS AND DEFINITIONS

For the purposes of this document, the definitions and terms given in the standard and the following apply:

agent: person or organisation that is not an employee of Midvaal Local Municipality that acts on the municipality's behalf in the application of this document

authorised person: the municipal manager or chief executive or the appropriately delegated authority to award, cancel, amend, extend or transfer a contract or order

conflict of interest: any situation in which:

a) someone in a position of trust has competing professional or personal interests which make it difficult for him to fulfil his duties impartially,

b) an individual or organisation is in a position to exploit a professional or official capacity in some way for his personal or for corporate benefit, or

c) incompatibility or contradictory interests exist between an employee and the organisation which employs that employee

contract manager: person responsible for administering a package on behalf of the employer and performing duties relating to the overall management of such contract from the implementer's point of view

family member: a person's spouse, whether in a marriage or in a customary union according to indigenous law, domestic partner in a civil union, or child, parent, brother, sister, whether such a relationship results from birth, marriage or adoption

framework agreement: an agreement between an organ of state and one or more contractors, the purpose of which is to establish the terms governing orders to be

awarded during a given period, in particular with regard to price and, where appropriate, the quantity envisaged

gate: a control point at the end of a process where a decision is required before proceeding to the next process or activity

gateway review: an independent review of the available information at a gate upon which a decision to proceed or not to the next process is based

gratification: an inducement to perform an improper act

infrastructure delivery: the combination of all planning, technical, administrative and managerial actions associated with the construction, supply, renovation, rehabilitation, alteration, maintenance, operation or disposal of infrastructure

infrastructure procurement: the procurement of goods or services including any combination thereof associated with the acquisition, renovation, rehabilitation, alteration, maintenance, operation or disposal of infrastructure

maintenance: the combination of all technical and associated administrative actions during an item's service life to retain it in a state in which it can satisfactorily perform its required function

operation: combination of all technical, administrative and managerial actions, other than maintenance actions, that results in the item being in use

order: an instruction to provide goods, services or any combination thereof under a framework agreement

organ of state: an organ of state as defined in section 239 of the Constitution of the Republic of South Africa

procurement document: documentation used to initiate or conclude (or both) a contract or the issuing of an order

principal: a natural person who is a partner in a partnership, a sole proprietor, a director a company established in terms of the Companies Act of 2008 (Act No. 71 of 2008) or a member of a close corporation registered in terms of the Close Corporation Act, 1984, (Act No. 69 of 1984)

standard: the latest edition of the Standard for Infrastructure Procurement and Delivery Management as published by National Treasury

working day: any day of a week on which is not a Sunday, Saturday or public holiday.

2.2 ABBREVIATIONS

For the purposes of this document, the following abbreviations apply

CIDB: Construction Industry Development Board

GCC: General Conditions of Contract

JBCC: Joint Building Contract Committee

SARS: South African Revenue Services

3. GENERAL REQUIREMENTS

3.1 Delegations

3.1.1 The Council of Midvaal Local Municipality hereby delegates all powers and duties to the accounting officer which are necessary to enable the accounting officer to:

a) discharge the supply chain management responsibilities conferred on accounting officers in terms of Chapter 8 or 10 of the Local Government Municipal Finance Management Act of 2003 and this document;

b) maximise administrative and operational efficiency in the implementation of this document;

c) enforce reasonable cost-effective measures for the prevention of fraud, corruption, favouritism and unfair and irregular practices in the implementation of this document; and

d) comply with his or her responsibilities in terms of section 115 and other applicable provisions of the Local Government Municipal Finance Management Act of 2003 Act.

3.1.2 No deviation shall be made from the provisions of this policy without the approval of the Accounting Officer.

3.2. Implementation of the standard for infrastructure procurement and delivery management

3.2.1 Infrastructure procurement and delivery management shall be undertaken in accordance with the all applicable legislation and the relevant requirements of the latest edition of the National Treasury Standard for Infrastructure Procurement and Delivery Management. Any deviation to the provisions of this standard must be reported to National Treasury and the relevant treasury.

3.2.2 Pre-feasibility and feasibility reports are required where the project is a major capital project which is not standardised, and the risk of failing to achieve time, cost and quality objectives is relatively high.

3.3 Supervision of Project Management unit

The Project Management Unit shall be directly supervised by the Executive Director: Engineering Services.

3.4 Objections and complaints

Persons aggrieved by decisions or actions taken in the implementation of this policy, may lodge within 14 days of the decision or action, a written objection or complaint against the decision or action.

The date of the decision or action referred to above will be the day the results were advertised on the municipality's website.

3.5 Resolution of disputes, objections, complaints and queries

3.5.1 The accounting officer shall appoint an independent and impartial person, not directly involved in the infrastructure delivery management processes to assist in the resolution of disputes between the municipality and other persons regarding:

a) any decisions or actions taken in the implementation of the supply chain management system;

b) any matter arising from a contract awarded within the municipality's infrastructure delivery management system; or

c) to deal with objections, complaints or queries regarding any such decisions or actions or any matters arising from such contract.

3.5.2 The SCM and or the Legal official shall assist the person appointed in terms of 3.5.1 to perform his or her functions effectively.

3.5.3 The person appointed in terms of 3.5.1 shall:

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.

3.5.4 A dispute, objection, complaint or query may be referred to the Gauteng 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.

3.5.5 If the Gauteng Provincial Treasury does not or cannot resolve the matter, the dispute, objection, complaint or query may be referred to the National Treasury for resolution.

3.6 Amendment of the policy

3.6.1 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 the **council**

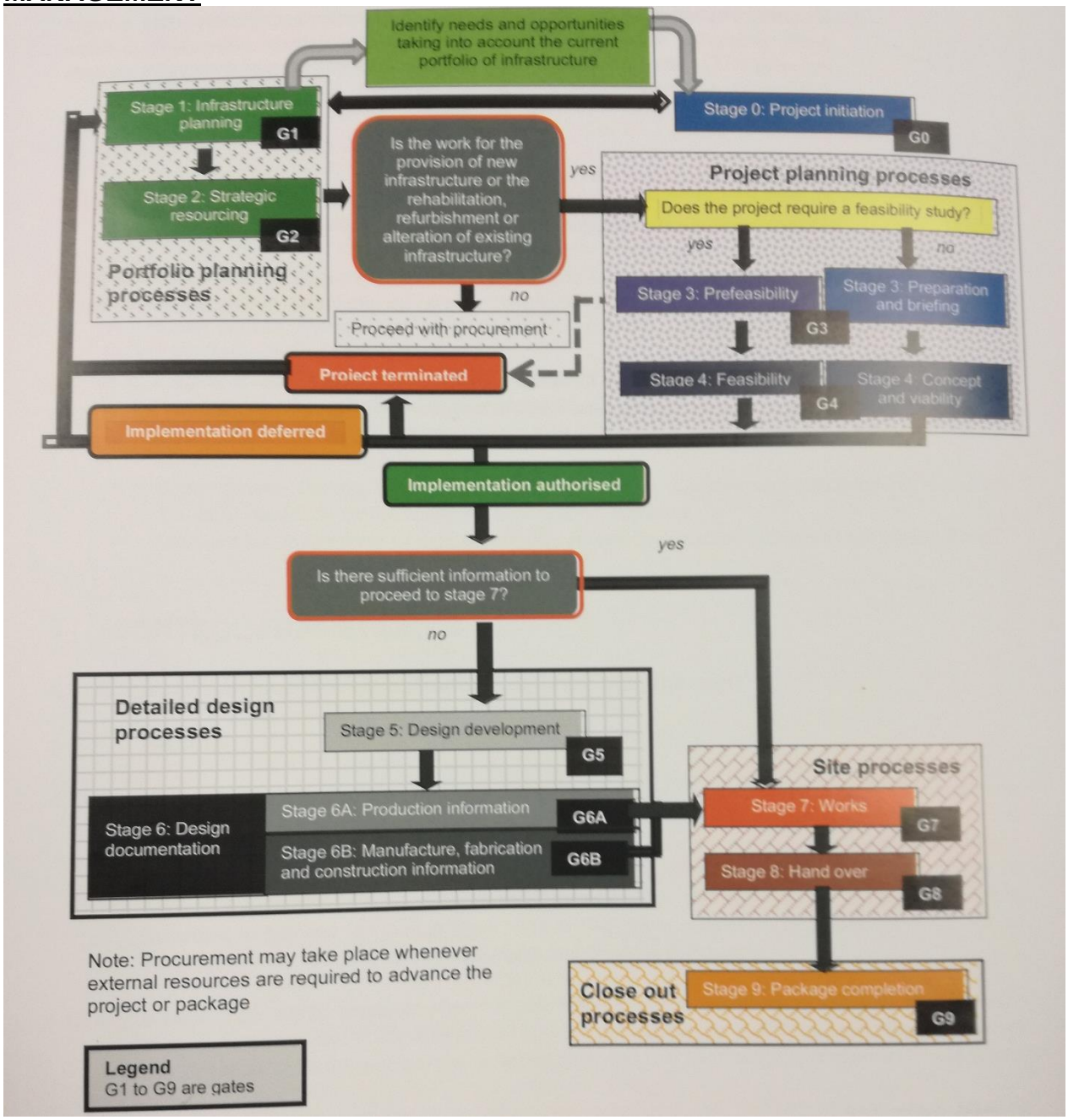
3.6.2 If the accounting officer submits proposed amendments to the **council** that differ from the model policy issued by the National Treasury, the accounting officer must

(a) ensure that such proposed amendments comply with the Regulations; and
(b) report any deviation from the model policy to the National Treasury and the Gauteng Provincial Treasury.

3.6.3 When amending this policy the need for uniformity in supply chain practices, procedures and forms between organs of state in all spheres, particularly to promote accessibility of supply chain management systems for small businesses must be taken into account.

3.6.4 The draft policy should be forwarded to the Gauteng Provincial Treasury: Policy, Norms and Standards component before tabling to the Municipal Council for approval.

4 CONTROL FRAMEWORK FOR INFRASTRUCTURE DELIVERY MANAGEMENT



4.1 Assignment of responsibilities for approving or accepting end of stage deliverables

The responsibilities for approving (officially agreeing to) or accepting (receive as adequate, valid, or suitable) end of stage deliverables shall be as stated below:

Stage			Person assigned the responsibility for approving or accepting end of stage deliverables
No	**Name**		
0	Project initiation		Accounting officer accepts the initiation report
1	Infrastructure planning		Council approves the infrastructure plan
2	Strategic resourcing		Head of Department (HOD) approves the delivery and / or procurement strategy / procurement plan
3	Pre-feasibility		Project manager accepts the pre-feasibility report, where applicable
	Preparation and briefing		Project manager accepts the strategic brief, where applicable
4	Feasibility		Project manager accepts the feasibility report, where applicable
	Concept and viability		Project manager accepts the concept report, where applicable
5	Design development		Project manager (End-user Director) accepts the design development report
6	Design documentation	6A Production information	Project manager (End-user Director) / end user accepts the parts of the production information which are identified when the design development report is accepted as requiring acceptance
		6B Manufacture, fabrication and construction information	The contract manager (Head of Department) accepts the manufacture, fabrication and construction information
7	Works		The contract manager (Head of Department) certifies completion of the works or the delivery of goods and associated services
8	Handover		The owner or end user accepts liability for the works
9	Package completion		The Project Manager / End-user Director certifies the defects certificate in accordance with the provisions of the contract The contract manager (Head of Department) certifies final completion in accordance with the provisions of the contract Project manager (End-user Director) accepts the close out report

The infrastructure plan (stage 1), initiation reports (stage 0), decisions made during stages 3 and 4 and work in progress in stages 5 to 9, and the procurement strategy (stage 2) shall be reviewed and updated at least once a year.

4.1.1 Stage 0: Project initiation

An initiation report which outlines the high-level business case together with the estimated project cost and proposed schedule for a single project or a group of projects having a similar high-level scope.

The initiation report for a project shall as a minimum:

a) provide a project description and high-level scope of work;
b) outline key issues and solution options that were interrogated;
c) outline options that were evaluated;
d) indicate the high-level business case; and
e) provide the estimated project cost and indicative high-level schedule.

4.1.2 Stage 1: Infrastructure planning

The infrastructure plan for a portfolio of projects or packages which require implementation shall cover a period of not less than five years. Such a plan shall be:

a) described by the high-level scope of work for each project, the proposed time schedule, the estimated total project cost and annual budget requirement, the geographical location, any known encumbrances and estimated timeframes for removing these encumbrances; and
b) aligned with all prescribed planning, budgeting, monitoring and reporting requirements.

The demand for infrastructure delivery shall be managed through:

a) the service life plans which;
    1) are based on:
        - an assessment of current performance against desired levels of service or functionality; and
        - a needs analysis informed by factors such as policies, norms and standards, condition assessments, functional performance, demographic trends, current and forecasted levels of optimisation; and
    2) reflect a cost estimate for the life cycle activities comprising acquisition, operations, maintenance, refurbishment, rehabilitation or alteration as relevant, over a minimum period of five years; and

b) infrastructure plans which, as a minimum, summarise the service life plans and provide a credible forecast of current and net demand for services or requirements for functionality over a period of not less than ten years.

Consideration shall, where appropriate, be given to:

a) alternative service delivery methods or means of satisfying needs which do not require infrastructure to implement or reduce the demand for infrastructure; and
b) the disposal of infrastructure that is surplus to requirements.

Projects shall, wherever possible, be delivered in accordance with established norms and standards which are designed to yield value for money.

4.1.3 Stage 2: Strategic resourcing

A delivery management strategy shall be developed following the conducting of a spend, organisational and market analysis. Such a strategy shall indicate how needs are to be met for each category of spend through one or more of the following:

a) a public private partnership;
b) another organ of state on an agency basis;
c) another organ of state's framework agreement;
d) own resources; or
e) own procurement system.

A procurement strategy shall document the selected packaging, contracting, pricing and targeting strategy and procurement procedure for all required goods or services or any combination thereof including professional services, including the rationale for adopting a particular option.

4.1.4 Stage 3: Preparation and briefing or Pre-feasibility

Prefeasibility and feasibility reports shall be required as end-of-stage deliverables for stages 3 and 4, respectively, where one or more of the following applies:

a) the major capital project is required for:
   1) a major public enterprise where the total project capital expenditure exceeds R1,5 billion; or
   2) an organ of state subject to the Public Finance Management Act other than a major public enterprise where the total project capital expenditure exceeds R1,0 billion including VAT, or where the expenditure per year for a minimum of three years exceeds R250 million per annum including VAT;
b) the project is not:
   1) a building project with or without related site works; or
   2) a process-based, somewhat repetitive or relatively standardised project where the risk of failing to achieve time, cost and quality objectives is relatively low; or
c) it is deemed necessary during stage 2

The strategic brief shall as necessary:
   a) confirm the scope of the package and identify any constraints, including those relating to occupational health and safety;
   b) establish the project criteria, including the performance and reliability requirements, design life, service life of components, function, maintenance and replacement requirements, mix of uses, scale, location, quality, value, time, safety, health, environment and sustainability;
   c) identify procedures, organisational structure, key constraints, statutory permissions (e.g. environmental, heritage, social, planning, building control), and utility approvals, policies (e.g. environmental, developmental, social, maintenance or facilities management) and strategies to take the package forward;
   d) identify risks that need to be mitigated;
   e) identify interfaces between packages as necessary; and
   f) establish the control budget for the package, ownership costs and schedule for the package or series of packages.

The prefeasibility study shall as necessary:
   a) document the owner or user requirements specification;
   b) shortlist the options that were considered;
   c) provide a preliminary design for study options;
   d) provide preliminary capital estimate and the proposed schedule; and
   e) present the study outcomes.

4.1.5 Stage 4: Concept and viability or feasibility

The concept report shall as necessary:

a) document the initial design criteria and design options or the methods and procedures required to maintain the condition of infrastructure for the package;
b) establish the detailed brief, scope, scale, form and cost plan for the package;
c) provide an indicative schedule for documentation and construction or maintenance services associated with the package;
d) contain a site development plan or other suitable schematic layouts of the works;
e) describe the statutory permissions, funding approvals or utility approvals required to proceed with the works associated with the package;
f) include a baseline risk assessment for the package, and a health and safety plan which is required in terms of the requirements of the Construction Regulations issued in terms of the Occupational Health and Safety Act;
g) contain a risk report linked to the need for further surveys, tests, other investigations and consent and approvals, if any, during subsequent stages and identified health, safety and environmental risk;
h) contain an operations and maintenance support plan which establishes the organisational structure required for the operation and maintenance of the works resulting from the package or series of packages over its service life, and the office, stores, furniture, equipment, Information and Communications Technology (ICT), engineering infrastructure and staff training requirements;
i) confirm the financial sustainability of the project; and
j) establish the feasibility of satisfying the strategic brief for the package or series of packages within the control budget established during stage 3 and, if not, motivate a revised control budget.

A feasibility report shall as a minimum provide the following:

a) details regarding the preparatory work covering:
    1) a needs and demand analysis with output specifications; and
    2) an options analysis;

b) a viability evaluation covering:
    1) a financial analysis; and
    2) an economic analysis, if necessary;

c) a risk assessment and sensitivity analysis;

d) a professional analysis covering:

    1) a technology options assessment;
    2) an environmental impact assessment; and
    3) a regulatory due diligence; and

e) implementation readiness assessment covering:
    1) institutional capacity; and
    2) a procurement plan

4.1.6 Stage 5: Design development

The design development report shall as necessary:

a) develop in detail the accepted concept to finalise the design and definition criteria;
b) establish the detailed form, character, function and costings;
c) define all components in terms of overall size, typical detail, performance and outline specification;
d) describe how infrastructure, or elements or components thereof, are to function, how they are to be safely constructed, how they are to be maintained and how they are to be commissioned; and
e) confirm that the package or series of packages can be completed within the control budget or propose a revision to the control budget.

Outline specifications shall be in sufficient detail to enable a view to be taken on the operation and maintenance implications of the design and the compatibility with existing plant and equipment.

4.1.7 Stage 6: Design documentation

Stage 6A (Production information) is complete when all the production information that is required to be accepted prior to being issued for construction, manufacturing or fabrication purposes has been accepted.

Stage 6B (Manufacture, fabrication and construction information) is complete when the manufacture, fabrication and construction information is accepted as being in accordance with the production information.

4.1.8 Stage 7: Works

Stage 7 is complete when:

a) completion of the works is certified in accordance with the provisions of the contract; or
b) the goods and associated services are certified as being delivered in accordance with the provisions of the contract.

4.1.9 Stage 8: Handover

The handover stage shall include as necessary the training of the end user's or the owner's staff in the operation of the delivered infrastructure.

The record information shall as relevant:

a) accurately document the condition of the completed works associated with a package;
b) accurately document the works as constructed or completed;
c) contain information on the care and servicing requirements for the works or a portion thereof;
d) contain information or instructions on the use of plant and equipment;

e) confirm the performance requirements of the design development report and production information;
f) contain certificates confirming compliance with legislation, statutory permissions and the like; and
g) contain guarantees that extend beyond the defects liability period provided for in the package.

Record information shall, as relevant, provide those tasked with the operation and maintenance of infrastructure with the information necessary to:
a) understand how the designers intended the works, systems, subsystems, assemblies and components to function;
b) effectively operate, care for and maintain the works, systems, subsystems, assemblies and components to function;
c) check, test or replace systems, subsystems, assemblies or components to ensure the satisfactory performance of works, systems, subsystems, assemblies and components over time;
d) develop maintenance plans;
e) determine stock levels for components and assemblies that need to be regularly replaced; and
f) budget for the operation and maintenance of the works, systems, subsystems and components over time.

Arrangements shall be put in place to secure and safeguard the works from the time that the contractor's liabilities for damage to the works end until such time that the works are handed over to the end user who shall accept such liabilities.

4.1.10 Stage 9: Close out

The close out report for the package shall outline what was achieved in terms of at least the following:
a) the following performance parameters;
    1. expenditure incurred in infrastructure delivery for the financial year, against the budget made available to cover such expenditure at the start of the year;
    2. the average variance between planned and achieved completion of stages of all packages and projects;
    3. an overview of all packages where stage 7 was completed within the financial year and the total of the prices and the time for completion at the start of the contract or when the order was issued, any expansions and variations not exceeding 20%, and any amendments to the contract in terms of 116(3) of the MFMA.
    4. the average time taken to award a contract, measured from the closing date for tender submission or the final submission made in terms of a proposal or competitive negotiations procedure to a decision being taken to award the contract;
    5. the average time taken, in respect of all packages covered in the report, to complete stage 8 measured from the time that stage 7 is completed;
    6. the average difference between the total of the prices in the payment certificate that was issued following the completion of stage 7, and the total of the prices at the end of stage 9;

7. the average time taken to award a contract above the threshold for quotations, measured from the closing date for tender submission or the final submission made in terms of a proposal or competitive negotiations procedure, to the acceptance of the tender evaluation report; and
8. the average number of days that payment is later than that required under the terms of a contract.

b) unit costs of completed work or major components thereof; and

c) key performance indicators relating to developmental objectives.

The close out report shall make suggestions for improvements on future packages of a similar nature. Such a report should also comment on the performance of the contractor and, if relevant, include building tuning or similar reports.

Stage 9 is complete when, as relevant, defects certificates or certificates of final completion are issued in terms of the contract, the final amount due to the contractor in terms of the contract is certified and the close out report is accepted.

4.2 Gateway reviews

4.2.1 Gateway reviews for major capital projects above a threshold

4.2.1.1 Accounting Officer shall appoint a gateway review team to undertake gateway reviews for major capital projects equal to or above R50 million.

4.2.1.2 All major capital projects having an estimated capital expenditure equal to or above R50 million shall have a gateway review of the end-of-stage 4 deliverable, prior to the acceptance of such deliverable. The focus of such a review shall in the first instance be on the quality of the documentation, and thereafter on:

a) deliverability (the extent to which a project is deemed likely to deliver the expected benefits within the declared cost, time and performance envelope);
b) affordability (the extent to which the level of expenditure and financial risk involved in a project can be taken up on, given the organisation's overall financial position, both singly and in the light of its other current and projected commitments); and
c) value for money.

4.2.1.3 A gateway review team shall comprise not less than three persons who are not involved in the project associated with the works covered by the end of the stage 4 deliverable, and who are familiar with various aspects of the subject matter of the deliverable at the end of the stage under review. Such a team shall be led by a person who has at least six years postgraduate experience in the planning of infrastructure projects and is registered either as a professional engineer in terms of the Engineering Profession Act, a professional quantity surveyor in terms of the Quantity Surveying Profession Act or a professional architect in terms of the Architectural Profession Act. The members of the team shall, as relevant, have expertise in key technical areas, cost estimating, scheduling and implementation of similar projects.

4.2.1.4 The relevant treasury shall be notified of a proposed gateway review for a major capital project, three weeks prior to the conducting of such a review. Such notification shall be accompanied by a brief outline of the proposed project or package, the names and qualifications of the reviewers and the timeframes for the review. The relevant treasury may nominate additional persons to serve on the review team.

4.2.1.5 The gateway review team shall base its findings primarily on:

a) the information contained in the end-of-stage deliverables;
b) supplementary documentation, if any, provided by key staff obtained during an interview process; and
c) interviews with key staff members and stakeholders.

4.2.1.6 The gateway review team shall issue a report at the conclusion of a gateway review which indicates the team's assessment of the information at the end of a stage and provides findings or recommendations on areas where further work may be undertaken to improve such information.

4.2.1.7 The contents of the gateway review report shall be taken into account when accepting the stage 4 deliverable. A stage 4 deliverable shall not be accepted until such time that all code red risks have been addressed in the stage 4 end-of-stage deliverable.

5. Control framework for infrastructure procurement

5.1 The responsibilities for taking the key actions associated with the formation and conclusion of contracts including framework agreements above the quotation threshold shall be as stated in Table 2.

5.2 The responsibilities for taking the key actions associated with the quotation procedure and the negotiation procedure where the value of the contract is less than the threshold set for the quotation procedure shall be as follows:

a) The accounting officer shall grant approval for the issuing of the procurement documents, based on the contents of a documentation review report developed in accordance with the provisions of the standard;

b) the authorised person may award the contract if satisfied with the recommendations contained in the evaluation report prepared in accordance with the provisions of the standard.

5.3 The responsibilities for taking the key actions associated with the issuing of an order in terms of a framework agreement shall be as stated in Table 3.

6. Infrastructure delivery management requirements

6.1 Institutional arrangements

6.1.1 Committee system for procurement

6.1.1.1 General

1) A committee system comprising the documentation committee, evaluation committee and tender committee shall be applied to all procurement procedures where the estimated value of the procurement exceeds the financial threshold for quotations and to the putting in place of framework agreements.

The evaluation committee shall, where competition for the issuing of an order amongst framework contractors takes place and the value of the order exceeds the financial threshold for quotations, evaluate the quotations received.

The persons appointed in writing as technical advisors and subject matter experts may attend any committee meeting.

No person who is a political officer bearer, a public office bearer including any councillor of a municipality, a political advisor or a person appointed in terms of section 12A of the Public Service Act of 1994 or who has a conflict of interest shall be appointed to a procurement documentation, evaluation or tender committee.

Committee decisions shall as far as possible be based on the consensus principle i.e. the general agreement characterized by the lack of sustained opposition to substantial issues. Committees shall record their decisions in writing. Such decisions shall be kept in a secured environment for a period of not less than five years after the completion or cancellation of the contract unless otherwise determined in terms of the National Archives and Record Services Act of 1996.

Committees may make decisions at meetings or, subject to the committee chairperson's approval, on the basis of responses to documents circulated to committee members provided that not less than sixty percent of the members are present or respond to the request for responses. Where the committee chairperson is absent from the meeting, the members of the committee who are present shall elect a chairperson from one of them to preside at the meeting.

2) 6.1.1.2 Bid Specification Committee numbering to be correctedThe Accounting Officer shall appoint in writing on a procurement by procurement basis:

a) the persons to review the procurement documents and to develop a procurement documentation review report.

b) Where the procurement relates to the provision of new infrastructure or the rehabilitation, refurbishment or alteration of existing infrastructure, the report shall be prepared by one or more persons who participated in the review and who are registered as:

i. a professional architect or professional senior architectural technologist in terms of the Architectural Profession Act or a professional landscape architect or a professional landscape technologist in terms of the Landscape Architectural Profession;
ii. a professional engineer or professional engineering technologist in terms of the Engineering Profession Act; or
iii. a professional quantity surveyor in terms of the Quantity Surveying Professions Act.; and

- the members of the specifications committee.

The specifications committee shall comprise one or more persons. The chairperson shall be an employee of Midvaal Local Municipality with requisite skills. Other members shall, where relevant, include a representative of the end user or the department requiring infrastructure delivery.

No member of, or technical adviser or subject matter expert who participates in the work of the any of the procurement committees or a family member or associate of such a member, may tender for any work associated with the tender which is considered by these committees.

Table 2: Procurement activities and gates associated with the formation and conclusion of contracts above the quotation threshold

Activity		**Sub-Activity** (see Table 3 of the standard)		**Key action**	**Person assigned responsibility to perform key action**
1*	Establish what is to be procured	1.3 **PG1**	Obtain permission to start with the procurement process	Make a decision to proceed / not to proceed with the procurement based on the broad scope of work and the financial estimates.	Head of department
2*	Decide on procurement strategy	2.5 **PG2**	Obtain approval for procurement strategies that are to be adopted including specific approvals to approach a confined market or the use of the negotiation procedure	Confirm selection of strategies so that tender offers can be solicited	Head of department
3	Solicit tender offers	3.2 **PG3**	Obtain approval for procurement documents	Grant approval for the issuing of the procurement documents	Specifications Committee
		3.3 **PG4**	Confirm that budgets are in place	Confirm that finance is available for the procurement to take place	Deputy Director: SCM
4	Evaluate tender offers	4.2 **PG5**	Obtain authorisation to proceed with next phase of tender process in the qualified, proposal or competitive negotiations procedure	Review evaluation report, ratify recommendations and authorise progression to the next stage of the tender process	Evaluation Committee
		4.7 **PG6**	Confirm recommendations contained in the tender evaluation report	Review recommendations of the evaluation committee and refer back to evaluation committee for reconsideration or make recommendation for award	Adjudication Committee
5	Award contract	5.3 **PG7**	Award contract	Formally accept the tender offer in writing and issue the contractor with a signed copy of the contract	Accounting Officer / delegated official
		5.5 **GF1**	Upload data in financial management and payment system	Verify data and upload contractor's particulars and data associated with the contract or order	SCM: Vendor Clerk

* Applies only to goods and services not addressed in a procurement strategy developed during stage 2 (strategic resourcing) of the control framework for infrastructure delivery management

Table 2 (concluded)

Activity		Sub-Activity		Key action	Person assigned responsibility to perform key action
6	Administer contracts and confirm compliance with requirements	6.4 **PG8A**	Obtain approval to waive penalties or low performance damages.	Approve waiver of penalties or low performance damages	Accounting Officer
		6.5 **PG8B**	Obtain approval to notify and refer a dispute to an adjudicator	Grant permission for the referral of a dispute to an adjudicator or for final settlement to an arbitrator or court of law	Accounting Officer
		6.6 **PG8C**	Obtain approval to increase the total of prices, excluding contingencies and price adjustment for inflation, or the time for completion at the award of a contract or the issuing of an order up to a specified percentage	Approve amount of time and cost overruns up to the threshold of 15%	Accounting Officer
		6.7 **PG8D**	Obtain approval to exceed the total of prices, excluding contingencies and price adjustment for inflation, or the time for completion at award of a contract or the issuing of an order by more than 20% and 30%, respectively	Approve amount of time and cost overruns above the threshold	Accounting Officer recommends and Council Approves
		6.8 **PG8E**	Obtain approval to cancel or terminate a contract	Approve amount	Accounting Officer
		6.9 **PG8F**	Obtain approval to amend a contract	Approve proposed amendment to contract	Accounting Officer

Table 3: Procurement activities and gates associated with the issuing of an order above the quotation threshold in terms of a framework agreement

Activity		**Key action**	**Person assigned responsibility to perform key action**
1 **FG1**	Confirm justifiable reasons for selecting a framework contactor where there is more than one framework agreement covering the same scope of work	Confirm reasons submitted for not requiring competition amongst framework contractors or instruct that quotations be invited	Accounting Officer
3 **FG2**	Obtain approval for procurement documents	Grant approval for the issuing of the procurement documents	Project Manager
4 **FG3**	Confirm that budgets are in place	Confirm that finance is available so that the order may be issued	Chief Financial Officer
6 **FG4**	Authorise the issuing of the order	If applicable, review evaluation report and confirm or reject recommendations. Formally accept the offer in writing and issue the contractor with a signed copy of the order	Accounting Officer

6.1.1.3 Evaluation committee

1) The Accounting Officer shall appoint on a procurement by procurement basis in writing:
a) the persons to prepare the evaluation and, where applicable, the quality evaluations; and
b) the members of the evaluation committee.

2) The evaluation committee shall comprise not less than three people. The chairperson shall be an employee of Midvaal Local Municipality with requisite skills. Other members shall include a supply chain management practitioner (built environment professional) and, where relevant, include an official from the department requiring infrastructure delivery.

3) The evaluation committee shall review the evaluation reports prepared in accordance with sub clause 4.2.3 of the standard and as a minimum verify the following in respect of the recommended tenderer:
i. the capability and capacity of a tenderer to perform the contract;
ii. the tenderer's tax and municipal rates and taxes compliance status;
iii. confirm that the tenderer's municipal rates and taxes and municipal service charges are not in arrears;
iv. the Compulsory Declaration has been completed; and
v. the tenderer is not listed in the National Treasury's Register for Tender Defaulters or the List of Restricted Suppliers.

4) No tender submitted by a member of, or technical adviser or subject matter expert who participates in the work of the procurement documentation committee or a family member or associate of such a member, may be considered by the evaluation committee.

5) The chairperson of the evaluation committee shall promptly notify the Accounting Officer of any respondent or tenderer who is disqualified for having engaged in fraudulent or corrupt practices during the tender process.

6.1.1.4 Bid Adjudication Committee

1) The bid adjudication committee shall comprise the persons or their mandated delegate

a) Municipal Manager who shall be the chairperson:

b) Chief Financial Officer

c) At Least 3Senior managers (Heads of Department)

d) A supply Chain Practitioner if the Chairperson deems it necessary

e) A technical expert if the Chairperson considers it necessary

2) No member of the evaluation committee may serve on the tender committee. A member of an evaluation committee may, however, participate in the deliberations of a tender committee as a technical advisor or a subject matter expert.

3) The tender committee shall:

a) consider the report and recommendations of the evaluation committee and:
   1) verify that the procurement process which was followed complies with the provisions of this document;
   2) confirm that the report is complete and addresses all considerations necessary to make a recommendation;
   3) confirm the validity and reasonableness of reasons provided for the elimination of tenderers; and
   4) 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 a recommendation to the authorised person on the award of a tender, with or without conditions, together with reasons for such recommendation.

4) The tender committee shall consider proposals regarding the cancellation, amendment, extension or transfer of contracts that have been awarded and make a recommendation to the authorised person on the course of action which should be taken.

5) The tender committee shall consider the merits of an unsolicited offer and make a recommendation to the Accounting Officer.

6) The tender committee shall report to the Accounting Officer and National Treasury 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.

7) The tender committee shall not make a recommendation for an award of a contract or order if the recommended tenderer or framework contractor has:

a) made a misrepresentation or submitted false documents in competing for the contract or order; or
b) been convicted of a corrupt or fraudulent act in competing for any contract during the past five years.

8) 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

Gauteng Provincial Treasury shall be informed where such tenderers are disregarded.

6.1.2 Actions of an authorised person relating to the award of a contract or an order

a) Award of a contract

1) The authorised person shall, if the value of the contract inclusive of VAT, is within his or her delegation, consider the report(s) and recommendations of the tender committee, or in the case of the awards for contracts below the quotation threshold, the recommendation of the Head of Department, and either:

a) award the contract after confirming that the report is complete and addresses all considerations necessary to make a recommendation and budgetary provisions are in place; or
b) decide not to proceed or to start afresh with the process.

2) The authorised person shall immediately notify the Accounting Officer if a tender other than the recommended tender is awarded, save where the recommendation is changed to rectify an irregularity. Such person shall, within 10 working days, notify in writing the Auditor-General, the National Treasury and the Gauteng Provincial Treasury, and, in the case of a municipal entity, also the parent municipality, of the reasons for deviating from such recommendation.

b) Issuing of an order

The authorised person shall, if the value of an order issued in terms of a framework contract, is within his or her delegation, consider the resolution of the adjudication committee or the Chief Financial Officer, as relevant, and either:

1) authorise the issuing of an order in accordance with the provisions of clause 4.25 of the standard; or
2) decide not to proceed or to start afresh with the process.

6.1.3 Conduct of those engaged in infrastructure delivery

a) General requirements

1) All personnel and agents of Midvaal Local Municipality shall comply with the requirements of the CIDB Code of Conduct for all Parties engaged in Construction Procurement. They shall:

a) behave equitably, honestly and transparently;
b) discharge duties and obligations timeously and with integrity;
c) comply with all applicable legislation and associated regulations;
d) satisfy all relevant requirements established in procurement documents;
e) avoid conflicts of interest; and

f) not maliciously or recklessly injure or attempt to injure the reputation of another party.

2) All personnel and agents engaged in Midvaal Local Municipality's infrastructure delivery management system shall:

a) not perform any duties to unlawfully gain any form of compensation, payment or gratification from any person for themselves or a family member or an associate;
b) perform their duties efficiently, effectively and with integrity and may not use their position for private gain or to improperly benefit another person;
c) strive to be familiar with and abide by all statutory and other instructions applicable to their duties;
d) furnish information in the course of their duties that is complete, true and fair and not intended to mislead;
e) ensure that resources are administered responsibly;
f) be fair and impartial in the performance of their functions;
g) at no time afford any undue preferential treatment to any group or individual or unfairly discriminate against any group or individual;
h) not abuse the power vested in them;
i) not place themselves under any financial or other obligation to external individuals or firms that might seek to influence them in the performance of their duties;
j) assist Midvaal Local Municipality in combating corruption and fraud within the infrastructure procurement and delivery management system;
k) not disclose information obtained in connection with a project except when necessary to carry out assigned duties;
l) not make false or misleading entries in reports or accounting systems; and
m) keep matters of a confidential nature in their possession confidential unless legislation, the performance of duty or the provision of the law require otherwise.

3) An employee or agent may not amend or tamper with any submission, tender or contract in any manner whatsoever.

b) Conflicts of interest

1) The employees and agents of Midvaal Local Municipality who are connected in any way to procurement and delivery management activities which are subject to this policy, shall:

a) disclose in writing to the employee of the Midvaal Local Municipality to whom they report, or to the person responsible for managing their contract, if they have, or a family member or associate has, any conflicts of interest; and
b) not participate in any activities that might lead to the disclosure of Midvaal Local Municipality proprietary information.

2) The employees and agents of Midvaal Local Municipality shall declare and address any perceived or known conflict of interest, indicating the nature of such conflict to whoever is responsible for overseeing the procurement

process at the start of any deliberations relating to a procurement process or as soon as they become aware of such conflict, and abstain from any decisions where such conflict exists or recuse themselves from the procurement process, as appropriate.

3) Agents who prepare a part of a procurement document may in exceptional circumstances, where it is in Midvaal Local Municipality's interest to do so, submit a tender for work associated with such documents provided that:

a) Midvaal Local Municipality states in the tender data that such an agent is a potential tenderer;
b) all the information which was made available to, and the advice provided by that agent which is relevant to the tender, is equally made available to all potential tenderers upon request, if not already included in the scope of work; and
c) the procurement documentation committee is satisfied that the procurement document is objective and unbiased having regard to the role and recommendations of that agent.

c) Evaluation of submissions received from respondents and tenderers

1) The confidentiality of the outcome of the processes associated with the calling for expressions of interest, quotations or tenders shall be preserved. Those engaged in the evaluation process shall:

a) not have any conflict between their duties as an employee or an agent and their private interest;
b) may not be influenced by a gift or consideration (including acceptance of hospitality) to show favour or disfavour to any person;
c) deal with respondents and tenderers in an equitable and even-handed manner at all times; and
d) not use any confidential information obtained for personal gain and may not discuss with, or disclose to outsiders, prices which have been quoted or charged to Midvaal Local Municipality.

2) The evaluation process shall be free of conflicts of interest and any perception of bias. Any connections between the employees and agents of Midvaal Local Municipality and a tenderer or respondent shall be disclosed and recorded in the tender evaluation report.

3) Midvaal Local Municipality personnel and their agents shall immediately withdraw from participating in any manner whatsoever in a procurement process in which they, or any close family member, partner or associate, has any private or business interest.

d) Non-disclosure agreements

Confidentiality agreements in the form of non-disclosure agreements shall, where appropriate, be entered into with agents and potential contractors to protect Midvaal Local Municipality's confidential information and interests.

e) Gratifications, hospitality and gifts

1) The employees and agents of Midvaal Local Municipality shall not, directly or indirectly, accept or agree or offer to accept any gratification from any other person including a commission, whether for the benefit of themselves or for the benefit of another person, as an inducement to improperly influence in any way a procurement process, procedure or decision.

2) The employees and agents of Midvaal Local Municipality as well as their family members of associates shall not receive any of the following from any tenderer, respondent or contractor or any potential contractor:

I. money, loans, equity, personal favours, benefits or services;
II. overseas trips; or
III. any gifts or hospitality irrespective of value from tenderers or respondents prior to the conclusion of the processes associated with a call for an expression of interest or a tender.

3) The employees and agents of Midvaal Local Municipality shall not purchase any items at artificially low prices from any tenderer, respondent or contractor or any potential contractor at artificially low prices which are not available to the public.

4) All employees and agents of Midvaal Local Municipality may for the purpose of fostering inter-personal business relations accept the following:

a) meals and entertainment, but excluding the cost of transport and accommodation;
b) promotional material of small intrinsic value such as pens, paper-knives, diaries, calendars, etc;
c) incidental business hospitality such as business lunches or dinners, which the employee is prepared to reciprocate;
d) complimentary tickets to sports meetings and other public events, but excluding the cost of transport and accommodation, provided that such tickets are not of a recurrent nature; and
e) gifts in kind other than those listed in a) to d) which have an intrinsic value greater than R350 unless they have declared them to the Accounting Officer.

5) Under no circumstances shall gifts be accepted from prospective contractors during the evaluation of calls for expressions of interest, quotations or tenders that could be perceived as undue and improper influence of such processes.

6) Employees and agents of Midvaal Local Municipality shall without delay report to the Accounting Officer / Chief Financial Officer any incidences of a

respondent, tenderer or contractor who directly or indirectly offers a gratification to them or any other person to improperly influence in any way a procurement process, procedure or decision.

f) Reporting of breaches

Employees and agents of Midvaal Local Municipality shall promptly report to the Accounting Officer / Chief Financial Officer any alleged improper conduct which they may become aware of, including any alleged fraud or corruption.

6.1.4 Measures to prevent abuse of the infrastructure delivery system

The Accounting Officer / Chief Financial Officer shall investigate all allegations of corruption, improper conduct or failure to comply with the requirements of this policy against an employee or an agent, a contractor or other role player and, where justified:

1) take steps against an employee or role player and inform the National Treasury and Gauteng Provincial Treasury of those steps;
2) report to the South African Police Service any conduct that may constitute a criminal offence;
3) lodge complaints with the Construction Industry Development Board or any other relevant statutory council where a breach of such council's code of conduct or rules of conduct are considered to have been breached;
4) cancel a contract if:
   a) it comes to light that the contractor has made a misrepresentation, submitted falsified documents or has been convicted of a corrupt or fraudulent act in competing for a particular contract or during the execution of that contract; or
   b) an employee or other role player committed any corrupt or fraudulent act during the tender process or during the execution of that contract.

6.1.5 Awards to persons in the service of the state

a) Any submissions made by a respondent or tenderer who declares in the Compulsory Declaration that a principal is one of the following shall be rejected:

I. a member of any municipal council, any provincial legislature, or the National Assembly or the National Council of Provinces;
II. a member of the board of directors of any municipal entity;
III. an official of any municipality or municipal entity;
IV. 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);
V. a member of the accounting authority of any national or provincial public entity; or
VI. an employee of Parliament or a provincial legislature.

b) The notes to the annual financial statements of the Municipality shall disclose particulars of an award of more than R 2000 to a person who is a family member

of a person identified in 6.1.5.1 or who has been in the previous 12 months. Such notes shall include the name of the person, the capacity in which such person served and the amount of the award.

6.1.6 Collusive tendering

Any submissions made by a respondent or tenderer who fails to declare in the Compulsory Declaration that the tendering entity:

a) is not associated, linked or involved with any other tendering entity submitting tender offers; or
b) has not engaged in any prohibited restrictive horizontal practices including consultation, communication, agreement, or arrangement with any competing or potential tendering entity regarding prices, geographical areas in which goods and services will be rendered, approaches to determining prices or pricing parameters, intentions to submit a tender or not, the content of the submission (specification, timing, conditions of contract etc.) or intention to not win a tender shall be rejected.

6.1.7 Placing of contractors under restrictions

a) If any tenderer which has submitted a tender offer or a contractor which has concluded a contract has, as relevant:

1) withdrawn such tender or quotation after the advertised closing date and time for the receipt of submissions;
2) after having been notified of the acceptance of his tender, failed or refused to commence the contract;
3) had their contract terminated for reasons within their control without reasonable cause;
4) offered, promised or given a bribe in relation to the obtaining or the execution of such contract;
5) acted in a fraudulent, collusive or anti-competitive or improper manner or in bad faith towards Midvaal Local Municipality; or
6) made any incorrect statement in any affidavit or declaration with regard to a preference claimed and is unable to prove to the satisfaction of Midvaal Local Municipality that the statement was made in good faith or reasonable steps were taken to confirm the correctness of the statements,

b) The Bid Adjudication Committee shall make a recommendation to the Accounting Officer for placing the contractor or any of its principals under restrictions from doing business with the Midvaal Local Municipality.

c) The Accounting Officer may, as appropriate, upon the receipt of a recommendation made in terms of 6.1.7.1 and after notifying the contractor of such intention in writing and giving written reasons for such action, suspend a contractor or any principal of that contractor from submitting a tender offer to Midvaal Local Municipality for a period of time.

d) The Director: Expenditure shall:

1) record the names of those placed under restrictions in an internal register which shall be accessible to employees and agents of Midvaal Local Municipality who are engaged in procurement processes; and
2) notify the National Treasury and Gauteng Provincial Treasury and, if relevant, the Construction Industry Development Board, of such decision and provide them with the details associated therewith.

6.1.8 Complaints

a) All complaints regarding the Midvaal Local Municipality's infrastructure delivery management system shall be addressed to the Accounting officer. Such complaints shall be in writing.

b) The Assistant Director: PMS shall investigate all complaints regarding the infrastructure procurement and delivery management system and report on actions taken to the Accounting officer who will decide on what action to take.

6.2 Acquisition management

6.2.1 Unsolicited proposal

a) The Midvaal Local Municipality is not obliged to consider unsolicited offers received outside a normal procurement process but may consider such an offer only if:

1) the goods, services or any combination thereof that is offered is a demonstrably or proven unique innovative concept;
2) proof of ownership of design, manufacturing, intellectual property, copyright or any other proprietary right of ownership or entitlement is vested in the person who made the offer;
3) the offer presents a value proposition which demonstrates a clear, measurable and foreseeable benefit for Midvaal Local Municipality;
4) the offer is in writing and clearly sets out the proposed cost;
5) the person who made the offer is the sole provider of the goods or service; and
6) the accounting officer finds the reasons for not going through a normal tender process to be sound.

b) The accounting officer may only accept an unsolicited offer and enter into a contract after considering the recommendations of the tender committee if:

1) the intention to consider an unsolicited proposal has been made known in accordance with Section 21A of the Municipal Systems Act of 2000 together with the reasons why such a proposal should not be open to other competitors, an explanation of the potential benefits for the municipality and an invitation to the public or other potential suppliers and providers to submit their comments within 30 days after the notice;

2) the Midvaal Local Municipality' has obtained comments and recommendations on the offer from the National Treasury and Gauteng Provincial Treasury;
3) the tender committee meeting which makes recommendations to accept an unsolicited proposal was open to the public and took into account any public comments that were received and any comments and recommendations received from the National Treasury and Gauteng Provincial Treasury; and
4) the provisions of 6.2.2. are complied with.

c) The accounting officer shall, within 7 working days after the decision to award the unsolicited offer is taken, submit the reasons for rejecting or not following the recommendations to the National Treasury, the Gauteng Provincial Treasury and Auditor General. A contract shall in such circumstances not be entered into or signed within 30 days of such submission.

6.2.2 Tax and rates compliance

a) SARS tax clearance

1) No contract may be awarded or an order issued unless a tenderer or contractor is tax compliant provided that the tenderer is not domiciled in the Republic of South Africa and the SARS has confirmed that such a tenderer is not required to prove their tax compliance status.

2) In the case of a partnership, each partner shall comply with the requirements of 6.2.2.a).1).

3) No payment shall be made to a contractor who does not satisfy the requirements of 6.2.2.a).2). An employee of Midvaal Local Municipality shall upon detecting that a tenderer or contractor is not tax compliant, immediately notify such person of such status.

4) Notwithstanding the requirements of 6.2.2.a).1) and 6.2.2.a).3) the following shall apply, unless a person who is not tax compliant indicates to the chief financial officer that it intends challenging its tax compliance status with SARS,
   a) a contract may be awarded to a non-compliant tenderer if such a tenderer is able to remedy its tax compliance status within a period not exceeding 10 working days after being duly notified of its non-compliant status;
   b) an order may be awarded to a non-compliant contractor if such a contractor is able to remedy its tax compliance status within a period not exceeding 10 working days after being duly notified of its non-compliant status;
   c) a non-compliant contractor shall be issued with a first warning that payments in future amounts due in terms of the contract may be withheld, before the authorising of any payment due to such contractor;
   d) before authorising a further payment due to a non-compliant contractor who has failed to remedy its tax compliance status after

receiving a first warning, a second warning shall be issued to such contractor;

e) no payments may be released for any amounts due in terms of the contract due to a non-compliant contractor if, after a period of 30 calendar days have lapsed since the second warning was issued, the non-compliant contractor has failed to remedy its tax compliance status.

5) The Midvaal Local Municipality may cancel a contract with a non-compliant contractor if such a contractor fails to remedy its tax compliance status after a period of 30 calendar days have lapsed since the second warning was issued in terms of 6.2.2.a.4).e).

b) Municipal rates and taxes

No contract may be awarded to a tenderer who, of the principals of that tenderer, owes municipal rates and taxes or municipal service charges to any municipality or a municipal entity and are in arrears for more than 3 months.

c) Declarations of interest

Tenders and respondents making submissions in response to an invitation to submit a tender or a call for an expression of interest, respectively shall declare in the Compulsory Declaration whether or not any of the principals:

1) are an employee of the Midvaal Local Municipality or in the employ of the state; or
2) have a family member or a business relation with a person who is in the employ of the state.
3) No staff member may be involved in the soliciting or adjudication of quotations or bids where that staff member, or that staff member's spouse, partner or business associate, or partner or business associates of the staff member's spouse has a direct or indirect personal or private business interest.

d) Invitations to submit expressions of interest or tender offers

1) All invitations to submit tenders where the estimated value of the contract exceeds R200 000 including VAT, except where a confined tender process is followed, and expressions of interest shall be advertised on the Midvaal Local Municipality's website and on the National Treasury e-Tender Publication Portal. Advertisements shall be placed by Deputy Director: SCM

2) Advertisements relating to construction works which are subject to the Construction Industry Development Regulations issued in terms of the Construction Industry Development Act of 2000 shall in addition to the requirements of 6.2.2 d) 2) be advertised on the CIDB website. Advertisements shall be placed by Deputy Director: SCM.

3) Where deemed appropriate by Deputy Director: SCM an invitation to tender and a call for an expression of interest shall be advertised in suitable local and national newspapers and the Government Tender Bulletin as directed by such person. Advertisements shall be placed by Deputy Director: SCM.

4) Such advertisements shall be advertised for a period of at least 30 days before closure, except in urgent cases when the advertisement period may be shortened as determined by the accounting officer.

5) Invitations to submit expressions of interest or tender offers shall be issued not less than 10 working days before the closing date for tenders and at least 5 working days before any compulsory clarification meeting. Procurement documents shall be made available not less than 7 days before the closing time for submissions.

e) Publication of submissions received and the award of contracts

1) The Deputy Director: SCM shall publish within 10 working daysof the closure of any advertised call for an expression of interest or an invitation to tender where the estimated value of the contract exceeds R200 000 including VAT on the municipality's or municipal entity's website, the names of all tenderers that made submissions to that advertisement, and if practical or applicable, the total of the prices and the preferences claimed. Such information shall remain on the website for at least 30 days.

2) The Deputy Director: SCM shall publish within 7 days from date of the award of a contract the following on the Midvaal Local Municipality's website

a) the contract number;
b) contract title;
c) brief description of the goods, services or works;
d) the total of the prices, if practical;
e) the names of successful tenderers and their B-BBEE status level of contribution;
f) duration of the contract; and
g) brand names, if applicable.

3) The Deputy Director: SCM shall submit within 7 working days of the award of a contract the information required by National Treasury on the National Treasury eTender Publication Portal regarding the successful and unsuccessful tenders.

4) The award of contracts relating to construction works which are subject to the Construction Industry Development Regulations issued in terms of the Construction Industry Development Act of 2000 shall in addition to the requirements of 6.2.2.e).3). be notified on the CIDB website. The notification shall be made by placed by Deputy Director: SCM.

f) Disposal committee

1) The accounting officer shall appoint on a disposal by disposal basis in writing the members of the disposal committee to decide on how best to undertake disposals relating to the demolition or dismantling of infrastructure or parts thereof, and the disposal of unwanted, redundant or surplus materials, plant and equipment.

Disposals shall be proceeded with only after the feasibility and desirability of using one or more of the following alternative disposal strategies have been considered:

- transfer to another organ of state, business unit or a charitable organisation at market-related value or free of charge;
- recycling or re-use of component materials; or
- disposal by means of dumping at an authorised dump site, burning or demolition.

The reasons for adopting a disposal strategy shall be recorded prior to proceeding with such disposal.

2) The disposal panel shall comprise not less than three people. The chairperson shall be an employee of Midvaal Local Municipality.

3) The disposal committee shall make recommendations to Council who shall approve the recommendations, refer the disposal strategy back to the disposal committee for their reconsideration, decide not to proceed or to start afresh with the process.

6.3 Reporting of infrastructure delivery management information

Deputy Director: SCM shall report to the relevant treasury within one month of the award of a contract or the issuing of an order, all engineering and construction, supply, service and professional service contracts that are awarded, or orders that are issued, should the total of prices, including VAT, exceed R25 million for services and professional services, and R50 million for supply and engineering and construction works. Such a report shall indicate the following:

a) the title and number of the contract or order;
b) a brief outline of the scope;
c) the total of the prices at the time that a contract is concluded or an order issued;
d) the time for completion or delivery; and
e) the procurement procedure that was used to put the contract in place, or in the case of a framework agreement, whether or not competition amongst framework contractors was reopened.

7. Infrastructure procurement

7.1 Procurement documents

7.1.1 The forms of contract that may be used are as follows:

Form of contract	Code	Usage
Construction Industry Development Board (CIDB)		
CIDB Standard Professional Service Contract	SPSC	Professional Service
CIDB General Conditions of Purchase	-	An order form type of contract for low-value goods without any incidental work or services on or before a specified date being required
CIDB Contract for the Supply and Delivery of Goods	-	Simple, regional purchase of readily available materials or commodities which require almost no management of the buying and delivery process, minimal testing, installation and commissioning on delivery
CIDB General Conditions of Service -	-	An order form type of contract where low-value services on or before a specified date are required.
International Federation of Consulting Engineers (FIDIC)		
FIDIC Short Form of Contract	Green Book	Building or engineering works of relatively small capital value, or for relatively simple or repetitive work, or for work of short duration. Use for design by employer- or contractor-designed works.

7.1.2 The Midvaal Local Municipality's preapproved templates for Part C1 (Agreements and contract data) of procurement documents shall be utilised to obviate the need for legal review prior to the awarding of a contract. All modifications to the standard templates shall be approved by Chief financial officer prior to being issued for tender purposes.

7.1.3 Disputes arising from the performance of a contract shall be finally settled in a South African court of law.

7.1.4 any additional requirements, if any e.g. use of standard access specifications, health and safety specifications etc, will be added on a case by case basis

7.1.5 The Municipal Declaration and returnable documents contained in the standard shall be included in all tenders for:

a) consultancy services; and
b) goods and services or any combination thereof where the total of the prices is expected to exceed R10 m including VAT.

7.2 Developmental procurement policy

7.2.1 General

Municipalities shall utilise procurement to promote Broad-Based Black Economic Empowerment in accordance with the provisions of the Broad-Based Black Economic Empowerment Act and, where appropriate, to promote:

a) work opportunities for target groups; and
b) national development goals, such as those identified by the Presidential Infrastructure Coordinating Commission.

Not less than 50% of the points allocated to preference in a points scoring system in the evaluation of tenders shall be allocated to Broad-Based Black Economic Empowerment goals.

Minimum local content shall be included in contracts in accordance with the Preferential Procurement Regulations issued in terms of the Preferential Procurement Policy Framework Act. Requirements shall be evaluated in tenders through declarations made by tenderers and shall be included in the scope of work associated with the contract.

7.2.2 Permitted targeted procurement procedures

The targeted procurement procedures that may be used to promote social and economic objectives shall include one or more of the following:

a) the granting of preferences;
b) accelerated rotations on electronic databases, where appropriate;
c) the granting of up to 10% of the total number of evaluation points used to short-list tenderers following a call for expressions of interest;
d) financial incentives for the attainment of key performance indicators in the performance of the contract; and
e) the creation of contractual obligations to engage target groups in the performance of the contract by establishing requirements for the tendering of subcontracts in terms of a specified procedure, or establishing obligations to attain contract participation goals in accordance with the relevant provisions of SANS 10845.

7.3 Payment of contractors

The Midvaal Local Municipality shall settle all accounts within 30 days of invoice or statement as provided for in the contract, once signed off by project manager.

7.4 Approval to utilise specific procurement procedures

7.4.1 Prior approval shall be obtained for the following procurement procedures from the following persons, unless such a procedure is already provided for in the approved procurement strategy:

a) Tender Committee shall authorise the use of the negotiated procedure above the thresholds provided in the standard.
b) Tender Committee shall authorise the approaching of a confined market except where a rapid response is required in the presence of, or the imminent risk of, an extreme or emergency situation arising from the conditions set out in the standard and which can be dealt with or the risks relating thereto arrested within 48 hours; and
c) the proposal procedure using the two-envelope system, the proposal procedure using the two-stage system or the competitive negotiations procedure.

7.4.2 The person authorised to pursue a negotiated procedure in an emergency is *the accounting officer,* tenderer or respondent and, if relevant, the total of prices including VAT where this is possible;

a) record in the register the name of any submissions that is returned with the reasons for doing so;
b) record the names of the tenderer's representatives that attend the public opening;
c) sign the entries into the register; and
d) stamp each returnable document in each tender submission.

7.4.3 Each member of the opening panel shall initial the front cover of the submission and all pages that are stamped.

7.4.4 Respondents and tenderers whose submissions are to be returned shall be afforded the opportunity to collect their submissions.

7.4.5 Submissions shall be safeguarded from the time of receipt until the conclusion of the procurement process.

7.5 Use of another organ of state's framework agreement

The Midvaal Local Municipality may make use of another organ of state's framework contract which has been put in place by means of a competitive tender process and there are demonstrable benefits for doing so. The accounting officer shall make the necessary application to that organ of state to do so. The municipality is required to solicit the comments of the Gauteng Provincial Treasury according to the revised 2018/2019 Municipal SCM Framework.

7.6 Insurances

7.6.1 Contractors shall be required to take out all insurances required in terms of the contract.

7.6.2 The insurance cover in engineering and construction contracts for loss of or damage to property (except the works, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the Contractor) caused by activity in connection with a contract shall in general not be less than the value stated in Table 4, unless otherwise directed by Executive Director: Engineering services

7.6.3 Lateral earth support insurance in addition to such insurance shall be take out on a case by case basis.

Minimum insurance cover (table 4)

Type of insurance	Value
Engineering and construction contracts - loss of or damage to property (except the works, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the Contractor) caused by activity in connection with a contract	Not less than R20 million
Professional services and service contracts - death of or bodily injury to employees of the Contractor arising out of and in the course of their employment in connection with a contract or damage to property	Not less than R10 million
Professional indemnity insurance	geotechnical, civil and structural engineering: R5,0 million electrical, mechanical and engineering: R3,0 million architectural: R5,0 million other R3,0 million

7.6.4 The insurance cover in professional services and service contracts for damage to property or death of or bodily injury to employees of the Contractor arising out of and in the course of their employment in connection with a contract shall not be less than the value stated in Table 4 for any one event unless otherwise directed by Executive Director: Engineering services.

7.6.5 SASRIA Special Risk Insurance in respect of riot and associated risk of damage to the works, Plant and Materials shall be taken out on all engineering and construction works.

7.6.6 Professional service appointments shall as a general rule be subject to proof of current professional indemnity insurance being submitted by the contractor in an amount not less than the value stated in Table 4 in respect of each claim, without limit to the number of claims, unless otherwise directed by the Executive Director: Engineering services in relation to the nature of the service that they provide.

.

7.6.7 Midvaal Local Municipality shall take out professional indemnity insurance cover where it is deemed necessary to have such insurance at a level higher than the levels of insurance commonly carried by contractors.

7.6.8 Where payment is to be made in multiple currencies, either the contractor or Midvaal Local Municipality should be required to take out forward cover.

Alternatively, the prices for the imported content should be fixed as soon as possible after the starting date for the contract.

7.7 Written reasons for actions taken

7.7.1 Written reasons for actions taken shall be provided by Deputy Director: SCM.

7.7.2 The written reasons for actions taken shall be as brief as possible and shall as far as is possible, and where relevant, be framed around the clauses in the:

a) SANS 10845-3, *Construction procurement - Part 3: Standard conditions of tender,* and, giving rise to the reason why a respondent was not short listed, prequalified or admitted to a data base; or
b) SANS 10845-4, *Construction procurement - Part 4: Standard conditions for the calling for expressions of interest;*

as to why a tenderer was not considered for the award of a contract or not awarded a contract.

7.7.3 Requests for written reasons for actions taken need to be brief and to the point and may not divulge information which is not in the public interest or any information which is considered to prejudice the legitimate commercial interests of others or might prejudice fair competition between tenderers.

7.8 Request for access to information

7.8.1 Should an application be received in terms of Promotion of Access to Information Act of 2000 (Act 2 of 2000), the “requestor” should be referred to the Midvaal Local Municipality’s Information Manual which establishes the procedures to be followed and the criteria that have to be met for the “requester” to request access to records in the possession or under the control of Midvaal Local Municipality’s.

7.8.2 Access to technical and commercial information such as a comprehensive programme which links resources and prices to such programme should be refused as such information provides the order and timing of operations, provisions for time risk allowances and statements as to how the contractor plans to do the work which identifies principal equipment and other resources which he plans to use. Access to a bill of quantities and rates should be provided in terms of the Act.

Annexure AL
Contract Management Policy
2024/2025

SCM CONTRACT MANAGEMENT POLICY

2024/2025 FINANCIAL YEAR

MIDVAAL
LOCAL MUNICIPALITY

Revised March 2024

TABLE OF CONTENTS

TABLE OF CONTENTS

1.	TERMS AND DEFINITION	3 - 4
2.	INTRODUCTION	5
3.	PURPOSE	5
4.	TYPES OF CONTRACTS	6 - 7
5.	CONTRACT CREATION	8
6.	CONTRACT MANAGEMENT LIFE CYCLE	
	6.1 Stage 1: Planning	9
	6.2 Stage 2: Contract Arrangement	9 - 11
	6.3 Stage 3: Contract Administration	11 - 14
	6.4 Stage 4: Contract Performance Management	15 - 19
	6.5 Stage 5: Close out	20 - 21

1. TERMS AND DEFINITIONS

Contract	The written agreement entered between the purchaser and the supplier, as recorded in the contract form signed by the parties, including attachments and appendices thereto and all documents incorporated by reference therein.
Contractor	The party to the contract that is required to provide goods or services according to the terms of the agreement.
Contract Management	The activities necessary to manage a contract throughout all stages in the contract life cycle to ensure that immediate action is taken effectively and efficiently to the change that may occur to the contract
Contract Management system	Computerised or manual system necessary to ensure proper Contract Management control and monitoring of performance of the contractors in terms of the contracts.
Contract Register	Manual or computerised system necessary to ensure proper Contract Management control.
Force Majeure	An event beyond the control of the contractor and not involving the contractor's fault or negligence and not foreseeable. The burden is on the party claiming force majeure is to prove that the force majeure falls within the contract wording and that non-performance was a result of the outbreak. The party must also show there were no alternative means for performing its obligations and that it has taken all reasonable steps, The party will be seeking to be excused from liability for non-performance, which in most cases will mean renegotiating the terms of the contract by, for example, extending timelines for delivery. There are certain conditions that must be fulfilled in order for a force majeure to trigger the type of impossibility that extinguishes a party's contractual obligations. These are: - o The impossibility must be objectively impossible. o It must be absolute as opposed to probable.

- It must be absolute as opposed to relative (in other words, if it relates to something that can in general be done, but the one party seeking to escape liability cannot personally perform it, such party remains liable in contract).
- The impossibility must be unavoidable by a reasonable person.
- It must not be the fault of either party.
- The mere fact that a disaster or event was foreseeable, does not necessarily mean that it ought to have been foreseeable or that it is avoidable by a reasonable person.

Litigate	The act or process of contesting a lawsuit or seeking redress through the courts.
Parties	Parties that stipulate obligations to one another to ensure that the contract term and condition are fulfilled.
Specification	The statement that provide detailed description of goods, services and works characteristics and identify performance requirements prepared when procuring goods, services and works.
Transversal Contract	Term contracts that are facilitated and arranged by National Treasury or Provincial Treasury for goods and services that may be utilized by a Municipality.
Terms of Reference	The statement that define clearly the task directive (methodology), objectives, goals and scope of the assignment and provide background information, prepared when procuring professional services.
Institution	A Unit or Function in the organization as the role player to the procedures.
Division	Includes the divisional section within the municipality.
Firm Contract Price	Contract prices provide for a fixed price which normally are not subject to any further price adjustment.
Non-Firm Contract Price	Contracts prices that are subjected to changes if they are explicitly included in the agreement. based on the economic price escalations such as consumer price inflation (CPI)

Abbreviations

CRA	Contract Registration Application
CFO	Chief Financial Officer
MCMG	Municipal Contract Management Guideline
CPA	Contract Price Adjustments
BAC	Bid Adjudication Committee
GCC	General Conditions of Contract
GPG	Gauteng Provincial Government
GPT	Gauteng Provincial Treasury
MBD	Municipal Bidding Document
MFMA	Municipal Finance Management Act
MM	Municipal Manager
SCC	Special Conditions of Contract
SCM	Supply Chain Management
SLA	Service Level Agreement
TOR	Terms of Reference
RT	National Treasury Transversal Contract

2. INTRODUCTION

Good contract management is essential for sound financial management and contributes greatly to effective and efficient service delivery. Contract management is concerned with monitoring contractor performance to avoid bid violations (e.g., submission and payment of fictitious invoices and abuse of the variation procedures). Contract management could be described as a systematic process that ensures that goods and services are delivered to the right place, in the right quantity, with the right quality, at the right cost and at the right time.

Furthermore, it is the process that enables both parties to a contract to meet their obligations in order to deliver the objectives required from the contract and invoices which builds a good working relationship between the parties. Contract management continues throughout the life of a contract and also involves managing proactively to anticipate future needs as well as reacting to adverse situations that may arise.

One of the objectives of contract management is to accelerate service delivery in accordance with the signed contract and the attainment of value for money whilst mitigating any risks.

3. PURPOSE

The purpose of the Municipal Contract Management policy is to establish sound and consistent management practices with respect to municipal contracts. It describes the processes and assigns responsibilities to effectively administer contracts from:

- Preparation of contracts.
- Maintenance of contract register.
- Monitoring of payments.
- Control contract variation and price adjustments.
- Assess and monitor performance of the contractor.
- Manage contract disputes.
- Manage the close out of contracts.

4. TYPES OF CONTRACTS

4.1 Lump Sum (Firm Fixed Price) Contract

Lump sum contracts are used mainly for assignments in which the content and the duration of the services and the required output of the consultants are clearly defined.

They are widely used for simple planning and feasibility studies, environmental studies, detailed design of standard or common structures, preparation of data processing systems, and so forth.

Payments are linked to outputs (deliverables), such as reports, drawings, bills of quantities, bidding documents and software programs.

Lump sum contracts are easy to administer because payments are due on clearly specified outputs.

The price is determined at inception of the contract and remains fixed for the duration of the contract.

4.2 Time-Based Contract

This type of contract is appropriate when it is difficult to define the scope and the length of services, either because the services are related to activities by others for which the completion period may vary, or because the input of the consultant or contractor required to attain the objectives of the assignment is difficult to assess.

This type of contract is widely used for complex studies, supervision of construction activities, advisory services, and most training assignments.

Payments are based on agreed hourly, daily, weekly, or monthly rates for staff (who are normally named in the contract) and on reimbursable items using actual expenses and / or agreed unit prices.

The rates for staff include salary, social costs, overheads, fees and, *where appropriate*, special allowances.

This type of contract should include a maximum amount of total payments to be made to the consultants. This ceiling amount may include a contingency allowance for unforeseen work and duration and provision for price adjustments, *where appropriate.*

Time-based contracts need to be closely monitored and administered to ensure that the assignment is progressing satisfactorily, and payments claimed by the consultants are valid and in terms of the contract.

Guidelines on fees for Consultants issued by the Department of Public Service and Administration, as well as any other accredited and recognized associations or bodies (e.g. AG, ECSA, Law Society, SAICA etcetera.) should be used as a basis to establish whether the fees proposed are reasonable and market related.

4.3 Percentage Contract

These contracts are commonly used for architectural services. They may be also used for procurement and inspection agents.

Percentage contracts directly relate to fees paid to the consultant on the estimated or actual project construction cost, or the cost of the goods procured or inspected.

These contracts are negotiated on the basis of market norms for the services.

4.4 Time Based Contract (With Price Agreement)

These contracts are used when the Accounting Officer or the municipality needs to have "on call" specialized services to provide advice on a particular activity, the extent and timing of which cannot be defined in advance.

These are commonly used to retain "advisers" for implementation of complex projects, expert adjudicators to serve on dispute resolution panels, advice on complex procurement, etcetera.

These appointments would normally be for a period of a year and generally not exceed three years.

5. CONTRACT CREATION

The contract is created through three key stages of tender namely: pre-tender, tendering and post tender contract management. All of these must be governed by rigorous governance principles.

The pre-tender stage includes needs assessment, planning and budgeting, development of specifications and selection of the most suitable procurement strategy. The tendering stage includes the invitation to tender, evaluation and adjudication of bids. Post-tender includes contract management, ordering and payment. It is important that efficient governance principles be applied to all these stages of the contract.

5.1 The Pre-Tender or Demand Management Stage

Demand planning, procurement planning, items and specification management, and supplier management are critical phases in the pre-tendering stage. This stage ensures that goods, services, construction work and other purchases are properly planned and aligned to the municipality's procurement (plan) strategy and resource plan.

This alignment is critical to ensuring that goods are delivered at the right time, place and price, in the right quantity and of the right quality. It is at this stage that a comprehensive needs analysis is carried out in line with the strategic planning process.

Procurement plans indicate all purchases that will be undertaken in the short, medium and long-term periods. Proper planning should reduce delivery delays, eradicate recurring contracts and unnecessary extensions, and eliminate the need for emergency procurement.

5.2 The Tendering or Acquisition Management Stage

This stage includes the invitation to tender, and evaluation and adjudication of bids. To avoid lack of competition and conflict of interest, all potential bidders must have access to the same tender information.

Information in the bid documents should include details of the product or service to be procured, specifications, actual or estimated quantities, the timeframe for delivery, realistic closing dates and times, where to obtain documentation, where to submit tenders and a clear, complete and non-discriminatory description of the selection and award criteria. These cannot be altered after the tender closing date.

6. CONTRACT MANAGEMENT LIFECYCLE

The lifecycle begins with setting direction, high-level objectives and policies for the Municipality. This leads to the identification of needs of the Municipality that can be fulfilled by acquiring goods, works and / or services to fulfill the need. Once the service is acquired, Contract Management comes into effect. An ongoing analysis of municipal needs is critical to ensure that goods, services and works provided are what the municipality really needs.

An effective Contract Management life cycle constitutes planning, contract arrangement, administration, performance management and close out.

6.1 Stage 1: Planning

This stage refers to consideration of contracts during the planning and budgeting processes. These processes will identify the need for contract creation and timeframes for implementation to ensure that delivery of goods and services occurs as approved in the budget.

During the strategic planning phase, the goods, works and services required to execute the identified functions are determined and captured in the procurement plans.

Procurement plans containing all planned procurement for the financial year in respect of the procurement of goods, services and works which exceed R200 000.00 (*Capital Expenditure)* is submitted by Accounting Officers to Gauteng Provincial Treasury by the 31 July of each year.

The Procurement Plan document provides detailed information about the description of goods, services and works, the procurement method, estimated value, envisaged date of advertisement as well as envisaged date of award including the responsible office.

Contract management function within the SCM unit will be responsible for monitoring of contracts in line with the projects listed in the procurement plans and approved budgets.

6.2 Stage 2: Contract Arrangement

This stage refers to the arrangement of signing the contract, making it legally enforceable and formalizing the terms and conditions concluded between parties.

The Contract Management function, within the SCM unit will arrange for the signing of the contract as follows:

- Submit the tender document, which becomes the contract, to the Deputy Municipal Manager / delegated official for signature.
- Issue an appointment letter, signed by the CFO and relevant head of department, or by the Municipal Manager (for appointments above R10 Million VAT Included) to the successful bidder.
- Follow-up on the need for of a Service Level Agreement *(where appropriate),* between the municipality and the bidder.
- The SLA must be legally sound and vetted by the Municipality's Legal Services Department, prior to signing off by the parties;

- Capture contract award details in the Contract Management system of the Municipality and National Treasury's Contract Registration Application (CRA).
- Original signed contract resides within the Supply Chain Management Unit, copy of which will be scanned and archived in the SCM filing system of the municipality;
- A copy of the signed contract is issued to the end-user to prepare for acquisition.

6.2.1 Service Level Agreement

Service level agreements are negotiated agreements for the delivery of specified services between the contractor and the Municipality. An SLA is not compulsory and is solely at the discretion of the user department, especially if the specifications in the tender document is not sufficient.

The SLA specifies services or goods required. The level of quantities and quality of service to which both parties agree and designed to indicate and evaluate the quality of the service delivered. Agreement is negotiated at the commencement of a contract and involves the understanding of the needs and constraints of both parties.

The purpose of developing SLA's and setting service levels is to enable the municipality to monitor and control the performance of the service received from the contractor against agreed standards. Service level agreements should be agreed to by both parties and these are:

- Established at a reasonable level in line with the TOR or Specifications which contain the scope of work.
- Prioritized by the municipality in order of importance and on an agreed scale for example: critical, major, urgent, important, minor, easily monitored, such as objectives, tangible and quantifiable.
- To conclude the SLA within the shortest possible timeframe after the award of a contract as best practice.
- The SLA may be included in the bid document to allow bidders to have ample time to review the SLA, or a draft SLA may be requested together with the bid document.
- The SLA should be unambiguous and understandable by all parties and may be open to re-negotiation if justifiable to do so;
- The contractor and the municipality jointly identify a statement of expectations and ability, the cost of receiving the service and the basis for the calculation of costs.

The contractor is accountable for the quality and performance levels of the services and the availability thereof. One of the principle objectives of an SLA, is that both parties understand the basis and intent of the terms and conditions under which the services are to be delivered.

The definitions of terms should be an integral part of the negotiation and discussion process between the two parties. If there are other terms identified during discussions that are not in the list of defined terms, they should be added.

It must be noted that an SLA is an agreement in its own and it should therefore not be used to change or refine the stipulations contained in the bid documents.

The list of common provisions is not exhaustive and other provisions will need to be drafted to suit the particular contractual arrangement; as a result, professional advice may be sought to assist with drafting specific SLA provisions.

6.2.2 Legal Vetting of Service Level Agreement or the Formal contract

Prior to signing a formal contract or service level agreement with a contractor, the Accounting Officer will ensure that such contracts or agreements are legally sound to avoid potential litigation and to minimize possible fraud and corruption.

The above includes legal vetting by the Legal Division of the municipality and such contracts or agreements must be actively managed in order to ensure that both the Municipality and the contractor meet their respective obligations.

The legal division provides expert advice to the Contract Management unit and must be consulted in the following circumstances:

- Vetting of contract documents and service level agreements.
- Dispute resolutions, implementation of contract terms and conditions.
- Contract change of ownership, breach of contract, penalties, terminations, enforcement of indemnities, guarantees and contractual claims.

6.3 Stage 3: Contract Administration

This stage is important in Contract Management and overlaps with monitoring and performance assessment. It encompasses various activities that need to be completed on a day-to-day basis, including amongst others:

6.3.1 Contract Register

All approved contracts are registered in the Contract Management System to enable easy retrieval and identification of all contractual arrangements.

Contracts that are partially executed, signed by one party, may be registered into the Contract Management System prior to forwarding to other parties for signature. The Contract Management unit function should ensure that all signatures are obtained, and contracts are updated in the system.

Contract registers should be used to monitor contract end dates in order to notify the end user to commence with the procurement strategy timeously, at least 6 months prior to the expiry of the contract.

An effective contract register should have the following characteristics:

- Contract number, name of contractor, description, award date, type of contract, amount, contract period, department, project manager, contact details, expenditure, commitment.
- This will simplify the reconciliation or cross-check between the register and the municipality's financial management information system.
- Expenditure against the contract and value of commitment.

Contract register report will be established detailing status of contracts and the reports to be provided by the 5th working day of every month to the Head of SCM on the following:

- Valid contracts in place.
- Contracts due to expire in six to twelve months.
- Contracts extended.
- All expired contracts.
- Contract variations.
- Cancelled contracts.
- Contracts captured on the system; (where applicable)
- Value of commitments.
- Value of accruals.

6.3.2 Contract Payments

Payments should be made in accordance with the provisions of the contract after delivery.

Evidence of delivery is required, and the end user must certify that the work has been satisfactorily executed and meet the required standards of performance, e.g. Goods Received Voucher (GRV), Payments certificates, Invoice, etc.

Payments for satisfactory performance should not be delayed because this can undermine the relationship with the service provider. All payments due to creditors must be settled within 30 days from receipt of an invoice or, in the case of civil claims, from the date of settlement or court judgment. This implies that amounts owing must be paid within 30 days from receipt of invoice if the goods, works or services were delivered to the satisfaction of the Accounting Officer or delegated authority.

In cases where a discount is not a contract condition and the contractor offers a discount on the invoice, the discount if possible must be utilized for instance by making the payment within the time limit specified on the invoice. These are usually referred to as settlement discounts.

In the event that only part of the invoice is queried, arrangement should be made to pay that portion of the amount payable, which is not subject to dispute, and separately take action to remedy the disputed amount.

Payment outside the prescribed period of 30 days from receipt of invoice is deemed to be a contravention and may be reported as such by the Auditor-General as part of the audit process.

Interest incurred on late payments will be declared as fruitless and wasteful expenditure and should also be disclosed as such in the Annual Financial Statements.

6.3.3 Contract Variation

It is recognized that, in exceptional cases, an Accounting Officer may deem it necessary to expand or vary orders against the original contract. The reasons for the variation should be clearly documented and should occur in defined circumstances.

A variation is mostly issued when extra work is added to the project after the contract has been signed. Deliverables and value for money should be assessed.

In order to mitigate against such practices, The Accounting Officer must ensure that contracts may only 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. Furthermore, any variation beyond the abovementioned thresholds must be dealt with in terms of Section 116 of the Municipal Finance Management Act.

No variation or modification of the terms of the contract may be made except by a written amendment signed by the contracted parties.

The SCM unit will forward the submission made in terms of a variation order to the BEC and BAC for consideration and recommendation to the Municipal Manager.

Upon approval, the Contract Management function will issue a letter of amendment or an addendum to the contract, to the contractor and also inform the end-user to prepare a purchase requisition to create an order.

The Contract Management unit will update the contract register and applicable Contract Management system

6.3.4 Contract secured by other organs of state

Whilst the municipality may utilize the contract procured by another municipality or organ of state, under strict conditions and prescribed requirements, the Municipality strongly discourages the use of Regulation 32 of the Municipal SCM Regulations. If the need arises, the Municipality must make sure that it complies with the below as per MFMA Circular No. 96 as per below:

PRINCIPLES UNDERPINNING THE IMPLEMENTATION OF REGULATION 32

Before MLM 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 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 MLM 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, MLM 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. MLM's bid adjudication committee and the internal audit unit 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. MLM 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

MLM 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 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 MLM'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 MLM 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 MLM'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

MLM's accounting officer 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 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 MLM as well as the organ of state that is approving the procurement under its contract. These include the following:

The contract must be valid

MLM 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

MLM 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, MLM must assess whether the remaining period will be sufficient for the service provider/s to deliver on its requirements. In other words, MLM 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 MLM. 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 MLM on the contract as well. The accounting officer consenting to the participation on the contract must therefore inform MLM's 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

MLM 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. The goods or services required by MLM 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, MLM 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 MLM, 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 that is procuring under the original contract of all changes to the contract.

Panel of consultants/list of approved service providers and framework agreements

MLM 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.

The above must not be confused with the use of transversal contracts secured by the National Treasury.

6.3.5 Contract Price Adjustment

Contractual conditions must stipulate circumstances under which the adjustments shall be considered and the process to be followed.

Approval of the price adjustment should be done within the municipality’s delegation of authority framework or may be done by the Municipal Manager.

The amendment letter will be issued to the contractor and end user on acceptance of the price adjustment.

The contract register will be updated and the applicable Contract Management system.

6.3.6 Contract Expiry Notification

SCM unit in collaboration with Contract Management function is responsible for ensuring that timeous arrangement is made to notify end users of all contracts expiring within the next 6 months. Communication with the end users must be in writing and documentation must be properly filed.

Where procurement processes need to commence within a period exceeding six months (for example 12 months prior to expiry) such longer notice period will be given by the SCM unit to the relevant end user department.

6.3.7 Extension of Contract

Extension of a contract is undesirable because it may lead to uncontrolled increases in the contract prices and it can also be a contributing factor to circumventing the procurement processes.

Lack of proper planning does not constitute a justifiable reason for dispensing with prescribed bidding processes by extending contracts.

Where justifiable reasons are provided for extending a contract, the relevant application may be considered favourably and contractors may be approached by SCM unit with the request to indicate whether they are prepared to extend the contract period.

When the need arises, and the reasons for an extension are sound, such an extension may only be done in line with Section 116(3) of the MFMA of 2003. Following full adherence to this, an item with full details must be prepared for BEC and BAC consideration and ultimately approval by the Municipal Manager.

After approval of the contract extension, the applicable Contract Management system must be updated.

6.3.8 Transversal Contracts

Transversal contracting enables the Municipality at all levels to purchase goods and services from a central list of approved suppliers who have been vetted for cost and quality.

These contracts have already been negotiated on behalf of government institutions and only best rates/prices are charged. The municipality must always consider participating in these contracts to benefit from the prices that have been already negotiated.

6.3.9 Records Management

It is important that the updated version of the contract incorporates any variations and correspondence related to the contract document and should be appropriately stored. This provides the basis for effecting payments and the ongoing management of the contract.

All tender documents and contract documents relating to a specific tender must be stored at the Supply Chain Management unit. Documents due for archiving will be transferred to the Gauteng Provincial Archives Centre through the Records Section.

6.4 Stage 4: Contract Performance Management

Performance management involves, performance monitoring, collecting data on performance, performance assessment, deciding whether performance meets the entity's needs, and taking appropriate action – such as, correcting areas of under-performance and changes that may be required to meet the changing needs.

The Accounting Officer or delegated authority must monitor on a monthly basis the performance of the contractor under the contract or agreement. This is the responsibility of the user department.

Poor performance should be recorded appropriately after engagement with the contractor. It should be considered that if proper record is not kept, such non- performance cannot be deemed a sound reason for disqualifying such a contractor for future bids.

In addition to any contractual or other remedies that may be pursued, the municipality may commence action in terms of Municipal Supply Chain Management Regulation 15(2) (d), thus the Accounting Officer must:

- Inform the contractor or person(s) by registered mail or by delivery of the notice by hand of the intention to impose the restriction, provide the reasons for such decision and the envisaged period of restriction.
- Allow the contractor and / or person(s) fourteen (14) calendar days to provide reasons why the envisaged restriction should not be imposed.
- If requested, allow the contractor and / or person(s) the right to present evidence in person and consider reasons submitted by the contractor.
- Impose the restriction or amended restriction.
- Inform the contractor and! or person(s) of the decision; and
- Inform the National Treasury within five working days of such restriction, particulars of the person(s) to be restricted, (including, where applicable, names of the restricted persons, identity numbers, trade name of enterprises, company registration numbers, income tax reference numbers and vat registration numbers), the reason(s) for the restriction, the period of restriction and the date of commencement of the restriction.

In practice, performance will be assessed, feedback and reports provided throughout the monitoring process.

The following are the reports to monitor performance of contracts on monthly basis:

(a) Progress Reports

- The end-user will complete a progress report indicating the stage of contract; achievement of milestones as per contract agreement; response time and deliveries within the contract period; quality of work, payments; poor performance; and actions.
- The progress report will be regularly submitted to the function responsible for Performance Management for deliberations, recording discrepancies and filing.
- Submission of progress reports will be determined by the nature and timeline of the project, and may not be on a monthly basis.

(b) Expenditure Report

- The Contract Management unit will on a regular basis extract the expenditure report where the contract value will be verified against the progress payments and validity of the contract.
- Discrepancies identified should be communicated timeously to the end-user and CFO to curb any potential irregular expenditure.

6.4.1 Contract Relationship Management

It is important to establish and maintain a constructive relationship with the contractor and have regular communication. Providing positive and constructive feedback will assist in maintaining such a relationship.

6.4.2 Contract Disputes Management

A contract or agreement procured through the Supply Chain Management system must stipulate the terms and conditions of the contract or agreement, which must include provisions providing for dispute resolution mechanisms to settle disputes between the parties.

It is important that any possibility of dispute or an actual dispute be recognized at an early stage and addressed as quickly as possible. Avoiding escalation of disagreements can impact on contract deliverables and reduce the costs to both parties.
In the case of non-performance, a letter informing the contractor that contract conditions have not been honored should be issued, affording the contractor at least 14 days to respond. If the contractor does not respond within the specified period, the Municipality shall without prejudice under the contract consider termination of the contract.

6.4.3 Forms of Dispute Resolution

The following forms of dispute resolution should be considered as options in the special condition of contracts:

Negotiation Negotiating between the Municipality and the contractor is the most common approach to resolving disagreements and disputes. The intention of the negotiation is to reach a mutually acceptable solution, where both sides consider they have gained the best possible result in the circumstances. It is important that one party does not consider they have been unduly pressured to agree to a particular solution as a result of the negotiation as this can lead to an escalation or recurrence of the dispute at a later stage.

Mediation Mediation involves the use of a neutral third party to assist in resolving the dispute. The mediator does not impose a decision on the parties in the way a court or arbitrator does, but instead seeks to help the parties resolve the dispute themselves. Mediation is usually regarded as a faster, less formal and less costly process than court proceedings or arbitration.

Arbitration The aim of arbitration is to obtain a final and enforceable result without the costs, delays and the formalities of litigation. Arbitration proceedings are private, can be held at a mutually convenient time and the actual proceedings are less complex than litigation.

Litigation Is the act or process of contesting a lawsuit or seeking redress through the courts. It can be an expensive and time-consuming procedure and is generally taken when other avenues of dispute resolution have not been successful or are not available. Other approaches to resolving disputes or Contractor defaults should therefore be considered prior to litigation.

6.4.4 Risks Related to Contract Management

Contract risk must be appropriately managed such that:

- All contracts set out risk identification, monitoring and escalation procedures and mechanisms which are in line with the institution's enterprise wide risk management plan.
- All contracts identify contingency plans for supplier or buyer failure.
- For key suppliers and buyers, the contract manager monitors the financial health, tax compliance and overall performance of the supplier or buyer.
- Contract terms and potential ramifications around key issues including termination; warranty; indemnity; security; confidentiality; and dispute resolution are understood by the contract manager.

6.4.5 Penalties

Penalties between the Municipality and the contractor may include:

- In accordance with paragraph 22 of the General Conditions of Contract, the Municipality will have the right to enforce the penalty clause on goods, works and services where the contractor fails to perform in accordance with contractual obligations.

- These penalties usually vary according to several factors, including the type of breach and its severity, duration, frequency, and effect on customers.
- The benefit of this approach is that the penalties are clear, agreed on, and more easily enforceable than a general claim for damages.

6.4.6 Transfer and Ceding of Contracts

The General Conditions of Contract section 19.1 dictate that the supplier shall not assign, in whole or in part, its obligations to perform under the contract except with the purchaser's prior written consent.

Applications for transfers / cession shall be completed and signed by both the transferor and the transferee and countersigned by two parties.

Full reasons for the transferring of the contract must be provided and the transferee's ability to carry out the contract must be established and reported to the Accounting Officer or delegate.

Unless it is otherwise in the best interest of the Municipality, it is highly unlikely that the transfer will be approved if the Municipality would suffer a loss as a result thereof or if there is an increased risk to the Municipality.

The principle of fairness dictates that should the contract be transferred to another provider it must be checked whether the number of preference points scored are at least the same or more than that scored by the original contractor. Thus, it should be indicated if the transfer would have had an influence on the award. However, the circumstances leading to the transfer must be pointed out and taken into consideration.

The contractor will raise the issue with the user division in writing where after the user division must comment on the viability of the transfer / cession and submit the request to the SCM unit. The SCM department may solicit the views of the Legal Department on the matter.

If the transfer / cession is not viewed favourably for a justifiable reason, the SCM unit must inform the contractor of the decision in writing and provide the user division with the copies of the correspondence for filing purposes.

If the transfer / cession is viewed favourably, the SCM unit must involve Legal Services for the purposes of drawing up the transfer / cession documentation.

The SCM unit will then prepare an item to be considered by the BEC and BAC prior to recommending to the Accounting Officer for Approval.

The SCM unit must facilitate the signing of the transfer / cession by all parties, must forward a copy to the user division and the contractor and must file the original signed transfer / cession documentation appropriately.

If the transfer/cession is not approved the original contractor will still be accountable to execute the contract.

6.4.7 Termination of the Contract and Exit from the Relationship

Contract termination is the last resort to be sought by Municipality when dealing with disputes and non-performance. It should be taken into consideration that solving disputes through courts usually costs a lot of time and money.

Termination of a contract may be considered for a variety of reasons, such as non-compliance with contract conditions, delayed deliveries, bribery, death or sequestration/liquidation of the contractor.

If termination is considered, the following factors must be addressed to the Bid Adjudication Committee:

- The particular contract condition empowering the action for the purpose of resolving any dispute.
- What further arrangements will be made for completing the contract.
- Whether additional cost will be recovered from the contractor; and
- Payment of work already executed prior to cancellation of the contract.

The contract should contain detailed provisions on the mechanism to terminate all or part of the contract and exit from the relationship.

Under the following conditions, the Municipality may consider their rights to terminate the contracts through delegated authority if they are appropriately drafted:

- Failure to meet the service performance targets for critical services on a repeated basis.
- Failure to meet a certain number of service performance targets during a specified period or supplier has engaged in corrupt and fraudulent practices during the bidding process or the execution of the contract.
- Material breach of terms and conditions with the breach being either irreparable or not having been remedied within a specified period.
- Major financial difficulties being encountered by the contractors (e.g. under liquidation).
- Failure to meet mandatory requirements or failure to acquire certain accreditation or license or approval during the period of the contract.

Exit provisions should be included in the contract to cover specific rights that will be required for termination.

Contracts must include the possibility to be terminated. This will normally include the details of timing including periods of notice (exit clause) and direction on the payment upon termination. The contract or agreement will have stated the initial term with specified period after which either party may terminate or renew the agreement, provided both parties agree to the terms and conditions.

Termination of a contract is usually detrimental to the municipality; therefore, serious thought must be given to the grounds for considering termination with assistance sought from the legal department.

The Contract Management System must be updated by cancelling the contract on the system and contract register.

6.5 Stage 5: Close Out

This stage refers to the necessary actions to end or reconsider the contractor for future agreement and associated performance review. The activities associated with closing the project down, whether in accordance with the contract or as a result of early termination.

At the completion of the contract, the end-user will provide the contract close out report indicating overall performance of the contractor; stage of contract; achievement of milestones against the original contract agreement and timelines, payments; poor performance; action and other observations.

The close out report will be submitted to Contract / Performance Management team for deliberation; filing purposes; recording discrepancies and where applicable a register and appropriate contract system will be updated. A close out report is applicable to contracts of a long-term nature, (exceeding 6 months), particularly construction related.

Different activities are associated with the different forms that contract termination can take. In the case of more complex, long-term or construction contracts ending in accordance with the original contract plan, best practice requires the need for evidence that the contract has been completed to the satisfaction of all parties.

The aim of the closure procedure is to provide a mechanism for managing the closure of the contract following the end of any retention or guarantee periods and the resolution of all other outstanding matters. The procedure is designed (where and if applicable) to:

- Ensure completion of all administrative matters.
- Record that all technical issues have been completed.
- Determine the extent of any liquidated damages to be deducted from the contract price.
- Record the end of the retention and guarantee periods and the date of the final inspection carried out.
- Record the date of release of retention and / or bank guarantees.
- To agree a statement of specific limits on continuing contractual obligations after completion of work and any ongoing obligations following the end of guarantees or maintenance periods.
- Transfer any assets, including data and intellectual property, and any loan items.
- Transfer operational systems to the successful contractor.
- Record the process of final contract payments and a summary of the financial payments made and received.
- Summarise claims made against or received from the contractor.

- Ensure the retention of records relating to the contract to counter any subsequent claims that may be brought. The Limitation sets out the general periods for six years or twelve years according to the type of contract within which an action may be brought.

On completion of this activity, agreement should have been reached on all technical and commercial aspects of the contract.
The agreement should require the signature of the parties to a document which records the acceptance of the work or service, the obligations fulfilled, and the price paid or to be paid.

Another important activity conducted at this stage, particularly in the case of high value, large contracts, is the preparation of a post-contract project report. This may follow a formal post-contract review, undertaken to assess the business benefits or losses from carrying out the procurement, how those benefits may be further enhanced and / or costs and risks reduced and how the losses can be recouped and turned to benefits.

The review should also gather the lessons that can be learnt from the management processes and procedures followed during the contract and implemented in the future.

The review should include the views of all stakeholders and the report should relate to the costs and benefits set out in the original business.

Annexure AM
Fleet Management Policy
2024/2025

FLEET MANAGEMENT POLICY

2024/2025 FINANCIAL YEAR

MIDVAAL
LOCAL MUNICIPALITY

1. Aim of the Policy

To reduce at-fault accident costs and injuries by promoting a safe driving culture within the organisation.

2. Objectives of the policy

2.1 To ensure that staff who drive vehicles in the course of their work demonstrate safe, efficient driving skills and other good road safety habits at all times.

2.2 To maintain all municipality vehicles in a safe, clean and roadworthy condition to ensure the maximum safety of the drivers, occupants and other road users, and reduce the impacts of municipality vehicles on the environment – this also applies to personal vehicles used for work purposes.

3. Code of conduct

3.1 While driving municipal vehicles or own vehicles for work purposes, staff must comply with traffic legislation, be conscious of road safety and demonstrate safe driving and other good road safety habits.

3.2 All drivers must adhere to all their responsibilities as a driver licence holder, i.e. the actions listed in this section are not exhaustive and all traffic laws and conditions of vehicle driver licences will apply.

3.3 The following actions in council vehicles will be viewed as serious breaches of conduct and dismissal may be a consequence:

3.3.1 being under the influence of drugs or alcohol while driving;

3.3.2 driving while disqualified or not correctly licensed;

3.3.3 reckless or dangerous driving causing death, injury or damage;

3.3.4 failing to stop after an accident; or

3.3.5 any actions that warrant the suspension of a licence.

4. Responsibilities as an employee

4.1 Every driver of a municipal vehicle must:

4.1.1 ensure they hold a current driver licence for the class of vehicle they are driving, including a PDP if required, and this licence is carried when driving a municipal vehicle;

4.1.2 Within 24 hours, notify their supervisor or manager if their driver licence has been suspended or cancelled, or has had limitations placed upon it;

4.1.3 be responsible and accountable for their actions when operating a municipal vehicle or driving for the purposes of work;

4.1.4 display the highest level of professional conduct when driving a municipal vehicle;

4.1.5 regularly check the oil, tyre pressures, radiator and battery levels of municipal vehicles they use;

4.1.6 comply with traffic legislation when driving;

4.1.7 assess hazards while driving and anticipate ‘what if’ scenarios;

4.1.8 drive within the legal speed limits, including driving according to the prevailing conditions (emergency vehicles to drive at the appropriate speed based on circumstances);

4.1.9 wear a safety belt at all times;

4.1.10 never drive under the influence of alcohol or drugs, including prescription and over the counter medication if they cause drowsiness;

4.1.11 avoid distraction when driving – the driver will adjust car stereos / mirrors etc. before setting off, or pull over safely in order to do so;

4.1.12 report any near-hits, crashes and scrapes to the vehicle to their manager, including those that do not result in injury, and follow the accident procedures outlined in this policy;

4.1.13 report infringements to a manager at the earliest opportunity; and

4.1.14 report vehicle defects to a manager before the next vehicle use.

4.2 In addition, it is required that all drivers:

4.2.1 take regular and adequate rest breaks;

4.2.2 stop when tired;

4.2.3 plan their journeys, taking into account pre-journey work duties, the length of the trip and post-journey commitments;

4.2.4 must adhere to these rules when driving their own vehicle for the purposes of work;

4.2.5 must seek the employer's agreement before using their private vehicle for work;

4.2.6 must ensure that the vehicle is legally registered, warranted and insured for the purposes of work – the employee must show evidence of this on request;

4.2.7 must not carry loads for which the vehicle is unsuited, nor may they carry more passengers than for which there are seat belts in the relevant vehicle; and

4.2.8 may not use the vehicle in conditions for which it was not designed (such as off-road).

4.2.9 may not transport any private person in council vehicles, unless authorised otherwise by the Municipal Manager or his / her

delegated nominee and with an indemnity. Failure to adhere to this clause will result in disciplinary action being taken against the employee.

5. Responsibilities as an employer

5.1 The employer will take all steps to ensure council vehicles are as safe as possible and will not require staff to drive under conditions that are unsafe and / or likely to create an unsafe environment, physical distress, fatigue, etc. The employer will do this by undertaking the following tasks:

5.1.1 giving priority to safety features when selecting new vehicles;

5.1.2 giving authorisation to take Council vehicles home where appropriate – a yearly schedule must be prepared by the fleet co-ordinator which will include details of all vehicles and drivers authorised to take Council vehicles home – taking home of Council vehicles is subject to the following:

5.1.2.1 the vehicle must be behind locked gates; and

5.1.2.2 the schedule must be signed by the relevant Head of Department to acknowledge and authorise the fact that the vehicle will be on private premises.

5.1.3 Through the fleet co-co-ordinator ensuring all vehicles are well maintained and that the equipment promotes driver, operator and passenger safety by:

5.1.3.1 servicing the vehicles according to manufacturers' recommendations;

5.1.3.2 setting up procedures where employees check vehicles' oil, water, tyre pressures and general cleanliness on a monthly basis, then record the inspections;

5.1.3.3 keeping maintenance schedules in the glove compartments of all vehicles, which are completed each time the vehicles are serviced;

5.1.3.4 following the maintenance schedules in the vehicles' manuals; and

5.1.3.5 setting up a procedure to identify and rectify faults as soon as practicable.

5.1.4 Regular checking of tracking reports. Regular checking of tracking reports and consistent disciplinary action where non-compliance with policy is observed.

5.1.5 Collecting and collating statistics on incidents, accidents and their causes, including:

5.1.5.1 the number of accidents;

5.1.5.2 who was thought to be at fault;

5.1.5.3 the probable causes of the accidents and other;

5.1.5.4 contributors, such as unrealistic work schedules;

5.1.5.5 the financial cost of all accidents;

5.1.5.6 the number of prosecutions; and

5.1.5.7 the number of near-miss events

5.1.6 Taking into account individual drivers' needs by requiring staff to keep driving logs that are regularly checked by a supervisor / manager.

5.1.7 Identifying driver training needs and arranging appropriate training or retraining, including providing:

5.1.7.1 a thorough induction to the municipality's road safety policies and procedures;

5.1.7.2 driver training opportunities to all staff;

5.1.7.3 driver assessment and required training as part of all staff inductions requiring driving duties;

5.1.7.4 advanced driver training or specific practical training as required and identified;

5.1.7.5 regular staff seminars or refresher meetings on safety features, fatigue, driver responsibility, drink-driving and fuel-efficient driving; and

5.1.7.6 driver training log updates on personnel files.

5.1.8 Encouraging better fuel efficiency by:

5.1.8.1 promoting a car pool scheme for work car use;

5.1.8.2 promoting a workplace travel plan;

5.1.8.3 providing training on, and circulating information about, travel planning and efficient driving habits; and

5.1.8.4 encouraging the use of other transport and / or remote conferencing whenever practical.

6. What employees must do if there is an accident in a municipal vehicle

6.1 Immediately stop the vehicle at the scene or as close to it as possible, making sure the vehicle is not obstructing traffic. Ensure own safety first. Help any injured people and call for assistance if needed.

6.2 If any person has been killed or injured, call the police and an ambulance immediately. Do not move your vehicle unless it is causing a serious obstruction, in which case mark its position if you are sure there are no injuries.

6.3 Report the accident to immediate Supervisor as soon as possible, but within 24 hrs, to a police station and furnish full particulars.

6.4 When in an accident with a third party, the vehicles are not permitted to be moved from the scene. A traffic Officer must be contacted to do the relevant measurements, accident sketch and accident report prior to moving the vehicles involved in the accident.

6.5 If there is not a third party involved in the accident, the driver must report the accident in writing, to the supervisor within 24 hours or the next working day if the 24 hours falls within a weekend or public holiday.

6.6 Under no circumstances admit liability to any person at all or at any time or agree to any payment offered or made to a third party.

6.7 Try to obtain the following information:

6.7.1 details of the other vehicle(s) and registration number(s);

6.7.2 name(s), address(es), ID number(s), home telephone number(s) and work telephone number(s) of the other vehicle owner(s) and driver(s);

6.7.3 name(s) and address(es), ID number(s), home and work telephone number(s) of any witnesses, including the occupants of the other vehicle(s) concerned;

6.7.4 name(s) of insurer/broker(s) with respect to the other vehicle(s);

6.7.5 The nature and extent of the damage caused to the other vehicle(s) in this particular accident only;

6.7.6 The name, address, ID number, home telephone number and work telephone number and estimated age of any passengers and / or pedestrian(s) involved in the accident and, if possible, details of any person(s) killed or injured, as well as the nature and extent of the injuries.

6.7.7 A description of animals and fixed objects involved in the accident and the name and address of the owner, in the case of animals and also the name and estimated age of any herdsman (men) who tended or drove the animals, as well as the nature and extent of injuries and damage;

6.7.8 Measurements for the preparation of a sketch of the scene of the accident;

6.7.9 Whether or not the road was fenced in on either sides or one side only; and

6.7.10 Any other relevant information

6.8 In the event of any third party admitting liability, endeavour to obtain a written statement from him / her to that effect.

6.9 Provide the following information to any other person having reasonable grounds for requesting the information:

6.9.1 driver's name and address, municipality details and the number of the vehicle and trip authority number.

6.10 If another vehicle that is unattended is damaged, leave a note on the vehicle with driver's contact details.

6.11 All accidents need to be reported ASAP to the South African Police Service and a case number must be obtained.

6.12 All accidents must within 24 hours be reported to the driver's supervisor / manager.

6.13 Report the accident to the Transport Office as soon as possible.

6.14 Take photographs at the accident scene if possible.

6.15 If a driver of a vehicle is suspected of being under the influence of intoxicating liquor or narcotic drugs, this fact must be brought to the attention of the police or traffic officer present at the scene of the accident with the least possible delay.

7. Reporting the accident (other than to the police)

The driver of a vehicle involved in an accident must make a suitable endorsement in the logbook / log sheet of the vehicle and must without delay complete the accident report form, obtainable from the Transport Officer, and must submit the reports, together with statements by witnesses and other supporting documents, in duplicate to the Transport Office.

8. Completion of accident report forms

The Transport Office must ensure that the responsible Head of Department is notified furnishes by sending the completed incident report.

The Transport Office must arrange for a technical report to be completed in respect of the vehicle concerned.

All completed forms must be submitted to the Transport Officer. The Transport

Officer after ensuring that the necessary forms have been completed and must send the original report forms and all the supporting documentation to the Finance Department which should be directed to Municipal Insurers. A copy of the report forms and supporting documentation must be filed appropriately.

9. Accident repairs

Where repairs are necessary to a vehicle that was involved in an accident, the Transport Office shall, in consultation with the Municipality Insurers, obtain written quotations in terms of Municipality procurement policy and shall arrange the repair of the vehicle where applicable.

10. Towing of Municipal Vehicles

10.1 In the event of an accident within the Midvaal area of jurisdiction which necessitates the towing of a Municipal vehicle, for whatever reason, the driver must without delay contact the Transport Officer or Direct Supervisor who will contact the approved merchant and a towing vehicle will be dispensed to the location of the vehicle.

10.2 The driver of the Municipal vehicle must provide the Transport Officer with the following information:

10.2.1 His / her name.
10.2.2 The Registration number of the Municipal vehicle.
10.2.3 The make and type of the Municipal vehicle.
10.2.4 The location of the breakdown or accident.
10.2.5 The personal cellular number of the driver, if available.
10.2.6 The Kilometre reading of the Municipal vehicles.
10.2.7 The nature of the incident.

10.3 In the event of an accident outside of the Midvaal area of jurisdiction which necessitates the towing of a Municipal vehicles, the driver shall follow steps above.

11. Motor Claims Procedures

11.1 Make arrangements to safeguard the vehicle following an accident or, in the event of theft, notify the Police immediately.

11.2 In the case of an accident, please record full details of Third Party, i.e. name, address, model and registration number of vehicle, Employer, Insurers, etc. This will assist greatly in recovering damages should the Third Party be responsible for the accident, as will contact names, addresses and telephone numbers of witnesses.

11.3 Notify Aon immediately by phone, fax, e-mail or visit.

11.4 Submit the following Documents:

11.4.1 Fully completed claim form signed by an authorised official of the company.

11.4.2 Quotations / Repair estimates.

11.4.3 Certified copy of both sides of driver's license.

11.4.4 Police report where a third party is involved.

11.4.5 Original Motor Vehicle Cancellation Certificate (In the event of Theft / Write-off).

11.4.6 Vehicle keys (In the event of Theft).

11.4.7 Confirmation of any outstanding fines.

11.4.8 SAP letter confirming non recovery of vehicle.

11.4.9 Copy of the original purchase invoice (In the event of Theft / Write-off).

11.4.10 Documentation substantiating any extra's fitted to the vehicle.

11.5 If necessary, the Aon Claims Department will arrange the appointment of an Assessor upon receipt of the claim documentation.

11.6 Assessor / Insurer will authorise repairs or pay cash in lieu.

11.7 Where repairs have been authorised by assessor insurer, the repairer/panel beater will bill insurer direct. However, you will be required to make your own arrangements direct with the repairer for payment of the first amount payable, i.e. policy excess or deductible.

11.8 Where a Person is injured, notification must be made immediately to the Road Accident Fund (RAF) and the necessary report form must be completed and sent to them. The contact number for the RAF is (011) 223-0000.

11.9 Where a third party is at fault, the insurer may pursue recovery from the third party by way of subrogation if they are liable to pay for damage to your vehicle. Aon will assist with the recovery of your costs up to the point where litigation becomes necessary.

11.10 Where your driver was to blame for the accident, report the incident immediately to Aon and do not admit liability. Aon will arrange for the third party to deal directly with the insurance company.

11.11 Where the loss/damage may be ascribed to unrest, the driver and passengers (where applicable) should be requested to provide a full statement describing the circumstances in detail, so as to facilitate claims against SASRIA / NASRIA.

12. When an employee will be liable to pay the excess amount

12.1 An accident is an occurrence which produces loss, damage, death or injury, and which occurred unintentionally and unexpectedly.

12.2 An excess is the amount that must be paid by Midvaal to the Insurance before the Insurance will compensate Midvaal for the rest of the loss.

12.3 An employee involved in an accident who are found to have been negligent will be liable to pay the excess amount, subject to 12.5 below.

12.4 If Midvaal Local Municipality has paid the excess to the Insurance on the official's behalf, the official remains responsible for the amount which will be deducted from his / her salary at month end, subject to 12.5 below.

12.5 Special exclusions on excess: Where the percentage of the official's contributing negligence is less than 50% (fifty percent), the official shall not be liable to pay the excess amount. The contributing negligence shall be deemed to be less than 50% when the official can prove that:

12.5.1 he / she acted in the same way a reasonable person would have acted in the same / similar conditions;

12.5.2 she / he did not act negligently; and

12.5.3 provide adequate documented proof to substantiate the special exclusion, or to substantiate another party`s majority portion of contributory negligence.

Annexure AN
Cost Containment Policy
2024/2025

COST CONTAINMENT POLICY

2024/2025 FINANCIAL YEAR

MIDVAAL
LOCAL MUNICIPALITY

Revised March 2024

1. SCOPE

The object of this policy is to ensure that resources are used effectively, efficiently and economically by implementing cost containment measures in accordance with the provisions of the regulatory frameworks.

Each municipality must revise and implement a cost containment policy which is adopted by the municipal council as part of its budget related policies, and which is consistent with the Act and Regulations.

The cost containment policy must:

- Be in writing;
- Be reviewed annually, as may be appropriate;
- Be communicated on the website; and
- set out measures for ensuring implementation of the policy, procedures for the annual review of the policy; and consequences for non-adherence to the measures contained herein.
-

The policy applies to all officials and councillors

2. DEFINITIONS

A word or expression to which a meaning has been assigned in the Act has the same meaning as in the Act, unless the context indicates otherwise, and

"**Act**" means the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003);

"**consultant**" means a professional person, individual, partnership, corporation, or a company appointed to provide technical and specialist advice or to assist with a design and implementation of projects or to assist a municipality to perform its functions to achieve the objects of local government in terms of section 152 of the Constitution

"**cost containment**" means measures implemented to curtail spending;

"**credit card"** means a card issued by a financial service provider, which creates a revolving account and grants a line of credit to the cardholder

3. USE OF CONSULTANTS

3.1 The following procedure have been implemented for the appointment of consultants:

- All appointments already made to date (i.e. procurement processes that have been completed) to continue as normal and no additional reporting / approval is required.

- All NEW appointments (including bids currently in process) must be motivated to the municipal manager. The municipality must first make an assessment of whether it has the skills and resources in its full-time employ to perform the function.

- The municipal manager must adopt a fair and reasonable remuneration framework for consultants. (AG Hourly rates; Guide on hourly fee rates for consultants; Fees of the regulating body for its members)

4. VEHICLES USED FOR POLITICAL OFFICE BEARERS

4.1 The threshold limit for vehicle purchases relating to official use by political office-bearers may not exceed R700 000 or 70% of the total annual remuneration package for different grades, whichever is greater.

4.2 The procurement of vehicles must be undertaken using the national government transversal contract mechanism unless it can be procured cheaper at a lower cost through other procurement mechanisms

4.3 Another procurement process may be followed provided the chief financial officer provides the council with information relating to the following:

a) Status of current vehicles:
b) Affordability;
c) Extent of service delivery backlogs;
d) Terrain for effective usage of vehicles;
e) Extent of service delivery backlogs
f) Any other relevant policies of council.

4.4 Regardless of their usage, vehicles for official use by public office bearers may only be replaced after completion of 120 000 km or less only where the vehicle experiences serious mechanical problems or is in a poor condition, subject to obtaining a detailed mechanical report by the vehicle manufacturer or approved dealer.

5. TRAVEL AND SUBSISTENCE

5.1 The travel and subsistence policy must be in compliance with the NT prescriptions on travel and subsistence.

5.2 The appointed travel agent must also be registered on National Treasury's Central Supplier Database and ensures compliance to the Circular.

5.3 All officials to travel economy class. The accounting officer and officials reporting directly to the accounting officer, may purchase business class tickets only if the flight exceeds 5 hours.

5.4 Only international travel to meetings or events that are considered critical will be allowed. The number of officials attending such meetings must be limited to those officials directly involved in the subject matter related to such meetings or events.

5.5 Officials must make use of the shuttle service if the cost of such service is lower than the cost of hiring a vehicle; the cost of kilometres claimable by the employee; and the cost of parking.

5.6 Vehicles may not be hired from a category higher than group B or an equivalent class. Where a different class is required, the written approval must be sort from the accounting officer before hiring the vehicle.

5.7 The municipal must utilise the negotiated rates for flights and accommodation, communicated by the National Treasury, from time to time, or any other cheaper available flight and accommodation.

6. CREDIT AND DEBIT CARDS

The municipality may not make use of credit or debit cards.

7. SPONSORSHIPS, EVENTS AND CATERING COST

7.1 Catering is minimised for meetings held longer than 5 hours

7.2 No year-end functions will be held at either Council's cost..

7.3 Gifts are managed by the marketing division and only low-value token gifts are allowed where absolutely necessary.

7.4 All entertainment budgets are capped at R2 000 per financial, year per person qualifying for entertainment expenses – any staff-related functions such as farewell functions are funded from the entertainment budgets unless the employee had at least 5 years of service.

7.5 No expenditure may be incurred from social events, team-building exercises, year-end functions, and budget vote dinners.

7.6 Expenditure may be incurred to host farewell functions in recognition of officials who retire after serving the municipality for five or more years or retire on grounds of ill health.

7.7 No expenditure may be incurred on alcoholic beverages.

7.8 No expenditure may be incurred on corporate branded items like clothing or goods for personal use of officials, other than uniforms, office supplies and tools of trade, unless costs related thereto are recovered from affected officials.

7.9 Take advantage of early registration discounts, as far as practicable and feasible.

8. COMMUNICATION

8.1 Municipal events and public information must be listed on the website. Government Gazettes and local media must be used to ensure compliance with the Municipal Finance Management Act as well as the Municipal Systems Act. To further enhance communication, the local radio stations must be used.

8.2 Private telephone calls must be tracked and deducted from staff salaries.

8.3 Newspaper subscriptions must be reduced to the bare minimum.

8.4 The municipality must use the NT transversal contract on mobile communication services, if feasible.

9. DOMESTIC ACCOMMODATION / CONFERENCES, MEETINGS AND STUDY TOURS

9.1 Conferences must only be attended if hosted by the professional bodies of local government.

9.2 Delegations must be limited to no more than 3 officials per conference.

9.3 The accounting officer must ensure that meetings and planning sessions are, as far as may be practically possible, held in-house.

9.4 Municipal or provincial office facilities must be utilised for conferences, meetings, strategic planning sessions, inter alia, where an appropriate venue exists within the municipal jurisdiction.

9.5 The accounting officer must ensure that costs incurred for domestic accommodation and meals are in accordance with the maximum allowable rates as communicated by the National Treasury, from time to time.

9.6 Accommodation should only be booked where the return trip exceeds 500 kilometres. Unless where the circumstances make such a limitation impractical, in which the approval of the Accounting Officer will be required.

10. OTHER RELATED EXPENDITURE ITEMS

10.1 Office furnishings –. Old furniture must also be repaired and re-upholstered where possible to further reduce the cost of new furniture.

10.2 Staff study, perks and suspension costs – Staff are required to repay study cost where they do not pass their exams. Staff above the threshold set by the Department of Labour are not paid overtime but get time off in lieu of overtime worked.

10.3 NT transversal contracts are used insofar as practically possible.

10.4 Security to the Mayor must only be provided after security assessments have been done.

10.5 Printing is minimised and meeting agendas must be circulated electronically.

10.6 Energy-saving measures must be applied in the municipality.

10.7 Municipal resources may not be used to fund elections, campaign activities, including the provision of food, clothing and other inducements as part of, or during election periods.

10.8 Entertainment budgets for qualifying officials limited to R2000 per annum, unless approved otherwise by the municipal manager.

10.9 Avoid expensive and elaborate office furniture.

11. ENFORCEMENT PROCEDURES

Failure to implement or comply with this policy may result in any official of the municipality or political office bearer or director of the board that authorised or incurred any expenditure contrary to these regulations being held liable for financial misconduct as set out in Chapter 15 of the Act read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.

12. DISCLOSURE OF COST CONTAINMENT MEASURES

12.1 The disclosure of cost containment measures applied by the municipality must be included in the municipal in-year budget reports and annual cost savings disclosed in the annual report.

12.2 The measures implemented, together with the regular reports on reprioritisation of cost savings, on the implementation of the cost containment measures must be submitted to the Municipal Council for review and resolution. The municipal council may refer the reports to an appropriate Council Committee for further recommendations and actions.

12.3 Such reports must be copied to the National Treasury and relevant Provincial Treasuries within seven calendar days after the report is submitted to Municipal Council.

13. COMMENCEMENT

This policy will commence from the date adopted by Council.

Annexure AO
Virement Policy
2024/2025

VIREMENT POLICY

2024/2025 FINANCIAL YEAR

MIDVAAL
LOCAL MUNICIPALITY

TABLE OF CONTENTS

PAGE

PREAMBLE ……. .3

1. DEFINITIONS …….……..… 4

2. PURPOSE OF THIS POLICY …….……. 6

3. VIREMENT PRINCIPLES ……..…….…… 7

4. OPERATING BUDGET VIREMENTS …….…….…. 8

5. CAPITAL BUDGET VIREMENTS.……...…….....……... 10

6. MSCOA SEGMENTS ……. 10

7. PROCESS AND ACCOUNTABILITY ...……..……. 12

8. DELEGATIONS …….…..... 13

9. SHORT TITLE ……... 13

ANNEXURE A: VIREMENT APPLICATION FORM …….…. 14

PREAMBLE

Whereas Section 15(a) and (b) of the Local Government: Municipal Finance Management Act, 56 of 2003 (hereinafter referred to as the Act) determines that a municipality may, except where otherwise provided for in the Act, incur expenditure only in terms of an approved budget (original and adjustments budgets) and within the limits of the amounts appropriated for the different votes in an approved budget;

And whereas Section 23(1) of the Local Government: Municipal Finance Management Act (56/2003): Municipal Budget and Reporting Regulations (hereinafter referred to as the Regulations) determines that an adjustments budget referred to in section 28(2)(b), (d) and (f) of the Act may be tabled in the municipal council at any time after the mid-year budget and performance assessment has been tabled in the council, but not later than 28 February of the relevant year;

And whereas Section 23(2) of the Regulations determines that only one adjustments budget referred to in sub regulation (1) may be tabled in the municipal council during a financial year.

And whereas there will always be a need to transfer funds within or between approved votes, as defined in the Act, due to changing circumstances and priorities during a financial year;

Now therefore the Municipal Council of the Midvaal Municipality adopts the following Virement Policy:

1. DEFINITIONS

"Accounting Officer" means the Accounting Officer appointed in terms of Section 82 of the Local Government: Municipal Structures Act, 117 of 1998 and being the head of administration and Accounting Officer in terms of Section 55 of the Local Government: Municipal Systems Act, 32 of 2000 as well as Section 60 of the Local Government: Municipal Finance Management Act, 56 of 2003.

"Act" means the Local Government: Municipal Finance Management Act, 56 of 2003.

"Approved budget" means an annual budget (original or an adjustments budget) referred to in Section 15 of the Act approved by the Municipal Council in terms of Sections 24 and 28 of the Act.

"Chief Financial Officer" means an official designated by the Accounting Officer as the Chief Financial Officer in terms of Section 80(2)(a) of the Act.

"Cost Centre" means a functional area which represents a logical point at which cost (expenditure) is collected and managed by a responsible cost centre owner.

"Cost category" means a category of expenditure as set out in the approved budget.

"Cost item" means a line item of expenditure as set out in the approved budget.

"Financial Year" means the twelve (12) month period between 1 July and 30 June of the following year.

"Senior manager" means a person appointed by Council in terms of Section 56(a) of the Act as a manager directly accountable to the City Manager.

"Vote" means one of the main segments (departments) into which a budget of a municipality is divided for the appropriation of money for the different functional areas (cost centres) of the municipality which specifies the total amount that is appropriated for the purposes of the vote's functional areas concerned.

"Virement" means the process of transferring an approved budgetary provision from one operating cost item or capital project to another within a vote or across a vote during a municipal financial year due to changed circumstances from which prevailed at the time of the previous budget adoption.

2. PURPOSE OF THIS POLICY

2.1 Midvaal Municipality wishes to achieve the following objectives by adopting this Virement Policy:

2.1.1 To assist the Accounting Officer to ensure that adequate policies and procedures are in place to ensure an effective system of financial control.

2.1.2 To enable the Chief Financial Officer to advise the Accounting Officer and to assist senior managers in the exercising of powers and duties assigned to them in terms of Section 78 or delegated to them in terms of Section 79 of the Act.

2.1.3 To provide guidelines to the Accounting Officer and senior managers in the use of virements as a mechanism in their day-to-day management of their budget votes.

2.1.4 To empower the Accounting Officer and senior managers with an efficient financial and budgetary system to ensure optimum service delivery within the current legislative framework of the Act and the municipality's system of delegations.

3. VIREMENT PRINCIPLES

3.1 Midvaal Municipality wishes to record that the following virement principles will apply:

3.1.1 In order for the Mayor and the Accounting Officer to authorise the transfer of funds from one cost item or capital project to another cost item or capital project within or across a vote (directorate); a saving has to be identified within the monetary limitations and within a similar funding segment of the approved cost item or capital project allocations on the respective budgets (operational and capital).

3.1.2 Any budgetary amendment of which the net impact will be a change to the total approved annual budget allocation and any other amendments not covered in this Policy are to be considered for budgetary adoption via an adjustments budget (Section 28 of the Act).

3.1.3 In terms of Section 17 of the Act a municipality's budget is divided into an operational and capital budget and consequently no virements are permitted between the operational and capital budgets.

3.1.4 Virements between votes (departments) will be permitted where the proposed shifts in funding facilitate sound risk and financial management.

3.1.5 Virements to the revenue side of the operational budget are allowed subject to the conditions of this Policy.

3.1.6 Virements to the expenditure side of the operational budget are allowed subject to the conditions of this Policy.

3.1.7 Virements to the expenditure side of the capital budget are allowed subject to the conditions of this Policy.

4. OPERATING BUDGET VIREMENTS

4.1 Sound motivations should be provided for all virements, as provided for on the pro forma virements documentation attached as Annexure A to this Policy.

4.2 Cost categories

4.2.1 Employee Related Costs and Remuneration of Councillors

(a) Virements are allowed between cost items, cost centres and votes as well as to and from these categories but only on the recommendation of the Pay Office to ensure that budgets are not committed for staff and councillors already on the payroll.

4.2.2 Provisions (Current and Non-Current) and Bad Debts Written Off

(a) Virements are allowed between cost items, cost centres and votes within this category of expenditure, but only at financial year end once final provision amounts required for Annual Financial Statement purposes have been calculated.

4.2.3 Contracted Services, Inventory Consumed, Operating Leases and Operational Cost and Bulk Purchases

(a) Virements to and from cost items, cost centres and votes within these categories of expenditure are allowed.

4.2.4 Depreciation and Amortisation, Interest, Dividends and Rent on Land, Transfers and Subsidies, Gains and Losses, Impairment Loss, Disposal of Fixed and Intangible Assets

(a) Virements are allowed between cost items, cost centres and votes within this category of expenditure, but only at financial year end once final amounts required have been determined.

4.3 Revenue categories

Virements are allowed within a revenue source but only to correct budgeted errors due to incorrect allocations of budgeted funds.

5. CAPITAL BUDGET VIREMENTS

5.1 No “new” capital projects as defined by mSCOA onto the capital budget will be permitted except for where it is necessary to accelerate capital projects spending of capital projects already approved by Council in the IDP and capital budget of the indicative MTREF years.

5.2 Motivations for virements in paragraph 5.1 should clearly state the reason for the need of a new capital project/s on the budget as well as the saving/s within the approved capital project/s.

5.3 Virements to and from the various categories of funding sources are not allowed. Virements are permitted within a single category of funding source.

6. MSCOA SEGMENTS

6.1 Funding Segment

Are the various sources of funding available to municipalities for financing expenditure relating to the operation of the municipality both capital and operational spending?

6.2 Function Segment

Is the location within mSCOA for creating the ‘’vote’’ structure for all municipalities?

6.3 Item Segment

Is the distinction of what is being bought or money received for in the main categories being Revenue, Expenditure, Assets, liabilities, and Net Assets?

6.4 Project Segment

Is the nature of expense resulting in the classification of transactions linked to the IDP of the municipality?

6.5 Costing Segment

Provides for the recording of full cost reflection.

Virements across segments will be allowed.

7. PROCESS AND ACCOUNTABILITY

7.1 Accountability, to ensure that virement application forms are completed in accordance with Council's Virement Policy and which is not in conflict with the department's strategic objectives, manifests with the senior manager of a department.

7.2 The relevant senior manager will ensure that the virement application form is duly completed, the virement duly motivated and signed by the senior manager. Supporting documentation, proving savings on a cost item/s, must accompany the application form that needs to be handed over to the budget office.

7.3 The budget office will verify the virement application form and the Chief Financial Officer will recommend the virement application verified should it comply with the Virement Policy of Council. If not, the virement application form will be returned to the relevant senior manager.

7.4 All relevant virement application forms verified by the budget office and recommended by the Chief Financial Officer will be submitted to the Accounting Officer and the Executive Mayor for final approval. The Accounting Officer or Executive Mayor may refuse to approve a virement application even if the Chief Financial Officer has recommended the virement application.

7.5 After receiving the final approval, the budget office may process the virement.

7.6 Completed virement documentation is to be kept by the Chief Financial Officer (budget office) for audited purposes.

8. DELEGATIONS

8.1 The approval of virements will be done in terms of the approved System of Delegations of Council.

8.2 Any official acting in a position of a senior manager, the Chief Financial Officer and the City Manager will have the delegated powers to authorise or approve virement applications.

8.3 Virements within the same source will be allowed but only to correct errors due to incorrect allocations of budgeted funds which can be made at the discretion of the Chief Financial Officer and the Accounting Officer.

9. SHORT TITLE

This policy is the Virement Policy of the Midvaal Municipality.

MIDVAAL LOCAL MUNICIPALITY

ANNEXURE A: Application Form for the Virement of Budgeted Funds in terms of Virement Policy

Financial Year: 2024/2025

FROM: Vote number/s

Cost Centre	Category	Item Number	Fund	Project	Cost	Region	Item Description	Amount (Rand)
							Total	

TO: Vote number/s

Cost Centre	Category	Item Number	Fund	Project	Cost	Region	Item Description	Amount (Rand)
							Total	

VIREMENT MOTIVATION

(GO040 Solar Printouts must be attached to Virement Application Form for Verification and Approval Purposes)

FOR AUTHORISATION PURPOSES

Action	Name of Official	Designation	Signature	Date
Requested by HOD				
Supported by MMC				
Verified by CFO				
Approved by				

Annexure AP
Allocation of Payments Policy
2024/2025

ALLOCATION OF PAYMENTS POLICY

2024/2025 FINANCIAL YEAR

MIDVAAL
LOCAL MUNICIPALITY

CONTENTS

1.	**OBJECTIVES OF POLICY**	**3**
2.	**INTRODUCTION**	**3**
3	**PAYMENT ALLOCATIONS**	**3**
4.	**IMPLEMENTATION AND REVIEW OF THIS POLICY**	**4**

1. OBJECTIVES OF THE POLICY

To ensure that the Financial Services Department will allocate payments received from customers on their consolidated accounts.

2. INTRODUCTION

Customers have the tendency of choosing which services they are paying for and ignore other services. It is therefore important to allocate payments based on the priority that will not put Council at a risk of non-payment of services that are not directly linked to the property or that are to the advantage of customers. The allocation priorities will assist when reconciling payments per service on consolidated accounts. This policy provides guidelines on the treatment of payments of debtors and the allocation thereof on their consolidated account.

3. Payment Allocations

3.1 The allocation of payments will be done by the Financial Services Department.

3.2 Customers will not be given the discretion to prescribe the sequence of allocation of payments made.

3.2 The payments received should be allocated to the oldest debt in the sequence below. All payments received by the Executive Director: Financial Services will be allocated on the consolidated accounts of the customer in the following sequence:

a. Sundry Debtors
b. Outstanding Deposits
c. Interest
d. Refuse Removal
e. Additional Sewerage
f. Water Consumption
g. Electricity Consumption
h. Availability Charge: Sewerage
i. Availability Charge: Water
j. Availability Charge: Electricity
k. Property Rates

3.3 Sundry Debtors accounts are the most difficult to collect and as such must receive the highest priority. The applicable availability charges and Property Rates are taxes and as such only prescribe after thirty years and not three years as is the case with the prescription of consumption charges. Customers must note that the payment of consumption charges will be allocated to such only once all other amounts due have been settled.

4. IMPLEMENTATION AND REVIEW OF THIS POLICY

The policy will be effective as from 1 July 2024.

This policy may be reviewed on an annual basis and tabled to Council for approval as part of the budget process.

Annexure AQ
Wayleave Policy
2024/2025

WAYLEAVE POLICY

MIDVAAL

ENGINEERING SERVICES

2024/2025

Table of Contents

1. Glossary, Definitions, Abbreviations and Acronyms 3

2. Introduction 7

2.1 Objective of the Wayleave Policy 7

2.2 The Principles of the Policy 7

2.3 Establishing a Wayleave Office 8

3. Policy 9

3.1 Overview 9

3.2 Planning work time schedules 11

3.3 Basic Wayleave procedure 12

3.4 Work in the Public Road Reserve 14

3.5 Wayleave 16

3.6 Existing Services and Planned Services 18

3,7 Road Categories 19

3.8 Protected Roads 20

3.9 Protected Precincts 21

3.10 Costs 21

3.11 Traffic Control 24

3.12 Road Closure 24

3.13 Lane Rental 25

3.14 Excavations 25

3.15 Trenchless Methods 28

3.16 Emergency Work 28

3.17 Routine Maintenance Work 29

3.18 Backfilling and Reinstatement 30

3.19 Completion Notice 31

3.20 Policy Enforcement 32

3.21 Policy Update 32

4. References 33

1. Glossary, Definitions, Abbreviations and Acronyms

The following words and Phrases have the meaning assigned to them in this Policy, unless the context otherwise indicates:

"Advertising structure or signage" – means the act or process of notifying, warning, informing, making known, displaying, transferring information on a visible manner or any other form of outdoor advertising signage structure erected within the Public Road Reserve **(PRR)** – which area refers to the full width of a Municipal Public road, and includes the verge, footway, servitude, Right of Way servitude and roadway, and which signage, board, tourism board, any other structure that are managed in terms of the applicable Midvaal Outdoor Advertising Bylaw;

"Backfilling" - refers to the replacement of the structural layers in the trench or excavation area and includes *inter alia* the base, subbase, selected subgrade but exclude the surfacing (see Reinstatement);

"Building Restriction Area" – means any limited area excluded for construction or building purposes which may require additional approvals or consents, including building line restriction areas determined under an applicable town planning scheme or Title Deed;

" Completion Notice " – means the document submitted by the Wayleave Officer as proof that the Work in the Public Road Reserve (PRR) was completed according to the Policy and specifications;

"Council"– means the Midvaal Local Municipality (MLM), a municipality established in terms of the provisions of Section 2 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000);

"Council land" – means any portion of land including road (PRR), street thoroughfare, bridge, subway, footpath, verge, sidewalk, open space, garden, park or enclosed place, erf, site or similar area vested in the Council;

"Defect liability period" – refer to any deficiency in the design or construction of the ENGINEERING SERVICES, or in the material used in the construction that results in the service not performing in a manner that can reasonably be expected. A defect liability clause may be imposed by the Council, usually for a period not exceeding 12 months of date of the "Completion notice" is issued;

"Directional board" or "direction sign" - means a guidance sign provided under the South African Road Traffic Sign System and used to indicate to the road user the direction to be taken to a place, undertaking or activity for the purpose of advertising it;

"Distance of Excavation" – means the shortest horizontal distance between Municipal services nearest to the excavation;

"Electrical structure" – means any power line tower, electric pole, switch box, miniature substation with or without fence, or any building or other structure used in the distribution of electricity;

"Engineering services" – means a system for the provision of water, electricity, renewable energy, gas, roads, fibre, storm water drainage, sewerage reticulation and treatment, all described also as engineering services infrastructure for the purpose of land development;

"Engineering specifications" - means the standard specifications and geometric and technical requirements of the Executive Director: Engineering Services of the COUNCIL, and entrusted to the ENGINEER, as is consistently applied in the COUNCIL's area of jurisdiction for the provision and installation of engineering services or any part thereof. The specifications shall indicate all relevant and necessary specifications of the ENGINEERING SERVICES applicable to developments of a similar kind, except where excluded explicitly or by implication.

"Emergency Work" – is defined as any work that is required to prevent or end a dangerous situation, to prevent or end an unplanned interruption in the supply of a Service, or to avoid any substantial losses. It is important to note that poor planning of Work to be carried out will not justify Emergency work and such activities will be stopped by the Wayleave Officer;

"Footpath"- means that a portion or lateral extremities of the street which, although not actually defined or made, is habitually used by pedestrians as a sidewalk;

"GAUTRANS" – means the relevant Provincial Department in Gauteng entrusted with the approval, design and maintenance of public roads and transport;

"Intersection"- means an intersection as defined in the National Road Traffic Act, and includes the area within the prolongation of the lateral boundary lines of two or more public streets, open to vehicular traffic, that join one another at any angle, whether or not one such public road crosses the other;

"Kerb"- means the boundary between the roadway and the footpath/pavement;

"Lane Rentals" – means the rentals that are paid to the Council by a Service Agency, excluding a Municipal Department, whose work are within the Public Road Reserve (PRR) results in time delay costs (TDC) being incurred by the users of the Public Road Reserve (PRR);

"Local Authority" – means Council or Midvaal Local Municipality;

"Locality or Location bound sign" – means a sign displayed in a specific area under the South African Road Traffic Act : Sign System and used to identify places or locations, which either provide reassurance during a road user journey or identify destinations such as towns, suburbs or street names near the end of a journey;

"Municipal Department" – means any Department that belongs to or is controlled by the Council;

"National Road Traffic Act"- means the National Road Traffic Act, 1996 (Act 93 of 1996) including any amendments to or substitutions thereof as well as all Regulations promulgated there under;

"Public Road Reserve (PRR)" – means the full width of a Municipal Public road, and includes the verge, footway, servitude, Right of Way servitude and roadway. The PRR also includes any Municipal servitudes, Council Land and building restriction areas (as defined herein);

"Reinstatement" – refers to replacing the bituminous surfacing or paving blocks in the case of roads, or the paving blocks, paving or concrete slabs, bituminous surfacing or grass in the case of footways and verges, or any other material previously used;

"Retention period" – means the 12 (twelve) month "Defect liability period", commencing on date on which the services are handed over to the relevant authority and where a " Completion notice" was issued;

"Registered Engineering Professional" – means a qualified engineer or technologist professionally registered with the Engineering Council of South Africa in terms of the Engineering Professions Act of South Africa (act 114 of 1990);

"Right of way servitude" - means the full width of a Municipal Public road over a property in favour of another also for public access, and includes the verge, footway and roadway

"Routine Maintenance Work" - is defined as all types of Work involved in maintaining the Services located in the PRR and does not require excavation, traffic control or Reinstatement activities;

"Services" - means any service, facility or system supplying the public need that a Service Agency, including Municipal Engineering Services has in or on the Public Road Reserve (PRR);

"Service Charter" – The Service Charter means the services standards that may be expected from each service department in the Midvaal Local Municipality and are listed as a Council Policy/Guideline communicated to the members of the Public. The Services Charter and Standards may be amended from time to time as the Municipality deem necessary and each Service Department (Including Service Agencies/Municipal appointed Contractors) needs to adhere to the expected timelines as set out in the Charter.

"Servitude" – means a registered right that a person, Municipality or Agency has over the immovable property of another. It allows the holder of the servitude to do something with the other party's property in a responsible way which may infringe upon the rights of the property owner and may be used for a needed service or right of way for public use i.e. Right of Way servitude in favour of a person, Agency or for the public access. Such servitude is usually maintained by the servitude holder unless an agreement is reached differently. A servitude is depicted on a Surveyor General map and registered over a property or a portion thereof;

"Service Agency or Municipal Service Department" – means any public agency or service utility or Municipal Service Department, that has a Service in the Public Road Reserve (PRR);

"Street furniture" – means public facilities and structures which are provided for pedestrians and commuters, including but not limited to seating benches, payment litter bins, pole mounted bins, bus shelters, pavement clocks and drinking fountains, but excludes traffic signs, streetlights;

"Time Delay Cost (TDC)" – means the costs associated with the time delays that are experienced and the projected completion date is not reached;

"Undertaking/Indemnity" – means the Undertaking/Indemnity form completed and signed by the Wayleave Applicant to undertake the work to be done in line with the Council's conditions, accept responsibility for all costs associated with damages, relocation, reinstatement and associated costs and to indemnify Council against any claim (s) for cost or damage to property /services or loss (incl. loss of life) of whatsoever nature which may be incurred or sustained in respect to the wayleave works

"Wayleave" – means the formal agreement and approval received for the Wayleave application to carry out Work in the Public Road Reserve (PRR). The PRR also includes any Municipal servitudes, Council Land and building restriction areas (as defined herein), to cross land where access to property is allowed by the landowner/asset holder. A Wayleave is issued by the Wayleave Officer on approval with approved drawings subject to certain conditions as stipulated by the Municipality. A Wayleave approval enables Service Agency or Services Department the responsible use or access to public assets, by co-ordinating service installation, minimising to service clashes or collateral damage due to installations or construction activities;

"Wayleave Applicant" – means the applicant, institution or Service Agency who currently owns or would own/install future Services, who applied for a Wayleave;

"Wayleave Holder" – means the institution or Service Agency who is in possession of a Wayleave approved for a specific Service as approved by the Wayleave Officer;

"Wayleave Office" – The Wayleave office will be established within the Midvaal Roads and Stormwater Section with a Wayleave Officer/s that will co-ordinate and process all Wayleave applications and process such applications in terms of this Policy

"Wayleave Officer" – means an employee appointed and authorised by Midvaal Municipality to perform the necessary administrative functions of receiving and processing applications for Wayleaves. The Wayleave Officer operates within the Midvaal Local Municipal area and coordinate and regulate any Work undertaken in respect to the services in or on the Public Road Reserve area, on Municipal Roads only.

"Wayleave Policy" – is a Council Policy on wayleaves which attempts to guide and ensure that the future and current infrastructure Services representing a financial investment within and upon land falling within the geographical area under the jurisdiction of the Municipality are co-ordinated, installed, maintained, rehabilitated and where necessary replaced without considerable delay, inconvenience, damage and additional costs to the owners of the Service infrastructure, members of the community and where all safety protocols are observed. However, the Council cannot be held liable for any services which are not owned by the Municipality and where permission or non-permissions were issued by other service Agencies/utilities.

"Work" – in the Public Road Reserve (PRR) means any activity, including the activities provided for in terms of the Wayleave processes which work carried out within the PRR. The PRR also includes any Municipal servitudes, Council Land and building restriction areas (as defined herein). It includes any project or service infrastructure related activities, irrespective of the size of the project be it installation, maintenance, repair or reinstatement Work.

2 Introduction

2.1 Objective of the Wayleave Policy

The purpose of this policy is to:

- Provide guidance to the Municipality on the accommodation of Municipal Engineering infrastructure services and any other related services for for utilities/Agencies within Public Road Reserve (PRR), servitude or building restriction area;

- Provide a framework for Service Agencies, landowners, and the Municipality to work together for the public benefit while upholding the right of these service Agencies to access Municipal owned land to deploy their infrastructure services;

- To simplify, streamline, co-ordinate, and process Wayleave applications to enable the deployment of required infrastructure services to the communities;

- To minimize delays and improve quality and efficiency in the decision-making process;

- Manage infrastructure growth and delivery key infrastructure;

- To promote economic business activity in the Municipality;

- To protect and mitigate the risks to future and existing infrastructure services within the Municipal geographical area under the jurisdiction of Midvaal.

2.2 The Principles of the Policy

The principles that underpin the Wayleave Policy are:

- Services infrastructure development is pivotal in advancing socio-economic development and attainment of national and local economic development goals and objectives;

- Service Agencies have the right to enter upon municipal land to deploy the required infrastructure and services, but must exercise these rights respectfully, with the necessary approvals and with due caution;

- The deployment of service facilities must be done in a safe and environmentally friendly manner, avoiding duplication of services infrastructure and facilities;

- To expedite approval processes and access to property (PRR) to deploy service infrastructure and facilities;

- Co-ordination and co-operation between Municipal service Departments, service Agencies or Utilities and Wayleave applicants;

2.3 Establishing a Wayleave Office

Midvaal has identified the need to establish a Wayleave office with a Wayleave Officer/s that will co-ordinate and process all Wayleave applications and process such applications in terms of this Policy, which function will need to:

- Improve the inter departmental co-ordination and communication on work plans and process applications received for Wayleaves;

- Co-ordinate and regulate all work carried out within the PRR;

- Minimize as far as possible the danger and inconvenience to members of the public and road users;

- Minimize possible damage to existing services infrastructure;

- Promote trenchless technologies. All road crossings shall be done by directional drilling. No open trenching will be allowed in the roadway without approval of the Wayleave Officer. Thrust boring or 'moling' will not be allowed within roadways.

Where directional drilling is not possible, the Service Agency/Department shall apply in writing to request permission to hand excavate the road crossing.

- Promote the use of technology such as MLM Geographical Information System (GIS) to capture and locate future and existing services infrastructure as accurately as possible.

- The Wayleave officer is to implement wayleave conditions by monitoring service providers/Agencies to adhere to wayleave conditions when working within the Municipal PRR and also enforcing wayleave conditions to those who are not adhering to such conditions during implementation.

- To effectively process Wayleave applications and sustain such a function within the Engineering Department. Such an office shall:

    - Establish effective and simplistic application and payment procedures: on-line applications will be preferred (future activity);
    - Establish effective Municipal By-Laws (future activity);
    - Establish an effective Organisational Structure (future activity);
    - Draft a Wayleave Undertaking/Indemnity for Legal Services approval (future activity);
    - Determine the applicable application fees, tariffs, fines, holding deposit and costs associated with the Way Leave applications from time to time in line with the Municipal tariff Bylaws (future activity);
    - Draft a Completion Notice (future activity);
    - Update the MLM Geographical Information System (GIS) when Wayleave applications have been approved (future activity).

3. Policy

3.1 Overview

3.1.1 The co-ordination of work in the PRR deals with two aspects, namely:

3.1.1.1 Planning the time schedule for future work in the PRR so that the work can be executed in a logical sequence i.e. avoiding the placement of a service in a road that was surfaced during the previous month. This could involve new construction, rehabilitation, or Routine Maintenance Work; and

3.1.1.2 The application for and approval of a Wayleave for the execution of any work in the PRR.

3.1.2 The co-ordination of work or time schedules described under 3.1.1.1 above may result in specific co-ordination issues where the Wayleave Officer must ensure that an acceptable solution is defined by the relevant Municipal Services Departments or Service Agencies involved.

3.1.3 It is stressed that the Wayleave Officer's role is to facilitate co-ordination between the various Municipal Services Departments or Service Agencies involved.

Each Municipal Services Departments or Service Agencies involved will have their own project leaders who are responsible for the implementation of their projects together with compliance with the Council's policies, procedures, and standards.

The Council cannot be held liable for damages to services that are not owned by the Municipality and where permission or non-permissions were issued by other service Agencies/utilities (Undertaking/Indemnity to be provided by the Service Agency to MLM).

3.1.4 The approval of a Wayleave means that:

3.1.4.1 The Wayleave holder has permission to:

3.1.4.1.1 Do work and place a new service in the Public Road Reserve;

3.1.4.1.2 Do excavations in the Public Road Reserve;

3.1.4.1.3 Do vehicular and pedestrian control in the Public Road Reserve; and

3.1.1.1.1 Do Reinstatement work in the PRR where excavations have been made (it is preferred that MLM Road services Department do or supervise such reinstatement work).

3.1.1.2 The Service Agency must protect the existing service in its position in the PRR against damage by other parties while working in the PRR.

3.1.1.3 The cost associated with relocating the service when a road is widened or rebuilt remains with the Service Agency that owns the service.

3.1.1.4 The cost to relocate a service owned by the Municipal Services Departments must be included in the project cost payable by the Service Agency that owns the service.

3.2 Planning Work Time Schedules

3.2.1 The basic procedure that must be followed for planning the time schedule of future work is as follows:

- **Service Agencies**

3.2.1.1 By 30th April of each year the Service Agencies shall submit Work Plans for the next 3-year period to the Wayleave Officer. External Service Agencies will be invited, but not obligated, to participate in the process.

3.2.1.2 These Work Plans shall show:

a) The nature of the work e.g. the placement of a new water main, or the replacement of a water/ sewer line.

b) The location of the work in terms of street blocks and the side of the PRR where the work will be executed, with due regard for the Council's typical cross-section drawing for the PRR.

c) The extent of the work i.e. the start and end positions.

d) The planned timing of the work i.e. from month/year to month/year.

e) Reference to the work in the latest approved Integrated Development Plan of Midvaal Local Municipality, if applicable.

3.2.1.3 The Wayleave Officer shall review the work plans in order to determine possible conflicts in the planned work and alert the Service Agencies to deal with and resolve the conflict.

3.2.1.4 A co-ordination meeting may be held by no later than July/August with the Service Agencies to resolve any changes that may have resulted out of the budget approval process.

- **Midvaal Service Departments**

3.2.1.1 By 30th April of each year the various Municipal Service Departments shall submit Work Plans, as may be defined in the Integrated Development Plan of the Council, for the next 3-year period to the Wayleave Officer.

External Service Agencies will be invited, but not obligated, to participate in the process.

3.2.1.2 These Work Plans shall show:

a) The nature of the work e.g. the placement of a new water main, or the replacement of a water/ sewer line.

b) The location of the work in terms of street blocks and the side of the PRR where the work will be executed, with due regard for the Council's typical cross-section drawing for the PRR.

c) The extent of the work i.e. the start and end positions.

d) The planned timing of the work i.e. from month/year to month/year.

e) Reference to the work in the latest approved Integrated Development Plan of Midvaal Local Municipality, if applicable.

3.2.1.3 The Wayleave Officer shall review the work plans in order to determine possible conflicts in the planned work and alert the Municipal Services Departments or Service Agencies.

3.2.1.4 A co-ordination meeting with relevant Municipal Services Departments may be held by no later than July/August to resolve any changes that may have resulted out of the budget approval process.

3.2.1.5 The Service Agencies, when required, can request a meeting with the Wayleave Officer on projects that may arise during a financial year that were not planned for and may be included during the co-ordination meeting.

3.3 Basic Wayleave Procedure

3.3.1 The basic procedure that is required for work to be done in the PRR is as follows:

3.3.1.1 Permission to work in the PRR must be obtained from the Wayleave Officer through a formal Wayleave application (submitted with required forms i.e.: the Undertaking/Indemnity). The Application Form can also be obtained from the MLM Website or from the Wayleave (Roads and Stormwater Section).

3.3.1.2 Prior to permission is obtained as described above, the Wayleave applicant must contact other Service Agencies i.e: (Gautrans, ESKOM

etc), to have the positions of existing services from the Municipal Service Departments or Service Agencies identified by the Wayleave Officer pointed out on site.

3.3.1.3 The control section on the Wayleave application form must be signed by each affected Municipal Service Departments or Service Agency, indicating that there is no objection to proceeding of the work. This approval will be subject to technical compliance with the standards of the Services involved as well as compliance with the work planned by the Municipality within the area under consideration.

3.3.1.4 Once the control section has been signed by all the Municipal Service Departments or Service Agencies, the Wayleave Officer may authorise the work and the work may commence in accordance with the procedure set out in this Policy. No work in the PRR may commence before all Municipal Service Departments or Service Agencies signed off the Control section on the Control sheet or Permission Letter.

3.3.1.5 A copy of the Control list on which all affected Municipal Service Departments or Service Agencies signed must be submitted to the Wayleave Officer for record keeping purposes

3.3.1.6 The applicable specifications must be adhered to for preliminary work before work will be allowed to start. Such requests include inter alia that:

3.3.1.6.1 The Midvaal Traffic must always be notified in writing in advance by the Wayleave Holder or as stipulated in the Services Charter when work is to be done in the PRR.

3.3.1.6.2 The Wayleave Officer and the contact person of each Service Agency involved must be informed prior to commencing with the work by the Wayleave Holder or as stipulated in the Services Charter.

3.3.1.6.3 Alternatively notice periods specified by the Municipal Service Departments or Service Agencies must be adhered to.

3.3.1.7 The work must be carried out according to the procedures and specifications as referred to in the Wayleave approval, the conditions under which the work was approved and any other requirements of affected Municipal Service Departments or Service Agencies.

3.3.1.8 The Wayleave and the service plans must be kept on site while the work is in progress.

3.3.1.9 The Wayleave Applicant will always be issued with one copy of the approved Wayleave.

3.3.1.10 Work will be stopped if either the Wayleave approval or the Service plans are not available during inspections on site. Work will be stopped until the required documents are available on site. A fine as stipulated in the cost and tariff schedule, will have to be paid in such an event or deducted from the holding deposit as authorised by the applicable Municipal Service Departments. This will be managed by the Wayleave Officer.

3.3.1.11 On completion of the work all trenches and excavations in the PRR must be backfilled and reinstated according to the specifications referred to by this Policy, to be inspected and confirmed by the Wayleave officer. Permanent reinstatements are the responsibility of the Wayleave Holder, at the cost of the Way Leave Holder as per the Wayleave specific conditions, standards, and drawings where applicable.

3.3.1.12 On completion of the work and permanent reinstatements, as applicable, a Completion Notice must be sent to the Wayleave Officer by the Wayleave Holder.

3.3.1.13 The Wayleave Officer will issue a final Completion notice once an inspection has been conducted and all requirements have been met.

3.3.1.14 The applicable guarantee period (defect liability period) will be stated on the Completion notice (usually 12 months from the date that the Completion Notice is issued) - See 3.6.3 for "Undertaking/Indemnity".

3.3.2 This Policy applies to all persons and entities that carry out work in the PRR in the Municipal area, such as Municipal Services Departments, external organisations, Service Agencies, and contractors. It does not apply to work in national or provincial Road Reserves within the judicial area of the Municipality (Gautrans), ESKOM, and Rand Water servitudes.

3.4 Work in the Public Road Reserve

3.4.1 Work in the PRR includes the digging of trenches, tunnelling, erection of signboards, erection of structures, and landscaping (where the existing levels will be changed) in the PRR, Servitude, Council Land, Building Restriction area and any other work that may affect motorists, users, pedestrians, the road, footways,

kerbing, traffic signs, traffic signals, street lighting, underground or overhead services or any other structure or service that is contained within the PRR.

3.4.2 The types of work that require approval from the relevant Service Agencies before a Wayleave is granted is deemed to be provision of a new service and will be conducted according to the procedures in Section 3.3 above. In general, such work refers to the positioning of a new service, excavation in the PRR, traffic control and reinstatement of the roadway and pavements. Examples include inter alia:

3.4.2.1 Work relating to the installation or maintenance of underground or overhead Services by the Municipal Service Agencies like Roads and Stormwater, Water and Sanitation, Electricity, Community Services, Land and Environmental Planning, Human Settlements and Town Planning.

3.4.2.2 Work relating to the installation or maintenance of underground or overhead services done by non-Council Service Agencies like telecommunication, fibre, electricity, gas, oil, and regional water supply.

3.4.2.3 The erection of structures that require approved building plans in terms of the National Building Regulations and Building Standards Act 103 of 1997;

3.4.2.4 The erection of advertising signs and structures that require approval in terms of relevant Municipal by-laws;

3.4.2.5 Road works, such as construction of new roads, road widening or accesses to developments, undertaken by developers;

3.4.2.6 The installation of new connection points for municipal services, such as water, sewers, electricity, and stormwater drainage from developments;

3.4.2.7 Erection of advertising boards, directional boards, traffic signage and place name boards in the PRR;

3.4.2.8 Installation of services by private concerns, e.g. fibre cables to connect different buildings;

3.4.2.9 The installation or construction of kerbing, paving, bollards, walls, gardens, etc. on sidewalks by property owners or occupiers.

3.4.2.10 Road closures procedures in terms of the Rationalisation Act of Local Government (Sect 44 and 45) in the event of application for Road closure;

3.4.3 The types of work for which prior approval from Service Agencies cannot be obtained due to the nature of the work is deemed Emergency Work and must be undertaken according to the procedures set out in Section 3.16.

3.4.4 The types of work that does not include any construction work but will require traffic control due to the activities taking place within the PRR is deemed Routine Maintenance Work and must be executed according to the procedures set out in Section 3.17.

3.5 Wayleave

3.5.1 All work in the PRR is controlled by a Wayleave. A Wayleave is simply permission to work at a specified time in a specified area in the PRR according to approved conditions.

3.5.2 A Wayleave application may be submitted for a large project that covers work in a suburb/township/area, provided that the position and expected start / end dates of all work in the PRR is adequately described under the description of the work to be done.

3.5.3 General conditions are stated on the Wayleave Approval Form and may include, but are not restricted to, the following:

3.5.3.1 Description of work to be done;

3.5.3.2 Timeframe within which the work must be done; and

3.5.3.3 Location of work to be done. Where possible co-ordinates of the area where the work will be done needs to be included with "as build drawings" (to be provided dxf, pdf and shape files or any format the Municipality requires).

3.5.4 Additionally, there may be specific conditions relating to the Wayleave which will be stated on or referred to on the Wayleave. Such conditions may include:

3.5.4.1 Specific working conditions required in terms of the Occupational Health and Safety Act (Act no 85 of 1993);

3.5.4.2 Methods of work execution in protected roads and precincts;

3.5.4.3 Reinstatement requirements; and

3.5.4.4 A Wayleave approval must be obtained before any approved work may be done in the PRR.

3.5.5 To obtain a Wayleave approval, a Wayleave application form must be submitted by the Service Agency or the relevant Municipal Services Department, together with:

3.5.5.1 A traffic control plan showing how vehicular and pedestrian traffic will be accommodated during the execution of the works in the PRR.

3.5.5.2 Copies of the design drawing showing details of the proposed work.

3.5.5.3 A receipt that the required payments were made or submission of proof of sureties already held by the Council over the work.

3.5.5.4 Payment of the required processing application fee. A Holding deposit (to be determined by relevant Municipal Service Department). Holding deposit can only be released if all Service Departments are satisfied with "Work" done and Final Completion Notice issued).

3.5.6 Details required on the design drawing referred to in 3.5.5.2 are:

3.5.6.1 A clear depiction of the proposed work.

3.5.6.2 Indication where services are to be installed and the depth of the service below the surface level of the relevant portion of the PRR.

3.5.6.3 Distance of the service from the PRR boundary or servitude area (i.e. the property boundary).

3.5.6.4 Position and extent of all structures including underground structures such as manholes, chambers, and junction boxes.

3.5.6.5 The location of all other services in the PRR. Services are located by obtaining information from the Service Agencies within the Council and by doing cross cuts where required. The use of cross cuts (by hand) is strongly recommended.

3.5.6.6 A Wayleave will only be issued once all the requirements have been complied with and will be subject to the conditions specified in Section 3.3 and on the Wayleave form.

3.5.7 The application for a Wayleave must be submitted timeously to ensure that the Wayleave can be issued before the work is programmed to start. **WORK BEING CARRIED OUT IN THE PRR, SERVITUDE, COUNCIL LAND, BUILDING RESTRICTION AREA WITHOUT A WAYLEAVE MUST BE REPORTED TO THE WAYLEAVE OFFICER AND**

WILL BE STOPPED BY A COUNCIL OFFICIAL ON SITE. A copy of the Wayleave must therefore always be on site when work is being done in the PRR.

3.5.8 The Wayleave Officer will strive to limit the duration of the application process as per the MLM Services Charter.

3.5.9 The Wayleave holder accepts full responsibility for all costs (Refer to Section 3.10) associated with and resulting from the work carried out in the PRR.

3.5.10 Only work described in the Wayleave may be executed. If the conditions on site necessitate a deviation from the planned work, the Wayleave Officer must be informed before any work is done. These deviations may be in relation to the placement of the service or the timing of the works. The Wayleave Officer may inform the Wayleave holder of additional approvals that must be obtained from the Municipal Service Departments or Service Agencies affected by the deviation as well as further requirements in terms of drawings and specifications.

3.5.11 The Wayleave holder must complete the work within the time specified on the Wayleave or the approved time extension (as per 3.5.12 below).

3.5.12 A Wayleave holder who fails to complete the work within the specified time window will have to apply for time extension or time (Work start, and completion dates must be clearly stipulated on the Wayleave application form).

3.5.13 If upon expiry of the notice period referred to in 3.5.12 the Wayleave holder is still in default; the work will be stopped and PRR made safe by the relevant Municipal Service Department at the expense of the Wayleave holder. (The Holding deposit may be used by the relevant Municipal Service Department or consider a penalty fee to the Wayleave Holder) to repair/reinstate such Municipal services damaged.

3.6 Existing Services and Planned Services

3.6.1 The Wayleave Applicant in the case of a new service, (i.e. Roads, Stormwater, Water, Sanitation, Fibre, Electricity cables or other, Petroleum/ Gas pipes etc.) must submit approved design drawings indicating the position of services in the area of Work with the Wayleave application form. (In practice, the designer needs the exact position of other services to determine the route of the new service.)

3.6.2 Municipal Service Departments or Service Agencies may require additional precautions relating to Work in the vicinity of their Services and must specify these in writing to the Wayleave Applicant.

3.6.3 As part of the Undertaking/Indemnity to be attached to the Wayleave application form, the Wayleave Applicant must confirm that the necessary information has been obtained from the relevant Municipal Service Departments or Service Agencies and undertakes to adhere to the additional conditions laid down by the various Municipal Service Departments or Service Agencies, accept responsibility for all costs associated with damages, relocation, reinstatement and associated costs and to indemnify Council against any claim (s) for cost or damage to property /services or loss (incl. loss of life) of whatsoever nature which may be incurred or sustained in respect to the wayleave works

The control section on the Wayleave application form, signed, will serve as proof that the Municipal Service Departments or Service Agencies approved that a Wayleave may be issued.

3.6.4 The Wayleave Officer will verify with all relevant Municipal Service Departments or Service Agencies whether future Work is planned for the area indicated in the Wayleave application. Such planned Work may dictate whether a Wayleave is approved and the conditions under which a Wayleave is approved. The planning horizon will depend on the planned life of the new Service as well as the Council's 5-year Integrated Development Plan.

3.6.5 It may be required to do cross cuts (by hand) in the area where Work is planned. The purpose of cross cuts is to establish and confirm the position of Services (co-ordinates where possible) in areas where the information on Services are unclear. All works to be done must be under the supervision of the relevant Municipal Service Departments or Services Agency.

3.6.6 A crosscut is done by excavating a trench that runs from the edge of the road up to the property boundary, perpendicular to the normal direction of Services. Excavation must always be done by hand. Information on the existing services (type and location) must be communicated back to the Wayleave officer.

3.6.7 The minimum depth of the crosscut trench is 1 meter below the lowest point of the PRR to be indicated on the drawing relevant to all existing and proposed services.

3.7 Road Categories

3.7.1 All roads are classified into one of the functional categories described below. The functional category of a road determines the Backfilling and Reinstatement specifications applicable to that road.

3.7.2 The following definitions apply for the road categories:

Category	Road Type	Administration
1	National Roads Primary – (inter) provincial Urban Freeway/Motorways	SANRAL Gauteng DoT Service Coordinator
2	Primary – (inter) provincial Major (inter) urban arterials	Gauteng DoT Service Coordinator (GAUTRANS)
3	(Inter) district connectors Minor (intra) urban arterials	Gauteng DoT Service Coordinator (GAUTRANS) and Midvaal Roads
4	Major and minor collectors Inter neighbourhood distributors Intra neighbourhood distributors	Gauteng DoT Service Coordinator (GAUTRANS) and Midvaal Roads
5	Residential streets	Service Coordinator (Midvaal Roads)

3.7.3 All roads have been categorised into one of the above by the Municipality. For a specific road this information can be obtained from the Wayleave Officer.

3.8 Protected Roads

3.8.1 Over and above the road categories defined in Section 3.7 of this Policy, certain roads are further classified as protected roads (no- dig roads).

3.8.2 Protected roads are roads across which no digging of trenches is permitted. A road is protected if it has been designated a protected road by the Roads and Stormwater Department. Roads are designated as protected when they are of strategic importance (Categories 1 to 4 in Section 3.7) or if they pose special engineering difficulties. Separate permissions from SANRAL or GAUTRANS may be required.

3.8.3 Any road that has been newly constructed, overlaid or resurfaced will be protected for a specified period as determined by the Municipality.

3.8.4 If a road is protected it will be indicated as such on the Wayleave.

3.8.5 Protected roads may only be crossed using trenchless methods. If trenchless methods for some reason cannot be used, special permission to excavate must be obtained from the Wayleave Officer.

3.8.6 For the purpose of planning Work done by Municipal Service Departments or Service Agencies, categories 4 and 5 may be regarded as unprotected unless they have been constructed or surfaced.

3.9 Protected Precincts

3.9.1 Works in protected precincts are subject to special trenching methods and care to ensure minimal damage to specialised and expensive material and furniture. The Wayleave Officer will inform the Wayleave Applicant of the required methods and might request that third party contractor must be used to carry out the Work.

3.10 Costs

3.10.1 Processing / application Fee

3.10.1.1 The processing fee is a fixed amount that is payable by the Applicant upon submission of a Wayleave application form. This fee amount will be determined by the Council from time to time.

3.10.1.2 The processing fee covers the Council's administrative costs for work done by the Wayleave Officer to obtain comments from the various Municipal Service Departments or Service Agencies on the Wayleave application.

3.10.1.3 Initially the Wayleave Applicant must obtain comments from the various Service Agencies on the Wayleave application. All affected parties will be notified of any changes to the processing fee by the end of April and the new fee will only be applicable from 1st July. Details of the current fee are available from the Wayleave Officer.

3.10.2 Holding Deposit

3.10.2.1 A refundable holding deposit (the value of the relevant road verge reinstatement work) will be charged for each Wayleave being issued. Holding deposits will not be charged for work done by internal Service Agencies (Council Departments and their service providers but Roads and Stormwater Department must have access to the Service department's vote numbers to do the required reinstatements if the other departments fail to do so to the satisfaction of the Roads and Stormwater Department) themselves.

3.10.2.2 The deposit amount will be based on the road and verge reinstatement works.

3.10.2.2.1 The Wayleave Officer shall request the relevant Municipal Service Departments to determine the required holding deposit per service, maintain and manage the deposit register.

3.10.2.3 Wayleave Applicants who can produce proof of sureties or deposits held by other Council agencies for the same project will be waived if the Wayleave Officer considers the amount retained enough to cover the potential risks involved.

3.10.2.4 The Municipal Service Departments will have the right to use the deposit to cover costs incurred by the MLM Service Department due to the damages caused by the wayleave holder in relation to the Wayleave under consideration to repair/reinstate damaged services. (uncompleted work/Defects/damages/losses).

3.10.2.5 The responsibility remains with the Wayleave holder to ensure that the contractor engaged in the implementation of the work has valid and sufficient public liability insurance. Work may not commence without proof of the Public Liability Insurance. Policy detail must be submitted with the wayleave application.

3.10.3 Reinstatement Cost

3.10.3.1 When the permanent reinstatement or any other repair work has to be done by the Municipal Services Departments (i.e. when the Wayleave Holder fails to reinstate the roads or verges), the cost involved will be payable by the Wayleave holder.

3.10.3.2 The cost for reinstatement will be determined using the relevant Municipal approved Service Department rates and managed by the Wayleave Officer.

3.10.3.3 The final invoiced amount payable will be determined using the measurements of the final reinstatement as agreed between the Wayleave Officer and the Service Agency and on the final reinstatement costs.

3.10.3.4 The reinstatement area will be measured using straight lines along the edge of the trench. Therefore, it is recommended that the proper cutting tools be used in order to ensure a smooth and straight edge.

3.10.3.5 It is important to note that the decision as to who does the permanent reinstatement lies with the Wayleave Officer. Project Managers must therefore allow for the reinstatement cost as an item in the contract document which is payable to either the contractor or the Municipal Service Department.

3.10.4 **Other Costs**

3.10.4.1 Other costs can result from any of the following:

3.10.4.1.1 Damages to existing services infrastructure (services Agencies will determine the extent of the damage and the specifications to rectify the damages to their own services including any losses due to Municipal services being damaged;

3.10.4.1.2 Relocation, reinstatement or repair of existing services;

3.10.4.1.3 Testing of services and backfills;

3.10.4.1.4 Lane rentals;

3.10.4.1.5 Services rendered by the MLM service Department in completing work or altering work to conform to Wayleave specifications; and

3.10.4.1.6 Third Party Claims that may result from the work;

3.10.4.1.7 Penalties as may be imposed on the Wayleave Holder as described in this Policy.

3.10.4.2 All such costs will be borne by the Wayleave Holder who is expected to make provision for recovery from the person executing Work in the PRR.

3.10.4.3 A party wishing to dispute the costs charged to him because of any of the above reasons will do so at their own cost and will be submitted to the Municipal Manager (MLM).

3.11 Traffic Control

3.11.1 It is the responsibility of the person working, under the supervision of a Registered Engineering Professional appointed by the Municipal Service Departments or Service Agency, in the PRR to ensure that all laws regarding traffic, safety, traffic signs and barricading are complied with while executing work.

3.11.2 The person working in the PRR shall therefore take all necessary measures and provide all necessary facilities to ensure an adequately safe and easy passage for traffic and pedestrians through areas in which work is in progress.

3.11.3 The Wayleave Officer can request that a traffic control plan be submitted as well as kept available on site as part of the conditions under which the Wayleave is approved. Such traffic control plan must be communicated to the Midvaal Traffic Department, prior to work commencement (see 3.3.1.6.1).

3.11.4 Traffic signs and barricading shall be done according to the latest edition of the Southern African Development Roads Traffic Signs Manual.

3.11.5 The person working in the PRR must contact Midvaal Traffic to ensure that all requirements have been met for the location where the work is being done and whether pointsmen will be required.

3.11.6 The importance of adequate traffic signs and barricading must be stressed. These measures are intended to ensure the maximum safety for motorists, pedestrians and workers also the minimum disruption of vehicles and pedestrians. Work sites must be properly barricaded and signed irrespective of how long the work will last. The safety precautions must be maintained for the full time that risks exist in the PRR due to the work being performed in the PRR.

3.12 Road Closure

3.12.1 The granting of a Wayleave does not give the Wayleave holder the authority to close the road completely to traffic. Methods of construction and programmes of work must therefore be determined on the basis that

no road, or portion of road, may be completely closed to traffic for any appreciable period.

3.12.2 In exceptional circumstances permission may be granted for the temporary closure of a road or portion/lane of road to traffic and the process to be followed can be obtained from the Wayleave Officer. The application will be made to the Municipal Manager. Public participation with the affected community/ties may be required prior to work commencement. The Wayleave holder must apply to the Municipality prior to the road having to be temporarily closed (also to traffic). Road closure will be approved for a specific period only, i.e. from and to a specific time on a specific date and is only valid for that specific period. If the work is not carried out in that period, an application for a new temporary road closure will have to be made.

3.12.3 Work carried out on arterials, major collectors and central business district roads may be restricted to outside the following periods, namely from 6:30 to 09:00 and 15:30 to 18:00, to ensure free flow of traffic during peak hours. These times apply 7 days a week. Meyerton CBD roads between 10:00 to 12:00 or on weekends.

3.13 Lane Rental

3.13.1 Lane rental refers to the rental of space in the public road reserves for the storage of construction materials, temporary holding area or "stock piling", site office or the closure of lanes for a period as determined by the Municipality.

3.13.2 Lane rental is managed by the Municipality's Roads and Stormwater Section.

3.14 Excavations

3.14.1 The area that is excavated must always be kept to a minimum. The width of the trench must be uniform in length and in depth, in other words the sides must be parallel and vertical. The top of the trench must be cut with a saw to ensure smooth, uniform edges.

3.14.2 All excavations must comply with statutory requirements for health and safety. The Wayleave holder must pay specific attention to:

3.13.2.1 Excavations must be executed according to the applicable Occupational Health and Safety Act.

3.13.2.2 Excavations deeper than 1.5m must be shored or V-cut according to the Occupational Health and Safety Act.

3.13.2.3 Excavations deeper than 1.5m must be registered with the Department of Labour prior to commencement of the work. The registration includes the scope of work, depth of trench and the construction method (shoring or V-cut method according to the Occupational Health and Safety Act).

3.14.3 The minimum depth that any service may be placed under a road is 800mm measured from the level of the surfacing of the road to the top of the Service. The minimum depth at any other place in the PRR, e.g. on a verge, is also 800mm measured from the level of the surfacing of the road or from natural ground level, whichever is the lowest. Services not subject to being laid at a specific grade such as water pipes and cables should not be placed at depths in excess of 800mm as this could interfere with future Services that has to be laid at a specific grade, such as sewers and stormwater pipes.

3.14.4 All excavated material and equipment must be placed and demarcated in in a holding or stock piling area in such a way as to cause the minimum disruption to vehicles and pedestrians.

3.14.5 The view of motorists must at all-time be kept clear of any obstructions such as excavated material, road signs or hoardings.

3.14.6 A safe passage must always be kept open for pedestrians.

3.14.7 Excavation areas must be clearly demarcated with clear warning signs that allow time for motorists and pedestrians to alter their routes. The Excavation areas within a PRR may not remain open for longer than 24 hours and such area/s must be closed the same day, provided the necessary permission was obtained from the Wayleave Officer.

3.14.8 The Wayleave holder is held responsible for any damage to existing services. Services, indicated on the drawings or on site by representatives from the relevant Municipal Services Departments or Service Agencies, must be opened by careful hand excavation. If the services cannot be found, the relevant organization must be contacted again for further instructions. When existing services are found such must be communicated back to the Wayleave officer by the Service Agency.

Under no circumstances may a Wayleave holder excavate with mechanical equipment before known services have been found and marked. When found, services must be marked and protected or supported as required by the owner. If services need to be relocated, instructions from the owner must

be followed carefully. The Wayleave Holder will be responsible for all relocation costs. If any Service is damaged as a result of the Work, relevant Service Department or Agency must be contacted immediately.

3.14.9 Adequate preventative measures must be taken to ensure that no water (e.g. due to rain) flows into the open trenches since this will result in the weakening of the structural layers of the road. Any water that is present in the trenches must be pumped out before Backfilling. Water must be pumped into stormwater system and not into sewer manholes. Any materials that has become wet must be removed from the bottom of the trench before backfilling.

3.14.10 The Wayleave Holder must prevent foreign materials from entering the stormwater drains and ensure that silting does not occur from pumping operations or because of rain. If any silting or other contamination does occur, the Wayleave Holder must clean the drains or request the Wayleave Officer to do it at the cost of the Wayleave holder.

3.14.11 All re-usable materials such as concrete blocks, slabs, kerbs, gutters, channels, and stormwater inlets must be removed with care and re-used if possible. Any surplus material must be returned to the nearest Roads and Stormwater Depot stores. The address will be available at the Wayleave officer.

3.14.12 If any street furniture (e.g. names, traffic signs, bus shelters, etc) which must be removed, arrangements must be made with the relevant authority for the removal, storage, and re-erection. The cost specified by the relevant authority will be for the Wayleave Holders account.

3.14.13 Where excavations are made through entrances to properties, access must be maintained by using steel plates, planks or other temporary bridges of sufficient strength that are properly secured against movement. The occupants of the properties must be kept informed at all times of how their property accesses will be affected and perhaps alternative accesses may be agreed on.

3.14.14 The cleaning up of the construction site and the reinstated to its previous condition (or better) is considered part of the Work and must be completed within 14 days after reinstatement of the trench has been done. If the Wayleave Holder fails to do so, action will be taken by the Municipality as indicated in Section 3.5.13

3.15 Trenchless Methods

3.15.1 If trenchless methods are used, disruption of traffic flow and pedestrian movements can be reduced considerably or eliminated. However, it is important that the Wayleave Holder using such methods must have all the necessary equipment and expertise to complete the Work successfully. Trenchless method can be used for all road categories but shall be used for all roads classified as "Protected" (Refer to Sections 3.8 & 3.9).

3.15.2 The position of existing Services must be located accurately. If any Services are damaged, the Wayleave Holder will be responsible for all costs to have the damaged services repaired/replaced, as well as all losses measured.

3.15.3 The depth to the top of any tunnel that is drilled for the installation of new Services must be at least 800mm measured from the lowest level of the road surfacing.

3.16 Emergency Work

3.16.1 Emergency Work is defined as any work that is required to prevent or end a dangerous situation, to prevent or end an unplanned interruption in the supply of a service, or to avoid any substantial losses. It is important to note that a lack of proper planning of work to be carried out will not justify Emergency Work and such activities will be stopped by the Wayleave Officer.

3.16.2 A categorised list of emergency work will be maintained by the Wayleave Officer and will serve as a guideline for Service Agencies as well as the Wayleave Officer in determining whether work is an emergency.

3.16.3 The Wayleave Officer will provide an emergency number for the use of service Agencies that requires information on the position of services in the area where emergency work is to be carried out.

3.16.4 The Wayleave Officer must be notified in writing prior to the commencement with emergency work. The emergency notification certificate referred to in Section 5 must be used for this purpose. If the Wayleave Officer is not notified within 24 hours from the first working day, the Work will be reinstated by the Wayleave Officer and the cost thereof will be invoiced against the Service Agency. The emergency notification document can be obtained from the

Wayleave Officer. The Wayleave Officer will notify the relevant MLM Traffic and Public Safety official.

3.16.5 The emergency notification must always be certified by an Authorised Agent of the Service Agency as an emergency that requires their immediate attention.

3.16.6 Emergency work must be done in accordance with all procedures and specifications applicable to the type of work as set out in the specifications of each Municipal Service Department or Service Agency.

3.16.7 Reinstatement of the PRR will be done by the Municipality or its Contractor (at the cost of the Municipal Service Departments or Service Agency) upon receipt of a notification and payment documentation from the Municipal Service Departments or Service Agency that the emergency work has been completed.

3.16.8 The responsibility remains with the Municipal Service Departments or Service Agency to ensure that their drawing information is updated according to the alterations made during the emergency work and communicated to the Wayleave Officer.

3.17 Routine Maintenance Work

3.17.1 Routine Maintenance Work is defined as all types of work involved with maintaining the Services in the PRR and does not require excavation, traffic control or reinstatement of the PRR as part of the work.

3.17.2 A categorised list of routine maintenance work will be maintained by the Wayleave Officer and will serve as a guideline for Service Agencies as well as the Wayleave Officer in determining whether Work is Routine Maintenance Work.

3.17.3 Such work can include inter alia:

3.17.3.1 Any work that relates to maintaining the vegetation in the road reserve through cutting planting, removing, or relocating of plants.

3.17.3.2 The placement of advertising material/ signage on or within structures pre-erected for that purpose.

3.17.3.3 Temporary diversion of traffic for public events i.e. sport, mass action, protests, parades.

3.18 Backfilling and Reinstatement

3.18.1 Any trenching activity disturbs the structural integrity of a road or footway. Backfilling and Reinstatement must therefore be done in such a way as to ensure that the reinstated trench and its immediate surroundings do not fail structurally, thus resulting in road user discomfort and increased costs.

Backfilling of trenches – The Municipality may request for compaction test results and such results must be to the satisfaction of the Municipality (the costs involved for such tests will be for the account of the Wayleave Holder). Materials (which may include but not limited to asphalt, gravel or other materials required) to be used in the reinstatement of roads shall be approved by the relevant Municipal Service Department, prior to reinstatement of any road layers.

3.18.2 Backfilling refers to the replacement of the structural layers in the trench or excavation and includes the base, subbase, selected subgrade, and subgrade, but exclude the surfacing.

3.18.3 Reinstatement refers to replacing the bituminous surfacing or paving blocks in the case of roads, or the paving blocks, paving slabs, bituminous surfacing, or grass (and other landscaping) in the case of footways and verges.

3.18.4 Backfilling must in all cases be done by the Wayleave Holder in accordance with the specifications as set out in the specifications provided by the Wayleave Officer. Permanent reinstatement must be done by the Wayleave Holder but can be done by the Municipal Service Departments when the Wayleave Holder fails to do so, at the Wayleave holder's cost. The Wayleave Officer will decide whether the Wayleave Holder will be allowed to do the permanent reinstatement based on performance history.

3.18.5 The Wayleave holder must obtain prior written approval from the Municipal Service Departments (Roads and Stormwater Section) for the project specification to be used for backfilling PRR. The proposed specification shall be submitted to the relevant Municipal Services Department, who shall provide written comments on the specification, or an alternative specification as per the Services Charter.

3.18.6 When the Wayleave conditions place the responsibility for reinstatement work on the Wayleave holder then the reinstatement specification must also be approved in advance by the Municipal Service Departments. This shall be done in accordance with the principles set out in 3.18.5.

3.18.7 Permanent backfilling and reinstatement done by the Wayleave holder will be subject to a guarantee period of one year based on the performance specifications described in the specifications document "Defect Liability period".

3.18.8 If permanent reinstatement is done by the Municipal Service Department, the Wayleave holder must do a temporary reinstatement as specified. The Wayleave holder will then be charged for the permanent reinstatement at the applicable rates defined by the Municipality.

3.18.9 The temporary reinstatement must be removed by the Municipal Service Department and the backfilling tested. If the backfill does not comply with the applicable specifications, it must be replaced at the cost of the Wayleave holder. These costs are over and above the normal reinstatement costs.

3.18.10 The Wayleave holder is responsible for maintaining the temporary reinstatement (where applicable/ allowed) for a period as specified in the Services Charter prior to receiving the Notice of Completion from the Wayleave Officer. During this period the Wayleave holder is still held liable for any claims relating to the work that was carried out.

3.18.11 Temporary reinstatement must be done where the Wayleave holder leaves the site with the view of returning to complete the Work. The Wayleave holder must maintain this temporary reinstatement until the permanent reinstatement is done (as per the Services Charter).

3.18.12 The Wayleave holder may not leave the site without reinstating it.

3.18.13 If a Wayleave holder who leaves the site unattended for more than 24 hours and not obtain permission from the Wayleave Officer, a penalty fee will be charged (see costs Section 10.4.1). The amount will be determined by the Municipality from time to time.

3.19 Completion Notice

3.19.1 On completion of the work the Wayleave Holder must complete the application for a Completion Notice and return it to the Wayleave Officer. The Wayleave Officer will then set up a site meeting with the Wayleave Holder to do an inspection and will issue a final Notice of Completion when all requirements have been met and that each affected Services Department has agreed that the Final Notice of Completion can be issued (also that the Holding deposit, if applicable, can be refunded or that such deposit has indeed been utilized as per section 3.10.2). The 12-month Defect Liability period will apply for permanent

reinstatements by the Wayleave holder, or the 2-week maintenance period for temporary Reinstatements by the Wayleave holder, then commences (usually from the date of issuing the Completion Notice).

3.19.2 Completion of the work means that all work has been completed and that all materials, equipment and rubble have been removed and the site is completely cleared and cleaned and that either the permanent or temporary Reinstatement, as applicable, has been done by the Wayleave holder. Furthermore, it requires that all applicable documentations and as-builds as specified on the Wayleave form have been handed to the

3.20 Policy Enforcement

3.20.1 The Wayleave Officer will enforce and manage wayleave applications/approvals in terms of the Wayleave Policy.

3.20.2 Council reserves its right to exercise its discretion in the implementation and enforcement of this policy.

3.20.3 Notwithstanding any penalty or remedy expressly provided for this policy, the Council reserves the right to exercise any other legal remedy it may have in enforcing this policy.

3.21 Policy Update

3.21.1 The Policy will be updated annually with Council's consideration.

4 REFERENCES

(a) City of Ekurhuleni Wayleave Policy 3 October 2019;

(b) Stellenbosch Municipality Wayleave Policy 2021/2022.

(c) S151 of the Constitution of the Republic of South Africa, 108 of 1996

(d) Rustenburg Local Municipality Wayleave Policy 2020:

(e) Wayleave Policy Lesedi Local Municipality2021

(i) Ndlambe Local Municipality (Eastern Cape) Wayleave Policy

(ii) Different Municipality/Council Tariff schedules

(f) Department of Roads and Transport Wayleave Manual 2010

(g) JRA Application and process forms

(h) Midvaal Traffic Bylaw - National Road Traffic Act, 1996 (Act 93 of 1996)

Applications for Wayleave shall be made to the Wayleave Officer: Roads and Stormwater Section, for permission to work within a PRR.

Annexure AR
DRAFT SDBIP

SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN

1 JUL 2023 – 30 JUN 2024

- - D R A F T - -

087 106 2471 complaints@midvaal.gov.za
24 Hour Emergency Line 016 360 7500 / 016 340 5911
Ethics Hotline 0860 268 624

INDEX

DESCRIPTION	PAGE NO
1. Service Delivery & Budget Implementation Plan Concept 1.1 Definition 1.2 Components of the SDBIP 1.3 SDBIP Concept	
2. Performance Management Framework 2.1 Performance Planning 2.2 Performance Measurements 2.3 Performance Monitoring 2.4 Performance Analysis 2.5 Performance Reporting 2.6 Performance Review	
3. Roles & Responsibilities	
4. Process Plan	
5. Five Necessary Components of the Top-Layer of the SDBIP 5.1 Monthly projections of revenue to be collected for each source 5.2 Monthly projections of expenditure (Operating, Capital & Revenue) for each Vote 5.3 Monthly projections for revenue and operating expenditure for each Vote 5.4 Quarterly projections of service delivery targets and performance indicators for each Vote 5.5 Ward information for expenditure and service delivery 5.6 Detailed Capital Works Plan broken down by Ward over three years	
6. Council's Vision & Mission	
7. Midvaal's approved Key Performance Areas (KPAs)	
8. Approval of Service Delivery & Performance Targets	
9. Key Performance Areas (KPAs) / Key Focus Areas (KFAs) (Measurable Performance Objectives) 9.1 KPA 1 – Good Governance 9.2 KPA 2 – Safe & Health Environments 9.3 KPA 3 – Community Development 9.4 KPA 4 – Institutional Transformation 9.5 KPA 5 – Financial Stability 9.6 KPA 6 – Infrastructure & Sustainable Living Environments 9.7 KPA 7 – Communication & Customer Care 9.8 KPA 8 – Economic Growth & Spatial Transformation	
10. Council Resolution	
11. Approval	

1. SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN CONCEPT

DEFINITION

The definition of the Service Delivery & Budget Implementation Plan (SDBIP), explained in the Municipal Finance Management Act, Act 56 of 2003 (MFMA), reads as follows:

"Service Delivery and Budget Implementation Plan"

A detailed plan approved by the Executive Mayor in terms of Section 53(l)(c)(ii) of the Municipal Finance Management Act, Act 56 of 2003 (MFMA) for implementing the municipality's delivery of municipal services and its annual budget.

The Service Delivery & Budget Implementation Plan (SDBIP) provides the vital link between the Executive Mayor, Council (Executive) and the administration and facilitates the process for holding management accountable for its performance.

The SDBIP is a management, implementation and monitoring tool that will assist the Executive Mayor, Councillors, Municipal Manager, Senior Managers and Community.

A properly formulated SDBIP will ensure that appropriate information is circulated internally and externally for purposes of monitoring the execution of the budget, performance of senior management and achievement of the strategic objectives set by Council.

It enables the Municipal Manager to monitor the performance of Senior Managers, the Executive Mayor to monitor the performance of the Municipal Manager and for the community to monitor the performance of the municipality.

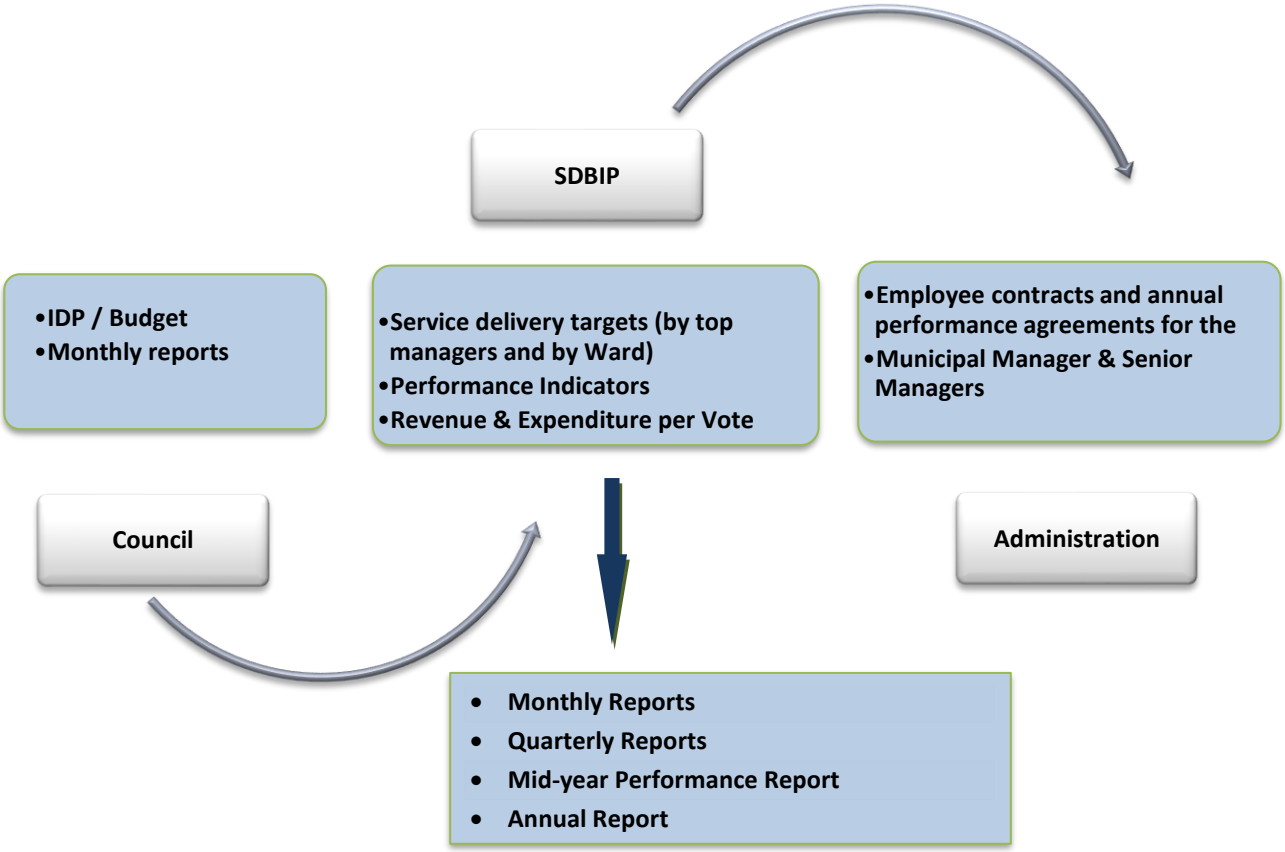
The following components must be indicated in the SDBIP:

Projections for each month of:

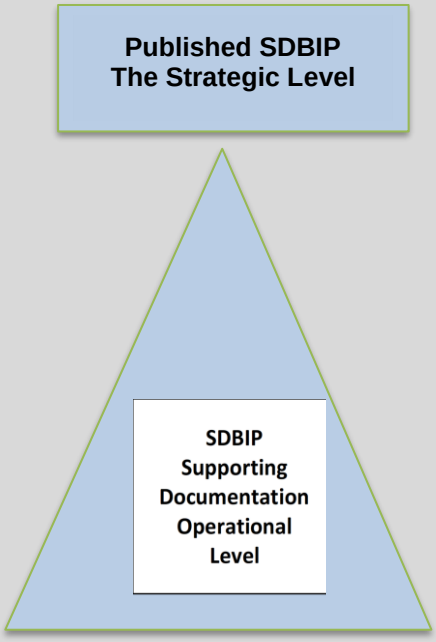
1. Revenue to be collected by Source
2. Operational and Capital Expenditure by Vote
3. Service delivery targets and performance indicators for each quarter
4. Capital budget broken down per ward
5. Any other matters that may be prescribed and includes any revisions of such plan by the Executive Mayor in terms of Section 54(1) of the MFMA

The SDBIP serves as a contract between Council and the Administration.

This diagram explains the Service Delivery & Budget Implementation Plan (SDBIP) Concept.



The SDBIP concept is further explained in the following sequence:

1. Top Management sets the targets	
2. Top Management develops the detail on the operational level	
3. SDBIP tabled in Council and made public	
4. Municipal Manager is responsible for submitting the SDBIP to the Executive Mayor	
5. Executive Mayor to approve SDBIP within 28 days after the budget approval	
6. Performance Agreements reviewed by the Executive Mayor to ensure compliance	
7. Monthly monitoring by Executive Mayor – any revisions to the top layer must be approved by Council	
8. Council should reserve oversight role over performance end of year – Annual Report tabled by the Executive Mayor	

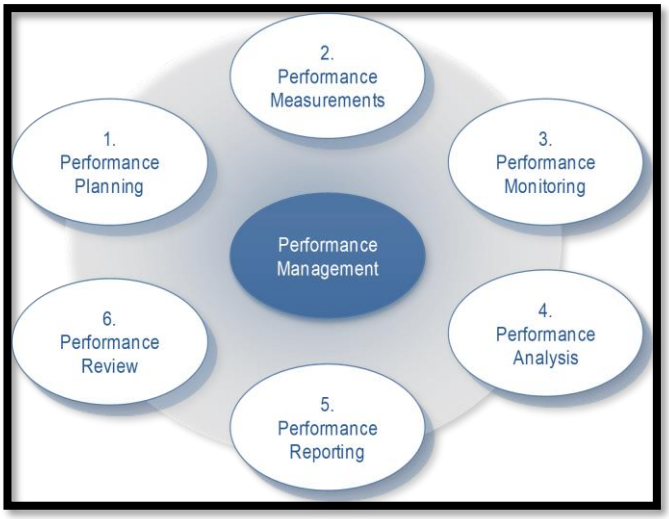
2. PERFORMANCE MANAGEMENT FRAMEWORK

The Performance Management System (PMS) entails a framework that describes and represents how the municipality's process of performance planning, monitoring, measurement review, reporting and improvement will be conducted, organised and managed, including determining the different role- players.

The policy document guides the development of a PMS. It also forms the basis of aligning the IDP with the operational SDBIPs, performance areas and performance indicators of the various departments.

The Performance Management Framework is the way the Municipality collects, presents and uses its performance information. It is a practical plan, made up of mechanisms and processes, to collect, process, arrange and classify, examine and evaluate, audit, reflect on and report performance information. These mechanisms and processes work in a cycle which must be linked to the normal planning (IDP and otherwise) and the annual budgeting cycle.

The annual process of managing performance at organisational level involves the steps set out in the diagram below and explained/defined below:



2.1 Performance Planning

The performance of Midvaal is to be managed in terms of its IDP. The process of compiling an IDP and the SDBIP and the annual review of the IDP thereof, constitutes the process of planning for performance.

It should be noted that the last component of the process is that of performance review and the outcome of such review process inform the next cycle of the IDP compilation/review by focusing the planning processes on those areas in which Midvaal has underperformed.

2.2 Performance Measurement

Performance measurement refers to the formal process of collecting and capturing performance data to enable reporting to take place for each Key Performance Indicator and against the target set for such indicator.

The setting of measures/indicators and targets happens during the IDP process and is linked to the strategic objectives of the municipality.

To ensure the integrity of the indicators and targets set, baseline information based on backlog and current performance should be used as the basis for setting sound measures/indicators and targets. Performance measurement allows Midvaal to compare their actual performance in relation to backlog and current (baseline) performance.

2.3 Performance Monitoring

The purpose of performance monitoring is to ensure:

1. Performance is monitored against the information available
2. The MFMA requires the Accounting Officer to regularly monitor and report on performances
3. The Act stresses the need for regular monitoring reports to be submitted to NT, so serve as early warning
4. Performance against the budget and service delivery plans
5. Council is alerted and managers are taking appropriate remedial actions

It is important to understand the duties, roles and responsibilities of the different stakeholders and role-players in the various processes that together constitute the framework of the PMS. It is important that the accountabilities and relationships and priorities of the various stakeholders are set to ensure that there is a complete understanding of the participation, consultation and involvement of all stakeholders for maximum inputs into, and success of the PMS.

Performance monitoring and reporting are very important. It ensures timeous identification of non-performance.

Performance monitoring is an ongoing process by which the Manager accountable for a specific indicator and target, as set out in the SDBIP, continuously monitors current performance against predetermined objectives (PDOs). The aim of the monitoring process is to take appropriate and immediate interim (or preliminary) action where the indication is that a target is not going to be achieved by the time that the formal process of performance measurement, analysis, reporting and review is due.

2.4 Performance Analysis

Performance analysis involves the process of making sense of measurements/indicators. It requires interpretation of the measurements as conducted in terms of the previous step to determine whether targets have been achieved and exceeded and to project whether future targets will be achieved or not.

Where targets have not been achieved, performance analysis requires that the reasons therefore should be examined and corrective action recommended.

Where targets have been achieved or exceeded, the key factors that resulted in such success, should be documented and shared, to ensure organisational learning.

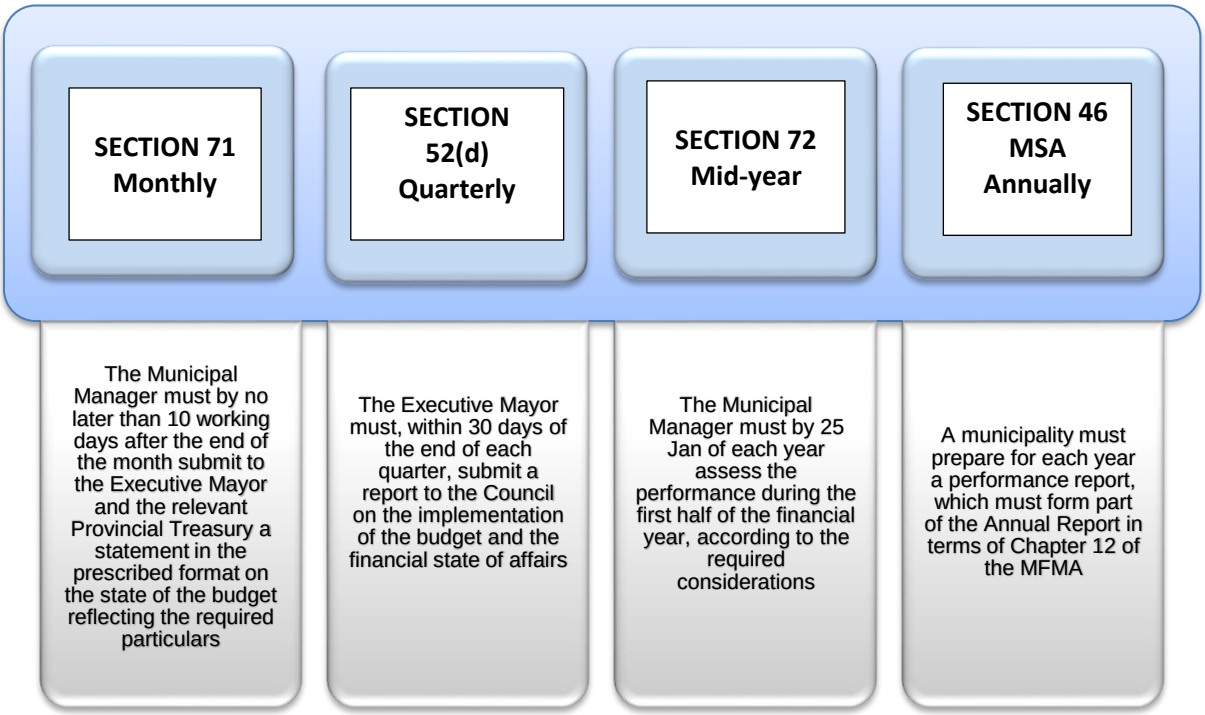
2.5 Performance Reporting

The purpose of performance reporting is to:

1. Monitor the financial position, performance and cash flows
2. Review ongoing progress towards achieving performance objectives
3. Early Warning System for budget overspending
4. Highlight performance shortcomings: Under expenditure
5. Integral part of ongoing management
6. Budget holders accountable through regular reporting
7. Integrated financial and performance management determine cost effectiveness

The executive management should also ensure that quality performance reports are submitted to the Mayoral Committee and that adequate response strategies are proposed in cases of poor performance.

Performance reporting is done according to the following sections regulated by the MFMA:



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

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

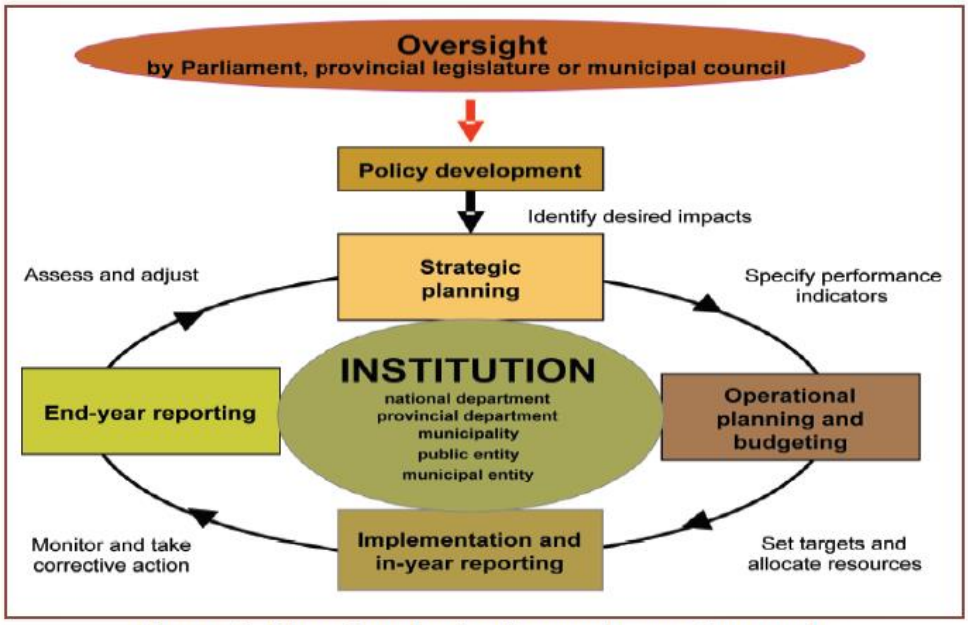


Figure 5 Planning, budgeting and reporting cycle

3. ROLES & RESPONSIBILITIES

STAKEHOLDERS / ROLE-PLAYERS	ROLES AND RESPONSIBILITIES
1. Developing and sanctioning the performance management process	
Mayoral Committee Ratify and adopt the PMS Policy	
2. Developing measures / indicators	
Officials 1. Provide the IDP documentation and (when appropriate) the PMS documentation of the previous reporting period 2. Provide inputs into the process with reference to the available resources within their respective departments 3. Document the measures/indicators 4. Provide the schedule of measures/indicators to relevant stakeholders	
Councillors 1. Provide inputs into the process with reference to the needs and requirements of their constituents and the communities 2. Engage with the officials to ensure maximum utilisation of the resources taking into account the budgetary guidelines and possible limitations	
Local Community and Stakeholders Provide inputs into the process with reference to their specific needs and requirements	
3. Setting targets	
Officials 1. Provide inputs into the process with reference to the available resources within their respective departments 2. Document the targets 3. Provide and publicise the schedule of targets to the relevant stakeholders	
Councillors 1. Provide inputs into the process with reference to the needs and requirements of their constituents and the communities 2. Engage with the officials to ensure maximum utilisation of the resources taking into account the budgetary guidelines and possible limitations	
Local Community and Stakeholders Provide inputs into the process with reference to their specific needs and requirements	

4.	Linking measures/indicators and targets to performance commitments of staff
	Municipal Manager 1. Prepare performance agreements with agreed and approved measures/indicators and targets 2. Ensure that the measures/indicators and targets in the performance agreements of senior managers are linked with his/her agreement 3. Ensure that all senior managers performance agreements are published 4. Provide inputs into senior managers performance agreements 5. Ensure that the measures/indicators and targets of the departments and sub-ordinates are linked with the senior managers agreements
	Mayoral Committee Ratify and adopt the performance agreements
5.	**Monitoring and Evaluation**
	Executive Mayor Monitor and evaluate (according to agreed schedule) the measures/indicators and targets of the Municipal Manager
	Municipal Manager 1. Monitor and evaluate (according to the agreed schedule) the measures/indicators and targets of senior managers 2. Ensure that the results are documented and publicised to the relevant stakeholders
6.	**Information collection, processing and analysis**
	Councillors 1. Provide inputs into the process with reference to the needs and requirements of their constituents and the communities 2. Ensure with the council officials that all information is made available 3. Examination, scrutiny and critical analysis of measures/indicators, targets, outputs and outcomes
	Officials Collect, process and provide the relevant and appropriate information from their respective departments/Sections
	Local community and Stakeholders Provide inputs into the process with reference to their specific needs and requirements
7.	**Auditing of information**
	Performance Management Manager 1. Collect and process relevant and appropriate information from departments 2. Examination, scrutiny and critical analysis of information from departments
	Performance & Audit Committee Examination, scrutiny and critical analysis of information from departments
	Auditor-General 1. Collect and process the relevant and appropriate information from the Municipality 2. Examination, scrutiny and critical analysis of information from the Municipality

8.	**Audit reporting**
	Internal Auditor Provide an independent audit report to the Performance & Audit Committee
	Performance & Audit Committee Provide an independent audit report to the Municipal Manager and Mayoral Committee
9.	**Reporting**
	Municipal Manager Provide approved, relevant and appropriate information and reports to National- and Provincial Government and the Auditor-General
10.	**Report to Community**
	Municipal Manager Ensure that the results are documented and publicised to the relevant stakeholders
11.	**Review of performance management and setting of new measures/indicators and targets**
	Officials 1. Provide inputs into the process with reference to the available resources within their respective departments 2. Document the measures/indicators and targets 3. Provide and publicise the schedule of revised measures/indicators and targets to relevant stakeholders
	Councillors 1. Provide inputs into the process with reference to the needs and requirements of their constituents and the communities 2. Engage with the officials to ensure maximum utilisation of the resources considering the budgetary guidelines and possible limitations in the light of the revised measures/indicators and targets
	Local Community and Stakeholders Provide inputs into the process with reference to their specific needs and requirements in the light of the revised measures/indicators and targets

5. PROCESS PLAN

Section 28 of the Municipal Systems Act, Act 32 of 2000, states that:

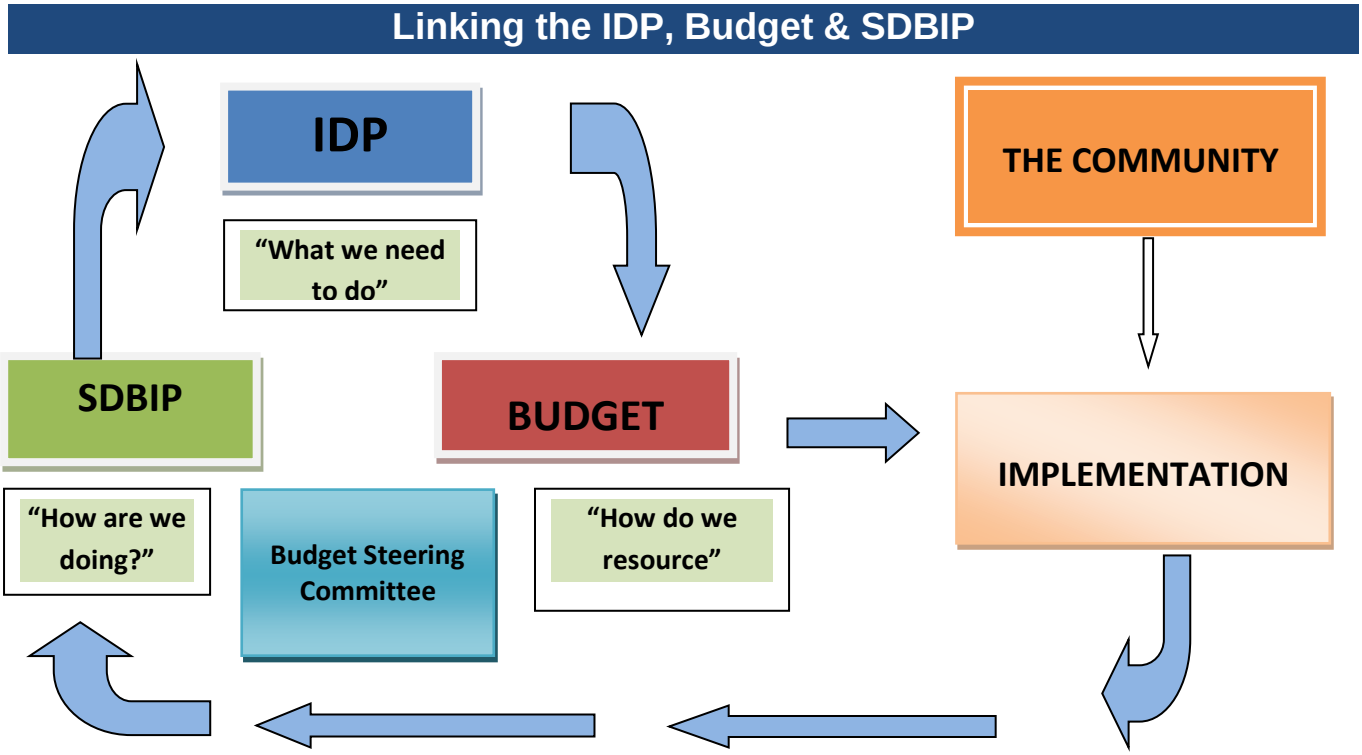
Each Municipal Council, within a prescribed period after the start of its elected term, must adopt a process set out in writing to guide the planning, drafting, adoption and review of its Integrated Development Plan.

The Process Plan will amongst other, include the following:

- Institutional arrangements (internal and external role-players)
- Mechanisms and procedures for public participation
- The IDP year planner
- Alignment of the IDP
- Conclusion

The complete process plan is contained in the IDP.

The full process is simplified in the following diagram:



5. FIVE NECESSARY COMPONENTS OF THE TOP-LAYER OF THE SDBIP

The next section (funding/budget) of the SDBIP must be read with the afore-mentioned requirements to be able to give effective implementation of the full process, linked to the Performance Management System.

5.1 Monthly projections of Revenue to be collected for each source;

5.2 Monthly projections of Expenditure for each Vote Operating Expenditure per Category;

5.3 Monthly projections for revenue and operating expenditure for each Vote;

5.4 Quarterly projections of service delivery targets and performance indicators for each Vote;

5.5 Ward Information for expenditure and service delivery.

5.1 Monthly projections of Revenue to be collected for each source

Table 2 Summary of revenue classified by main revenue source

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue											
Exchange Revenue											
Service charges - Electricity	2	357 488	388 232	475 822	523 642	522 890	522 890	365 364	601 337	677 518	783 257
Service charges - Water	2	221 761	249 280	214 565	271 239	251 468	251 468	204 221	274 372	297 476	321 653
Service charges - Waste Water Management	2	45 601	49 841	54 450	55 169	55 169	55 169	50 770	58 893	62 427	66 173
Service charges - Waste Management	2	41 920	46 892	55 102	55 545	55 545	55 545	47 141	59 433	62 999	66 779
Sale of Goods and Rendering of Services		4 720	6 453	5 482	6 062	6 862	6 862	6 924	7 273	7 684	8 045
Agency services											
Interest											
Interest earned from Receivables		12 981	13 263	13 009	13 449	16 773	16 773	13 570	17 662	18 527	19 398
Interest earned from Current and Non Current Assets		21 721	17 194	18 248	20 080	20 080	20 080	26 245	21 144	22 180	23 222
Dividends											
Rent on Land											
Rental from Fixed Assets		1 214	1 014	1 098	1 241	1 241	1 241	930	1 315	1 394	1 459
Licence and permits		-	-	-	-	-	-	-	-	-	-
Operational Revenue		6 427	3 191	1 641	3 716	3 716	3 716	2 095	3 918	4 118	4 312
Non-Exchange Revenue											
Property rates	2	242 117	253 452	273 314	287 653	301 041	301 041	245 616	321 362	340 643	361 082
Surcharges and Taxes											
Fines, penalties and forfeits		40 839	69 271	68 387	74 958	117 748	117 748	68 884	124 813	132 301	138 519
Licences or permits											
Transfer and subsidies - Operational		130 237	159 071	150 862	172 851	172 791	172 791	162 432	193 221	209 600	228 341
Interest		5 983	6 557	5 509	6 444	10 254	10 254	11 064	10 254	10 254	10 254
Fuel Levy											
Operational Revenue											
Gains on disposal of Assets		(1 179)	(641)	(70)	-	-	-	-	-	-	-
Other Gains		21	15	55	-	-	-	-	-	-	-
Discontinued Operations											
Total Revenue (excluding capital transfers and contribution		**1 131 851**	**1 263 085**	**1 337 473**	**1 492 049**	**1 535 579**	**1 535 579**	**1 205 256**	**1 694 996**	**1 847 122**	**2 032 495**

5.2 Monthly projections of Expenditure for each Vote Operating Expenditure per Category

GT422 Midvaal - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue - Functional																
Governance and administration		40,160	40,160	40,160	40,160	40,160	40,160	40,160	40,160	40,160	40,160	40,160	18,207	459,969	481,922	505,046
Executive and council		589	589	589	589	589	589	589	589	589	589	589	191	6,665	7,063	7,344
Finance and administration		39,572	39,572	39,572	39,572	39,572	39,572	39,572	39,572	39,572	39,572	39,572	18,017	453,304	474,859	497,702
Internal audit													–	–	–	–
Community and public safety		13,494	13,494	13,494	13,494	13,494	13,494	13,494	13,494	13,494	13,494	13,494	23,479	171,915	161,929	168,514
Community and social services		1,863	1,863	1,863	1,863	1,863	1,863	1,863	1,863	1,863	1,863	1,863	888	21,376	22,351	22,380
Sport and recreation		31	31	31	31	31	31	31	31	31	31	31	16,598	16,943	376	394
Public safety		11,139	11,139	11,139	11,139	11,139	11,139	11,139	11,139	11,139	11,139	11,139	5,786	128,311	133,664	139,946
Housing													–	–	–	–
Health		462	462	462	462	462	462	462	462	462	462	462	208	5,284	5,538	5,794
Economic and environmental services		2,426	2,426	2,426	2,426	2,426	2,426	2,426	2,426	2,426	2,426	2,426	(6,253)	20,437	29,116	18,569
Planning and development		1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	965	14,304	14,552	13,791
Road transport		833	833	833	833	833	833	833	833	833	833	833	(7,386)	1,780	10,000	–
Environmental protection		380	380	380	380	380	380	380	380	380	380	380	168	4,352	4,564	4,777
Trading services		108,719	108,719	108,719	108,719	108,719	108,719	108,719	108,719	108,719	108,719	108,719	(52,093)	1,143,816	1,304,628	1,466,435
Energy sources		62,581	62,581	62,581	62,581	62,581	62,581	62,581	62,581	62,581	62,581	62,581	(38,328)	650,067	750,977	849,266
Water management		32,779	32,779	32,779	32,779	32,779	32,779	32,779	32,779	32,779	32,779	32,779	(13,005)	347,561	393,345	412,473
Waste water management		7,356	7,356	7,356	7,356	7,356	7,356	7,356	7,356	7,356	7,356	7,356	(3,196)	77,725	88,277	102,992
Waste management		6,002	6,002	6,002	6,002	6,002	6,002	6,002	6,002	6,002	6,002	6,002	2,436	68,463	72,029	101,704
Other													–	–	–	–
Total Revenue - Functional		164,800	164,800	164,800	164,800	164,800	164,800	164,800	164,800	164,800	164,800	164,800	(16,660)	1,796,136	1,977,596	2,158,563
Expenditure - Functional																
Governance and administration		25,178	25,178	25,178	25,178	25,178	25,178	25,178	25,178	25,178	25,178	25,178	12,603	289,556	302,126	312,817
Executive and council		4,438	4,438	4,438	4,438	4,438	4,438	4,438	4,438	4,438	4,438	4,438	2,099	50,916	53,254	55,518
Finance and administration		20,740	20,740	20,740	20,740	20,740	20,740	20,740	20,740	20,740	20,740	20,740	10,504	238,640	248,872	257,299
Internal audit													–	–	–	–
Community and public safety		23,775	23,775	23,775	23,775	23,775	23,775	23,775	23,775	23,775	23,775	23,775	15,474	276,997	285,295	297,943
Community and social services		2,454	2,454	2,454	2,454	2,454	2,454	2,454	2,454	2,454	2,454	2,454	912	27,900	29,441	28,957
Sport and recreation		3,760	3,760	3,760	3,760	3,760	3,760	3,760	3,760	3,760	3,760	3,760	3,233	44,598	45,125	47,245
Public safety		17,061	17,061	17,061	17,061	17,061	17,061	17,061	17,061	17,061	17,061	17,061	11,106	198,780	204,735	215,470
Housing													–	–	–	–
Health		500	500	500	500	500	500	500	500	500	500	500	224	5,719	5,994	6,271
Economic and environmental services		12,067	12,067	12,067	12,067	12,067	12,067	12,067	12,067	12,067	12,067	12,067	5,278	138,014	144,800	151,212
Planning and development		4,123	4,123	4,123	4,123	4,123	4,123	4,123	4,123	4,123	4,123	4,123	2,049	47,406	49,480	51,354
Road transport		7,540	7,540	7,540	7,540	7,540	7,540	7,540	7,540	7,540	7,540	7,540	3,051	85,995	90,483	94,795
Environmental protection		403	403	403	403	403	403	403	403	403	403	403	178	4,612	4,837	5,063
Trading services		99,448	99,448	99,448	99,448	99,448	99,448	99,448	99,448	99,448	99,448	99,448	2,540	1,096,468	1,193,375	1,316,794
Energy sources		59,674	59,674	59,674	59,674	59,674	59,674	59,674	59,674	59,674	59,674	59,674	(11,392)	645,019	716,085	812,650
Water management		23,350	23,350	23,350	23,350	23,350	23,350	23,350	23,350	23,350	23,350	23,350	4,266	261,111	280,194	297,546
Waste water management		8,100	8,100	8,100	8,100	8,100	8,100	8,100	8,100	8,100	8,100	8,100	3,083	92,183	97,199	102,321
Waste management		8,325	8,325	8,325	8,325	8,325	8,325	8,325	8,325	8,325	8,325	8,325	6,583	98,156	99,897	104,277
Other													–	–	–	–
Total Expenditure - Functional		160,467	160,467	160,467	160,467	160,467	160,467	160,467	160,467	160,467	160,467	160,467	35,896	1,801,035	1,925,596	2,078,765
Surplus/(Deficit) before assoc.		4,332	4,332	4,332	4,332	4,332	4,332	4,332	4,332	4,332	4,332	4,332	(52,555)	(4,899)	52,000	79,798
Intercompany/Parent subsidiary transactions													–	–	–	–
Surplus/(Deficit)	1	4,332	4,332	4,332	4,332	4,332	4,332	4,332	4,332	4,332	4,332	4,332	(52,555)	(4,899)	52,000	79,798

5.3 Monthly projections for revenue and operating expenditure for each Vote

GT422 Midvaal - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue by Vote																
Vote 01 - Executive & Council		589	589	589	589	589	589	589	589	589	589	589	191	6,665	7,063	7,344
Vote 02 - Corporate Services		175	175	175	175	175	175	175	175	175	175	175	56	1,980	2,099	2,197
Vote 03 - Financial Services		39,234	39,234	39,234	39,234	39,234	39,234	39,234	39,234	39,234	39,234	39,234	17,877	449,455	470,813	493,475
Vote 04 - Development & Planning		1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	965	14,304	14,552	13,791
Vote 05 - Health		462	462	462	462	462	462	462	462	462	462	462	208	5,284	5,538	5,794
Vote 06 - Community And Social Services		1,894	1,894	1,894	1,894	1,894	1,894	1,894	1,894	1,894	1,894	1,894	17,486	38,319	22,727	22,774
Vote 07 - Public Safety		102	102	102	102	102	102	102	102	102	102	102	2,245	3,369	1,226	1,283
Vote 08 - Sport And Recreation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 09 - Environmental Protection		380	380	380	380	380	380	380	380	380	380	380	168	4,352	4,564	4,777
Vote 10 - Waste Water Management		7,356	7,356	7,356	7,356	7,356	7,356	7,356	7,356	7,356	7,356	7,356	(3,196)	77,725	88,277	102,992
Vote 11 - Solid Waste Management		6,002	6,002	6,002	6,002	6,002	6,002	6,002	6,002	6,002	6,002	6,002	2,436	68,463	72,029	101,704
Vote 12 - Roads And Transport		11,870	11,870	11,870	11,870	11,870	11,870	11,870	11,870	11,870	11,870	11,870	(3,845)	126,723	142,438	138,663
Vote 13 - Water Services		32,779	32,779	32,779	32,779	32,779	32,779	32,779	32,779	32,779	32,779	32,779	(13,005)	347,561	393,345	412,473
Vote 14 - Electrical Services		62,744	62,744	62,744	62,744	62,744	62,744	62,744	62,744	62,744	62,744	62,744	(38,244)	651,937	752,925	851,295
Vote 15 - Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue by Vote		**164,800**	**164,800**	**164,800**	**164,800**	**164,800**	**164,800**	**164,800**	**164,800**	**164,800**	**164,800**	**164,800**	**(16,660)**	**1,796,136**	**1,977,596**	**2,158,563**
Expenditure by Vote to be appropriated																
Vote 01 - Executive & Council		4,378	4,378	4,378	4,378	4,378	4,378	4,378	4,378	4,378	4,378	4,378	2,035	50,195	52,537	54,805
Vote 02 - Corporate Services		7,747	7,747	7,747	7,747	7,747	7,747	7,747	7,747	7,747	7,747	7,747	3,365	88,587	92,969	97,366
Vote 03 - Financial Services		9,142	9,142	9,142	9,142	9,142	9,142	9,142	9,142	9,142	9,142	9,142	3,945	104,510	109,706	111,873
Vote 04 - Development & Planning		4,037	4,037	4,037	4,037	4,037	4,037	4,037	4,037	4,037	4,037	4,037	1,962	46,364	48,438	50,311
Vote 05 - Health		498	498	498	498	498	498	498	498	498	498	498	223	5,701	5,976	6,253
Vote 06 - Community And Social Services		7,157	7,157	7,157	7,157	7,157	7,157	7,157	7,157	7,157	7,157	7,157	5,651	84,378	85,883	88,044
Vote 07 - Public Safety		4,351	4,351	4,351	4,351	4,351	4,351	4,351	4,351	4,351	4,351	4,351	1,951	49,817	52,218	54,644
Vote 08 - Sport And Recreation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 09 - Environmental Protection		403	403	403	403	403	403	403	403	403	403	403	178	4,612	4,837	5,063
Vote 10 - Waste Water Management		8,095	8,095	8,095	8,095	8,095	8,095	8,095	8,095	8,095	8,095	8,095	3,078	92,122	97,138	102,260
Vote 11 - Solid Waste Management		8,530	8,530	8,530	8,530	8,530	8,530	8,530	8,530	8,530	8,530	8,530	6,788	100,619	102,361	106,740
Vote 12 - Roads And Transport		20,900	20,900	20,900	20,900	20,900	20,900	20,900	20,900	20,900	20,900	20,900	12,569	242,470	250,800	263,795
Vote 13 - Water Services		23,437	23,437	23,437	23,437	23,437	23,437	23,437	23,437	23,437	23,437	23,437	4,354	262,165	281,248	298,600
Vote 14 - Electrical Services		61,791	61,791	61,791	61,791	61,791	61,791	61,791	61,791	61,791	61,791	61,791	(10,203)	669,494	741,487	839,010
Vote 15 - Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure by Vote		**160,467**	**160,467**	**160,467**	**160,467**	**160,467**	**160,467**	**160,467**	**160,467**	**160,467**	**160,467**	**160,467**	**35,896**	**1,801,035**	**1,925,596**	**2,078,765**
Surplus/(Deficit) before assoc.		**4,332**	**4,332**	**4,332**	**4,332**	**4,332**	**4,332**	**4,332**	**4,332**	**4,332**	**4,332**	**4,332**	**(52,556)**	**(4,899)**	**52,000**	**79,798**
Income Tax													–	–	–	–
Share of Surplus/Deficit attributable to Minorities													–	–	–	–
Intercompany/Parent subsidiary transactions													–	–	–	–
Surplus/(Deficit)	1	**4,332**	**4,332**	**4,332**	**4,332**	**4,332**	**4,332**	**4,332**	**4,332**	**4,332**	**4,332**	**4,332**	**(52,556)**	**(4,899)**	**52,000**	**79,798**

5.4 Quarterly projections of service delivery targets and performance indicators for each Vote

GT422 Midvaal - Table A10 Basic service delivery measurement

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Household service targets	1									
Water:										
Piped water inside dwelling		19,461	19,850	19,850	19,850	19,850	19,850	29,372	29,522	29,672
Piped water inside yard (but not in dwelling)		5,376	5,484	5,484	5,484	5,484	5,484	103	103	103
Using public tap (at least min.service level)	2	1,467	1,496	1,496	1,496	1,496	1,496	123	123	123
Other water supply (at least min.service level)	4	26,304	–	–	26,830	26,830	26,830	8,498	8,498	8,498
Minimum Service Level and Above sub-total		52,608	26,830	26,830	53,660	53,660	53,660	38,096	38,246	38,396
Using public tap (< min.service level)	3	–	2,442	2,442	–	–	–	–	–	–
Other water supply (< min.service level)	4	1,266	–	–	1,291	1,291	1,291	150	150	150
No water supply		3,660	1,291	1,291	1,291	1,291	1,291	–	–	–
Below Minimum Service Level sub-total		4,926	3,733	3,733	2,582	2,582	2,582	150	150	150
Total number of households	5	**57,534**	**30,563**	**30,563**	**56,242**	**56,242**	**56,242**	**38,246**	**38,396**	**38,546**
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		17,370	17,717	17,717	17,717	17,717	17,717	24,308	24,378	24,448
Flush toilet (with septic tank)		5,505	5,615	5,615	5,615	5,615	5,615	10,385	10,385	10,385
Chemical toilet		1,842	1,879	1,879	1,879	1,879	1,879	2,044	2,044	2,044
Pit toilet (ventilated)		477	487	487	487	487	487	1,400	1,400	1,400
Other toilet provisions (> min.service level)		3,519	3,589	3,589	3,589	3,589	3,589	42	42	42
Minimum Service Level and Above sub-total		28,713	29,287	29,287	29,287	29,287	29,287	38,179	38,249	38,319
Bucket toilet		–	–	–	–	–	–	–	–	–
Other toilet provisions (< min.service level)		658	658	658	658	658	658	86	86	86
No toilet provisions		606	618	618	618	618	618	–	–	–
Below Minimum Service Level sub-total		1,264	1,276	1,276	1,276	1,276	1,276	86	86	86
Total number of households	5	**29,977**	**30,563**	**30,563**	**30,563**	**30,563**	**30,563**	**38,265**	**38,335**	**38,405**
Energy:										
Electricity (at least min.service level)		15,906	16,224	16,224	16,224	16,224	16,224	2,785	2,855	2,955
Electricity - prepaid (min.service level)		7,500	7,650	7,650	7,650	7,650	7,650	14,733	14,733	14,733
Minimum Service Level and Above sub-total		23,406	23,874	23,874	23,874	23,874	23,874	17,518	17,588	17,688
Electricity (< min.service level)		363	370	370	370	370	370	1,536	32,321	32,421
Electricity - prepaid (< min. service level)		–	–	–	–	–	–	–	49,909	50,109
Other energy sources		6,195	6,319	6,319	6,689	6,689	6,689	21,527	82,230	82,530
Below Minimum Service Level sub-total		6,558	6,689	6,689	7,059	7,059	7,059	23,063	164,460	165,060
Total number of households	5	**29,964**	**30,563**	**30,563**	**30,933**	**30,933**	**30,933**	**40,581**	**182,048**	**182,748**
Refuse:										
Removed at least once a week		24,594	25,086	25,086	25,086	25,086	25,086	25,086	25,086	25,086
Minimum Service Level and Above sub-total		24,594	25,086	25,086	25,086	25,086	25,086	25,086	25,086	25,086
Removed less frequently than once a week		303	309	309	309	309	309	309	309	309
Using communal refuse dump		–	591	591	–	–	–	–	–	–
Using own refuse dump		3,177	3,241	3,241	3,241	3,241	3,241	3,241	3,241	3,241
Other rubbish disposal		948	967	967	967	967	967	967	967	967
No rubbish disposal		5,370	5,370	5,370	5,478	5,478	5,478	5,478	5,478	5,478
Below Minimum Service Level sub-total		9,798	10,478	10,478	9,995	9,995	9,995	9,995	9,995	9,995
Total number of households	5	**34,392**	**35,564**	**35,564**	**35,081**	**35,081**	**35,081**	**35,081**	**35,081**	**35,081**
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		9,553,349	–	–	11,468,574	11,468,574	11,468,574	12,374,591	–	–
Sanitation (free minimum level service)		–	–	–	–	–	–	–	–	–
Electricity/other energy (50kwh per household per month)		602,045	–	–	656,885	656,885	656,885	715,348	–	–
Refuse (removed at least once a week)		–	–	–	–	–	–	–	–	–
Informal Settlements		–	–	–	–	–	–	–	–	–
Cost of Free Basic Services provided - Formal Settlements (R'000)										
Water (6 kilolitres per **indigent** household per month)		9,553	6,743	4,434	6,310	6,310	6,310	6,891	7,477	8,090
Sanitation (free sanitation service to **indigent households**)		–	–	–	–	–	–	–	–	–
Electricity/other energy (50kwh per **indigent** household per month)		602	1,423	2,334	661	2,367	2,367	2,725	3,072	3,554
Refuse (removed once a week **for indigent households**)		–	–	–	–	–	–	–	–	–
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		10	–	–	12	12	12	13	–	–
Total cost of FBS provided	8	**10,166**	**8,166**	**6,768**	**6,984**	**8,690**	**8,690**	**9,629**	**10,549**	**11,644**
Highest level of free service provided per household										
Property rates (R value threshold)										
Water (kilolitres per household per month)										
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)										
Electricity (kwh per household per month)										
Refuse (average litres per week)										
Revenue cost of subsidised services provided (R'000)	9									
Property rates **(tariff adjustment)** (**impermissable values per section 17 of MPRA**)		–	–	–	–	–	–	–	–	–
Property rates exemptions, reductions and rebates **and impermissable values in excess of section 17 of MPRA)**		4,574	44,319	42,184	49,519	49,024	49,024	52,333	55,473	58,802
Water **(in excess of 6 kilolitres per indigent household per month)**		7,776	298	–	–	–	–	–	–	–
Sanitation **(in excess of free sanitation service to indigent households)**		14,173	15,157	15,702	17,077	17,077	17,077	18,229	19,323	20,483
Electricity/other energy **(in excess of 50 kwh per indigent household per month)**		–	–	–	–	–	–	–	–	–
Refuse **(in excess of one removal a week for indigent households)**		7,916	8,757	9,631	5,779	5,779	5,779	6,183	6,554	6,948
Municipal Housing - rental rebates										
Housing - top structure subsidies	6									
Other										
Total revenue cost of subsidised services provided		**34,439**	**68,531**	**67,517**	**72,374**	**71,880**	**71,880**	**76,746**	**81,351**	**86,232**

References

1. Include services provided by another entity; e.g. Eskom
2. Stand distance <= 200m from dwelling
3. Stand distance > 200m from dwelling
4. Borehole, spring, rain-water tank etc.
5. Must agree to total number of households in municipal area (informal settlements receiving services must be included)
6. Include value of subsidy provided by municipality above provincial subsidy level
7. Show number of households receiving at least these levels of services completely free (informal settlements must be included)
8. Must reflect the cost to the municipality of providing the Free Basic Service
9. Reflect the cost of free or subsidised services in excess to the National policy that are not funded from the Free Basic Services component of the Equitable Share

#	RESPONSIBLE DEPARTMENT	KPI	KPA	KFA	KEY PERFORMANCE INDICATOR (KPI) 2024/2025	DEFINITION	OBJECTIVE OF INDICATOR	5-YEAR TARGET 2022 - 2027	2022 - 2027	DRAFT REVIEWED SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN			
									YEAR 2	2024/2025			
									2023/2024	Q1	Q2	Q3	Q4
									TARGET	TARGET (Q1)	TARGET (Q2)	TARGET (Q3)	TARGET (Q4)
1	MM	KPI 001	KPA 1	KFA 02	Number of quarterly Strategic & Operational Risk Register Reports submitted to Council	Quarterly reports submitted to Council with an analysis from the Chief Risk Officer and progress made on actions implemented to mitigate risks, within 30 days after the end of the quarter (Council Resolution)	To ensure compliance with Section 62 of the MFMA in terms of risk management and related matters	20	4	1	1	1	1
2	DP	KPI 002	KPA 8	KFA 29	Percentage compliance to turn-around time maintained to consider building plan applications quarterly	Compliance to 30 working days turn-around time in terms of the National Building Regulations and Building Standards Act, 1977. Date of Application received versus date considered by Assistant Director: Building Control. Report on POE to reflect (1) Number of building plans received versus considered (2) Number of building plans rejected, supported with a narrative report (3) R-Value of building plans received (4) Reflection of square metres	To monitor and improve the turn-around times for building plan applications to ensure faster development on the ground, benefit the economy and to accelerate local economic development according to the National Building Regulations and Building Standards Act, 1977	100%	100%	100%	100%	100%	100%

3	DP	KPI 003	KPA 8	KFA 29	Average turn-around time maintained to consider land use applications quarterly	Compliance to average of 8 months turn-around time to consider applications submitted in terms of the Spatial Planning & Land Use Management Act, Act 16 of 2013 (SPLUMA). Date of Legally Compliant Application received versus Date Considered (Excluding Municipal Planning Tribunal and Appeal Planning Authority)	To monitor and to improve the turn-around times for land use applications in order to ensure faster development and to benefit the economy. Also to ensure new income revenue generation. SPLUMA dictates a turn-around time of 16 months, however MLM adopted a 8 month-turn-around time	Within 8 months	Within 8 months	Within 8 months	Within 8 months	Within 8 months	Within 8 months
4	DP	KPI 005	KPA 8	KFA 31	(NKPI - 4) - Number jobs created through municipality's local economic development initiatives including capital projects	Mayoral Committee to consider report (EPWP and any other jobs created, excluding CWP). Report (2022/2023-FY) submitted into reporting cycle by 20 Aug 2023 (Proof of submission into reporting cycle and Mayoral Committee Resolution) (Job created = 1 day's full work)	To ensure Midvaal Local Municipality's Vision of growing the economy and creating jobs be realised, focusing on Local Economic Development (LED)	6 600	1 500	1500	-	-	-
5	ENG	KPI 006	KPA 6	KFA 25	Construction of Lakeside Multi-purpose Sports Hall	Completion Certificate (Phase 1) signed off by the principal agent by 30 Jun 2024	MLM appointed Vunani Investment CC to complete the construction at the Lakeside Multi-purpose Sports Hall	1	1	-	-	-	1
6	FIN	KPI 007	KPA 5	KFA 17	(NKPI - 7c) - Annual Cost Coverage	Available cash + investments / Monthly fixed operating expenditure (cash expenditure)	This ratio indicates the Municipality's ability to meet at least its monthly fixed operating commitments from cash and short-term investments, without collecting any additional revenue. The target is one month, meaning that the Municipality must have at least cash equalling one month's fixed operation expenditure	2.50	2.50	2.50	2.50	2.50	2.50

7	FIN	KPI 008	KPA 5	KFA 17	Annual Liquidity Ratio	Current Assets: Current Liabilities (as per the Statement of Financial Position) annually reported	The ratio is used to assess the Municipality's ability to pay back its short-term liabilities (debt and payables) with its short-term assets (cash, inventory and receivables). The target 1.5 : 1 means, that the Municipality must have at least current assets equalling the current liabilities	1.5 : 1	1.5 : 1	1.5 : 1	1.5 : 1	1.5 : 1	1.5 : 1
8	MM	KPI 009	KPA 5	KFA 17	Audit opinion issued by the Auditor-General	Audit Report issued by the Auditor-General (SA) by 30 Nov annually in terms of Section 126(3)(b) of the MFMA	Auditor-General opinion expressed on Annual Financial Statements (AFS), Pre-determined Objectives (PDOs) and Compliance must be financially unqualified	Clean Audit	Clean Audit	-	Clean Audit	-	-
9	FIN	KPI 010	KPA 5	KFA 18	(NKPI - 7a) - Annual Debt Coverage	Total operating revenue - operating grants received / debt service payments due within the year. Operating grants will include all grants recognised as grants on the operating budget. Operating revenue will exclude capital revenue	The ratio indicates the Municipality's ability to meet at least its debt service payments (interest and redemption) commitments from cash and short-term investment without collecting any additional revenue. The target is 15 times meaning that the Municipality must have at least cash equalling 15 times the annual interest and redemption charges	17	15	15	15	15	15
10	FIN	KPI 011	KPA 5	KFA 18	(NKPI - 7b) - Annual percentage of outstanding service debtors to revenue	Total outstanding service debtors (GROSS, excluding VAT) / revenue received for services calculated per annum (all levels of outstanding debt)	The ratio indicates the proportion of the Municipality's outstanding debtors in relation to its annual revenue. The target is 50% (maximum) meaning that the Municipality must have a gross consumer debtors balance of less than 50% of the annual revenue received for service charges	33%	50%	50%	50%	50%	50%

11	FIN	KPI 012	KPA 5	KFA 18	Percentage Collection Rate maintained, annually	Actual amount collected (cash) / amount billed for the period (per billing cycle - excluding any debt write-offs)	The ratio indicates the collection rate, i.e. % level of payments. It measures increases or decreases in debtors relative to annual billed revenue. In addition, in order to determine the real collection rate bad debts written-off is taken into consideration. The target is 93% meaning that at least 93% of the amount billed in a month must be collected in cash. The norm is 95%	95%	92%	92%	92%	92%	92%
12	FIN	KPI 013	KPA 5	KFA 17	(NKPI - 2) - Percentage of households earning less than a combined income of 3 times maximum old age pension per month with access to free basic services	Percentage of number of households registered as formal indigent households who receive the benefit (subsidy) of free basic services. (Households earning less than a combined income of 3 times maximum old age pension per month)	The ratio shows that all approved and registered indigents are receiving their municipal subsidies (free basic services, i.e. subsidy on property rates, waste removal, sewer and water) as per the approved Indigent Policy	95%	99%	99%	99%	99%	99%
13	MM	KPI 014.1	KPA 5	KFA 19	(NKPI - 3) - The percentage of a municipality's capital budget actually spent on capital projects, identified for a particular financial year, in terms of the municipality's IDP	Accumulative actual percentage expenditure incurred on other departmental funding resources (own and any other sources) (all line items on capital budget), excluding fiscal dumping	The ratio indicates the proportion of the Municipality's Capital Budget actually spent. The target is 90% meaning the Municipality must have a spending level of at least 90% of the Capital Budget. The norm, with reference to MFMA Circular 71, range between 95% - 100%	90%	90%	-	45%	75%	90%
14	CORP	KPI 014.3	KPA 5	KFA 19	(NKPI - 3) - The percentage of a municipality's capital budget actually spent on capital projects, identified for a particular financial year, in terms of the municipality's IDP	Accumulative actual percentage expenditure incurred on other departmental funding resources (own and any other sources) (all line items on capital budget), excluding fiscal dumping	The ratio indicates the proportion of the Municipality's Capital Budget actually spent. The target is 90% meaning the Municipality must have a spending level of at least 90% of the Capital Budget. The norm, with reference to MFMA Circular 71, range between 95% - 100%	90%	90%	-	45%	75%	90%

15	ENG	KPI 014.5	KPA 5	KFA 19	(NKPI - 3) - The percentage of a municipality's capital budget actually spent on capital projects, identified for a particular financial year, in terms of the municipality's IDP	Accumulative actual percentage expenditure incurred on other departmental funding resources (own and any other sources) (all line items on capital budget), excluding fiscal dumping	The ratio indicates the proportion of the Municipality's Capital Budget actually spent. The target is 90% meaning the Municipality must have a spending level of at least 90% of the Capital Budget. The norm, with reference to MFMA Circular 71, range between 95% - 100%	90%	90%	-	45%	75%	90%
16	COMM	KPI 014.6	KPA 5	KFA 19	(NKPI - 3) - The percentage of a municipality's capital budget actually spent on capital projects, identified for a particular financial year, in terms of the municipality's IDP	Accumulative actual percentage expenditure incurred on other departmental funding resources (own and any other sources) (all line items on capital budget), excluding fiscal dumping	The ratio indicates the proportion of the Municipality's Capital Budget actually spent. The target is 90% meaning the Municipality must have a spending level of at least 90% of the Capital Budget. The norm, with reference to MFMA Circular 71, range between 95% - 100%	90%	90%	-	30%	60%	90%
17	PSR	KPI 014.7	KPA 5	KFA 19	(NKPI - 3) - The percentage of a municipality's capital budget actually spent on capital projects, identified for a particular financial year, in terms of the municipality's IDP	Accumulative actual percentage expenditure incurred on other departmental funding resources (own and any other sources) (all line items on capital budget), excluding fiscal dumping	The ratio indicates the proportion of the Municipality's Capital Budget actually spent. The target is 90% meaning the Municipality must have a spending level of at least 90% of the Capital Budget. The norm, with reference to MFMA Circular 71, range between 95% - 100%	90%	90%	-	45%	75%	90%
18	FIN	KPI 015	KPA 5	KFA 19	Percentage of annual procurement spent awarded in terms of the MLM Preferential Procurement Policy specific goals, which include township economics, local enterprises, youth ownership, women ownership and B-BBEE	% calculated by dividing the total awards in terms of MLM Preferential Procurement Policy specific goal suppliers by the total procurement awards x 100	In terms of the 2022 PPPFA Regulations, organs of state can determine their own targeted specific goals. In this regard, MLMs Preferential Procurement Policy identified the following specific goals: Local Enterprises, Ownership by Youth, Women, People with Disabilities, Black People, Township-based Enterprises and B-BBEE	20%	20%	-	-	-	20%

19	FIN	KPI 017	KPA 5	KFA 20	Percentage of annual operational budget allocated to repairs and maintenance	Repairs & Maintenance Budget as a % of the total Operating Budget (exclusive of internal charges)	The Operating Budget is defined as the latest approved version of the budget, i.e. either the originally approved budget, or the adjustments budget in the case of Council approving an Adjustments Budget, inclusive of the approved virements that have been approved and processed in terms of the System of Delegations. The norm is 8%	8%	8%	-	8%	8%	8%
20	CORP	KPI 018	KPA 7	KFA 27	Number of events arranged per approved year planner, quarterly	(1) Council Events Year Planner (Council, Mayoral & Departmental Events) signed off by Head of Department by 15 Feb 2024 post submission at the Events Committee (2) Year Planner approved by Mayoral Committee by 28 Feb 2024 (3) Evidence of execution of Events Year Planner for approved Council related events (4) Event Sponsor confirmation of event conformance to agreed sponsor brief (Closure Report signed off by the Municipal Manager or identified sponsor)	Council hosts events as a medium to enhance a positive relationship/partnering with external stakeholders and portray a positive image of Council (Planning & Execution)	15	4	1	1	1	1
21	CORP	KPI 019	KPA 1	KFA 04	Number of Mayoral Committee reports on formalised Inter-governmental Relations (IGR) Fora meetings attended, quarterly	(1) Report submitted to Mayoral Committee to reflect (1.1) Type of meeting (1.2) Purpose of the Meeting (1.3) Department (1.4) Delegate attended (1.5) Narrative Report from relevant department. (2) Report submitted into reporting cycle within one month after the end of the quarter. (3) Proof of submission into reporting cycle = signature and date receipt by Committees	IGR Fora Report as per Section 10 of the IGR Policy (Policy approved per item C987/10/2013 dated 31 Oct 2013). Creating opportunity for Council to share information and networking. Promoting inter-governmental relations	20	4	1	1	1	1

22	FIN	KPI 020.1	KPA 1	KFA 01	Percentage findings addressed on OPCA Plan	External findings on the OPCA Plan 2022/2023 addressed = OPCA Plan approved by the Municipal Manager on 31 Dec 2023 versus OPCA Plan audited and signed off by internal audit on 30 Jun 2024	The objective is to monitor the addressing of audit findings raised by the Auditor-General in the opinion expressed on the Annual Financial Statements (AFS), Predetermined Objectives (PDOs) and Compliance to relevant Laws & Regulations	100%	90%	-	-	-	90%
23	CORP	KPI 020.2	KPA 1	KFA 01	Percentage findings addressed on OPCA Plan	(1) OPCA Plan (2022/2023) for external audit findings approved by the Municipal Manager on 31 Dec 2023 addressed (2) Addressed findings signed off by internal audit by 30 Jun 2024	The objective is to monitor the addressing of audit findings raised by the Auditor-General in the opinion expressed on the Annual Financial Statements (AFS), Predetermined Objectives (PDOs) and Compliance to relevant Laws & Regulations	100%	95%	-	-	-	95%
24	CORP	KPI 021	KPA 4	KFA 15	Average percentage compliance to baseline turn-around time to attend to calls logged via the ICT Help Desk, per month	(1) ICT Service Desk Report signed off by the Director: ICT by the 10th working day monthly wherein compliance to the baseline reaction time to calls is reported, i.e. Number of calls logged, attended to within/outside time limit reported, not to exceed target (2) Service Desk Report to include averaged customer satisfaction rating, monthly	To establish mechanisms to monitor performance to core operational requirements	90%	95%	95%	95%	95%	95%
25	CORP	KPI 022	KPA 4	KFA 16	Report status quo of Council's policies to Council	Report to Council = Register of all existing policies catergorised as follows: Policies requiring (a) annual review (b) review within 36 months (c) review once within the term of office (d) withdrawn policies. 2. Conduct policy workshops as follows: (2.1) Financial Policies (30 Mar - draft and submit final policy by 30 May) (2.2) Non-	To ensure Council approved policies are updated, relevant and aligned with current legislation	1	1	1	-	-	-

						financial policies (draft) by 30 April and submit final policies by 30 Jun 3. Submit amended policies into reporting cycle by 30 Sep 2024 4. Proof of receipt by Committees							
26	CORP	KPI 023	KPA 4	KFA 16	Number of average working days litigation actions is assessed	Legal & Property Action Register reflecting turn-around time to be within 7 working days (as per court rules, i.e. first day out and last day in, excluding weekends and public holidays) = Date of receipt by Legal Section vs date assessed (determination of legal process to be followed)	To ensure timeous response to legal claims / actions and/or summonses served on Council to minimise delays and avoid punitive orders due to non-attendance of legal actions	4	7	7	7	7	7
27	MM	KPI 024	KPA 4	KFA 14	Number of Section 52(d)-performance reports (Performance on Predetermined Objectives) submitted to Council quarterly	(1) Report considered by Council within 30 days after the end of each quarter (Council Resolution) (2) Assessment and Analysis Report received from the Gauteng Department of Co-operative Governance & Traditional Affairs (COGTA) on the Quarterly Performance Report	To comply with the requirements of Section 52(d) of the MFMA to report within 30 days of the end of each quarter a report to Council on the implementation of the budget and the financial state of affairs of the municipality	20	4	1	1	1	1
28	CORP	KPI 076	KPA 4	KFA 16	Number of reports on critical emerging/current litigation matters reported to the Mayoral Committee (In Committee) quarterly	(1) Report to Mayoral Committee In-Committee on critical emerging or current litigation matters (exceeding R500 000.00 in value), impacting the municipality (2) Report submitted to the Municipal Manager within 10 working days after the end of the quarter (3) Proof of Receipt by the Municipal Manager	To mitigate litigation that may have a financial impact on the institution	16	4	1	1	1	1

29	CORP	KPI 025	KPA 7	KFA 28	Number of Customer Care Activity/Status Quo reports submitted to Mayoral Committee, quarterly	(1) Report Customer Care Activity/Status Quo Report to the Mayoral Committee, quarterly (2) Report submitted into the reporting cycle, within 15 working days after the end of the quarter (3) Proof of submission into the reporting cycle	To monitor customer satisfaction and ensure feedback on public complaints received via the Complaints Call Centre	20	4	1	1	1	1
30	CORP	KPI 026	KPA 7	KFA 27	Percentage compliance to the requirements of Section 75 (MFMA) in terms of the Website updating monthly	(1) Website updated within 5 working days after date of the Council Resolution. (2) Monthly Section 75 MFMA compliance checklist signed-off by the Executive Director: Corporate Services within 5 working days, after end of each month	To monitor compliance to Section 75 of the MFMA in order to create community awareness, transparency and consistency	100%	100%	100%	100%	100%	100%
31	CORP	KPI 027	KPA 1	KFA 03	Number of Ward Committee meetings arranged annually	Meetings arranged according to Council approved Annual Year Planner. (Ward Committee meeting represents either establishment or ordinary meeting chaired by the Speaker or Ward Councillor)	To monitor and report on the functioning of Ward Committees and also to monitor attendance by Ward Committee Members	300	60	15	15	15	15
32	CORP	KPI 028	KPA 4	KFA 13	(NKPI - 6) - Percentage of a municipality's budget actually spent on implementing its Workplace Skills Plan (WSP)	Accumulative percentage of municipal budget allocated for training viz % spent reported as per the Solar print-out on Vote (All expenditure to include VAT) and signed off by Director	To monitor the implementation of Council's approved and funded Workplace Skills Plan (WSP) aligned with the Continuous Professional Development Plans (CPD)	95%	95%	-	-	-	95%
33	CORP	KPI 029	KPA 4	KFA 13	(NKPI - 5) - Number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved Employment Equity Plan	Report (2023) submitted into reporting cycle by Jan 2024, signature and date of Committee Clerk, to Mayoral Committee, on verified number of appointed staff on the 3 highest levels (Section 56/57, Directors & Deputy	To monitor new appointments in terms of Council's Annual Employment Equity Plan	5	1	-	-	1	-

						Director) as per the municipality's Annual Employment Equity Plan							
34	ENG	KPI 030	KPA 6	KFA 21	Percentage of electricity losses not to exceed target annually	Electricity kW purchase/kW accounted for due to technical loss	Percentage of electricity losses not to exceed target annually (Norm = 7% - 10%) (National Treasury in terms of MFMA Circular No. 71)	-11.50%	-10.00%	-	-	-	-10.00%
35	PSR	KPI 031	KPA 6	KFA 22	Percentage of allocated budget spent to reseal tarred roads annually	(1) Budget allocation = Votes identified to reseal roads with: (1.1) Fog-spray and/or (1.2) Slurry Seal (2) Report progress to Mayoral Committee quarterly (3) Report R-Value on resealing against approved budget allocation	To maintain and improve Council's roads	150 000 m²	90%	-	-	-	1
36	ENG	KPI 032	KPA 6	KFA 23	Percentage of water losses reduced in line with the Water Demand Management (WDM) Plan per annum	kL water purchased divided by kL of water accounted for (Calculation as per IWA Standards)	To ensure by-law enforcement to benefit quality built environment and to ensure clean and transparent development through compliance (Norm = 15% - 30%)	20%	-30.40%	-	-	-	-30.40%
37	ENG	KPI 033	KPA 6	KFA 23	(NKPI - 1b) - Percentage of households with access to basic sanitation	Definition of a household = "residential property contained in the Municipal Valuation Roll, categorised as Residential. "Access to basic level" = billed account (Definition to change to address minimum and below minimum service delivery levels)	To increase the percentage of households with access to basic sanitation	67%	67.61%	-	-	-	68%

38	ENG	KPI 034	KPA 6	KFA 23	Number of additional formal households with access to basic level of sanitation per annum	Number of additional formal houses connected to basic sanitation: (1) Actual connections done according to completed Worksorders by the Sanitation Section	To increase the access to basic sanitation to formal households	1 750	20	-	-	-	20
39	ENG	KPI 035	KPA 6	KFA 23	(NKPI - 1a) - Percentage of households with access to basic water	Definition of a household = "residential property contained in the Municipal Valuation Roll, categorised as Residential. "Access to basic level" = billed account (Definition to change to address minimum and below minimum service delivery levels)	To increase the percentage of households with access to basic water	99%	84.27%	-	-	-	84.27%
40	ENG	KPI 036	KPA 6	KFA 23	Number of additional formal households with access to basic level of water per annum	Number of additional formal houses connected to basic water: (1) Actual connections done according to completed Worksorders by the Water Section	To increase the access to basic water to formal households	1 750	60	-	-	-	60
41	ENG	KPI 037	KPA 6	KFA 21	(NKPI - 1c) - Percentage of households with access to basic electricity	Definition of a household = "residential property contained in the Municipal Valuation Roll, categorised as Residential. "Access to basic level" = billed account (Definition to change to address minimum and below minimum service delivery levels)	To increase the percentage of households with access to basic electricity	79.30%	64.13%	-	-	-	64.13%
42	ENG	KPI 038	KPA 6	KFA 21	Number of additional formal households with access to basic level of electricity per annum	Number of additional formal houses connected to basic electricity (a) Actual connections done according to completed Worksorders by the Electrical Section (b) Actual connections done by a appointed contractor/Council	To increase the access to basic electricity to formal households	750	200	-	-	-	200

43	FIN	KPI 039	KPA 5	KFA 17	Percentage Annual Total Borrowings to Total Revenue	Percentage calculated by adding the Debt (Short Term Borrowings, Bank Overdraft, Short Term Lease, Long Term Borrowing & Long Term Lease) and dividing it by the (Total Operating Revenue minus Operating Conditional Grant) x 100	This Ratio indicates that if it is less than 45% the Municipality still has capacity to take increase funding from borrowings. The Municipality should thread carefully if this ration reaches 40% and more	-	20%	-	20%	20%	20%
44	PSR	KPI 040	KPA 2	KFA 06	Percentage of fire services vehicles dispatched within 3 minutes of receiving call	Emergency vehicles dispatched within 3 minutes after receiving call (Priority 1-calls, fire related incidents (structural and vehicles), special services and MVA's) quarterly	To ensure compliance with relevant legislation and Council's protocols	95%	90%	90%	90%	90%	90%
45	PSR	KPI 041	KPA 2	KFA 05	Number of reports on crime prevention statistics reported to the Mayoral Committee by CCTV Monitoring	Submit report into the reporting cycle (proof of receipt by Committees) by the 15th working day quarterly on the functioning of the CCTV Cameras, community cams for crime prevention and policing successes	To monitor and report on the functioning and successes on the Mayoral Project to enhance and reduce crime within Midvaal	20	4	1	1	1	1
46	ENG	KPI 042	KPA 3	KFA 09	Savanna City Sports Complex funding application	Savanna City Sports Complex application for funding = draft business plan to be approved by Council by 30 Jun 2024 (Council Resolution)	To create an ecosystem of sports and recreation activities within the municipality	1	1	-	-	-	1
47	COMM	KPI 043	KPA 3	KFA 10	Number of Gender, Elderly, Youth and Disabled Groups (GEYODI) programmes implemented	Gender, Elderly, Youth or Disabled Groups (GEYODI) implemented according to approved Annual Year Planner	GEYODI, Gender, Elderly, Youth and Disabled Group programmes are focused on awareness and education of the community. It also creates a platform for early intervention where required	20	4	1	1	1	1

48	COMM	KPI 044	KPA 3	KFA 11	Number compliance visits conducted at formalised Early Childhood Development Centres as per the MRR Tool conducted quarterly	Report on compliance visits conducted at formalised, Early Childhood Development Centres (ECDs) as per the MRR Tool = Register of Formalised ECDs versus the Monitoring Tool signed by the Principle, Social Auxiliary Worker and the Deputy Director quarterly	Early Childhood Development Centres are inspected to monitor child development milestones and growth. Outcomes of the Assessment Reports are signed off by the Executive Director: Community Services	45	45	12	11	11	11
49	COMM	KPI 045	KPA 3	KFA 11	Number of additional Day Mothers established	Signed contract per Day Mother, with implementing Non-Profit Organisation	A programme has been developed to assist with the establishment of day mothers and to encourage the signing of a contract with a Non-Profit Organisation	30	5	-	-	-	5
50	COMM	KPI 046	KPA 3	KFA 12	Sybrand van Niekerk Park Cemetery extended	Final completion certificate for cemetery service road signed off by the Executive Director: Community Services by 30 Jun 2024	To provide accessible and adequate cemeteries and protect from damages	1	1	-	-	-	1
51	COMM	KPI 047	KPA 6	KFA 24	(NKPI - 1d) - Percentage of households with access to basic level of solid waste removal	Definition of a household = "residential property contained in the Municipal Valuation Roll, categorised as Residential. "Access to basic level" = billed account plus internal list of known informal settlements (Minimum level of services = 86%)	Provision of access to the basic level of solid waste removal	86%	86%	-	-	-	86%
52	PSR	KPI 048	KPA 2	KFA 07	Review the Disaster Management Plan	Reviewed Disaster Management Plan approved as Annexure of the Integrated Development Plan (IDP) for the forth-coming financial year by 31 May 2024	The purpose is the compilation of a Disaster Management Plan complying with Section 48 of the Disaster Management Act, Act 57 of 2002. Disaster Risk Management is defined as a continuous and integrated multi-sectorial and multi-disciplinary process of planning and implementation of measures aimed at disaster prevent, mitigation,	5	1	-	-	-	1

							preparedness, response, recovery and rehabilitation						
53	COMM	KPI 049	KPA 2	KFA 08	Number of actions executed against 3 identified industrial high risk environmental contraveners	Q3 - Review criteria to identify high- risk environmental contravenors and submit criteria to Mayoral Committee for approval Q4 - Submit identified contraveners to Council for approval by 30 Jun 2024	Midvaal Environmental Management Section identified high-risk environmental contraveners via compliance inspections. Training and compliance support is provided to the identified industries, i.e. theoretical training, compliance support through Notice of Intension to Issue a Compliance Notice, Follow-up Inspections to monitor the effectiveness of the training and compliance support to ensure sustainability	45	5	3	-	1	1
54	DP	KPI 050	KPA 8	KFA 30	Percentage land invasion complaints responded to within 48 hours, quarterly	(1) Percentage compliance with 48 hours response time reported per land invasion threats. Register = Date complaint received from Call Centre versus date responded to (2) Narrative Report on land invasion threats addressed. Report signed off by the Executive Director by the 10th working day after the end of the quarter (3) Number of threats received confirmed by the Call Centre quarterly	Prevention of illegal occupation of land, prompt response will assist in saving cost for legal fees and avoid MLM from having to provide alternative accommodation for land invaders	90%	100%	100%	100%	100%	100%
55	PSR	KPI 051	KPA 2	KFA 05	Percentage traffic camera speed tickets successfully downloaded captured for mailing	Percentage calculated = Number of traffic camera speed tickets successfully downloaded versus the number downloaded captured, reported to the Head of Department, by the 10th working day monthly	The aim of this project is to process traffic fines internally, purchase the speed camera equipments TCS software, roadblock bus for warrant revenue collection and fill proposed vacant admin positions.	80%	80%	77%	80%	80%	80%

56	COMM	KPI 052	KPA 6	KFA 24	Facilitate review of Section 24G outcome on Walkerville Landfill	(1) Section 24G NEMA: Review of the Administrative Fine approved by the Municipal Manager and submitted to the MEC (2) Tender advertised for alternative site (3) Outcome of evaluation as per tender advertisement	To ensure the Walkerville Landfill Site is operated/legalised according to the new Regulations of the National Environmental Waste Management Act, Act 59 of 2008	1	-	-	-	-	-
57	ENG	KPI 053	KPA 6	KFA 22	Number of km/m of gravel road converted to tarred road	Completion Certificate for 900 m gravel road converted to tar road (Dienslaan East) signed off by the Employer's agent by 30 Jun 2024	Upgrading of Station Road (East) and Diens Lane from gravel to surface, construction of pedestrian sidewalk and installation of traffic circle in Meyer Street with Artwork (Asphalt paving, installation of kerbing, paving, v-drain and stormwater)	3 km	900 m	-	-	-	900 m
58	DP	KPI 054	KPA 8	KFA 29	Number of Building and Land Use By-law enforcement compliance operations conducted, quarterly	(1) Quarterly Plan for number of Building and Land Use By-law enforcement compliance operations planned (2) Number of Building & Land Use By-law enforcement compliance operations conducted (3) Outcome of operations reported to the Executive Director by the 10th working day after the end of the quarter (4) Report signed off by the Executive Director	To improve land use and building developments in line with legislation and relevant policies of Council	64	64	16	16	16	16
59	DP	KPI 055	KPA 8	KFA 29	Conduct illegal building activities survey, quarterly	Report on illegal building activities survey conducted and actions taken to include: (1) Survey conducted to identify illegal building activities within the MLM jurisdiction (2) Relevant remedial actions initiated in terms of non-compliance (3) Report signed off by Executive Director by the 10th	To improve land use and building developments in line with legislation and relevant Council policies	4	4	1	1	1	1

						working day after the end of the quarter							
60	DP	KPI 056	KPA 8	KFA 29	Percentage turn-around time maintained to consider Certificates of Occupancy (COOs) for properties fully compliant to SANS 10400	Percentage turn-around time to issue Certificate of Occupancy (COO) maintained within 14 calender days: (1) Date of COO application received versus date considered (2) Register signed off by Executive Director by the 10th working day after the end of the quarter	Expected average turn-around time to issue Certificate of Occupancy (COO) not to exceed 14 days	100%	100%	100%	100%	100%	100%
61	FIN	KPI 057	KPA 5	KFA 19	Report compliance to Budget Procurement Plan quarterly	(1.) Number of actions approved per Budget Procurement Plan executed, reported against quarterly targets to the Mayoral Committee in terms of (1.1) Procurement compliance report (1.2) % bid specifications completed per department (1.3) Number/% bid awards per department (2.) Report submitted into the reporting cycle within 15 working days after the end of the quarter (3.) Proof of submission into the reporting cycle	To monitor and report compliance with the Budget Procurement Plan in order to ensure achievement of the approved Capital Budget	16	4	1	1	1	1
]	PSR	KPI 058	KPA 6	KFA 22	Percentage of pothole complaints addressed quarterly	(1) Number of complaints received from the Call Centre versus number of complaints addressed monthly (2) Report on % achievement monthly to the Head of Department (3) Submit performance report to the Mayoral Committee into the reporting cycle by the 15th working day quarterly	MLM prides itself on being a stable institution able to provide services to its residents efficiently while improving their socio-economic conditions. The municipal Vision for the 2022 - 2027 IDP: Achieve excellence in service delivery aligned with the eight *Batho Pele* Principles	70%	70%	50%	55%	70%	70%

63	PSR	KPI 059	KPA 6	KFA 22	Percentage of road marking complaints repainted quarterly	(1) Number of complaints received from the Call Centre versus number of complaints addressed monthly (2) Report on % achievement monthly to the Head of Department (3) Submit performance report to the Mayoral Committee into the reporting cycle by the 15th working day quarterly	MLM prides itself on being a stable institution able to provide services to its residents efficiently while improving their socio-economic conditions. The municipal Vision for the 2022 - 2027 IDP: Achieve excellence in service delivery aligned with the eight *Batho Pele* Principles	75%	75%	50%	55%	75%	75%
64	PSR	KPI 060.1	KPA 6	KFA 22	Percentage of allocated budget spent to rehabilitate (overlay/resurface) identified critical roads	(1) Q2: Site established by appointed contractor (Minutes of Site Meetings & Programme of Works signed off by Council's representative) (2) % expenditure of allocated budget spent (Votes identified) Q3: Report progress to Mayoral Committee Q4: Practical Completion Certificate signed off by the appointed consultant by 30 Jun 2024	To maintain and improve Council's roads through road rehabilitation. Road rehabilitation includes overlay, resurface and/or reconstruction, depending on level of deterioration	95%	90%	-	-	-	90%
65	PSR	KPI 060.2	KPA 6	KFA 22	Percentage of allocated budget spent to rehabilitate (reconstruct) identifed roads annually	Q2 - (1.1) Road identified for reconstruction: Johan le Roux Road (Total distance: 861 m) (1.2) Site established by appointed contractor (Minutes of Site Meetings & Programme of Works signed off by Council's representative) Q3 - Report progress to Mayoral Committee in terms of budget expenditure Q4 - Practical Completion Certificate signed off by the appointed consultant by 30 Jun 2024	To maintain and improve Council's roads through road rehabilitation. Road rehabilitation includes overlay, resurface and/or reconstruction, depending on level of deterioration	7 km	90%	-	-	-	90%

66	PSR	KPI 061	KPA 6	KFA 22	Percentage of gravel road complaints addressed quarterly	(1) Number of complaints received from the Call Centre versus number of complaints addressed monthly (2) Report on % achievement monthly to the Head of Department (3) Submit performance report to the Mayoral Committee into the reporting cycle by the 15th working day quarterly	MLM prides itself on being a stable institution able to provide services to its residents efficiently while improving their socio-economic conditions. The municipal Vision for the 2022 - 2027 IDP: Achieve excellence in service delivery aligned with the eight *Batho Pele* Principles	65%	70%	50%	55%	60%	65%
67	PSR	KPI 062	KPA 6	KFA 22	Percentage of stormwater channel complaints addressed quarterly	(1) Number of complaints received from the Call Centre versus number of complaints addressed monthly (2) Report on % achievement monthly to the Head of Department (3) Submit performance report to the Mayoral Committee into the reporting cycle by the 15th working day quarterly	MLM prides itself on being a stable institution able to provide services to its residents efficiently while improving their socio-economic conditions. The municipal Vision for the 2022 - 2027 IDP: Achieve excellence in service delivery aligned with the eight *Batho Pele* Principles	65%	65%	50%	55%	60%	65%
68	COMM	KPI 063	KPA 6	KFA 24	Report Doornkuil Landfill Management proposal to Council	(1) Enter into Service Level Agreement (SLA) with the Sedibeng District Municipality for the development of the proposed Doornkuil Landfill Site by 29 Feb 2024 (2) Appoint service provider for further studies by 31 May 2024	To provide sustainable, reliable and affordable waste disposal services to all residents. To plan, construct and maintain landfill sites and transfer stations	3	3	-	1	1	1
69	COMM	KPI 064	KPA 6	KFA 24	Application for 2nd Cell development	Walkerville Landfill Site 2nd Cell development application submitted to GDARDE by 30 Oct 2021	To provide sustainable, reliable and affordable waste disposal services to all residents. To plan, construct and maintain landfill sites and transfer stations	1	1	-	-	-	1

70	COMM	KPI 065	KPA 3	KFA 09	Number of public parks upgraded and developed	(1) Develop and upgrade Ohenimuri Park (Ward 5) and Meyerton Farms (Ward 10) by 30 Jun 2024 (2) Evidence of parks developed (Purchase Orders and paid Invoices)	To upgrade and maintain public park facilities	2	2	-	-	-	2
71	PSR	KPI 066	KPA 2	KFA 05	Number of traffic/law enforcement joint operations conducted	(1) Internal traffic and law enforcement joint operations conducted (2) Approved operation by Head of Department (3) Report outcome of internal and joint operation to Head of Department quarterly	To enforce road safety	20	24	6	6	6	6
72	CORP	KPI 067	KPA 4	KFA 15	Source, procure and implement systems to enhance service delivery and address OPCA findings	Quarterly progress report on implementation of: Q1: (1) Fleet Monitoring, (2) Performance Management System, (3) eRecruit and (4) Supply Chain Management Q2: Quarterly progress report on implementation to the Head of Department by the 10th working day monthly (Q3): Hosted Contact Centre (5) Call Centre; (6) Whats App Complaints Chatbot (Virtual Agent) (7) My Midvaal App enhancements (8) Self Service Payments on Complaints Chatbot & (9) My Midvaal App to the Head of Department by the 10 working day monthly	To enhance systems and technology to enable the Municipality to deliver excellent customer experience	12	9	-	3	3	3

73	ENG	KPI 068	KPA 6	KFA 21	Percentage of electricity meters converted to TID completed, annually	(1) Programme to convert number of electricity meters (2) Q2 progress to be 80% (3) Q4 progress to be 100% (4) Percentage calculated against number of meters (3 629) to be converted versus number of meters converted	To replace all prepayment meters based on the STS Technology (24-digit token/voucher) with the token identifier (TID) 20-digit encoded token/voucher system. 16 627 (Ecolec, iTrons, Plessey and Actaris) meters to be reset	100%	100%	-	-	-	100%
74	DP	KPI 070	KPA 8	KFA 29	Report on investigation for measures to address illegal land uses and vacant land	Report to the Heads of Department meeting: Q1 = Situational Analysis Q2 = Research on measures and benchmarking Q3 = Draft Measures Q4 = Implementation Plan Report signed by Executive Director: Development & Planning by the 10th working day after the end of the quarter	To improve land use and building developments in line with legislation and policy	4	4	1	1	1	1
75	ENG	KPI 071.1	KPA 5	KFA 19	Percentage compliance to Procurement Plan quarterly	(1) Procurement Plan signed off by the Head of Department by 29 Feb 2024 (2) Compliance to Procurement Plan quarterly	To monitor in-year progress. Any variance below 95% indicates discrepancies in planning and budgeting, capacity challenges to implement projects and/or Supply Chain Management process failures, which should be investigated and corrective measures implemented (MFMA Circular 71)	90%	90%	-	-	60%	90%
76	DP	KPI 071.2	KPA 5	KFA 19	Percentage compliance to Procurement Plan quarterly	(1) Procurement Plan signed off by the Head of Department by 29 Feb 2024 (2) Compliance to Procurement Plan quarterly	To monitor in-year progress. Any variance below 95% indicates discrepancies in planning and budgeting, capacity challenges to implement projects and/or Supply Chain Management process failures, which should be investigated and corrective measures implemented (MFMA Circular 71)	90%	90%	-	-	60%	90%

77	CORP	KPI 071.4	KPA 5	KFA 19	Percentage compliance to Procurement Plan quarterly	(1) Procurement Plan signed off by the Head of Department by 29 Feb 2024 (2) Compliance to Procurement Plan quarterly	To monitor in-year progress. Any variance below 95% indicates discrepancies in planning and budgeting, capacity challenges to implement projects and/or Supply Chain Management process failures, which should be investigated and corrective measures implemented (MFMA Circular 71)	90%	90%	-	-	60%	90%
78	PSR	KPI 071.5	KPA 5	KFA 19	Percentage compliance to Procurement Plan quarterly	(1) Procurement Plan signed off by the Head of Department by 29 Feb 2024 (2) Compliance to Procurement Plan quarterly	To monitor in-year progress. Any variance below 95% indicates discrepancies in planning and budgeting, capacity challenges to implement projects and/or Supply Chain Management process failures, which should be investigated and corrective measures implemented (MFMA Circular 71)	90%	90%	-	-	60%	90%
79	COMM	KPI 071.6	KPA 5	KFA 19	Percentage compliance to Procurement Plan quarterly	(1) Procurement Plan signed off by the Head of Department by 29 Feb 2024 (2) Compliance to Procurement Plan quarterly	To monitor in-year progress. Any variance below 95% indicates discrepancies in planning and budgeting, capacity challenges to implement projects and/or Supply Chain Management process failures, which should be investigated and corrective measures implemented (MFMA Circular 71)	90%	90%	-	-	60%	90%
80	ENG	KPI 072.1	KPA 5	KFA 19	The percentage of a municipality's capital budget actually spent on capital projects, identified for a particular financial year, in terms of the municipality's IDP	Accumulative actual percentage expenditure incurred on the departmental grant funding (all line items on capital budget), excluding fiscal dumping	The ratio indicates the proportion of the Municipality's Capital Budget actually spent. The target is 90% meaning the Municipality must have a spending level of at least 90% of the Capital Budget. The norm, with reference to MFMA Circular 71, range between 95% - 100%	90%	95%	-	40%		95%

81	MM	KPI 072.2	KPA 5	KFA 19	The percentage of a municipality's capital budget actually spent on capital projects, identified for a particular financial year, in terms of the municipality's IDP	Accumulative actual percentage expenditure incurred on the departmental grant funding (all line items on capital budget), excluding fiscal dumping	The ratio indicates the proportion of the Municipality's Capital Budget actually spent. The target is 90% meaning the Municipality must have a spending level of at least 90% of the Capital Budget. The norm, with reference to MFMA Circular 71, range between 95% - 100%	90%	90%	-	40%	-	90%
82	PSR	KPI 072.3	KPA 5	KFA 19	Percentage of a municipality's capital budget actually spent on capital projects, identified for a particular financial year, in terms of the municipality's IDP	Accumulative actual percentage expenditure incurred on the departmental grant funding (all line items on capital budget), excluding fiscal dumping	The ratio indicates the proportion of the Municipality's Capital Budget actually spent. The target is 90% meaning the Municipality must have a spending level of at least 90% of the Capital Budget. The norm, with reference to MFMA Circular 71, range between 95% - 100%	90%	90%	-	30%		90%
83	COMM	KPI 072.4	KPA 5	KFA 19	The percentage of a municipality's capital budget actually spent on capital projects, identified for a particular financial year, in terms of the municipality's IDP	Accumulative actual percentage expenditure incurred on the departmental grant funding (all line items on capital budget), excluding fiscal dumping	The ratio indicates the proportion of the Municipality's Capital Budget actually spent. The target is 90% meaning the Municipality must have a spending level of at least 90% of the Capital Budget. The norm, with reference to MFMA Circular 71, range between 95% - 100%	90%	90%	-	30%		90%
84	ENG	KPI 073.1	KPA 5	KFA 19	Percentage compliance to complete and submit bid specifications quarterly	Completed bid specifications = Signed off by Head of Department and submitted to Bid Specifications Committee Supporting Evidence: (1) Procurement Plan (2) Signature by Head of Department (3) Proof of submission to Bid Specifications Committee (copy of agenda)	To monitor under-spending that the municipality might experience possible cash flow difficulties to implement projects. Under-spending should be the result of improved efficiencies and not as a result of non-implementation of programmes and/or projects (MFMA Circular 71)		100%	25%	50%	90%	100%

85	DP	KPI 073.3	KPA 5	KFA 19	Percentage compliance to complete and submit bid specifications quarterly	Completed bid specifications = Signed off by Head of Department and submitted to Bid Specifications Committee Supporting Evidence: (1) Procurement Plan (2) Signature by Head of Department (3) Proof of submission to Bid Specifications Committee (copy of agenda)	To monitor under-spending that the municipality might experience possible cash flow difficulties to implement projects. Under-spending should be the result of improved efficiencies and not as a result of non-implementation of programmes and/or projects (MFMA Circular 71)		100%	25%	50%	90%	100%
86	COMM	KPI 073.4	KPA 5	KFA 19	Percentage compliance to complete and submit bid specifications quarterly	Completed bid specifications = Signed off by Head of Department and submitted to Bid Specifications Committee Supporting Evidence: (1) Procurement Plan (2) Signature by Head of Department (3) Proof of submission to Bid Specifications Committee (copy of agenda)	To monitor under-spending that the municipality might experience possible cash flow difficulties to implement projects. Under-spending should be the result of improved efficiencies and not as a result of non-implementation of programmes and/or projects (MFMA Circular 71)		90%	25%	50%	90%	100%
87	PSR	KPI 073.5	KPA 5	KFA 19	Percentage compliance to complete and submit bid specifications quarterly	Completed bid specifications = Signed off by Head of Department and submitted to Bid Specifications Committee Supporting Evidence: (1) Procurement Plan (2) Signature by Head of Department (3) Proof of submission to Bid Specifications Committee (copy of agenda)	To monitor under-spending that the municipality might experience possible cash flow difficulties to implement projects. Under-spending should be the result of improved efficiencies and not as a result of non-implementation of programmes and/or projects (MFMA Circular 71)		90%	25%	50%	90%	90%

88	CORP	KPI 073.6	KPA 5	KFA 19	Percentage compliance to complete and submit bid specifications quarterly	Completed bid specifications = Signed off by Head of Department and submitted to Bid Specifications Committee Supporting Evidence: (1) Procurement Plan (2) Signature by Head of Department (3) Proof of submission to Bid Specifications Committee (copy of agenda)	To monitor under-spending that the municipality might experience possible cash flow difficulties to implement projects. Under-spending should be the result of improved efficiencies and not as a result of non-implementation of programmes and/or projects (MFMA Circular 71)		100%	25%	50%	90%	100%
89	ENG	KPI 074.1	KPA 7	KFA 28	Percentage of electricity related complaints addressed quarterly	(1) Number of complaints received from the Call Centre versus Number of complaints addressed monthly (2) Report on % achievement monthly to the Head of Department by the 10th working day after the end of the month (3) Submit quarterly performance report to the Mayoral Committee into the reporting cycle by the 15th working day quarterly	MLM prides itself on being a stable institution able to provide services to its residents efficiently while improving their socio-economic conditions. The municipal Vision for the 2022 - 2027 IDP: Achieve excellence in service delivery aligned with the eight *Batho Pele* Principles	70%	70%	-	-	70%	70%
90	ENG	KPI 074.2	KPA 1	KFA 28	Percentage of water related complaints addressed quarterly	(1) Number of complaints received from the Call Centre versus Number of complaints addressed monthly (2) Report on % achievement monthly to the Head of Department by the 10th working day after the end of the month (3) Submit quarterly performance report to the Mayoral Committee into the reporting cycle by the 15th working day quarterly	MLM prides itself on being a stable institution able to provide services to its residents efficiently while improving their socio-economic conditions. The municipal Vision for the 2022 - 2027 IDP: Achieve excellence in service delivery aligned with the eight *Batho Pele* Principles	70%	70%	-	-	70%	70%

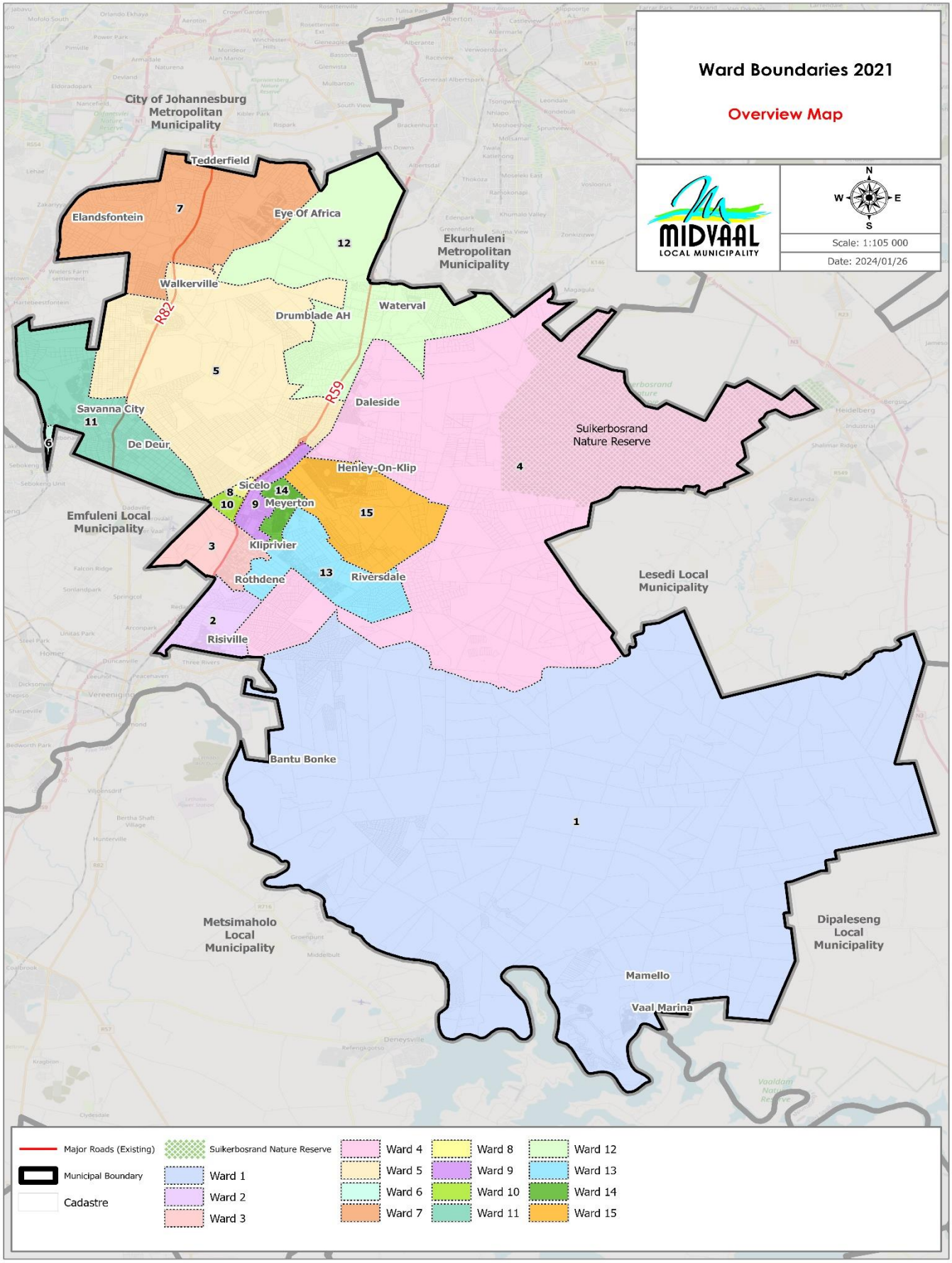
91	ENG	KPI 074.3	KPA 1	KFA 28	Percentage of sanitation related complaints addressed quarterly	(1) Number of complaints received from the Call Centre versus Number of complaints addressed monthly (2) Report on % achievement monthly to the Head of Department by the 10th working day after the end of the month (3) Submit quarterly performance report to the Mayoral Committee into the reporting cycle by the 15th working day quarterly	MLM prides itself on being a stable institution able to provide services to its residents efficiently while improving their socio-economic conditions. The municipal Vision for the 2022 - 2027 IDP: Achieve excellence in service delivery aligned with the eight *Batho Pele* Principles	70%	70%	-	-	70%	70%
92	COMM	KPI 074.4	KPA 1	KFA 28	Percentage of parks related complaints addressed quarterly	(1) Number of complaints received from the Call Centre versus Number of complaints addressed monthly (2) Report on % achievement monthly to the Head of Department (3) Submit performance report to the Mayoral Committee into the reporting cycle by the 15th working day quarterly	MLM prides itself on being a stable institution able to provide services to its residents efficiently while improving their socio-economic conditions. The municipal Vision for the 2022 - 2027 IDP: Achieve excellence in service delivery aligned with the eight *Batho Pele* Principles	70%	70%	-	-	70%	70%
93	COMM	KPI 074.4	KPA 7	KFA 27	Percentage of waste related complaints addressed quarterly	(1) Number of complaints received from the Call Centre versus Number of complaints addressed monthly (2) Report on % achievement monthly to the Head of Department (3) Submit performance report to the Mayoral Committee into the reporting cycle by the 15th working day quarterly	MLM prides itself on being a stable institution able to provide services to its residents efficiently while improving their socio-economic conditions. The municipal Vision for the 2022 - 2027 IDP: Achieve excellence in service delivery aligned with the eight *Batho Pele* Principles		70%	-	-	70%	70%

94	COMM	KPI 074.4	KPA 7	KFA 27	Percentage of environmental health related complaints addressed quarterly	(1) Number of complaints received from the Call Centre versus Number of complaints addressed monthly (2) Report on % achievement monthly to the Head of Department (3) Submit performance report to the Mayoral Committee into the reporting cycle by the 15th working day quarterly	MLM prides itself on being a stable institution able to provide services to its residents efficiently while improving their socio-economic conditions. The municipal Vision for the 2022 - 2027 IDP: Achieve excellence in service delivery aligned with the eight *Batho Pele* Principles		70%	-	-	70%	70%
95	ENG	KPI 075.1	KPA 2	KFA 05	Number of joint operations conducted (Define joint compliance operations)	(1) Approved Year Planner by the Executive Director: Engineering Services (2) Execution of Year Planner quarterly (3) Submit monthly outcome report to the Executive Director: Engineering Services by the 10th working day after the end of the month (4) Submit consolidated quarterly report to the Mayoral Committee by the 15th working day after the end of the quarter	To ensure legal compliance of business in the Midvaal Region in terms of the ?	6		-	-		
96	COMM	KPI 075.2	KPA 2	KFA 08	Number of joint compliance operations conducted quarterly	(1) Approved Year Planner by the Executive Director: Community Services by ? (2) Execution of Year Planner quarterly (3) Submit monthly outcome report to the Executive Director: Community Services by the 10th working day after the end of the month (4) Submit consolidated quarterly report to the Mayoral Committee by the 15th working day after the end of the quarter	Joint operations are operations conducted in liaison with other relevant municipal sections i.e. (1) Town Planning (2) Building Control (3) Electrical (4) Fire & Traffic Sections	6	6	-	-	3	3

97	COMM	KPI 077	KPA 3	KFA 11	Youth Development Strategy drafted, submitted and approved by Council by 30 Jun 2024	(1) Draft Youth Development Strategy submitted to Mayoral Committee by 30 Mar 2024 (2) Youth Development Strategy considered by Council by 30 Jun 2024	Ensure provision of effective service in a more co-ordinated manner to the Youh of Midvaal Region	1	1	-	-	1	1
98	COMM	KPI 078	KPA 3	KFA 11	Growth and Developmental Milestone Checklist Report drafted and signed off by the Deputy Director: Social Development by 30 Jun 2024	Growth and Developmental Milestone Checklist Report: Q3 - List of Day Mothers trained according to Child Growth Checklist (Developmental Milestone Database for 3 and 4 years old) finalised Q4 - Baseline report signed off by the Deputy Director: Social Development by 30 Jun 2024	Ensuring compliance with regards to the developed Child Growth Checklist and establishment of the Developmental Milestones Database for childhood development (3 & 4 years old)	?	?	-	-		
99	COMM	KPI 079	KPA 3	KFA 10	Number of library events presented to the community quarterly	(1) Approved Year Planner by the Executive Director: Community Services by 30 Jun 2024 (2) Library events conducted according to approved Year Planner (Events that aligned with IFLA sustainable development goals: Promoting literacy and access to information)	Organize events that are focused on awareness and education of the community	16	4	-	-	2	2
100	MM	KPI 080	KPA 1	KFA 01	Number of internal audit progress reports submitted to the Audit, Performance, Integrity & Risk Management Committee quarterly	Audit, Performance, Integrity & Risk Management Committee agenda with quarterly internal audit reports included	To comply with the requirements of Section 165(2)(b) of the MFMA to report on the implementation of the Internal Audit Plan and matters relating thereto	20	2	-	-	1	1

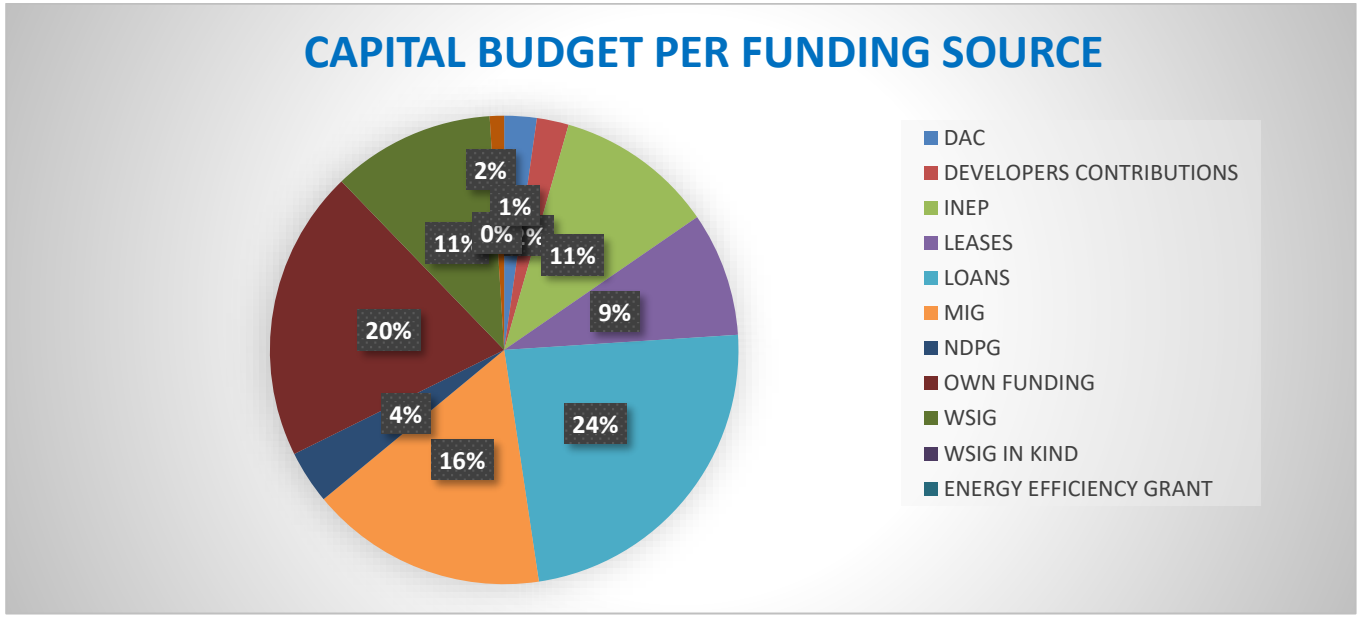
101	MM	KPI 081	KPA 1	KFA 02	Number of Insurance Claims Status Quo Reports submitted to Council quarterly	(1) Insurance claims against Council reported to Council quarterly (2) Proof of submission into the reporting cycle within 15 working days after the end of the quarter	To comply with the requirements of Section 78(1)(e) of the MFMA to ensure that the assets and liabilities of the municipality are managed effectively and that assets are safeguarded and maintained to the extent necessary	20	2	-	-	1	1
102	MM	KPI 082	KPA 6	KFA 21	Identify qualifying bidders to establish a Public Private Partnership (PPP) for the electricity infrastructure	Q3 = Business Plan and Request for Qualification (RFQ) completed and updated by 30 Apr 2024 Q4 = RFQ process advertised and responses compiled and assessed by 30 May 2024 & Top 5 qualifying bidders identified by 30 Jun 2024 (Resolution)	To appoint a suitable service provider for Council to partner with for the management, operation and maintenance of the electricity infrastructure through a Public Private Partnership (PPP)	1	1	-	-	1	-
103	MM	KPI 083	KPA 1	KFA 02	Walkerville Landfill Site: Administrative Fine review process facilitated by 30 Jun 2024	Q2 - High Court review decision with regard to the GDARDE submission of the rationality of the issuing of the fine Q4 - High Court review sets aside the fine and authorise GDARDE to issue a new licence by 30 Jun 2024 (Report submitted into the reporting cycle by 30 Jun 2024)	To adhere to the requirements of Section 78(1)(c) of the MFMA to ensure any unauthorised, irregular or fruitless and wasteful expenditure and any other losses are prevented	1	1	-	-	-	1
104	MM	KPI 084	KPA 4	KFA 14	Percentage organisational, consolidated performance of the Reviewed Service Delivery & Budget Implementation Plan (SDBIP), per individual department quarterly	(1) Implementation of approved Reviewed SDBIP dated 25 Jan 2024 (2) Percentage outcome of the organisational consolidated performance reported to Council before the 30th after the end of the quarter as per the Section 52(d)-MFMA report (Council Resolution & Date)	To realise the developmental role of local government, the Integrated Development Plan (IDP) and performance management were introduced. Performance management must ensure the desired results are achieved during implementation to ensure the correctness of the strategic direction of the objectives, strategies and projects put forward by the IDP	90%	85%	-	-	85%	85%

5.5 Ward Information for Expenditure and Service Delivery



Capital Budget per Funding Source	Sum of Proposed 2024/2025	Sum of Proposed 2025/2026	Sum of PROPOSED Budget 2026/2027
DAC	6 100 000	8 000 000	5 600 000
DEVELOPERS CONTRIBUTIONS	6 000 000	3 000 000	6 000 000
INEP	29 888 000	16 500 000	17 000 000
LEASES	23 350 000	25 550 000	14 650 000
LOANS	64 500 000	42 000 000	-
MIG	44 641 750	38 069 598	39 277 554
NDPG	10 000 000	10 000 000	1 000 000
OWN FUNDING	54 820 000	49 850 000	39 250 000
WSIG	30 599 000	21 519 000	22 509 000
WSIG IN KIND	-	-	-
ENERGY EFFICIENCY GRANT	-	4 000 000	4 000 000
Grand Total	**269 898 750**	**218 488 598**	**149 286 554**

DEPARTMENT	Sum of Proposed Budget 2024/2025	Sum of Proposed Budget 2025/2026	Sum of Proposed Budget 2026/2027
COMMUNITY SERVICES	68 474 746	61 150 000	36 450 000
CORPORATE SERVICES	5 290 000	5 100 000	4 900 000
DEVELOPMENT & PLANNING	10 000 000	10 000 000	5 025 627
ENGINEERING SERVICES	133 834 004	92 738 598	91 860 927
FINANCE SERVICES	2 000 000		
PUBLIC SAFETY & ROADS	50 300 000	49 500 000	11 050 000
Grand Total	**269 898 750**	**218 488 598**	**149 286 554**



#	Vote No	Vote Description	Entity Department	Entity Cost Centre	Final Budget 2023/2024	Budget 24/25
1	01106460020F5H40ZZHO	OFFICE FURNITURE	CORPORATE	CORPORATE SERVICES ADMININSTRATION	105 000.00	35 000.00
2	01206460020F5H32ZZHO	FURNITURE & EQUIPMENT	CORPORATE	SPEAKERS OFFICE	115 000.00	-
3	01206460020F5L29ZZHO	OFFICE EQUIPMENT	CORPORATE	SPEAKERS OFFICE	50 000.00	-
4	01256460020F5C11ZZHO	AIRCONDITIONERS	CORPORATE	COUNCIL BUILDING	100 000.00	-
5	01256460020F5K18ZZWM	ICE MACHINE	CORPORATE	COUNCIL BUILDING	5 000.00	-
6	01256474020F5L64ZZHO	REFURBISHMENT OF HEAD OFFICE BUILDING	CORPORATE	COUNCIL BUILDING	507 000.00	-
7	01306456420F5K37ZZHO	GENERATOR	CORPORATE	PUBLIC RELATIONS OFFICER	30 000.00	-
8	01306460020F5L29ZZHO	OFFICE EQUIPMENT	CORPORATE	PUBLIC RELATIONS OFFICER	500 000.00	-
9	01306473520F5L52ZZWM	DIGITAL BILLBOARDS	CORPORATE	PUBLIC RELATIONS OFFICER	330 000.00	-
10	01356460020F5H03ZZHO	AIRCONS	CORPORATE	IT SERVICES		
11	NEW IT	WEBSITE REDESIGN	CORPORATE	PUBLIC RELATIONS OFFICER		
12	NEW IT	COMPLAINTS KIOSK	CORPORATE	PUBLIC RELATIONS OFFICER		
13	NEW IT	TIME AND ATTENDANCE	CORPORATE	IT SERVICES		
14	NEW IT	MIDVAAL DATA CONTROL ROOM	CORPORATE	IT SERVICES		
15	NEW IT	ASSET MANAGEMENT SYSTEM	CORPORATE	IT SERVICES		
16	NEW IT	RECORDS DIGITISATION	CORPORATE	IT SERVICES		
17	NEW IT	PAYROLL IMPLEMENTATION	CORPORATE	IT SERVICES		
18	01356191420F5K47ZZHO	SOFTWARE APPLICATION	CORPORATE	IT SERVICES	9 500 000.00	-
19	01356191420F5K86ZZHO	CLOCKING DEVICES	CORPORATE	IT SERVICES	-	-
20	01356470020F5H27ZZHO	NETWORKS&COMPUTER RELATED HARDWARE	CORPORATE	IT SERVICES	3 000 000.00	8 400 000.00
21	01356470020F5K89ZZHO	LAPTOPS & DESKTOPS (MOBILE DEV REFURBISH	CORPORATE	IT SERVICES	400 000.00	-
22	NEW IT	STAFF PARKING EXTENSION	CORPORATE	IT SERVICES		
23	02056456020F5K53ZZHO	FUEL TANKS & PUMPS	FINANCE	FINANCIAL SERVICES - ADMINISTRATION	2 000 000.00	-
24	02056460020F5C11ZZHO	AIRCONDITIONERS	FINANCE	FINANCIAL SERVICES - ADMINISTRATION	23 908.00	-
25	02156191420F5G67ZZHO	SCM SYSTEM	FINANCE	FINANCIAL SERVICES - EXPENDITURE	3 000 000.00	5 000 000.00
26	02156456020FPL25ZZHO	FUEL TANKS AND PUMPS (LOAN)	FINANCE	FINANCIAL SERVICES - EXPENDITURE	10 000 000.00	-
27	02156460020F5G66ZZHO	STORES EQUIPMENT & SHELVING	FINANCE	FINANCIAL SERVICES - EXPENDITURE	-	-
28	02156460020F5H32ZZHO	FURNITURE & EQUIPMENT	CORPORATE	CORPORATE SERVICES ADMININSTRATION	350 000.00	-
29	02156474020F5L18ZZHO	BUILDING EXTENSION	FINANCE	FINANCIAL SERVICES - EXPENDITURE	5 000 000.00	-

30	03056460020F5H38ZZHO	FURNITURE AND EQUIPMENT NEW	D&P	DEVELOPMENT & PLANNING	100 000.00	-
31	03056473520FGK75ZZWM	FORMALISATION OF INFORMAL TRADING STALLS	D&P	DEVELOPMENT & PLANNING	-	-
32	03056474020F5L21ZZHO	FENCE	D&P	DEVELOPMENT & PLANNING	400 000.00	-
33	03056474020NDJ43ZZWM	ECONOMIC INFRASTR / URBAN REGENERATION	D&P	DEVELOPMENT & PLANNING	16 551 292.00	10 000 000.00
34	NEW D&P	HEAVY DUTY SCANNER & PRINTER	D&P	IT SERVICES		
35	NEW D&P	EPSON BLDG PLANS & PRINTER	D&P	IT SERVICES		
36	01106460020F5L09ZZHO	RECORDING DEVICES MUNICIPAL PLANNING TRIBUNAL	CORPORATE	CORPORATE SERVICES ADMININSTRATION		
37	05056151020GBH74ZZ09	RFID SECURITY SYSTEM-MEYERTON	COMMUNITY	LIBRARY MEYERTON	-	300 000.00
38	05056420420GBK66ZZ01	MOBILE LIBRARY BUS	COMMUNITY	LIBRARY MEYERTON	2 174 810.00	-
39	05056460020GBJ67ZZ09	LIBRARY FURN & EQUIPMENT - MEYERTON-NEW	COMMUNITY	LIBRARY MEYERTON	400 000.00	400 000.00
40	05056470020GBH68ZZ09	ITC HARDWARE (COMPUTORS) - NEW	COMMUNITY	LIBRARY MEYERTON	2 000 000.00	2 000 000.00
41	05056473520GBH57ZZ01	SAVANNA CITY LIBRARY BOOKS (DAC) - NEW	COMMUNITY	LIBRARY MEYERTON	419 600.00	500 000.00
42	05056473520GBH62ZZ09	MEYERTON LIBRARY BOOKS (DAC)	COMMUNITY	LIBRARY MEYERTON	400 000.00	400 000.00
43	05056474020GBL27ZZ14	MEYERTON LIBRARY CARPORTS	COMMUNITY	LIBRARY MEYERTON	300 000.00	-
44	05056600420GBL48ZZHO	MOTOR VEHICLE	COMMUNITY	LIBRARY MEYERTON	-	800 000.00
45	05106460020GBH69ZZ15	AIR CONS - HOK - NEW	COMMUNITY	LIBARAY HENLEY ON KLIP	300 000.00	-
46	05106473520GBH60ZZ15	HOK LIBRARY BOOKS (DAC)	COMMUNITY	LIBARAY HENLEY ON KLIP	250 000.00	250 000.00
47	05156473520GBH59ZZ11	DE DEUR LIBRARY BOOKS (DAC)	COMMUNITY	LIBRARY WALKERVILLE	250 000.00	250 000.00
48	05206473520GBH63ZZ04	RANDVAAL LIBRARY BOOKS (DAC)	COMMUNITY	LIBRARY RANDVAAL	250 000.00	250 000.00
49	05256473520GBH64ZZ10	SICELO LIBRARY BOOKS (DAC)	COMMUNITY	LIBRARY SICELO	300 000.00	300 000.00
50	05306473520GBH61ZZ06	LAKESIDE LIBRARY BOOKS (DAC)	COMMUNITY	LAKESIDE LIBRARY	300 000.00	300 000.00
51	05356473520GBH58ZZ01	BANTU BONKE LIBRARY BOOKS (DAC)	COMMUNITY	BANTU BONKE	250 000.00	250 000.00
52	05356474020GBK65ZZ01	BANTU BONKE CARPORTS	COMMUNITY	BANTU BONKE	-	-
53	NEW LIBRARIES	CARPORTS FOR LAKESIDE LIBRARY	COMMUNITY	LAKESIDE LIBRARY		
54	NEW LIBRARIES	10-15 SEATER MOTOR VEHICLE	COMMUNITY	LIBRARY MEYERTON		
55	NEW LIBRARIES	FURNITURE	COMMUNITY	LIBRARY MEYERTON		
56	NEW LIBRARIES	EXT MEYERTON LIBRARY BLDG UPGRADE	COMMUNITY	LIBRARY MEYERTON		
57	05406420420F4J25ZZHO	SMALL MOTOR VEHICLE	COMMUNITY	SOCIAL SERVICES ADMIN	-	-
58	NEW SOCIAL ADMIN	GAZEBO	CORPORATE	PUBLIC RELATIONS OFFICER		-
59	05406460020F5H32ZZHO	FURNITURE & EQUIPMENT	CORPORATE	CORPORATE SERVICES ADMININSTRATION	30 000.00	20 000.00
60	NEW LIBRARIES	SOLAR PANEL SYSTEM	COMMUNITY	BANTU BONKE		

61	05406474020F5H31ZZHO	REFURBISHMENT OF DE DEUR OFFICES	CORPORATE	COUNCIL BUILDING	-	-
62	07056456020F5J85ZZWM	MOBILE RADIO - NEW	PUBLIC SAFETY & ROADS	TRAFFIC	100 000.00	-
63	07056456020F5K06ZZWM	NEW MACHINERY AND EQUIPMENT	PUBLIC SAFETY & ROADS	TRAFFIC	650 000.00	-
64	07056456020F5K34ZZHO	SECURITY EQUIPMENT DRONES	PUBLIC SAFETY & ROADS	TRAFFIC	600 000.00	-
65	07056474020F5L43ZZWM	UPGRADING OF VEHICLE IMPOUNDING YARD	PUBLIC SAFETY & ROADS	TRAFFIC	500 000.00	-
66	07056600420F4L26ZZWM	HIGH SPEED VEHICLES	PUBLIC SAFETY & ROADS	TRAFFIC	2 265 018.00	1 200 000.00
67	07106420420GRL02ZZWM	MEDIUM PUMPER FIRE ENFINE	PUBLIC SAFETY & ROADS	FIRE	3 618 710.00	-
68	07106456420F5K06ZZWM	NEW MACHINERY AND EQUIPMENT	PUBLIC SAFETY & ROADS	FIRE	43 340.00	-
69	07106456420F5K37ZZWM	RENEWABLE ENERGY	PUBLIC SAFETY & ROADS	FIRE	1 000 000.00	-
70	07106456420F5K84ZZWM	GRASS FIRE COMBATING EQUIPMENT	PUBLIC SAFETY & ROADS	FIRE	500 000.00	-
71	07106460020F5H29ZZWM	REPLACEMENT OF CCTV CAMERAS	PUBLIC SAFETY & ROADS	FIRE	500 000.00	500 000.00
72	07106460020F5H30ZZWM	REPLACEMENT OF CHAIRS	CORPORATE	CORPORATE SERVICES ADMININSTRATION	15 000.00	15 000.00
73	07106460020F5H35ZZWM	SMALL GEAR MEYERTON FIRE STATION	PUBLIC SAFETY & ROADS	FIRE	56 660.00	-
74	07106460020F5H41ZZWM	RADIOS AND REPEATER	PUBLIC SAFETY & ROADS	FIRE	550 000.00	32 500.00
75	07106460020F5H44ZZWM	NEW CCTV CAMERAS	PUBLIC SAFETY & ROADS	FIRE	1 700 000.00	2 500 000.00
76	07106460020F5K39ZZWM	EQUIPMENT FOR HIGH-SPEED VEHICLES	PUBLIC SAFETY & ROADS	FIRE	200 000.00	-
77	07106600420F4L22ZZWM	FIRE ENGINE	PUBLIC SAFETY & ROADS	FIRE	-	-
78	07106600420F4L23ZZWM	FIRE TRAILERS	PUBLIC SAFETY & ROADS	FIRE	281 982.00	-
79	07106600420GRL17ZZWM	BOAT	PUBLIC SAFETY & ROADS	FIRE	2 200 000.00	-
80	08056420420F4C32ZZWM	DOUBLE CAB TIPPER TRUCK (REPLACEMENT)	COMMUNITY	PARKS	-	6 600 000.00
81	08056420420F4H99ZZWM	TRUCK	COMMUNITY	PARKS	-	-
82	08056420420F4J02ZZWM	TRACTORS (REPLACEMENTS)	COMMUNITY	PARKS	4 953 000.00	1 000 000.00
83	08056420420F4J17ZZWM	LDV'S	COMMUNITY	PARKS	-	-
84	08056456020F5H08ZZWM	CHAINSAWS	COMMUNITY	PARKS	-	80 000.00
85	08056456020F5H47ZZWM	BRUSH CUTTERS	COMMUNITY	PARKS	200 000.00	100 000.00
86	08056456020F5H52ZZWM	TELESCOPIC POLE PRUNERS	COMMUNITY	PARKS	-	-
87	08056456020F5K06ZZWM	NEW MACHINERY AND EQUIPMENT	COMMUNITY	PARKS	480 000.00	400 000.00
88	NEW PARKS	BOBCAT PARKS	COMMUNITY	PARKS		-
89	08056456020F5K57ZZWM	PEST CONTROL EQUIPMENT	COMMUNITY	PARKS	200 000.00	-
90	08056456020F5K95ZZWM	SELF PROPELLED LAWN MOWER	COMMUNITY	PARKS	100 000.00	100 000.00
91	08056473520F5J65ZZWM	PARKS & INFRASTRUCTURE DEVELOPMENT	COMMUNITY	PARKS	1 500 000.00	1 500 000.00

92	08056473520F5L16ZZWM	ABLUTION BLOCK EPWP	CORPORATE	COUNCIL BUILDING	-	-
93	08056600420F4L12ZZWM	CHERRY PICKER	COMMUNITY	PARKS	830 000.00	-
94	08156456020F5H49ZZWM	RIDE ON LAWNMOWERS WITH TRAILERS	COMMUNITY	SPORT & RECREATION ADMINISTRATION	-	200 000.00
95	08156456020F5K06ZZ11	NEW MACHINERY AND EQUIPMENT	COMMUNITY	SPORT & RECREATION ADMINISTRATION	150 000.00	150 000.00
96	08156473520F5L20ZZ10	FEASIBILITY STUDY	COMMUNITY	SPORT & RECREATION ADMINISTRATION	600 000.00	-
97	NEW	CONSTRUCTION AND INSTALLATION OF RECREATIONAL EQUIPMENT AT PARKS	COMMUNITY	PARKS		10 000 000.00
98	08156473520FGJ42ZZ06	LAKESIDE SPORT CENTRE (MIG)	COMMUNITY	SPORT & RECREATION ADMINISTRATION	11 504 775.00	8 444 746.00
99	08156473520F5J65ZZWM	SPORT & INFRASTRUCTURE DEVELOPMENT	COMMUNITY	SPORT & RECREATION ADMINISTRATION		-
100	NEW SPORTS CRR & GRANT	REGIONAL SPORT & RECREATION PARK	COMMUNITY	SPORT & RECREATION ADMINISTRATION		-
101	08156473520FPL30ZZ10	RESURFACING OF SICELO SPORT FIELD	COMMUNITY	SPORT & RECREATION ADMINISTRATION	2 000 000.00	950 000.00
102	08206473520F5L32ZZ11	SAVANNA CEMETERY	COMMUNITY	CEMETERIES	-	5 000 000.00
103	08206473520FPL40ZZWM	UPGRADE & EXTENSION CEMETERIES MIDVAAL	COMMUNITY	CEMETERIES	1 500 000.00	-
104	NEW SEWER	SEWER PIPELINE CCTV	ENGINEERING	SANITATION NETWORK		
105	10056420420F4J01ZZWM	DOUBLE CAB TRUCK (REPLACEMENT)	ENGINEERING	SANITATION NETWORK	-	-
106	10056420420F5G32ZZWM	1 TON LDV	ENGINEERING	SANITATION NETWORK	340 000.00	-
107	10056449420FGL42ZZ11	UPGRADE OF EWELME PUMP STATION (MIG)	ENGINEERING	SANITATION NETWORK	-	-
108	10056449420FPL41ZZ11	UPGRADE EWELME PUMP STATION	ENGINEERING	SANITATION NETWORK	-	12 500 000.00
109	10056449420FQK68ZZWM	SEWER CONNECTIONS NEW	ENGINEERING	SANITATION NETWORK	3 000 000.00	3 000 000.00
110	10056456020FPK46ZZWM	RENEWABLE ENERGY	ENGINEERING	SANITATION NETWORK	2 000 000.00	5 000 000.00
111	10056456420F5K05ZZWM	EQUIPMENT & TOOLS	ENGINEERING	SANITATION NETWORK	450 000.00	-
112	10056449420F5G61ZZWM	CONSTRUCTION OF SEWER RETICULATION EXT & HOUSE CONNECTIONS	ENGINEERING	SANITATION NETWORK		
113	NEW SANITATION	PROCUREMENT OF STORAGE CONTAINERS	ENGINEERING	SANITATION NETWORK		
114	NEW SANITATION	AUTOMATION OF INDUSTRIAL AND BUSINESS METER READING	ENGINEERING	SANITATION NETWORK		
115	NEW SANITATION	UPGRADE OF OUTFLOW AT BELL ROAD TO RAILWAY LINE	ENGINEERING	SANITATION NETWORK		
116	NEW SANITATION	FURNITURE & EQUIPMENT	CORPORATE	CORPORATE SERVICES ADMININSTRATION		
117	NEW SANITATION	HORIZONTAL DIRECTIONAL DRILLING MACHING	ENGINEERING	SANITATION NETWORK		

118	10056600420F4C23ZZWM	COMBINATION HIGH PRESURE JETTY MACHINE -	ENGINEERING	SANITATION NETWORK	3 010 000.00	-
119	10056600420F4L13ZZWM	1 TON LDV	PUBLIC SAFETY & ROADS	MECHANICAL WORKSHOP	-	4 100 000.00
120	NEW WWTW CRR	PROCUREMENT OF STORAGE CONTAINERS	ENGINEERING	WASTEWATER PURIFICATION		
121	NEW WWTW CRR	FURNITURE & EQUIPMENT	CORPORATE	CORPORATE SERVICES ADMININSTRATION		
122	10106449420FPD13ZZWM	PUMPSTATION REFURBISHMENT AND UPGRADE	ENGINEERING	WASTEWATER PURIFICATION	10 000 000.00	-
123	11056420420F4J24ZZWM	NEW WATER TANKER	PUBLIC SAFETY & ROADS	ROADS	-	-
124	11056420420F4J48ZZWM	GRADER	PUBLIC SAFETY & ROADS	ROADS	2 800 000.00	2 800 000.00
125	11056456020F5H14ZZWM	ROLLER COMPACTOR	PUBLIC SAFETY & ROADS	ROADS	-	-
126	11056456020F5K50ZZWM	EQUIPMENT	PUBLIC SAFETY & ROADS	ROADS	200 000.00	-
127	11056472420FGD94ZZWM	GRAVEL TO TAR (MIG)NEW	PUBLIC SAFETY & ROADS	ROADS	634 185.00	12 100 000.00
128	11056472420FPL54ZZWM	ROADS REHABILITATION	PUBLIC SAFETY & ROADS	ROADS	29 500 000.00	10 000 000.00
129	11056472420FPL55ZZWM	GRAVEL TO TAR	PUBLIC SAFETY & ROADS	ROADS	2 000 000.00	8 500 000.00
130	11056600420F4C04ZZWM	4 TON TRUCK (CURRENT RENTAL) x 3	PUBLIC SAFETY & ROADS	ROADS	-	-
131	NEW ROADS	FURNITURE	CORPORATE	CORPORATE SERVICES ADMININSTRATION		
132	11056600420F4L15ZZWM	12 TON ROLLER	PUBLIC SAFETY & ROADS	ROADS	-	-
133	11106600420F4L49ZZWM	MOTOR VEHICLE	PUBLIC SAFETY & ROADS	MECHANICAL WORKSHOP	-	600 000.00
134	11106600420F4L50ZZWM	MOTOR VEHICLE (TRANSPORTER)	PUBLIC SAFETY & ROADS	MECHANICAL WORKSHOP	-	-
135	11156473020F5L60ZZWM	STORMWATER PIPES AND CHANNELS	PUBLIC SAFETY & ROADS	STORM WATER	-	3 500 000.00
136	NEW WATER WSIG	REFURBISHMENT & REPLACEMENT OF WATER SUPPLY VALVES	ENGINEERING	WATER NETWORK		-
137	NEW WATER	UPGRADING OF WATER SUPPLY TO WFF	ENGINEERING	WATER NETWORK		
138	NEW WATER	FENCING AT WATER RESERVOIRS	ENGINEERING	WATER NETWORK		
139	NEW WATER	REFURBISHMENT OF WATER PUMP STATIONS	ENGINEERING	WATER NETWORK		
140	NEW WATER	INSTALLATION OF CHLORINE BOOSTER STATIONS	ENGINEERING	WATER NETWORK		
141	12056191420F5L36ZZWM	SOFTWARE APPLICATION	ENGINEERING	WATER NETWORK	4 000 000.00	4 000 000.00
142	12056420420F5L48ZZHO	MOTOR VEHICLE	ENGINEERING	WATER NETWORK	350 000.00	-
143	12056444420F5J33ZZWM	SICELO/HIGHBURY (VALLEY SETTLEMENTS) RES	ENGINEERING	WATER NETWORK	825 000.00	-
144	12056444420FGJ33ZZWM	SICELO/HIGHBURY (VALLEY SETTLEMENTS) RES	ENGINEERING	WATER NETWORK	16 122 059.00	14 097 004.00
145	12056444420FNJ44ZZWM	AGED BULK WATER PIPE REPLACEMENT	ENGINEERING	WATER NETWORK	15 695 045.00	24 099 000.00

146	12056444420FNJ45ZZWM	REFURBISHMENT/REPLACEMENT-SUPPLY VALVES	ENGINEERING	WATER NETWORK	997 833.00	2 500 000.00
147	12056444420FNJ46ZZWM	BULK WATER METERS	ENGINEERING	WATER NETWORK	1 019 122.00	1 500 000.00
148	12056444420FPC08ZZWM	AGED BULK WATER PIPE REPLACEMENT	ENGINEERING	WATER NETWORK	5 000 000.00	5 000 000.00
149	12056444420FPH89ZZ02	RISSIVILLE WATER NETWORK (NEW)	ENGINEERING	WATER NETWORK	-	-
150	12056446020F5D89ZZWM	WATER METER REPLACEMENT PROGRAMME	ENGINEERING	WATER NETWORK	1 450 000.00	1 500 000.00
151	12056446020F5L53ZZWM	JOJO TANKS	ENGINEERING	WATER NETWORK	150 000.00	-
152	12056446020F5R66ZZWM	BULK WATER METERS - WATER LOSS PROGRAMME	ENGINEERING	WATER NETWORK	144 982.00	-
153	NEW WATER WSIG	WATER METER REPLACEMENT PROGRAMME	ENGINEERING	WATER NETWORK		2 000 000.00
154	12056446020FNR47ZZWM	PRESSURE MANAGEMENT INFRASTRUCTURE	ENGINEERING	WATER NETWORK	500 000.00	500 000.00
155	12056446020WKL04ZZWM	WATER INFRASTRUCTURE	ENGINEERING	WATER NETWORK	-	-
156	12056448020FPL56ZZWM	TELEMETRY OF WATER SUPPLY & DISTRIBUTION	ENGINEERING	WATER NETWORK	2 500 000.00	3 000 000.00
157	12056448020FPL57ZZ01	REFURB VAAL MARINA WATERTREATMENT PLANT	ENGINEERING	WATER NETWORK	950 000.00	1 000 000.00
158	12056456020F5K06ZZHO	NEW MACHINERY AND EQUIPMENT	ENGINEERING	WATER NETWORK	1 550 000.00	1 500 000.00
159	13056420420F4K30ZZWM	LAND CRUISERS	ENGINEERING	ELECTRICAL NETWORK	1 600 000.00	-
160	13056430020FGJ31ZZ11	HIGHMAST LIGHTS - SAVANNA CITY	ENGINEERING	ELECTRICAL NETWORK	557 025.00	-
161	13056430020FPH82ZZWM	REPLACE METERS FOR TID COMPLIANCE	ENGINEERING	ELECTRICAL NETWORK	13 604 286.00	-
162	13056430020FPL33ZZ11	SAVANNA CITY 88KV OVERHEAD LINE	ENGINEERING	ELECTRICAL NETWORK	7 500 000.00	7 500 000.00
163	13056430020FQH78ZZWM	ELECTRICITY METERING	ENGINEERING	ELECTRICAL NETWORK	1 000 000.00	1 000 000.00
164	13056430020FQH80ZZWM	NEW CONNECTIONS	ENGINEERING	ELECTRICAL NETWORK	-	1 500 000.00
165	13056430020FQK67ZZWM	HIGHMAST & STREET LIGHTS: UNSERVICED AR	ENGINEERING	ELECTRICAL NETWORK	-	650 000.00
166	13056430020FTJ29ZZ11	SAVANNA CITY ELECTR. NETWORK	ENGINEERING	ELECTRICAL NETWORK	11 000 000.00	11 655 392.00
167	NEW	SAVANNA EXT3&4	ENGINEERING	ELECTRICAL NETWORK		975 000.00
168	NEW	SAVANNA DOORNKUIL	ENGINEERING	ELECTRICAL NETWORK		7 140 000.00
169	13056430020FTJ30ZZ08	SICELO ELECTRIFICATION NETWORK	ENGINEERING	ELECTRICAL NETWORK	10 212 000.00	10 117 608.00
170	13056433020EEK58ZZWM	ENERGY EFFICIENCY GRANT	ENGINEERING	ELECTRICAL NETWORK		
171	13056433020F5R60ZZWM	H/MAST&STREET LIGHTS:UN-SERVICED AREAS	ENGINEERING	ELECTRICAL NETWORK	1 000 000.00	-
172	13056433020FPK61ZZWM	TRANSFORMERS	ENGINEERING	ELECTRICAL NETWORK	961 000.00	1 500 000.00
173	13056434020F5L03ZZWM	STRENGTHENING ELECTRICITY INFRASTRUCTURE	ENGINEERING	ELECTRICAL NETWORK	1 000 000.00	

174	13056434020FPJ81ZZWM	STRENGTHENING OF ELECTRICITY SUPPLY	ENGINEERING	ELECTRICAL NETWORK	-	7 500 000.00
175	13056434020FPL58ZZWM	ELECTRIFICATION OF INFORMAL DWELLINGS	ENGINEERING	ELECTRICAL NETWORK	984 714.00	-
176	13056456020F5K46ZZHO	RENEWABLE ENERGY	ENGINEERING	ELECTRICAL NETWORK	450 000.00	-
177	13056456020F5K52ZZWM	LADDERS & BINS	ENGINEERING	ELECTRICAL NETWORK	29 398.00	-
178	13056456420F5K05ZZWM	EQUIPMENT & TOOLS	ENGINEERING	ELECTRICAL NETWORK	100 000.00	-
179	13056600420F4L12ZZWM	CHERRY PICKER	ENGINEERING	ELECTRICAL NETWORK	1 800 000.00	2 400 000.00
180	1305	SUBSTATION CONTROL ROOM IN MIDVAAL AREA	ENGINEERING	ELECTRICAL NETWORK		
181	13056600420F4L14ZZWM	10 TON CRANE TRUCK	ENGINEERING	ELECTRICAL NETWORK	-	-
182	NEW LANDFILL CRR	DESIGNS	COMMUNITY	LANDFILL SITES		
183	NEW LANDFILL CRR	CELL CONSTRUCTION	COMMUNITY	LANDFILL SITES		
184	NEW LANDFILL CRR	WEIGHBRIDGE	COMMUNITY	LANDFILL SITES		
185	NEW LANDFILL CRR	OFFICE BLOCK & FURNITURE	CORPORATE	CORPORATE SERVICES ADMININSTRATION		
186	NEW LANDFILL CRR	FENCE	COMMUNITY	LANDFILL SITES		
187	NEW LANDFILL MIG	BUY BACK RECYCLING & DROP OFF CENTRE	COMMUNITY	LANDFILL SITES		
188	14056450020F5K92ZZWM	NEW LANDFILL SITE DOORNKUIL	COMMUNITY	LANDFILL SITES		-
189	NEW LANDFILL	WEIGHBRIDGE	COMMUNITY	LANDFILL SITES		
190	NEW LANDFILL	OFFICE BLOCK & FURNITURE	CORPORATE	CORPORATE SERVICES ADMININSTRATION		
191	NEW LANDFILL	FENCE	COMMUNITY	LANDFILL SITES		
192	NEW LANDFILL	BUY BACK RECYCLING & DROP OFF CENTRE	COMMUNITY	LANDFILL SITES		
193	NEW LANDFILL	STORMWATER DRAINS AT LANDFILL	COMMUNITY	LANDFILL SITES		
194	NEW LANDFILL	RETENTION DAMS AT LANDFILL SITES	COMMUNITY	LANDFILL SITES		
195	14056450020F5G97ZZ15	REHABILITATION HENLEY ON KLIP LANDFILL SITE	COMMUNITY	LANDFILL SITES		
196	14056600420F4L24ZZWM	FRONT END LOADER	COMMUNITY	LANDFILL SITES		
197	NEW LANDFILL	TIPPER TRUCK	COMMUNITY	LANDFILL SITES		
198	14056450020F5K62ZZ01	REHABILITATION VAAL MARINA LANDFILLSITE	COMMUNITY	LANDFILL SITES	-	-
199	14056450020F5L45ZZWM	WEIGHBRIDGE	COMMUNITY	LANDFILL SITES	-	2 500 000.00
200	14056450020FGK76ZZ05	WALKERVILLE LANDFILL	COMMUNITY	LANDFILL SITES	-	-
201	NEW	WOODCHIPPER	COMMUNITY	PARKS		
202	14056450020FPH86ZZWM	LANDFILL CELL DEVELOPMENT (EXPANSION)	COMMUNITY	LANDFILL SITES	-	-
203	14056450020FPL39ZZWM	TRANSFER STATIONS PAVING	COMMUNITY	LANDFILL SITES	2 500 000.00	4 000 000.00

204	14056450020FPL44ZZ05	WALKERVILLE LANDFILL SITE FENCE REHAB	COMMUNITY	LANDFILL SITES	2 500 000.00	-
205	14056450020FPL59ZZWM	ADDITIONAL LANDFILL SITE & CEMETERY	COMMUNITY	LANDFILL SITES		1 500 000.00
206	NEW LANDFILL CRR LOAN	LOW BED TRAILER	COMMUNITY	LANDFILL SITES		
207	NEW LANDFILL MIG	SAVANNAH CITY NEW TRANSFER STATION DESIGNS	COMMUNITY	LANDFILL SITES		
208	14056450020F5K94ZZWM	RAMP & PAVING	COMMUNITY	LANDFILL SITES		
209	NEW LANDFILL CRR	OFFICE BLOCK & FURNITURE	CORPORATE	CORPORATE SERVICES ADMININSTRATION		
210	14056450020F5L45ZZWM	MOBILE WEIGHBRIDGES	COMMUNITY	LANDFILL SITES		
211	NEW LANDFILL CRR LOAN	ROLL ON TRUCK	COMMUNITY	LANDFILL SITES		-
212	NEW LANDFILL CRR	1000l diesel & petrol 500l tanker	PUBLIC SAFETY & ROADS	MECHANICAL WORKSHOP		
213	15056460020F5C48ZZHO	FURNITURE & EQUIPMENT	CORPORATE	CORPORATE SERVICES ADMININSTRATION	80 000.00	-
214	15056460020F5K39ZZHO	EQUIPMENT - EXCAVATOR	ENGINEERING	ENGINEERING ADMIN	40 000.00	-
215	17056420420F4J07ZZWM	COMPACTOR (REFUSE TRUCK)	COMMUNITY	SOLID WASTE	3 000 000.00	-
216	17056420420F4J09ZZWM	LDV	COMMUNITY	SOLID WASTE	-	-
217	17056420420F4J18ZZWM	10 CUBIC METER TRUCK	COMMUNITY	SOLID WASTE	1 500 000.00	-
218	17056420420F4K12ZZWM	REFUSE COLLECTION TRUCKS	COMMUNITY	SOLID WASTE	-	-
219	17056420420F4K13ZZWM	COMPACTOR (REFUSE TRUCK) - NEW	COMMUNITY	SOLID WASTE	-	-
220	17056420420F4K14ZZWM	LDV 2	COMMUNITY	SOLID WASTE	450 000.00	-
221	17056420420F4K72ZZWM	GRAB TRUCK	COMMUNITY	SOLID WASTE	-	-
222	17056450020F4H98ZZWM	BOBCAT (WASTE TRANSFER STATION)	COMMUNITY	SOLID WASTE	-	-
223	17056450020F5H19ZZWM	REFURBISHMENT-BLACKWOOD TRANFER STATION	COMMUNITY	SOLID WASTE	1 500 000.00	-
224	17056456020F5K06ZZWM	NEW MACHINERY AND EQUIPMENT	COMMUNITY	SOLID WASTE	60 000.00	-
225	17056460020F5H39ZZWM	FURNITURE FOR TRANSFER STATION	CORPORATE	CORPORATE SERVICES ADMININSTRATION	105 000.00	-
226	17056600420F4L35ZZWM	SKIP TRUCK	COMMUNITY	SOLID WASTE	2 800 000.00	4 400 000.00
227	14056420420F4K71ZZWM	DOUBLE CAB TIPPER TRUCK	COMMUNITY	LANDFILL SITES		
228	17056420420F4K72ZZWM	4 TON TRUCK	COMMUNITY	SOLID WASTE		
229	17056600420F4L37ZZWM	TANKER TRUCK	COMMUNITY	SOLID WASTE	-	1 400 000.00

6. COUNCIL'S VISION & MISSION

Midvaal Local Municipality prides itself on being a stable institution able to provide services to its residents efficiently while improving their socio-economic conditions. The municipal vision for the 2022 – 2027 IDP is:

"Achieve excellence in service delivery"

To achieve this Vision Midvaal strives to:

1. Enhance service delivery through innovative technologies
2. Enable a safe, healthy community and environment
3. Promote local economic development and tourism
4. Adopt clean, renewable energy
5. Build strong partnerships
6. Be a people centred, compassionate institution

7. MIDVAAL'S APPROVED KEY PERFORMANCE AREAS (KPAs)

The Midvaal Performance Framework is composed of Key Performance Areas (KPAs) which are the areas of focus required for the Municipality to achieve its strategic objectives and are aligned with the Promises made as part of the political vision. Midvaal has developed eight KPAs, the eight KPAs have been closely aligned to governmental and political objectives with the detailed association provided.

The KPAs have been further broken down into focus areas for implementation referred to as Key Focus Areas (KFAs). The focus areas segment the KPA into its constituent opportunities and are supported by Key Performance Indicators (KPIs), which are in turn achieved through project implementation.

KPA 1 **Good Governance**
To promote increased participation and improved communication with all key internal and external stakeholders

KPA 2 **Safe & Healthy Environments**
To create a sustainable environment safe from harm

KPA 3 **Community Development**
To create an environment focused on uplifting the youth, the poor and the most vulnerable

KPA 4 **Institutional Transformation**
To transform and align the people, processes and systems of the municipality to achieve its objectives

KPA 5 **Financial Sustainability**
To improve the financial sustainability and capacity of the municipality, whilst adhering to statutory requirements

KPA 6 **Infrastructure & Sustainable Living Environments**
To ensure efficient infrastructure and energy supply that will improve the quality of life of the community

KPA 7 **Communication & Customer Care**
To deliver inclusive and excellent services to the community

KPA 8 **Economic Growth & Spatial Transformation**
To facilitate sustainable economic empowerment for all communities within Midvaal and through the development of partnerships and innovation

8. APPROVAL OF SERVICE DELIVERY & PERFORMANCE TARGETS

These targets and indicators must be:

1. **Approved in the budget as an annual indicator with projections for at least two outer years based on the strategic priorities:**

   "*The budget resolution must approve measurable performance objectives for each vote (and for key sub-functions as may be prescribed) including service delivery targets and other performance indicators so that council can be judged on service delivery as well as revenue and expenditure*

2. **Split into quarterly projections for the forthcoming budget in the SDBIP:**

   "The SDBIP would then break the annual targets and indicators into quarterly projections to assist with implementation. Quarterly reviews would compare targets with actual and revise future targets as necessary"

3. **Contained in Annual Performance Agreements of the Municipal Manager and Senior Managers:**

   "The quarterly projections in the SDBIP must be consistent with the annual performance agreements of the Municipal Manager and Senior Managers so that they can be held accountable for performance in line with the SDBIP, Budget & IDP"

4. **Reported on for in-year reporting (quarterly and mid-year) and the annual report:**

   "The Annual Report must include an assessment by the Accounting Officer of performance against the measurable performance objectives approved in the budget (and contained) in the SDBIP and annual performance agreements) including service delivery targets and other performance indicators."

In terms of Section 54(1) of the Municipal Finance Management Act, Act 56 of 2003

(1) On receipt of a statement or report submitted by the accounting officer of the municipality in terms of Section 71 or 72, the mayor must –

- (a) consider the statement or report
- (b) check whether the municipality's approved budget is implemented in accordance with the service delivery and budget implementation plan
- (c) consider and, if necessary, make any revisions to the service delivery and budget implementation plan, provided that revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the council following approval of an adjustments budget;
- (d) issue any appropriate instructions to the accounting officer to ensure –
  - (i) that the budget is implemented in accordance with the service delivery and budget implementation plan; and
  - (ii) that spending of funds and revenue collection proceed in accordance with the budget;

The Council, per item x dated x, approved the Final Medium-Term Revenue & Expenditure Framework (MTREF), required by Section 24 of the Local Government: Municipal Finance Management Act (MFMA), Act 56 of 2003. The Integrated Development Plan (IDP) was subsequently approved by Council per item x dated x.

Section 53(1)(c)(ii) of the MFMA, stipulates that the Service Delivery & Budget Implementation Plan is approved by the Executive Mayor **within 28 days after the approval of the budget.**

The Service Delivery & Budget Implementation Plan is therefore compiled and submitted to the Executive Mayor for consideration and approval. The Measurable Performance Objectives were compiled as per the approved Key Performance Areas (Strategic Objectives) and approved by the Executive Mayor on x and made public as per Section 53(3)(a) and (b) of the Municipal Finance Management Act, Act 56 of 2003, as well as Section 21A(2) of the Municipal Systems Act, Act 32 of 2000. The document was open for inspection for the period x. No public comments were received.

Council per Section 72 of the Local Government: Municipal Finance Management Act, Act 56 of 2003, assessed the performance of the municipality during the first half of the financial year, namely the mid-year budget and performance assessment. The monthly statements referred to in Section 71 for the first half year, the service delivery performance, the past year's Annual Report and progress on resolving problems identified in the Annual Report were assessed by x, as legislated. Council per item x dated x considered and approved the recommended adjustments to be made to the Capital & Operating Budget as well as the resulting adjustments to the Measurable Performance Objectives.

Therefore, the approved revisions to the Measurable Performance Objectives are compiled, as per the approved Key Performance Areas (Strategic Objectives) for consideration and approval by the Executive Mayor, considering the requirements of Section 54(1) of the Local Government: Municipal Finance Management Act, Act 56 of 2003.

9. KEY PERFORMANCE AREAS (KPAs) / KEY FOCUS AREAS (KFAs) (Measurable Performance Objectives)

As earlier referred to, the Key Performance Areas (KPAs) have been broken down into focus areas for implementation referred to as Key Focus Areas (KFAs). The focus areas segment the KPA into its constituent opportunities and are supported by Key Performance Indicators (KPIs), which are in turn achieved through project implementation.

KPA 1 Good Governance	**KPA 2** Safe & Healthy Environments	**KPA 3** Community Development	**KPA 4** Institutional Development	**KPA 5** Financial Stability	**KPA 6** Infrastructure & Sustainable Living Environments	**KPA 7** Communications & Customer Care	**KPA 8** Economic Growth & Spatial Transformation
KFA 1 Governance Structures	**KFA 5** Safety & Security	**KFA 9** Parks, Sports & Recreation	**KFA 13** Human Resources & Skills Development	**KFA 17** Financial Management	**KFA 21** Electricity, Energy Efficiency & Renewable Energy	**KFA 27** Communications & Marketing	**KFA 29** Municipal Planning & Built Environment
KFA 2 Risk Management	**KFA 6** Emergency Services	**KFA 10** Libraries, Arts, Culture & Special Programmes	**KFA 14** Monitoring & Evaluation & Performance Management	**KFA 18** Revenue Management	**KFA 22** Roads & Stormwater Infrastructure	**KFA 28** Customer Relations	**KFA 30** Spatial Planning & Investment
KFA 3 Stakeholder Participation	**KFA 7** Disaster Management	**KFA 11** Health, Early Childhood Development & Social	**KFA 15** Information Technology	**KFA 19** Supply Chain Management	**KFA 23** Water & Sanitation Infrastructure		**KFA 31** Local Economic Development
KFA 4 Inter-governmental Relations	**KFA 8** Environmental Health	**KFA 12** Cemeteries & Crematoria	**KFA 16** Policies, Processes & Procedures	**KFA 20** Assets, Equipment & Fleet Management	**KFA 24** Solid Waste Management		
					KFA 25 Project Management & Public Facilities		
					KFA 26 Climate Change Adaptation & Mitigation		

The cascading of performance from KPA through to KPI, ensures that all projects contribute in some way to the achievement of a Midvaal Local Municipality Strategic Objective and in turn District, Provincial and National objectives.

KPA 1
GOOD GOVERNANCE

To promote increased participation and improved communication with all key internal and external stakeholders

KFA 1
Governance Structures

To promote sound and sustainable governance

KFA 2
Risk Management

To co-ordinate activities to identify, assess, management and monitor risks in a systematic and formalised manner

KFA 3
Stakeholder Participation

To increase active stakeholder participation

KFA 4
Inter-governmental Relations

To improve Inter-governmental relations

KPA 2
SAFE & HEALTHY ENVIRONMENTS

To create a sustainable environment safe from harm

KFA 5
Safety & Security

To improve the safety of the community in both rural and suburban areas

KFA 6
Emergency Services

To ensure adequate prevention measures as well as prompt response to emergencies

KFA 7
Disaster Management

To outline policy and procedures for proactive disaster prevention and mitigation

KFA 8
Environmental Health

To ensure healthy living environments

KPA 3
COMMUNITY DEVELOPMENT

To create an environment focused on uplifting the youth, the poor and the most vulnerable

KFA 9
Parks, Sport & Recreation

To create an ecosystem of sports and recreation activities

KFA 10
Libraries, Arts, Culture & Special Programmes

To promote the development of cultural and social programs to uplift the community

KFA 11
Health, ECD and Social

To promote the well-being of communities through provision of adequate social facilities and community development

KFA 12
Cemeteries & Crematoria

To provide accessible and adequate cemeteries and crematoria

KPA 4
INSTITUTIONAL TRANSFORMATION

To transform and align the people, processes and systems of the municipality to achieve its objectives

KFA 13
Human Resources & Skills Development

To ensure adequate internal capacity and capability to deliver on the municipality's objectives

KFA 14
Monitoring & Evaluation & Performance Management

To develop and implement an effective and efficient perfor-mance management

KFA 15
Information Technology

To enhance systems and technology to enable the municipality to deliver excellent customer experience

KFA 16
Policies, Processes and Procedures

To write and review processes and procedures to ensure the objectives of the municipality are achieved

KPA 5
FINANCIAL STABILITY
To improve the financial sustainability and capacity of the municipality, whilst adhering to statutory requirements

KFA 17
Financial Management

To manage the finances of the municipality in a manner that will enhance its financial viability and maintain sustainability

KFA 18
Revenue Management

To protect and enhance the revenue position to enable the objectives of the municipality

KFA 19
Supply Chain Management

To develop and maintain and effective supply chain which uplifts local business and the youth

KFA 20
Assets, Equipment & Fleet Management

To adequately maintain the assets of the municipality

KPA 6
INFRASTRUCTURE & SUSTAINABLE LIVING ENVIRONMENTS

To ensure efficient infrastructure and energy supply that will improve the quality of life of the community

KFA 21
Electricity, Energy Efficiency & Renewable Energy

To plan, construct and maintain electricity networks and to improve energy efficiency. To provide sustainable, reliable and affordable electricity to

KFA 22
Roads & Stormwater Infrastructure

To plan, construct and maintain roads and stormwater infrastructure

KFA 23
Water & Sanitation Infrastructure

To plan, construct and maintain water and sanitation infrastructure. To provide sustainable, reliable and affordable water and sanitation services to all residents

KFA 24
Solid Waste Management

To provide sustainable, reliable and affordable waste disposal services to all residents. To plan, construct and maintain landfill sites and transfer stations

KFA 25
Project Management & Public Facilities

To plan, construct and maintain municipal and public facilities

KFA 26
Climate Change Adaptation and Mitigation

To provide a framework for the municipal response to climate change mitigation and adaptation

KPA 7
COMMUNICATION & CUSTOMER CARE
To deliver inclusive and excellent services to the community

KFA 27
Communication & Marketing

To improve internal and external communication to enhance the perception of the municipality

KFA 28
Customer Relations

To provide a user-friendly platform for citizens to engage with the municipality

KPA 8
ECONOMIC GROWTH & SPATIAL TRANSFORMATION
To facilitate sustainable economic empowerment for all communities within MLM and through the development of partnerships and innovation

KFA 29
Municipal Planning & Built Environment

To improve land use and building developments in line with legislation and policy

KFA 30
Spatial Planning and Investment

To develop an effective spatial framework to promote development in the municipality, focused on enabling and aligning

KFA 31
Local Economic Development

To facilitate and promote local economic growth development objectives

10. COUNCIL RESOLUTION

11. APPROVAL

APPROVAL OF THE DRAFT SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2024/2025

Section 15(3)(b) – Municipal Budget & Reporting Regulations, 2009
Publication and Submission of Annual Budgets for Consultation

Section 69(3)(a) of the Municipal Finance Management Act, Act 56 of 2003

The above-mentioned legislation stipulates per Section 69(3)(a) that:

> *"the Accounting Officer must no later than 14 days, after the approval of an annual budget submit to the mayor – a draft service delivery & budget implementation plan for the budget year;"*

Council, at its meeting held on x per item x, approved the Draft Medium-Term Revenue & Expenditure Framework (MTREF): 2023/2024 to 2025/2026, as required by Section 16 of the Local Government: Municipal Finance Management Act, Act 56 of 2003.

To give effect to the above-mentioned legislation, the Draft Service Delivery & Budget Implementation Plan 2024/2025 is attached for consideration and approval.

Approved for submission to the Executive Mayor.

_____
MR. A.M. GROENEWALD **DATE**
MUNICIPAL MANAGER

Approved	☐	**NOT APPROVED**	☐
_____ **ALDERMAN P.J. TEIXEIRA** **EXECUTIVE MAYOR**		**DATE**	

Annexure AS
Draft Procurement Plan

CORPORATE SERVICES

#	VOTE NUMBER	ENTITY COST CENTRE	SOURCE OF FUNDING	VOTE DESCRIPTION	FINAL 2024/25 BUDGET	PROCUREMENT TYPE	RESPONSIBLE OFFICIAL	SUBMISSION OF SPECS (ENVISAGED DATE)	ADVERT PUBLICATION (ENVISAGED DATE)	BID CLOSING DATE (ENVISAGED)	EVALUATION DATE (ENVISAGED)	ADJUDICATION / AWARD DATE (ENVISAGED)	TENDER DETAILS (NEW / EXISTING)				CASH FLOW PROJECTIONS															
													BID NUMBER	BID DESCRIPTION	TENDER PERIOD	SUPPLIER/SERVICE PROVIDER	JUL	AUG	SEP	TOTAL QUARTER 1	OCT	NOV	DEC	TOTAL QUARTER 2	JAN	FEB	MAR	TOTAL QUARTER 3	APR	MAY	JUN	TOTAL QUARTER 4
1	01356470020F5H72ZZHO	IT SERVICES	OWN REVENUE	NETWORKS&COMPUTER RELATED HARDWARE	R 1,650,000.00	EXISTING CONTRACT	S. MNGUNI	N/A	N/A	N/A	N/A	N/A	BID 8-2-5-131(2023-2026)	BID TO APPOINT A PANEL OF SERVICE PROVIDERS TO SUPPLY, DELIVER AND INSTALL VARIOUS COMPUTER SOFTWARES, APPLICATIONS AND HARDWARE TO MDVAL LOCAL MUNICIPALITY ON AN AS AND WHEN REQUIRED BASIS FROM DATE OF APPOINTMENT UNTIL 30 JUNE 2026.	2023-2026	PANEL	R -	R -	R 500,000.00	**R 500,000.00**	R -	R 850,000.00	R 300,000.00	**R 1,150,000.00**	R -	R -	R -	**R -**	R -	R -	R -	**R -**
2	01356470020F5X89ZZHO	IT SERVICES	OWN REVENUE	LAPTOPS & DESKTOPS (MOBILE DEV REFURBISH	R 1,500,000.00	EXISTING CONTRACT	S. MNGUNI	N/A	N/A	N/A	N/A	N/A	BID 8-2-5-131(2023-2026)	BID TO APPOINT A PANEL OF SERVICE PROVIDERS TO SUPPLY, DELIVER AND INSTALL VARIOUS COMPUTER SOFTWARES, APPLICATIONS AND HARDWARE TO MDVAL LOCAL MUNICIPALITY ON AN AS AND WHEN REQUIRED BASIS FROM DATE OF APPOINTMENT UNTIL 30 JUNE 2026.	2023-2026	PANEL	R -	R -	R 1,500,000.00	**R 1,500,000.00**	R -	R -	R -	**R -**	R -	R -	R -	**R -**	R -	R -	R -	**R -**
3	01356191420F5K47ZZHO	IT SERVICES	OWN REVENUE	SOFTWARE APPLICATION	R 1,000,000.00	EXISTING CONTRACT	S. MNGUNI	N/A	N/A	N/A	N/A	N/A	BID 8-2-5-131(2023-2026)	BID TO APPOINT A PANEL OF SERVICE PROVIDERS TO SUPPLY, DELIVER AND INSTALL VARIOUS COMPUTER SOFTWARES, APPLICATIONS AND HARDWARE TO MDVAL LOCAL MUNICIPALITY ON AN AS AND WHEN REQUIRED BASIS FROM DATE OF APPOINTMENT UNTIL 30 JUNE 2026.	2023-2026	PANEL	R -	R -	R 1,000,000.00	**R 1,000,000.00**	R -	R -	R -	**R -**	R -	R -	R -	**R -**	R -	R -	R -	**R -**
4	01106460020F5H40ZZHO	CORPORATE SERVICES ADMININSTRATION	OWN REVENUE	OFFICE FURNITURE	R 500,000.00	7 DAY BID	J MAKGOBA	JULY 2024	AUG 2024	SEP 2024	OCT 2024	NOV 2024	TBC	OFFICE FURNITURE	ONCE-OFF	TBC	R -	R -	R -	**R -**	R -	R -	R -	**R -**	R -	R -	R 500,000.00	**R 500,000.00**	R -	R -	R -	**R -**
5	01306191420F5L71ZZHO	PUBLIC RELATIONS OFFICER	OWN REVENUE	WEBSITE REDESIGN	R 450,000.00	EXISTING CONTRACT	Y.SOLOMONS	N/A	N/A	N/A	N/A	N/A	BID 8-2-5-131(2023-2026)	BID TO APPOINT A PANEL OF SERVICE PROVIDERS TO SUPPLY, DELIVER AND INSTALL VARIOUS COMPUTER SOFTWARES, APPLICATIONS AND HARDWARE TO MDVAL LOCAL MUNICIPALITY ON AN AS AND WHEN REQUIRED BASIS FROM DATE OF APPOINTMENT UNTIL 30 JUNE 2026.	2023-2026	PANEL	R -	R -	R -	**R -**	R -	R -	R 450,000.00	**R 450,000.00**	R -	R -	R -	**R -**	R -	R -	R -	**R -**
6	01356460020F5H03ZZHO	IT SERVICES	OWN REVENUE	AIR CONS	R 100,000.00	FORMAL TENDER	J MAKGOBA	JUN 2024	JUN 2024	JUN 2024	JUL 2024	AUG 2024	TBC	PANEL FOR SUPPLY, DELIVER, INSTALLATION, COMMISSIONING AND MAINTENANCE OF AIR CONDITIONING UNITS FOR MDVAL LOCAL MUNICIPALITY AS AN WHEN REQUIRED FROM THE DATE OF AWARD TO 30 JUNE 2027	2023-2026	PANEL	R -	R -	R -	**R -**	R 100,000.00	R -	R -	**R 100,000.00**	R -	R -	R -	**R -**	R -	R -	R -	**R -**
7	01306470020F5L78ZZHO	PUBLIC RELATIONS OFFICER	OWN REVENUE	COMPLAINTS KIOSK	R 70,000.00	EXISTING CONTRACT	Y.SOLOMONS	N/A	N/A	N/A	N/A	N/A	BID 8-2-5-131(2023-2026)	BID TO APPOINT A PANEL OF SERVICE PROVIDERS TO SUPPLY, DELIVER AND INSTALL VARIOUS COMPUTER SOFTWARES, APPLICATIONS AND HARDWARE TO MDVAL LOCAL MUNICIPALITY ON AN AS AND WHEN REQUIRED BASIS FROM DATE OF APPOINTMENT UNTIL 30 JUNE 2026.	2023-2026	PANEL	R -	R -	R 70,000.00	**R 70,000.00**	R -	R -	R -	**R -**	R -	R -	R -	**R -**	R -	R -	R -	**R -**
8	01106460020F5L09ZZHO	CORPORATE SERVICES ADMININSTRATION	OWN REVENUE	RECORDING EQUIPMENT	R 20,000.00	3 QUOTES	A. WELMAN	N/A	N/A	N/A	N/A	N/A	N/A	SUPPLY AND DELIVERY OF RECORDING EQUIPMENT	ONCE-OFF	TBC	R -	R -	R -	**R -**	R -	R -	R 20,000.00	**R 20,000.00**	R -	R -	R -	**R -**	R -	R -	R -	**R -**
					R 5,290,000.00																											

FINANCIAL SERVICES

#	VOTE NUMBER	ENTITY COST CENTRE	SOURCE OF FUNDING	VOTE DESCRIPTION	FINAL 2024/25 BUDGET	PROCUREMENT TYPE	RESPONSIBLE OFFICIAL	SUBMISSION OF SPECS (ENVISAGED DATE)	ADVERT PUBLICATION (ENVISAGED DATE)	BID CLOSING DATE (ENVISAGED)	EVALUATION DATE (ENVISAGED)	ADJUDICATION / AWARD DATE (ENVISAGED)	TENDER DETAILS (NEW / EXISTING)				CASH FLOW PROJECTIONS															
													BID NUMBER	BID DESCRIPTION	TENDER PERIOD	SUPPLIER/SERVICE PROVIDER	JUL	AUG	SEP	TOTAL QUARTER 1	OCT	NOV	DEC	TOTAL QUARTER 2	JAN	FEB	MAR	TOTAL QUARTER 3	APR	MAY	JUN	TOTAL QUARTER 4
9	02156460020F5G66ZZHO	FINANCIAL SERVICES - EXPENDITURE	OWN REVENUE	STORES EQUIPMENT & SHELVING	R 2,000,000.00	FORMAL TENDER	S. LETSATSI	JUN 2024	JUN 2024	JUL 2024	JUL 2024	AUG 2024	TBC	TBC	ONCE-OFF	TBC	R -	R -	R 1,200,000.00	**R 1,200,000.00**	R -	R 800,000.00	R -	**R 800,000.00**	R -	R -	R -	**R -**	R -	R -	R -	**R -**
					R 2,000,000.00																											

DEVELOPMENT AND PLANNING

#	VOTE NUMBER	ENTITY COST CENTRE	SOURCE OF FUNDING	VOTE DESCRIPTION	FINAL 2024/25 BUDGET	PROCUREMENT TYPE	RESPONSIBLE OFFICIAL	SUBMISSION OF SPECS (ENVISAGED DATE)	ADVERT PUBLICATION (ENVISAGED DATE)	BID CLOSING DATE (ENVISAGED)	EVALUATION DATE (ENVISAGED)	ADJUDICATION / AWARD DATE (ENVISAGED)	TENDER DETAILS (NEW / EXISTING)				CASH FLOW PROJECTIONS															
													BID NUMBER	BID DESCRIPTION	TENDER PERIOD	SUPPLIER/SERVICE PROVIDER	JUL	AUG	SEP	TOTAL QUARTER 1	OCT	NOV	DEC	TOTAL QUARTER 2	JAN	FEB	MAR	TOTAL QUARTER 3	APR	MAY	JUN	TOTAL QUARTER 4
10	03056474020ND043ZZWM	DEVELOPMENT & PLANNING	NDPG	ECONOMIC INFRASTR / URBAN REGENERATION	R 10,000,000.00	FORMAL TENDER	V. TSHABALALA	JUN 2023	JUL 2024	AUG 2024	SEP 2024	OCT 2024	TBC	TBC	ONCE-OFF	TBC	R 2,096,546.00	R 244,729.00	R 792,622.00	**R 3,133,897.00**	R 2,250,000.00	R 300,000.00	R 1,450,000.00	**R 4,000,000.00**	R -	R 850,000.00	R 1,200,000.00	**R 2,050,000.00**	R 450,000.00	R 366,103.00	R -	**R 816,103.00**
11	03056474020F5R81ZZ11	DEVELOPMENT & PLANNING	OWN FUNDING	HEINEKEN SKILLS DEVELOPMENT CENTRE	R 3,200,000.00	FORMAL TENDER	V. TSHABALALA	JUN 2023	JUL 2024	AUG 2024	SEP 2024	OCT 2024	TBC	TBC	ONCE-OFF	TBC	R -	R -	R 320,000.00	**R 320,000.00**	R -	R -	R 960,000.00	**R 960,000.00**	R -	R -	R 960,000.00	**R 960,000.00**	R -	R -	R 960,000.00	**R 960,000.00**
12	03056474020HCR81ZZ11	DEVELOPMENT & PLANNING	DONATION	HEINEKEN SKILLS DEVELOPMENT CENTRE	R 1,300,000.00	FORMAL TENDER	V. TSHABALALA	JUN 2023	JUL 2024	AUG 2024	SEP 2024	OCT 2024	TBC	TBC	ONCE-OFF	TBC	R -	R -	R 130,000.00	**R 130,000.00**	R -	R -	R 390,000.00	**R 390,000.00**	R -	R -	R 390,000.00	**R 390,000.00**	R -	R -	R 390,000.00	**R 390,000.00**
					R 14,500,000.00																											

PUBLIC SAFETY AND ROADS

#	VOTE NUMBER	ENTITY COST CENTRE	SOURCE OF FUNDING	VOTE DESCRIPTION	FINAL 2024/25 BUDGET	PROCUREMENT TYPE	RESPONSIBLE OFFICIAL	SUBMISSION OF SPECS (ENVISAGED DATE)	ADVERT PUBLICATION (ENVISAGED DATE)	BID CLOSING DATE (ENVISAGED)	EVALUATION DATE (ENVISAGED)	ADJUDICATION / AWARD DATE (ENVISAGED)	TENDER DETAILS (NEW / EXISTING)				CASH FLOW PROJECTIONS															
													BID NUMBER	BID DESCRIPTION	TENDER PERIOD	SUPPLIER/SERVICE PROVIDER	JUL	AUG	SEP	TOTAL QUARTER 1	OCT	NOV	DEC	TOTAL QUARTER 2	JAN	FEB	MAR	TOTAL QUARTER 3	APR	MAY	JUN	TOTAL QUARTER 4
13	11056472420FPL54ZZWM	ROADS	EXTERNAL LOAN	ROADS REHABILITATION	R 15,000,000.00	EXISTING CONTRACT	K. NGCANE	N/A	N/A	N/A	N/A	N/A	8/2/2/376	REHABILITATION OF ROADS	2023-2026	MEYAPHUTI JV	R -	R -	R 4,000,000.00	**R 4,000,000.00**	R -	R -	R 5,000,000.00	**R 5,000,000.00**	R -	R -	R 6,000,000.00	**R 6,000,000.00**	R -	R -	R -	**R -**
14	11056472420FPL55ZZWM	ROADS	EXTERNAL LOAN	GRAVEL TO TAR	R 12,000,000.00	FORMAL TENDER	K. NGCANE	MAY 2024	MAY 2024	JUN 2023	JUN 2023	JUL 2024	TBC	TBC	TBC	TBC	R -	R -	R 1,500,000.00	**R 1,500,000.00**	R -	R -	R 3,000,000.00	**R 3,000,000.00**	R -	R -	R 4,000,000.00	**R 4,000,000.00**		R 3,500,000.00	R -	**R 3,500,000.00**
15	11056472420FGD94ZZWM	ROADS	HIG	GRAVEL TO TAR (HIG)NEW	R 10,086,957.00	FORMAL TENDER	V. TSHABALALA	MAY 2024	MAY 2024	JUN 2023	JUN 2023	JUL 2024	TBC	TBC	TBC	TBC	R -	R -	R 2,086,957.00	**R 2,086,957.00**	R -	R -	R 3,000,000.00	**R 3,000,000.00**	R -	R 2,000,000.00	R -	**R 2,000,000.00**	R -	R 1,500,000.00	R 1,500,000.00	**R 3,000,000.00**
16	11056420420F4I48ZZWM	ROADS	FINANCE LEASE	GRADER	R 2,800,000.00	TRANSVERSAL CONTRACT	K. NGCANE	N/A	N/A	N/A	N/A	N/A	RT57	SUPPLY AND DELIVERY OF SEDAN, LIGHT AND HEAVY COMMERCIA VEHICLES, BUSES, MOTORCYCLES, AGRICULTURAL TRACTORS, CONSTRUCTIONPLANT, ANDEQUIPMENT TO THE STATE FOR THE PERIOD 1 JULY 2023 TO 30 JUNE 2026-POST AWARD PARTICIPATION REQUEST.	2023-2026	TBC	R -	R -	R 2,800,000.00	**R 2,800,000.00**	R -	R -	R -	**R -**	R -	R -	R -	**R -**	R -	R -	R -	**R -**
17	07106420420GRL02ZZWM	FIRE	FFRG	MEDIUM PUMPER FIRE ENGINE	R 2,200,000.00	FORMAL TENDER	C. HEYMANS	JUN 2024	JUN 2024	JUL 2024	JUL 2024	AUG 2024	TBC	MEDIUM PUMPER FIRE ENGINE	ONCE-OFF	TBC	R -	R -	R -	**R -**	R -	R -	R 2,200,000.00	**R 2,200,000.00**	R -	R -	R -	**R -**	R -	R -	R -	**R -**
18	11056600420FSG43ZZWM	ROADS	OWN REVENUE	4 TON TRUCK	R 1,800,000.00	TRANSVERSAL CONTRACT	K. NGCANE	N/A	N/A	N/A	N/A	N/A	RT57	SUPPLY AND DELIVERY OF SEDAN, LIGHT AND HEAVY COMMERCIA VEHICLES, BUSES, MOTORCYCLES, AGRICULTURAL TRACTORS, CONSTRUCTIONPLANT, ANDEQUIPMENT TO THE STATE FOR THE PERIOD 1 JULY 2023 TO 30 JUNE 2026-POST AWARD PARTICIPATION REQUEST.	2023-2026	TBC	R -	R -	R -	**R -**	R 1,800,000.00	R -	R -	**R 1,800,000.00**	R -	R -	R -	**R -**	R -	R -	R -	**R -**
19	11056600420FSL15ZZWM	ROADS	OWN REVENUE	12 TON ROLLER	R 1,500,000.00	TRANSVERSAL CONTRACT	K. NGCANE	N/A	N/A	N/A	N/A	N/A	RT57	SUPPLY AND DELIVERY OF SEDAN, LIGHT AND HEAVY COMMERCIA VEHICLES, BUSES, MOTORCYCLES, AGRICULTURAL TRACTORS, CONSTRUCTIONPLANT, ANDEQUIPMENT TO THE STATE FOR THE PERIOD 1 JULY 2023 TO 30 JUNE 2026-POST AWARD PARTICIPATION REQUEST.	2023-2026	TBC	R -	R -	R -	**R -**	R 1,500,000.00	R -	R -	**R 1,500,000.00**	R -	R -	R -	**R -**	R -	R -	R -	**R -**
20	07106460020FSH44ZZWM	FIRE	OWN REVENUE	NEW CCTV CAMERAS	R 1,250,000.00	EXISTING CONTRACT	C. HEYMANS	N/A	N/A	N/A	N/A	N/A	8/2/9/10RE	BID FOR THE MAINTENANCE AND MONITORING OF THE CURRENT CAMERAS AND WIRELESS RADIO NETWORK FOR CCTVS, AND FOR THE SUPPLY AND INSTALLATION OF THE UPGRADES TO THE CCTV SYSTEM, FOR MDVAAL LOCAL MUNICIPALITY FROM DATE OF AWARD UNTIL 30 JUNE 2026	2023-2026	AFRIGUARD (PTY) LTD	R -	R -	R -	**R -**	R 500,000.00	R 250,000.00	R -	**R 750,000.00**	R -	R -	R 250,000.00	**R 250,000.00**	R 250,000.00	R -	R -	**R 250,000.00**
21	11106600420F4L49ZZWM	MECHANICAL WORKSHOP	FINANCE LEASE	MOTOR VEHICLE (SEDAN)	R 600,000.00	TRANSVERSAL CONTRACT	T. MAHLATSI	N/A	N/A	N/A	N/A	N/A	RT57	SUPPLY AND DELIVERY OF SEDAN, LIGHT AND HEAVY COMMERCIA VEHICLES, BUSES, MOTORCYCLES, AGRICULTURAL TRACTORS, CONSTRUCTIONPLANT, ANDEQUIPMENT TO THE STATE FOR THE PERIOD 1 JULY 2023 TO 30 JUNE 2026-POST AWARD PARTICIPATION REQUEST.	2023-2026	TBC	R -	R -	R -	**R -**	R 200,000.00	R -	R 250,000.00	**R 450,000.00**	R 150,000.00	R -	R -	**R 150,000.00**	R -	R -	R -	**R -**
22	07106460020F5H29ZZWM	FIRE	OWN REVENUE	REPLACEMENT OF CCTV CAMERAS	R 400,000.00	EXISTING CONTRACT	C. HEYMANS	N/A	N/A	N/A	N/A	N/A	8/2/9/10RE	BID FOR THE MAINTENANCE AND MONITORING OF THE CURRENT CAMERAS AND WIRELESS RADIO NETWORK FOR CCTVS, AND FOR THE SUPPLY AND INSTALLATION OF THE UPGRADES TO THE CCTV SYSTEM, FOR MDVAAL LOCAL MUNICIPALITY FROM DATE OF AWARD UNTIL 30 JUNE 2026	2023-2026	AFRIGUARD (PTY) LTD	R -	R -	R -	**R -**	R -	R 200,000.00	R 200,000.00	**R 400,000.00**	R -	R -	R -	**R -**	R -	R -	R -	**R -**
23	07106460020F5H41ZZWM	FIRE	OWN REVENUE	RADIOS AND REPEATER	R 350,000.00	EXISTING CONTRACT	C. HEYMANS	N/A	N/A	N/A	N/A	N/A	8/2/9/2	BID FOR THE SUPPLY, DELIVERY, INSTALLATION, AND REPAIRS OF TWO-WAY RADIOS SERVICES FOR MDVAAL LOCAL MUNICIPALITY FROM DATE OF AWARD	2023-2026	TRIANGLE RADIO RENTALS (PTY) LTD	R -	R -	R -	**R -**	R -	R -	R -	**R -**	R 150,000.00	R 200,000.00	R -	**R 350,000.00**	R -	R -	R -	**R -**
24	11056450020F4H14ZZWM	ROADS	FINANCE LEASE	ROLLER COMPACTOR	R 250,000.00	FORMAL TENDER	K. NGCANE	MAY 2024	MAY 2024	MAY 2024	JUN 2024	JUN 2024	TBC	PROCUREMENT OF A WALK BEHIND ROLLER COMPACTOR	ONCE-OFF	TBC	R -	R 250,000.00	R -	**R 250,000.00**	R -	R -	R -	**R -**	R -	R -	R -	**R -**	R -	R -	R -	**R -**
25	11056456020F5K50ZZWM	ROADS	OWN REVENUE	EQUIPMENT	R 150,000.00	FORMAL TENDER	K. NGCANE	APR 2024	APR 2024	MAY 2024	JUN 2024	JUL 2024	8/2/9/19	SUPPLY AND DELIVERY OF VARIOUS CONSTRUCTION MATERIALS AND TOOLS	2023-2026	TBC	R -	R -	R 150,000.00	**R 150,000.00**	R -	R -	R -	**R -**	R -	R -	R -	**R -**	R -	R -	R -	**R -**
					R 48,386,957.00																											

COMMUNITY SERVICES

#	VOTE NUMBER	ENTITY COST CENTRE	SOURCE OF FUNDING	VOTE DESCRIPTION	FINAL 2024/25 BUDGET	PROCUREMENT TYPE	RESPONSIBLE OFFICIAL	SUBMISSION OF SPECS (ENVISAGED DATE)	ADVERT PUBLICATION (ENVISAGED DATE)	BID CLOSING DATE (ENVISAGED)	EVALUATION DATE (ENVISAGED)	ADJUDICATION / AWARD DATE (ENVISAGED)	TENDER DETAILS (NEW / EXISTING)				CASH FLOW PROJECTIONS															
													BID NUMBER	BID DESCRIPTION	TENDER PERIOD	SUPPLIER/SERVICE PROVIDER	JUL	AUG	SEP	TOTAL QUARTER 1	OCT	NOV	DEC	TOTAL QUARTER 2	JAN	FEB	MAR	TOTAL QUARTER 3	APR	MAY	JUN	TOTAL QUARTER 4
26	08056473520FGL70ZZWM	PARKS	MIG	CONSTRUCTION AND INSTALLATION OF RECREATIONAL EQUIPMENT AT PARKS	R 8,695,652.00	EXISTING CONTRACT	V. TSHABALALA	N/A	N/A	N/A	N/A	N/A	8/2/4/210 (2023-2026)	BID FOR THE SUPPLY, DELIVERY AND INSTALLATION OF PLAY PARK EQUIPMENT FOR VARIOUS PARKS	2023-2026	SACRED PETROLIUM	R 500,000.00	R 1,000,000.00	R 500,000.00	**R 2,000,000.00**	R 2,500,000.00	R 1,000,000.00	R 500,000.00	**R 4,000,000.00**	R 500,000.00	R 1,000,000.00	R 500,000.00	**R 2,000,000.00**	R -	R 695,652.00	R -	**R 695,652.00**
27	14056450020FSX92ZZWM	LANDFILL SITES	OWN REVENUE	NEW LANDFILL SITE DOORNKUIL	R 7,500,000.00	EXISTING CONTRACT	T. MABULA	APR 2024	MAY 2024	MAY 2024	JUN 2024	JUN 2024	8/2/4/211 RE	PROVISION OF AN EXISTING WASTE DISPOSAL FACILITY FOR MDVAAL LOCAL MUNICIPALITY	2023-2026	TBC	R -	R -	R -	**R -**	R -	R -	R -	**R -**	R -	R 7,500,000.00	R -	**R 7,500,000.00**	R -	R -	R -	**R -**
28	08156473520FGI42ZZ06	SPORT & RECREATION ADMINISTRATION	MIG	LAKESIDE SPORT CENTRE (MIG)	R 7,343,257.00	EXISTING CONTRACT	V. TSHABALALA	N/A	N/A	N/A	N/A	N/A	8/2/2/349 (2022-2025)	CONSTRUCTION, REFURBISHMENT AND MAINTENANCE OF BUILDINGS ON AN AS AND WHEN REQUIRED BASIS.	2023-2026	VUNANI INVESTMENTS CC	R 422,237.30	R 760,027.14	R 844,474.60	**R 2,026,739.04**	R 1,013,369.52	R -	R 928,922.06	**R 1,942,291.58**	R -	R 1,520,054.28	R -	**R 1,520,054.28**	R 750,000.00	R -	R 1,104,172.10	**R 1,854,172.10**
29	08206473520FPL40ZZWM	CEMETERIES	EXTERNAL LOAN	UPGRADE & EXTENSION CEMETERIES MIDVAAL	R 5,000,000.00	FORMAL TENDER	P. PATI	SEP 2024	NOV 2024	DEC 2024	JAN 2025	JAN 2025	TBC	UPGRADE & EXTENSION CEMETERIES MIDVAAL	ONCE-OFF	TBC	R -	R -	R -	**R -**	R -	R -	R -	**R -**	R -	R 500,000.00	R 1,000,000.00	**R 1,500,000.00**	R 1,000,000.00	R 1,000,000.00	R 1,500,000.00	**R 3,500,000.00**
30	14056450020FSL77ZZWM	PARKS	OWN REVENUE	WOODCHIPPER	R 5,000,000.00	TRANSVERSAL CONTRACT	J. VENTER	N/A	N/A	N/A	N/A	N/A	RT57	SUPPLY AND DELIVERY OF SEDAN, LIGHT AND HEAVY COMMERCIA VEHICLES, BUSES, MOTORCYCLES, AGRICULTURAL TRACTORS, CONSTRUCTIONPLANT,	2023-2026	TBC	R -	R -	R -	**R -**	R -	R -	R -	**R -**	R -	R -	R -	**R -**	R -	R5,000,000.00	R -	**R 5,000,000.00**
31	14056600420F4L24ZZWM	LANDFILL SITES	FINANCE LEASE	FRONT END LOADER	R 3,500,000.00	TRANSVERSAL CONTRACT	T. MAHLATSI	N/A	N/A	N/A	N/A	N/A	RT57	SUPPLY AND DELIVERY OF SEDAN, LIGHT AND HEAVY COMMERCIA VEHICLES, BUSES, MOTORCYCLES, AGRICULTURAL TRACTORS, CONSTRUCTIONPLANT, ANDEQUIPMENT TO THE STATE FOR THE PERIOD 1 JULY 2023 TO 30 JUNE 2026-POST AWARD PARTICIPATION REQUEST.	2023-2026	TBC	R -	R -	R -	**R -**	R -	R -	R -	**R -**	R -	R 3,500,000.00	R -	**R 3,500,000.00**	R -	R -	R -	**R -**
32	08056420420F4H99ZZWM	PARKS	FINANCE LEASE	TRUCKS	R 3,300,000.00	TRANSVERSAL CONTRACT	T. MAHLATSI	N/A	N/A	N/A	N/A	N/A	RT57	SUPPLY AND DELIVERY OF SEDAN, LIGHT AND HEAVY COMMERCIA VEHICLES, BUSES, MOTORCYCLES, AGRICULTURAL TRACTORS, CONSTRUCTIONPLANT, ANDEQUIPMENT TO THE STATE FOR THE PERIOD 1 JULY 2023 TO 30 JUNE 2026-POST AWARD PARTICIPATION REQUEST.	2023-2026	TBC	R -	R -	R -	**R -**	R -	R -	R -	**R -**	R -	R -	R 3,300,000.00	**R 3,300,000.00**	R -	R -	R -	**R -**
33	17056420420F4I07ZZWM	SOLID WASTE	FINANCE LEASE	COMPACTOR (REFUSE TRUCK)	R 2,800,000.00	TRANSVERSAL CONTRACT	T. MAHLATSI	N/A	N/A	N/A	N/A	N/A	RT57	SUPPLY AND DELIVERY OF SEDAN, LIGHT AND HEAVY COMMERCIA VEHICLES, BUSES, MOTORCYCLES, AGRICULTURAL TRACTORS, CONSTRUCTIONPLANT, ANDEQUIPMENT TO THE STATE FOR THE PERIOD 1 JULY 2023 TO 30 JUNE 2026-POST AWARD PARTICIPATION REQUEST.	2023-2026	TBC	R -	R -	R -	**R -**	R -	R -	R -	**R -**	R 2,800,000.00	R -	R -	**R 2,800,000.00**	R -	R -	R -	**R -**
34	14056450020F5L45ZZWM	LANDFILL SITES	OWN REVENUE	WEIGHBRIDGE	R 2,500,000.00	FORMAL TENDER	S.SIMAMANE	JUL 2024	SEP 2024	OCT 2024	NOV 2024	JAN 2025	TBC	WEIGHBRIDGE	ONCE-OFF	TBC	R -	R -	R -	**R -**	R -	R -	R -	**R -**	R -	R 2,500,000.00	R -	**R 2,500,000.00**	R -	R -	R -	**R -**
35	14056450020F5I76ZZWM	LANDFILL SITES	OWN REVENUE	CELL CONSTRUCTION	R 2,500,000.00	FORMAL TENDER	T. MABULA	SEPT 2024	SEPT 2024	OCT 2024	OCT 2024	NOV 2024	TBC	CONSTRUCTION OF LANDFILL CELL, INCLUDING A MOBILE WIGHBRIDGE, RAMP AND PAVING	ONCE-OFF	TBC	R -	R -	R -	**R -**	R -	R -	R 500,000.00	**R 500,000.00**	R -	R -	R 1,000,000.00	**R 1,000,000.00**	R -	R -	R 1,000,000.00	**R 1,000,000.00**
36	17056420420F4L83ZZWM	SOLID WASTE	FINANCE LEASE	GRAB TRUCK	R 2,000,000.00	TRANSVERSAL CONTRACT	T. MAHLATSI	N/A	N/A	N/A	N/A	N/A	RT57	SUPPLY AND DELIVERY OF SEDAN, LIGHT AND HEAVY COMMERCIA VEHICLES, BUSES, MOTORCYCLES, AGRICULTURAL TRACTORS, CONSTRUCTIONPLANT, ANDEQUIPMENT TO THE STATE FOR THE PERIOD 1 JULY 2023 TO 30 JUNE 2026-POST AWARD PARTICIPATION REQUEST.	2023-2026	TBC	R -	R -	R -	**R -**	R -	R -	R -	**R -**	R 2,000,000.00	R -	R -	**R 2,000,000.00**	R -	R -	R -	**R -**
37	05056470020GBH68ZZD9	LIBRARY MEYERTON	DAC	ITC HARDWARE (COMPUTORS) - NEW	R 1,900,000.00	EXISTING CONTRACT	J ZWANE	N/A	N/A	N/A	N/A	N/A	BID 8-2-5-131(2023-2026)	BID TO APPOINT A PANEL OF SERVICE PROVIDERS TO SUPPLY, DELIVER AND INSTALL VARIOUS COMPUTER SOFTWARES, APPLICATIONS AND HARDWARE TO MDVAAL LOCAL MUNICIPALITY ON AN AS AND WHEN REQUIRED BASIS FROM DATE OF APPOINTMENT UNTIL 30 JUNE 2026.	2023-2026	PANEL	R -	R -	R 475,000.00	**R 475,000.00**	R -	R -	R 475,000.00	**R 475,000.00**	R -	R -	R 475,000.00	**R 475,000.00**	R -	R -	R 475,000.00	**R 475,000.00**
38	14056421420F4L66ZZWM	LANDFILL SITES	FINANCE LEASE	LOW BED TRAILER	R 1,800,000.00	TRANSVERSAL CONTRACT	T. MAHLATSI	N/A	N/A	N/A	N/A	N/A	RT57	SUPPLY AND DELIVERY OF SEDAN, LIGHT AND HEAVY COMMERCIA VEHICLES, BUSES, MOTORCYCLES, AGRICULTURAL TRACTORS, CONSTRUCTIONPLANT, ANDEQUIPMENT TO THE STATE FOR THE PERIOD 1 JULY 2023 TO 30 JUNE 2026-POST AWARD PARTICIPATION REQUEST.	2023-2026	TBC	R -	R -	R -	**R -**	R -	R -	R -	**R -**	R 1,800,000.00	R -	R -	**R 1,800,000.00**	R -	R -	R -	**R -**
39	08056473520FSJ65ZZWM	PARKS	OWN REVENUE	PARKS & INFRASTRUCTURE DEVELOPMENT	R 1,500,000.00	EXISTING CONTRACT	P. PATI	N/A	N/A	N/A	N/A	N/A	8/2/4/202 (2023-2026)	BID FOR THE SUPPLY, DELIVERY, AND INSTALLATION OF PLAY PARK EQUIPMENT FOR VARIOUS PARKS OF MIDVAAL LOCAL MUNICIPALITY ON AN AS AND WHEN REQUIRED FROM DATE OF AWARD UNTIL 30 JUNE 2025.	2023-2025	SACRED PETROLIUM	R -	R -	R -	**R -**	R -	R 500,000.00	R -	**R 500,000.00**	R -	R -	R -	**R -**	R 1,000,000.00	R -	R -	**R 1,000,000.00**
40	14056450020FSL45ZZWM	LANDFILL SITES	OWN REVENUE	MOBILE WEIGHBRIDGES	R 1,500,000.00	FORMAL TENDER	T. MABULA	SEPT 2024	SEPT 2024	OCT 2024	OCT 2024	NOV 2024	TBC	CONSTRUCTION OF LANDFILL CELL, INCLUDING A MOBILE WIGHBRIDGE, RAMP AND PAVING	ONCE-OFF	TBC	R -	R -	R -	**R -**	R -	R -	R 350,000.00	**R 350,000.00**	R -	R -	R 650,000.00	**R 650,000.00**	R -	R -	R 500,000.00	**R 500,000.00**
41	17056420420F4K72ZZWM	SOLID WASTE	FINANCE LEASE	4 TON TRUCK	R 1,200,000.00	TRANSVERSAL CONTRACT	T. MAHLATSI	N/A	N/A	N/A	N/A	N/A	RT57	SUPPLY AND DELIVERY OF SEDAN, LIGHT AND HEAVY COMMERCIA VEHICLES, BUSES, MOTORCYCLES, AGRICULTURAL TRACTORS, CONSTRUCTIONPLANT,	2023-2026	TBC	R -	R -	R -	**R -**	R -	R -	R -	**R -**	R -	R 1,200,000.00	R -	**R 1,200,000.00**	R -	R -	R -	**R -**
42	08056420420F4I17ZZWM	PARKS	FINANCE LEASE	LDV'S	R 1,000,000.00	TRANSVERSAL CONTRACT	T. MAHLATSI	N/A	N/A	N/A	N/A	N/A	RT57	SUPPLY AND DELIVERY OF SEDAN, LIGHT AND HEAVY COMMERCIA VEHICLES, BUSES, MOTORCYCLES, AGRICULTURAL TRACTORS, CONSTRUCTIONPLANT, ANDEQUIPMENT TO THE STATE FOR THE PERIOD 1 JULY

59	081564560205F5K06Z11	SPORT & RECREATION ADMINISTRATION	OWN REVENUE	NEW MACHINERY AND EQUIPMENT	R 150,000.00	7 DAY BID	P. PATI	AUG 2024	SEP1 2024	SEPT 2024	OCT 2024	OCT 2024	TBC	NEW MACHINERY AND EQUIPMENT	ONCE-OFF	TBC	R -	R -	R -	**R -**	R -	R -	R 150,000.00	**R 150,000.00**	R -	R -	R -	**R -**	R -	R -	R -	**R -**
60	080564560205F5H08ZZWM	PARKS	OWN REVENUE	CHAINSAWS	R 80,000.00	7 DAY BID	P. PATI	AUG 2024	SEPT 2024	SEPT 2024	OCT 2024	OCT 2024	TBC	SUPPLY AND DELIVERY OF CHAINSAWS	ONCE-OFF	TBC	R -	R -	R -	**R -**	R -	R -	R 80,000.00	**R 80,000.00**	R -	R -	R -	**R -**	R -	R -	R -	**R -**
61	053064735200B8R0ZZD6	FENCE LAKESIDE LIBRARY	DAC	FENCE LAKESIDE LIBRARY	R 50,000.00	7 DAY BID	J. ZWANE	JUL 2024	JUL 2024	AUG 2024	AUG 2024	AUG 2024	TBC	FENCE LAKESIDE LIBRARY	ONCE-OFF	TBC	R -	R -	R -	**R -**	R -	50,000.00	R -	**R 50,000.00**	R -	R -	R -	**R -**	R -	R -	R -	**R -**
62	053064735200B8R79ZD4	LIBRARY MEYERTON	DAC	FENCE RANDVAAL LIBRARY	R 50,000.00	7 DAY BID	J. ZWANE	JUL 2024	JUL 2024	AUG 2024	AUG 2024	AUG 2024	TBC	FENCE LAKESIDE LIBRARY	ONCE-OFF	TBC	R -	R -	R -	**R -**	R -	R -	R 50,000.00	**R 50,000.00**	R -	R -	R -	**R -**	R -	R -	R -	**R -**
					R 66,168,909.00																													

#	ENGINEERING SERVICES											TENDER DETAILS (NEW / EXISTING)				CASH FLOW PROJECTIONS															
	VOTE NUMBER	ENTITY COST CENTRE	SOURCE OF FUNDING	VOTE DESCRIPTION	FINAL 2024/25 BUDGET	PROCUREMENT TYPE	RESPONSIBLE OFFICIAL	SUBMISSION OF SPECS (ENVISAGED DATE)	ADVERT PUBLICATION (ENVISAGED DATE)	BID CLOSING DATE (ENVISAGED)	EVALUATION DATE (ENVISAGED)	ADJUDICATION / AWARD DATE (ENVISAGED)	BID NUMBER	BID DESCRIPTION	TENDER PERIOD	SUPPLIER/SERVICE PROVIDER	JUL	AUG	SEP	TOTAL QUARTER 1	OCT	NOV	DEC	TOTAL QUARTER 2	JAN	FEB	MAR	TOTAL QUARTER 3	APR	MAY	JUN	TOTAL QUARTER 4
63	120564644420FN44ZZWM	WATER NETWORK	WSIG	AGED BULK WATER PIPE REPLACEMENT	R 24,099,000.00	EXISTING CONTRACT	T. NGCUBE	N/A	N/A	N/A	N/A	N/A	8/2/2/389	WATER PIPE REPLACEMENT	2023-2026	PRESENT CONSTRUCTION/TMR	R -	R -	R 7,229,700.00	**R 7,229,700.00**	R -	R -	R 7,229,700.00	**R 7,229,700.00**	R -	R -	R 6,024,750.00	**R 6,024,750.00**	R -	R -	R 3,614,850.00	**R 3,614,850.00**
64	130564430020FTI29ZZ11	ELECTRICAL NETWORK	INEP	SAVANNA CITY ELECTR. NETWORK	R 11,655,392.00	FORMAL TENDER	V. TSHABALALA	N/A	N/A	N/A	N/A	8/2/2/403	8/2/2/403	THE CONSTRUCTION OF CIVIL WORKS FOR 88/11kV SUBSTATION FOR MIDVAAL LM ON AN AS AND WHEN REQUIRED BASIS FROM DATE OF AWARD TO 30 JUNE 2026	N/A	MUNACHI	R 500,000.00	R 2,500,000.00	R 1,000,000.00	**R 4,000,000.00**	R -	R 2,000,000.00	R 150,000.00	**R 2,150,000.00**	R 350,000.00	R 2,500,000.00	R 1,000,000.00	**R 3,850,000.00**	R -	R 500,000.00	R 1,155,392.00	**R 1,655,392.00**
65	130564430020FTJ30ZZ08	ELECTRICAL NETWORK	INEP	SICELO ELECTRIFICATION NETWORK	R 10,117,608.00	FORMAL TENDER	V. TSHABALALA	N/A	N/A	N/A	N/A	2/2/2/379	2/2/2/379	CONSTRUCTION OF ELECTRICAL INFRASTRUCTURE FOR THE RETICULATION, ELECTRIFICATION AND NETWORK STRENGTHNING FOR SICELO	N/A	NSIBANDOS ELECTRICAL JV LEMPITSE	R -	R 1,750,000.00	R -	**R 1,750,000.00**	R -	R 2,500,000.00	R 2,500,000.00	**R 5,000,000.00**	R -	R -	R 350,000.00	**R 350,000.00**	R 1,000,000.00	R 1,500,000.00	R 517,608.00	**R 3,017,608.00**
66	120564444420FGJ33ZZWM	WATER NETWORK	MIG	SICELO/HIGHBURY (VALLEY SETTLEMENTS) RES	R 8,217,830.00	FORMAL TENDER	V. TSHABALALA	MAY 2024	JUN 2024	JUL 2024	JUL 2024	AUG 2024	8/2/2/411	BID TO APPOINT A SERVICE PROVIDER FOR THE CONSTRUCTION OF BULK WATER SUPPLY LINE IN MIDVAAL LOCAL MUNICIPALITY ON AN AS AND WHEN REQUIRED BASIS FROM DATE OF APPOINTMENT UNTIL 20 JUNE 2027	2023-2026	TBC	R -	R -	R 821,783.00	**R 821,783.00**	R -	R -	R 2,465,349.00	**R 2,465,349.00**	R -		R 2,465,349.00	**R 2,465,349.00**	R -	R -	R 2,465,349.00	**R 2,465,349.00**
67	130564332020FPL67ZZWM	ELECTRICAL NETWORK	EXTERNAL LOAN	CONTROL ROOM	R 7,500,000.00	FORMAL TENDER	V. SOFE	JUL 2024	AUG 2024	SEP 2024	SEP 2024	JAN 2025	TBC	CONTROL ROOM	2023-2026	TBC	R -	R -	R -	**R -**	R -	R -	R -	**R -**	R -	R -	R 2,500,000.00	**R 2,500,000.00**	R 2,500,000.00	R 2,500,000.00	R -	**R 5,000,000.00**
68	130564430020FTL81ZZ11	ELECTRICAL NETWORK	INEP	SAVANNA CITY ELECTR. DOORNKUIL	R 7,140,000.00	FORMAL TENDER	V. TSHABALALA	N/A	N/A	N/A	N/A	8/2/2/402	8/2/2/402	CONSTRUCTION OF NEW 88KV OVERHEAD LINES IN MIDVAAL LM ON AN AS AND WHEN REQUIRED BASIS FROM DATE OF AWARD UNTIL 30 JUNE 2026	N/A	ON POINT ON TIME SOLUTIONS	R -	R -	R -	**R -**	R -	R -	R -	**R 2,000,000.00**	R -	R 500,000.00	R 1,500,000.00	R 140,000.00	**R 2,140,000.00**	R 1,000,000.00	R 1,000,000.00	R 1,000,000.00	**R 3,000,000.00**
69	101064849420FPD13ZZWM	WASTE WATER PURFICATION	EXTERNAL LOAN	PUMPSTATION REFURBISHMENT AND UPGRADE -	R 7,000,000.00	EXISTING CONTRACT	R. MADIMUTSA	N/A	N/A	N/A	N/A	N/A	8/2/2/393	BID TO APPOINT A PANEL FOR THE SUPPLY, DELIVERY, INSTALLATION, REPAIRS AND MAINTENANCE OF WATER & WASTEWATER PUMP STATIONS, AND WATER & WASTEWATER TREATMENT PLANTS IN MIDVAAL LOCAL MUNICIPALITY, ON AB AS AND WHEN REQUIRED BASIS, FROM DATE OF APPONTMENT TO 30 JUNE 2026	2023-2026	KPC & SALDANA	R -	R -	R 500,000.00	**R 500,000.00**	R 500,000.00	R 1,500,000.00	R 1,000,000.00	**R 3,000,000.00**	R 500,000.00	R 1,500,000.00	R 1,500,000.00	**R 3,500,000.00**	R -	R -	R -	**R -**
70	100564849420FPL68ZZ10	SANITATION NETWORK	EXTERNAL LOAN	UPGR SEWER OUTFLOW BELL RD-RAILWAY LINE	R 5,000,000.00	FORMAL TENDER	R. MADIMUTSA	JUN 2024	JUL 2024	AUG 2024	AUG 2024	SEP 2024	TBC	BID FOR THE MAINTENANCE OF WATER BORNE SEWER NETWORK INCLUDING ERF CONNECTIONS FOR MIDVAAL LOCAL MUNICIPALITY ON AND AS WHEN REQUIRED FROM DATE OF APPOINTMENT UP TO 30 JUNE 2027	2023-2026	TBC	R -	R -	R -	**R -**	R -	R -	R 1,000,000.00	**R 1,000,000.00**	R 500,000.00	R 1,500,000.00	R 1,500,000.00	**R 3,500,000.00**	R 500,000.00	R -	R -	**R 500,000.00**
71	100564560205FPK46ZZWM	SANITATION NETWORK	EXTERNAL LOAN	RENEWABLE ENERGY	R 5,000,000.00	EXISTING CONTRACT	R. MADIMUTSA	N/A	N/A	N/A	N/A	N/A	8/2/2/390	BID TO APPOINT A PANEL SERVICE PROVIDERS TO SUPPLY, DELIVER, INSTALL, COMMISSION, MAINTAIN VARIOUS PV/SOLAR SYSTEMS, BATTERY STORAGE SYSTEMS AND OTHER RENEWABLE ENERGY TECHNOLOGIES FOR MIDVAAL LOCAL MUNICIPALITY AS AND WHEN REQUIRED FROM THE DATE OF APPOINTMENT UNTIL 30 JUNE 2025	2023-2026	ZRW MECHANIKA CC, MBALISTO ENERGY SOLUTIONS, ON POINT ON TIME	R -	R -	R -	**R -**	R 500,000.00	R 1,500,000.00	R 500,000.00	**R 2,500,000.00**	R 500,000.00	R 1,500,000.00	R 500,000.00	**R 2,500,000.00**	R -	R -	R -	**R -**
72	120564460205FSD89ZZWM	WATER NETWORK	OWN REVENUE	WATER METER REPLACEMENT PROGRAMME	R 5,000,000.00	FORMAL TENDER	T. NGCUBE	JUN 2024	JUN 2024	JUL 2024	JUL 2024	JUL 2024	TBC	WATER METER REPLACEMENT PROJECT	2023-2026	TBC	R -	R -	R 1,000,000.00	**R 1,000,000.00**	R -	R -	R 1,500,000.00	**R 1,500,000.00**	R -	R 1,500,000.00	R -	**R 1,500,000.00**	R -	R 1,000,000.00	R -	**R 1,000,000.00**
73	100561914205L72ZZWM	SANITATION NETWORK	OWN REVENUE	AUTOMATION OF INDUSTRIAL METER READING	R 4,500,000.00		T. NGCUBE	JUN 2024	JUN 2024	JUL 2024	JUL 2024	JUL 2024	TBC	AUTOMATION OF INDUSTRIAL METER READING	2023-2026		R -	R -	R 450,000.00	**R 450,000.00**	R -	R -	R 1,350,000.00	**R 1,350,000.00**	R -	R -	R 1,350,000.00	**R 1,350,000.00**	R -	R -	R 1,350,000.00	**R 1,350,000.00**
74	120564464205FSL74ZZWM	WATER NETWORK	OWN REVENUE	REFURBISHMENT OF WATER PUMP STATIONS	R 3,000,000.00	EXISTING CONTRACT	T. NGCUBE	N/A	N/A	N/A	N/A	N/A	8/2/2/401RE	SUPPLY AND INSTALLATION OF TELEMETRY	2023-2026	ALUSA PROJECTS	R -	R -	R 750,000.00	**R 750,000.00**	R -	R -	R 750,000.00	**R 750,000.00**	R -	R 500,000.00	R -	**R 500,000.00**	R -	R 1,000,000.00	R -	**R 1,000,000.00**
75	120564480205FPL56ZZWM	WATER NETWORK	EXTERNAL LOAN	TELEMETRY OF WATER SUPPLY & DISTRIBUTION	R 3,000,000.00	EXISTING CONTRACT	T. NGCUBE	N/A	N/A	N/A	N/A	N/A	8/2/2/401RE	SUPPLY AND INSTALLATION OF TELEMETRY	2023-2026	ALUSA PROJECTS	R -	R -	R 750,000.00	**R 750,000.00**	R -	R -	R 750,000.00	**R 750,000.00**	R -	R -	R 1,000,000.00	**R 1,000,000.00**	R -	R -	R 500,000.00	**R 500,000.00**
76	120564444420FN45ZZWM	WATER NETWORK	WSIG	REFURBISHMENT/REPLACEMENT-SUPPLY VALVES	R 2,500,000.00	FORMAL TENDER	T. NGCUBE	JUN 2024	JUN 2024	JUL 2024	JUL 2024	JUL 2024	TBC	REFURBISHMENT/REPLACEMENT-SUPPLY VALVES	2023-2026		R -	R -	R 500,000.00	**R 500,000.00**	R -	R 750,000.00	R -	**R 750,000.00**	R -	R 1,000,000.00	R -	**R 1,000,000.00**	R 250,000.00	R -	R -	**R 250,000.00**
77	120564444420FPH89ZZ02	WATER NETWORK	EXTERNAL LOAN	RISSIVILLE WATER NETWORK (NEW)	R 2,500,000.00	FORMAL TENDER	T. NGCUBE	MAR 2023	MAR 2023	JUN 2023	SEP 2023	JUN 2024	8/2/2/391	ENGINEERING CONSULTANT TENDER	2023-2026	TBC	R -	R -	R 500,000.00	**R 500,000.00**	R -	R 750,000.00	R -	**R 750,000.00**	R -	R 1,000,000.00	R -	**R 1,000,000.00**	R 250,000.00	R -	R -	**R 250,000.00**
78	130566060420F4L12ZZWM	ELECTRICAL NETWORK	FINANCE LEASE	CHERRY PICKER	R 2,250,000.00	FORMAL TENDER	V. SOFE	JUL 2024	AUG 2024	AUG 2024	SEP 2024	OCT 2024	TNC	SUPPLY AND DELIVERY OF SEDAN, LIGHT AND HEAVY COMMERCIAL VEHICLES, BUSSES, MOTORCYCLES, AGRICULTURAL TRACTORS, CONSTRUCTION PLANT AND EQUIPMENT TO THE STATE FOR A PERIOD OF 36 MONTHS.	2023-2026	TBC	R -	R -	R -	**R -**	R -	R -	R -	**R -**	R -	R -	R -	**R -**	R -	R 2,250,000.00	R -	**R 2,250,000.00**
79	100564849420FQK68ZZWM	SANITATION NETWORK	DEVELOPER CONTRIBUTION	SEWER CONNECTIONS NEW	R 2,000,000.00	FORMAL TENDER	T. NGCUBE	JUN 2024	JUL 2024	AUG 2024	AUG 2024	SEP 2024	TBC	BID FOR THE MAINTENANCE OF WATER BORNE SEWER NETWORK INCLUDING ERF CONNECTIONS FOR MIDVAAL LOCAL MUNICIPALITY ON AND AS WHEN REQUIRED FROM DATE OF APPOINTMENT UP TO 30 JUNE 2027	2023-2026	TBA	R -	R -	R 400,000.00	**R 400,000.00**	R 600,000.00	R 500,000.00	R 500,000.00	**R 1,600,000.00**	R -	R -	R -	**R -**	R -	R -	R -	**R -**
80	120561914205L36ZZWM	WATER NETWORK	OWN REVENUE	SOFTWARE APPLICATION	R 2,000,000.00	FORMAL TENDER	T. NGCUBE	JUN 2024	JUL 2024	AUG 2024	AUG 2024	SEP 2024	TBC	SOFTWARE APPLICATION	ONCE-OFF	TBA	R -	R -	R -	**R -**	R -	R -	R -	**R -**	R 1,000,000.00	R -	R -	**R 1,000,000.00**	R 1,000,000.00	R -	R -	**R 1,000,000.00**
81	120564460205FNL69ZZWM	WATER NETWORK	WSIG	WATER METER REPLACEMENT PROGRAMME	R 2,000,000.00	FORMAL TENDER	T. NGCUBE	JUN 2024	JUN 2024	JUL 2024	JUL 2024	JUL 2024	TBC	WATER METER REPLACEMENT PROJECT	2023-2026		R -	R -	R -	**R -**	R -	R -	R -	**R -**	R -	R -	R -	**R -**	R -	R -	R -	**R -**
82	130564330020FQK67ZZWM	ELECTRICAL NETWORK	DEVELOPER CONTRIBUTION	HIGHMAST & STREET LIGHTS: UNSERVICED AR	R 2,000,000.00	EXISTING CONTRACT	V. TSHABALALA	N/A	N/A	N/A	N/A	N/A	8/2/2/341	BID TO APPOINT A SRVICE PROVIDER FOR THE REFURBISHMENT AND INSTLLATION OF HIGHMAST LIGHTS AND STREET LIGHTS IN MIDVAAL LOCAL MUNICIPALITY ON AN AS AND WHEN REQUIRED BASIS FROM DATE OF AWARD TO 30 JUNE 2025	2023-2026	MOKOENA CONSTRUCTION (PTY) LTD	R -	R -	R -	**R -**	R 1,200,000.00	R -	R -	**R 1,200,000.00**	R 500,000.00	R -	R 300,000.00	**R 800,000.00**	R -	R -	R -	**R -**
83	120564444420FN46ZZWM	WATER NETWORK	WSIG	BULK WATER METERS	R 1,500,000.00	FORMAL TENDER	T. NGCUBE	JUN 2024	JUN 2024	JUL 2024	JUL 2024	JUL 2024	TBC	WATER METER REPLACEMENT PROJECT	2023-2026	TBC	R -	R -	R -	**R -**	R -	R -	R -	**R -**	R -	R -	R -	**R -**	R -	R -	R -	**R -**
84	120564560205FSK06ZZHO	WATER NETWORK	OWN REVENUE	NEW MACHINERY AND EQUIPMENT	R 1,500,000.00	FORMAL TENDER	N.NGQUMSHE	JUN 2024	JUL 2024	AUG 2024	AUG 2024	SEP 2024	TBC	PROCUREMENT OF EQUIPMENT	ONCE-OFF	TBC	R -	R -	R -	**R -**	R -	R -	R 500,000.00	**R 1,000,000.00**	R 500,000.00	R -	R -	**R 500,000.00**	R -	R -	R -	**R -**
85	130564330020FPK61ZZWM	ELECTRICAL NETWORK	EXTERNAL LOAN	TRANSFORMERS	R 1,500,000.00	EXISTING CONTRACT	V. SOFE	N/A	N/A	N/A	N/A	N/A	8/2/2/370	SUPPLY AND DELIVERY OF MINIATURE SUBSTATIONS AS AND WHEN REQUIRED	2023-2026	JACASTRO WESTERN CAPE	R -	R -	R 1,000,000.00	**R 1,000,000.00**	R -	R 500,000.00		**R 500,000.00**	R -	R -	R -	**R -**	R -	R -	R -	**R -**
86	120564464205FSL75ZZWM	WATER NETWORK	OWN REVENUE	CHLORINE BOOSTER STATION	R 1,000,000.00	EXISTING CONTRACT	N.NGQUMSHE			AUG 2024	AUG 2024	SEP 2024	TBC	CHLORINE BOOSTER STATION	ONCE-OFF		R -	R -	R -	**R -**	R -	R 500,000.00	R 500,000.00	**R 1,000,000.00**	R -	R -	R -	**R -**	R -	R -	R -	**R -**
87	120564480205FSL57ZZ01	WATER NETWORK	EXTERNAL LOAN	REFURB VAAL MARINA WATERTREATMENT PLANT	R 1,000,000.00	EXISTING CONTRACT	N.NGQUMSHE	N/A	N/A	N/A	N/A	N/A	8/2/2/393	BID TO APPOINT A PANEL FOR THE SUPPLY, DELIVERY, INSTALLATION, REPAIRS AND MAINTENANCE OF WATER & WASTEWATER PUMP STATIONS, AND WATER & WASTEWATER TREATMENT PLANTS IN MIDVAAL LOCAL MUNICIPALITY, ON AB AS AND WHEN REQUIRED BASIS, FROM DATE OF APPONTMENT TO 30 JUNE 2026 BID TO APPOINT A PANEL FOR THE SUPPLY, DELIVERY, INSTALLATION, REPAIRS AND MAINTENANCE OF WATER & WASTEWATER PUMP STATIONS, AND WATER & WASTEWATER TREATMENT PLANTS IN MIDVAAL LOCAL MUNICIPALITY, ON AB AS AND WHEN REQUIRED BASIS, FROM DATE OF APPONTMENT TO 30 JUNE 2026	2023-2026	KPC & SALDANA	R -	R -	R -	**R -**		R 500,000.00	R 500,000.00	**R 1,000,000.00**	R -	R -	R -	**R -**	R -	R -	R -	**R -**
88	120564740205FSL79ZZWM	WATER NETWORK	OWN REVENUE	FENCING	R 1,000,000.00	EXISTING CONTRACT	N.NGQUMSHE	N/A	N/A	N/A	N/A	N/A	8/2/2/404	BID TO APPOINT A SERVICE PROVIDER FOR THE INSTALLATION AND MAINTENANCE OF FENCING FOR MIDVAAL LOCAL MUNICIPALITY ON AS AND WHEN REQUIRED BASIS FROM DATE OF AWARD UNTIL 30 JUNE 2026	2023-2026	MVELEDZISO/KORBELLA JV	R -	R -	R -	**R -**	R 500,000.00	R 500,000.00	R -	**R 1,000,000.00**	R -	R -	R -	**R -**	R -	R -	R -	**R -**
89	130564330020FQH78ZZWM	ELECTRICAL NETWORK	DEVELOPER CONTRIBUTION	ELECTRICITY METERING	R 1,000,000.00	EXISTING CONTRACT	V. SOFE	N/A	N/A	N/A	N/A	N/A	8/2/2/361	REPLACE METERS FOR TID COMPLIANCE	2023-2026	CONLOG PTY LTD	R -	R -	R -	**R -**	R -	R 1,000,000.00	R -	**R 1,000,000.00**	R -	R -	R -	**R -**	R -	R -	R -	**R -**
90	130564330020FQH80ZZWM	ELECTRICAL NETWORK	DEVELOPER CONTRIBUTION	NEW CONNECTIONS	R 1,000,000.00	EXISTING CONTRACT	V. SOFE	N/A	N/A	N/A	N/A	N/A	8/2/3/92	PANEL OF SERVICE PROVIDERS TO SUPPLY AND DELIVER VARIOUS ELECTRICAL CABLES FOR MIDVAAL LOCAL MUNICIPALITY AS AND WHE REQUIRED BASIS UNTIL 30 JUNE 2025	2023-2026	PANEL	R -	R -	R 200,000.00	**R 200,000.00**	R 200,000.00	R 200,000.00	R -	**R 400,000.00**	R -	R -	R 200,000.00	**R 200,000.00**	R 200,000.00	R -	R -	**R 200,000.00**
91	130564330020FTL80ZZ11	ELECTRICAL NETWORK	INEP	SAVANNA CITY ELECTR. EXT 3&4	R 975,000.00	FORMAL TENDER	V. TSHABALALA	MAR 2024	APR 2024	APR 2024	MAY 2024	JUN 2024	8/2/2/381RE	ELECTRIFICATION OF SAVANNA CITY FULLY SUBSIDIZED UNITS	N/A		R -	R -	R -	**R -**	R -	R 975,000.00	R -	**R 975,000.00**	R -	R -	R -	**R -**	R -	R -	R -	**R -**
92	130564220420F4K30ZZWM	ELECTRICAL NETWORK	FINANCE LEASE	LAND CRUISERS	R 850,000.00	TRANSVERSAL CONTRACT	T. MAHLATSI	N/A	N/A	N/A	N/A	N/A	RT57	SUPPLY AND DELIVERY OF SEDAN, LIGHT AND HEAVY COMMERCIAL VEHICLES, BUSSES, MOTORCYCLES, AGRICULTURAL TRACTORS, CONSTRUCTION PLANT AND EQUIPMENT TO THE STATE FOR A PERIOD OF 36 MONTHS.	2023-2026	TBC	R -	R -	R -	**R -**	R -	R -	R -	**R -**	R -	R -	R -	**R -**	R -	R 850,000.00	R -	**R 850,000.00**
93	100564849420FSG61ZZWM	SANITATION NETWORK	OWN REVENUE	SEWERAGE EXTENSION	R 600,000.00	FORMAL TENDER	R. MADIMUTSA	JUN 2024	JUL 2024	AUG 2024	AUG 2024	SEP 2024	TBC	BID FOR THE MAINTENANCE OF WATER BORNE SEWER NETWORK INCLUDING ERF CONNECTIONS FOR MIDVAAL LOCAL MUNICIPALITY ON AND AS WHEN REQUIRED FROM DATE OF APPOINTMENT UP TO 30 JUNE 2027	2023-2026	TBC	R -	R -	R -	**R -**	R -	R -	R 600,000.00	**R 600,000.00**	R -	R -	R -	**R -**	R -	R -	R -	**R -**
94	120564460205FNR47ZZWM	WATER NETWORK	WSIG	PRESSURE MANAGEMENT INFRASTRUCTURE	R 500,000.00	FORMAL TENDER	T. NGCUBE	JUN 2024	JUL 2024	JUL 2024	JUL 2024	JUL 2024	TBC	SUPPLY AND INSTALLATION OF PRESSURE MANAGEMENT INFRASTRUCTURE	ONCE-OFF	TBC	R -	R -	R 150,000.00	**R 150,000.00**	R -	R -	R 300,000.00	**R 300,000.00**	R -	R 50,000.00	R -	**R 50,000.00**	R -	R -	R -	**R -**
95	130564564205ZFW35ZZWM	ELECTRICAL NETWORK	OWN REVENUE	EQUIPMENT & TOOLS	R 500,000.00	EXISTING CONTRACT	V. SOFE	APR 2024	MAY 2024	MAY 2024	JUN 2024	JUN 2024	8/2/2/410	ELECTRIFICATION OF SAVANNA CITY FULLY SUBSIDIZED UNITS	2023-2026	TBC	R -	R -	300000	**R 300,000.00**	R -	R -	R -	**R -**	R -	R 200,000.00	R -	**R 200,000.00**	R -	R -	R -	**R -**
96	150564460020FSK39ZZHO	ENGINEERING ADMIN	OWN REVENUE	EQUIPMENT & TOOLS	R 400,000.00	FORMAL TENDER	V. TSHABALALA	AUG 2024	AUG 2024	SEP 2024	OCT 2024	NOV 2024	TBC	SUPPLY AND DELIVERY OF TOOLS & EQUIPMENT	ONCE-OFF	TBC	R -	R -	R -	**R -**	R -	R -	R -	**R -**	R -	R -	R 400,000.00	**R 400,000.00**	R -	R -	R -	**R -**
97	100564564205FSK05ZZWM	SANITATION NETWORK	OWN REVENUE	EQUIPMENT & TOOLS	R 250,000.00	7 DAY BID	S. RATSHILI	JUL 2024	JUL 2024	JUL 2024	AUG 2024	AUG 2024	TBC	PROCUREMENT OF TOOLS AND EQUIPMENT	ONCE-OFF	TBC	R -	R -	R -	**R -**	R -	R -	R -	**R -**	R 250,000.00	R -	R -	**R 250,000.00**	R -	R -	R -	**R -**
98	150564720020FGI82ZZWM	ENGINEERING ADMIN	MIG	LAPTOPS	R 217,391.00	EXISTING CONTRACT	V. TSHABALALA	N/A	N/A	N/A	N/A	N/A	BID 8-2-5-131(2023-2026)	BID TO APPOINT A PANEL OF SERVICE PROVIDERS TO SUPPLY, DELIVER AND INSTALL VARIOUS COMPUTER SOFTWARES, APPLICATIONS AND HARDWARE TO	2023-2026	PANEL	R -	R -	217391	**R 217,391.00**	R -	R -	R -	**R -**	R -	R -	R -	**R -**	R -	R -	R -	**R -**
					R 130,272,221.00																													

TOTAL CAPEX BUDGET **R 266,618,087.00**

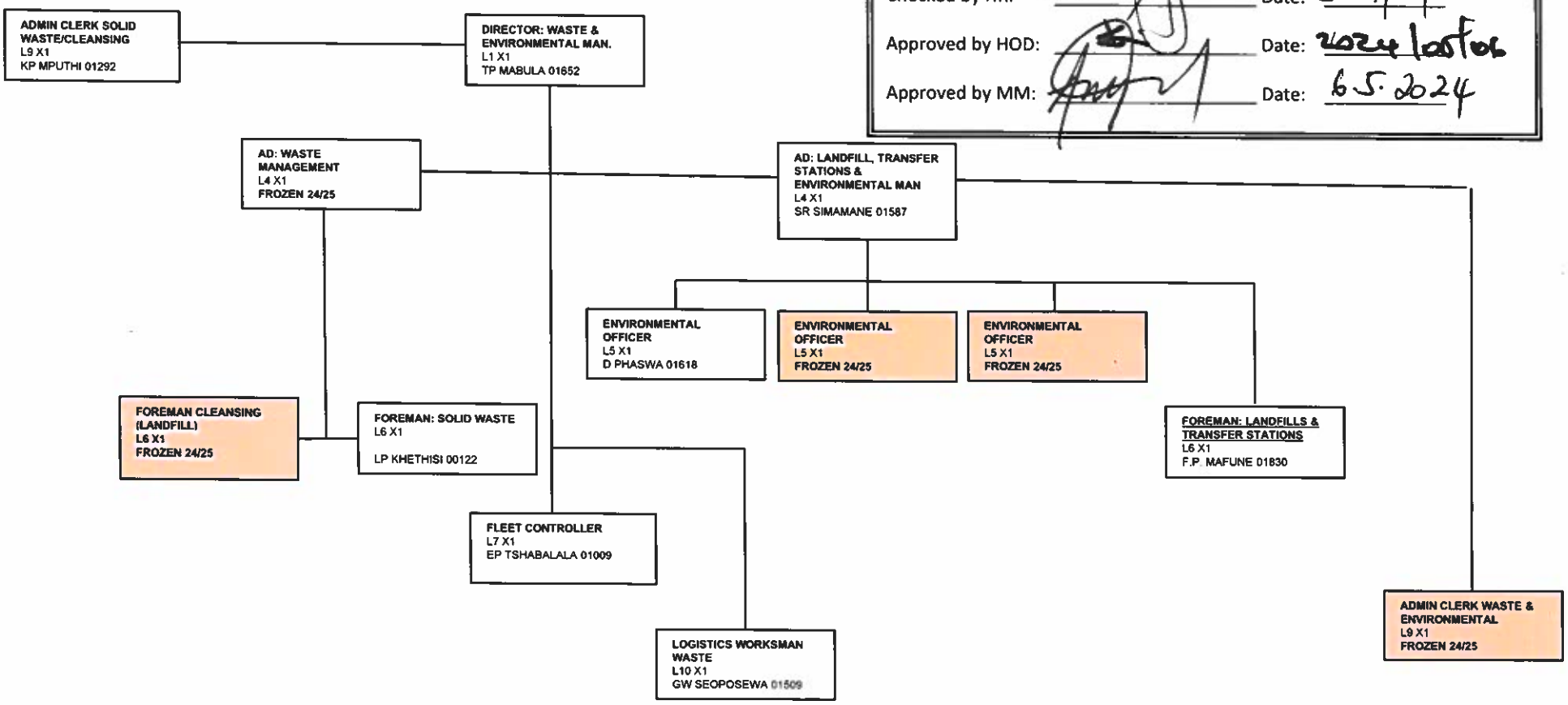
Annexure AT
Organisational Structures
2024/2025

ORGANISATIONAL STRUCTURE – COMMUNITY SERVICES – WASTE MANAGEMENT (2024-2025)

Checked by HR: _____ Date: 2024/05/03

Approved by HOD: _____ Date: 2024/05/06

Approved by MM: _____ Date: 6.5.2024



MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – COMMUNITY SERVICES – LIBRARIES (2024-2025)

Checked by HR: _____ Date: 2024/05/03

Approved by HOD: _____ Date: 2024/5/06

Approved by MM: _____ Date: 6.5.2024

ASSISTANT DIRECTOR LIBRARY INFO SERVICES
L4 X1
JN ZWANE 00978 (DAC)

BRANCHES

LIBRARIAN LAKESIDE
L6 X1 (DAC FUNDING)
D TSHUKETANA 01400

SNR ASSISTANT LIBRARIAN LAKESIDE
L7 X1 (DAC FUNDING)
VACANT 24/25

ADMIN CLERK LAKESIDE LIBRARY
L9 X1 (DAC FUNDING)
TP TYANTINI 01130

GENERAL WORKER/ CLEANER - LAKESIDE
L13 X1 (DAC FUNDING)
TL RIKHOTSO 01141

LIBRARIAN BANTU BONKE
L6 X1 (DAC FUNDING)
ML LETSOALO 01878

ADMIN CLERK BANTU BONKE 17/18
L9 X1 (DAC)
S J KOEITHING 00952 CTI

GENERAL WORKER/ CLEANER – BANTU BONKE 17/18
L13 X1 (DAC FUNDING)
B R MENYANTSOE 01359

BRANCHES

LIBRARIAN RANDVAAL
L6 X1 (DAC FUNDING)
M FROST 00743

SNR ASSISTANT LIBRARIAN RANDVAAL
L7 X1
PG NHLAPO 01422 (DAC)

ADMIN CLERK RANDVAAL LIBRARY
L9 X1
MA SEKHOTO 01332

GENERAL WORKER CLEANER (RANDVAAL)
L13 X1 (DAC FUNDING)
ON NHLAPO 01639

LIBRARIAN HOK LIBRARY
L6 X1 (DAC FUNDING)
MN MOFOKENG 01317

ASSISTANT LIBRARIAN HOK 17/18
L8 X1
N M MASIPA 00954 (CTI)

GENERAL WORKER CLEANER HOK
L13 X2
MA MOHAPI 01149 (DAC)
FROZEN 24/25

LIBRARIAN DE DEUR LIBRARY
L6 X1 (DAC FUNDING)
M MASEKO 00528

ASSISTANT LIBRARIAN DE DEUR
L8 X1
NP MSIMANGA 01088

ADMIN CLERK DE DEUR LIBRARY
L9 X1
LL MAAROGANYE 01660

GENERAL WORKER CLEANER – DE DEUR
L13 X1
E MOLOI 00791

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

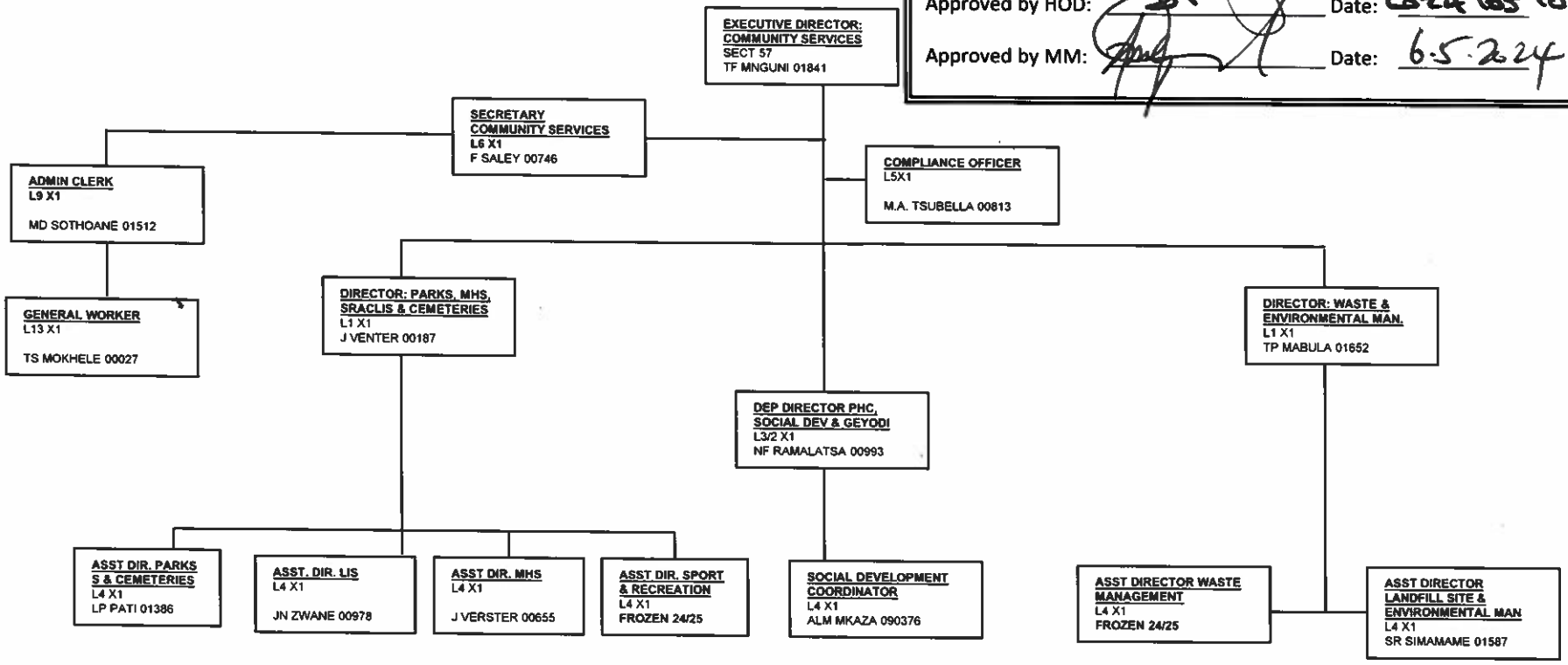
Updated MARCH 2024

PROPOSED ORGANISATIONAL STRUCTURE – COMMUNITY SERVICES - ADMIN (2024-2025)

Checked by HR: _____ Date: 2024/05/03

Approved by HOD: _____ Date: 2024/05/06

Approved by MM: _____ Date: 6.5.2024

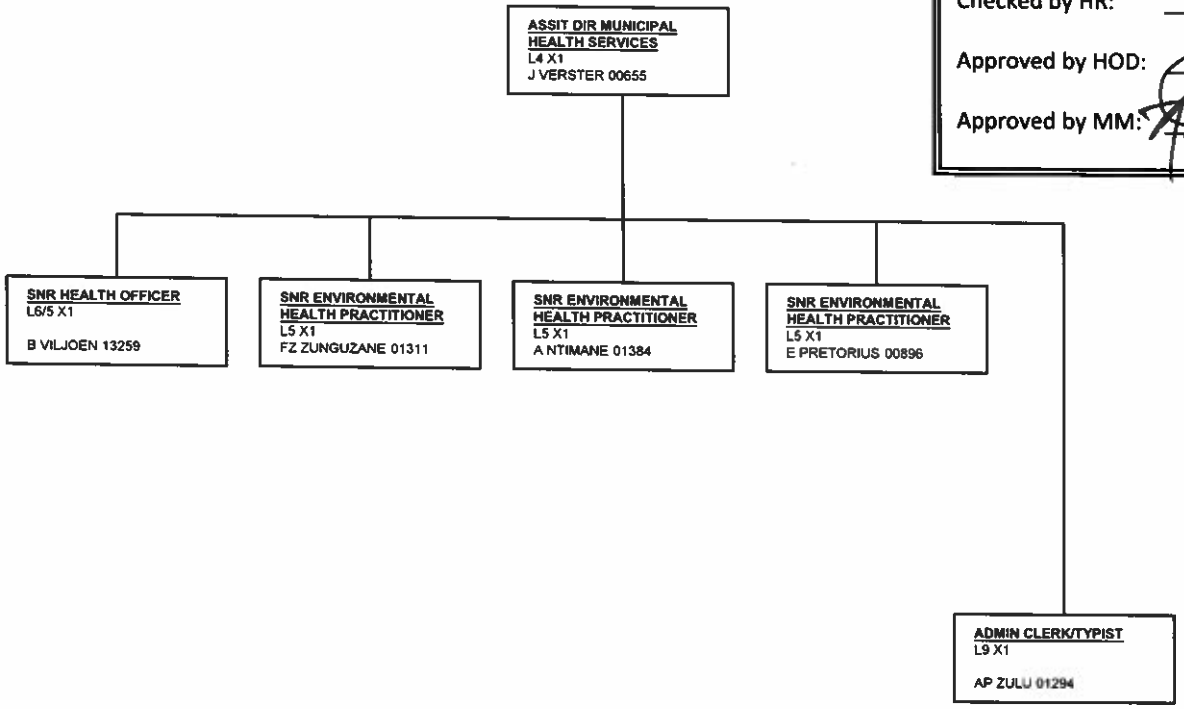


MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – COMMUNITY SERVICES – ENVIRONMENTAL HEALTH (2024-2025)

Checked by HR:		Date: 2024/05/03
Approved by HOD:		Date: 2024/05/06
Approved by MM:		Date: 6.5.2024

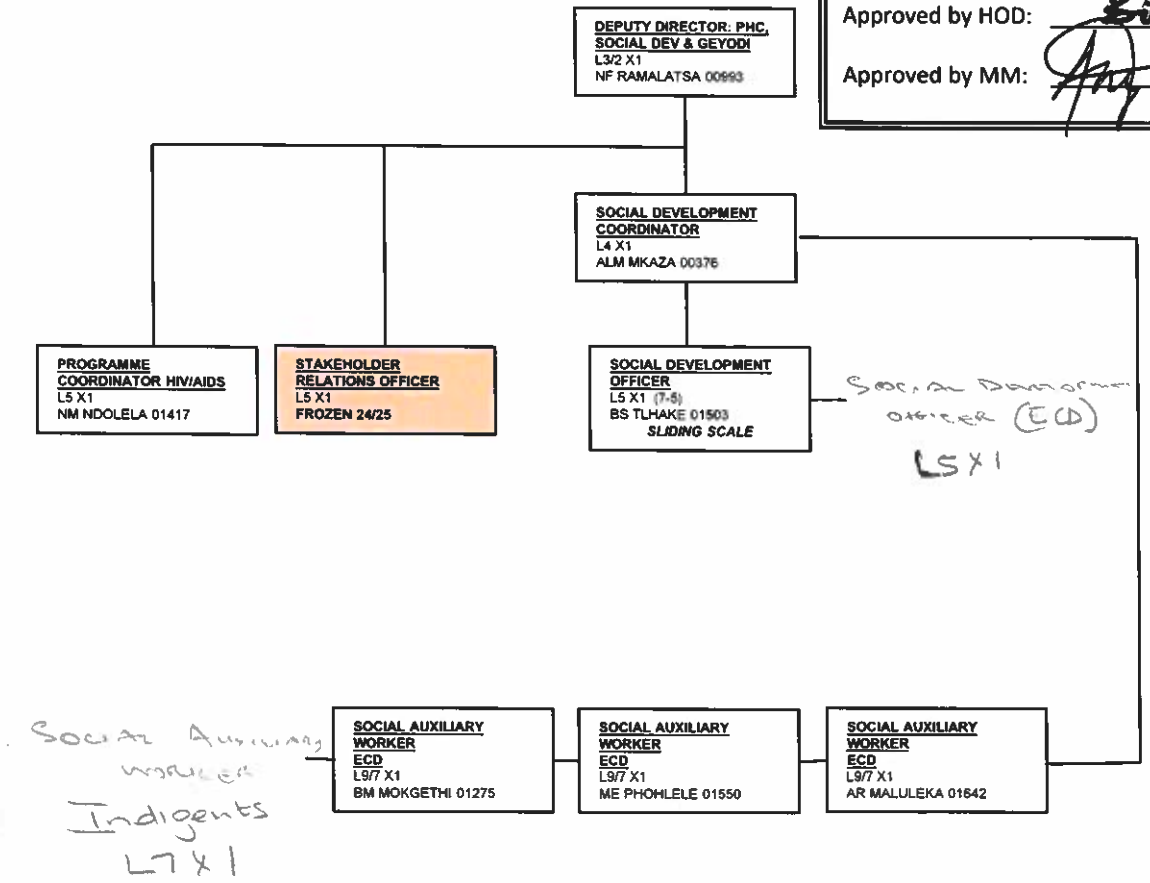


MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – COMMUNITY SERVICES – SOCIAL DEVELOPMENT (2024-2025)

Checked by HR:		Date: 2024/05/03
Approved by HOD:		Date: 2024/5/06
Approved by MM:		Date: 6.5.2024



MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – COMMUNITY SERVICES - CLINICS (2024-2025)

Checked by HR: _____ Date: 2024/05/03

Approved by HOD: _____ Date: 2024/5/06

Approved by MM: _____ Date: 6.5.2024

CHIEF MEDICAL OFFICER (MEYERTON CLINIC)
L3 X1
(GDH)

DEPUTY DIRECTOR: PHC, SOCIAL DEV & GEYODI
L3/2 X1
NF RAMALATSA 00993

MANAGER PRIMARY HEALTH CARE
L4 X1
VACANT

RANDVAAL CLINIC

MEYERTON CLINIC

KOOKRUS CLINIC

CHIEF PROFESSIONAL NURSE
L5 X1
S MYAKA 00676

DRIVER
L11 - X1
FROZEN 24/25

SNR PROFESSIONAL NURSE
L7/6 X3
GDH

SNR PROFESSIONAL NURSE
L7/6 X2
GDH

SNR PROFESSIONAL NURSE
L7/6 X4
GDH

SNR.PROFESIONAL NURSE
L7 X1
MC NHLAPO 00518

RECEPTIONIST/ADMIN CLERK
L9 X1
L MPAKA 00474

RECEPTIONIST/ADMIN CLERK
L8 X1
M VILAKAZI 00363

ENROLLED/ STAFF NURSE
L9 X1
GDH

RECEPTIONIST/ADMIN CLERK
L8 X1
M MORAILANE 00584

ENROLLED/ STAFF NURSE
L9 X1
GDH

RECEPTIONIST / ADMIN CLERK
L8 X1
IM MONAHENG 00299

GENERAL WORKER/ CLEANER
L13 X1
NJ BONKOLO 0177

GENERAL WORKER/ CLEANER
L13 X1
FROZEN 24/25

Updated MARCH 2024

Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

ORGANISATIONAL STRUCTURE – COMMUNITY SERVICES – LIBRARIES (2024-2025)

Checked by HR: _____ Date: 2024/05/03

Approved by HOD: _____ Date: 2024/5/06

Approved by MM: _____ Date: 6.5.2024

ASSISTANT DIRECTOR LIBRARY INFO SERVICES
L4 X1 (DAC FUNDING)
JN ZWANE 00978

SNR.LIBRARIAN
L5 X1 (DAC FUNDING)
MS RATLHAGANE 01533

SICELO LIBRARY

MEYERTON LIBRARY

CATALOGUING

TECHNICAL SERVICES

E-LEARNING CENTRE

LIBRARIAN
L6 X2 (DAC FUNDING)
N. SHONGWE 01385
K E NDABA 01344

SNR ASSISTANT LIBRARIAN
L7 X1 (DAC FUNDING)
M.A MOFOKENG 00716

ADMIN CLERK SICELO LIBRARY
L9 X1
N NTANZI 01156

GENERAL WORKER/CLEANER
L13 X1 (DAC FUNDING)
L MOKERETLA 01790

LIBRARIAN
L6 X1 (DAC FUNDING)
P K MATITWANE 00036

ASSISTANT LIBRARIAN MEYERTON
L8 X1
R OMAR 00804

ASSISTANT LIBRARIAN MEYERTON
L8 X1
N.M HLATSHWAYO 00545

LIBRARIAN
L6 X1
L RALPH 00338

ASSISTANT LIBRARIAN MEYERTON
L8 X1
JS MOTAUNG 00297

ASSISTANT LIBRARIAN MEYERTON
L8 X1
FJ JIYANE 00161

ADMIN CLERK MEYERTON LIBRARY
L9 X1 (DAC FUNDING)
RV SIBANYONI 01743

ADMIN CLERK MEYERTON LIBRARY
L9 X1
L KETEYI 13451

GENERAL WORKER CLEANER
L13 X2
MM MTHEMBU 01327
IM KEKANA 01640 (DAC)

MESSENGER/DRIVER
L11 X1 (DAC FUNDING)
MA MABOTE 00411

PROGRAMME LIBRARIAN 18/19
L6 X1 (DAC FUNDING)
VACANT X1 24/25

E LEARNING FACILITATOR
L6 X1 (DAC FUNDING)
NT GCABASHE 01450

ASSISTANT E LEARNING FACILITATOR
L8 X1 (DAC FUNDING)
N SEBATLI 01791

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – COMMUNITY SERVICES – PARKS – TREE CUTTING & HORTICULTURE (2024-2025)

Checked by HR: _____ Date: 2024/05/03

Approved by HOD: _____ Date: 2024/05/06

Approved by MM: _____ Date: 6.5.2024

ASST DIR. PARKS & CEMETERY
L4 X1
LP PATI 01386

ADMIN CLERK/TYPIST PARKS & CEMETERIES
L9 X1
FROZEN 24/25

FOREMAN TREE CUTTING
L6 X1
TV KUBEKA 01304

SPECIAL WORKSMAN IRRIGATION
L8 X1
M MATLA 00517

SPECIAL WORKSMAN: PEST CONTROL
L8X1
A TEMA 01711

TRUCK DRIVER (CODE EC)
L10 X1
A KWINDA 00825

TRUCK DRIVER (CODE EC) TREE TEAM
L10 X1
VACANT X1 24/25

CHAINSAW OPERATOR
L12 X2
S GQUNGQA 01303
NJ SABA 00054

CHAINSAW OPERATOR
L12 X1
SK SIBAYA 01399

PEST AND WEED OPERATOR
L12 X1
LM DHLAMINI 01577

GENERAL WORKER
L13 X 1
N MAFUXWANA 01067

GENERAL WORKER PARKS
L13 X5
FROZEN X5 24/25

GENERAL WORKER PARKS
L13 X 3
VACANT X3 24/25 (6 MTHS)

GENERAL WORKER PARKS IRRIGATION
L13 X 2
A RALEQHEKA 32081
VACANT X1 24/25 (6 MTHS)

GENERAL WORKERS: PEST AND WEED CONTROL
L13 X 1
FROZEN 24/25

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – COMMUNITY SERVICES – PARKS – GRASS CUTTING & TRACTORS (2024-2025)

Checked by HR:		Date:	2024/05/03
Approved by HOD:		Date:	2024/05/06
Approved by MM:		Date:	6.5.2024

ASST DIR. PARKS & CEMETERY
L4 X1
LP PATI 01386

FOREMAN GRASS CUTTING & TRACTORS
L6 X1
K GWEBU 28894

SPECIAL WORKSMAN GROUNDSMAN
L8 X1
BS MASILELA 01391

GENERAL WORKSMAN PARKS
L9 X1
L SEHANKA 00231

GENERAL WORKSMAN PARKS
L9 X1
VM TYESI 00871

LOGISTICS WORKSMAN
L10 X1

NFB FANTISI 00464

TRUCK DRIVER (CODE EC1) PARKS
L10 X1
FJ MOTAUNG 01123

TRUCK DRIVER (CODE EC1) TREE TEAM
L10 X1
MD MOLISE 00875

TRACTOR DRIVER PARKS

L11 X 13

S KHONKOTHA 00595
JL MADIEHE 01073
T SEOBI 00632
EN MATOMANE 32049
SM TSUBELLA 01366
HS MPHULANYANE 01101
RT MOKHEMISA 01334
MR MOSHOALIBA 01554
FM LELALA 01776
LC NGUBENI 01821
DD TSHABALALA 01542
TE MOREKI 01864
VACANT X1 24/25 (6 MTHS)

MACHINE OPERATOR PARKS
L12 X8

A MOFOKENG 28689
S MATJAMA 00838
PM MAZIBUKO 00824
LC MHLAMBI 01321
A MOTLOUNG 01320
Z NDEBELE 01644
LN NGABA 1714
VACANT X1 24/25 (6 MTHS)

MACHINE OPERATOR PARKS
L12 X8

PM MOTAUNG 01108
D MOTAUNG 32064
XM TSOTSO 00734
A MOTLOUNG 01320
XD MOTASHE 01668
ST NGWENYA 01669
RM MFENE 01670
ND MOFOKENG 01829

GENERAL WORKER
L13 X 1

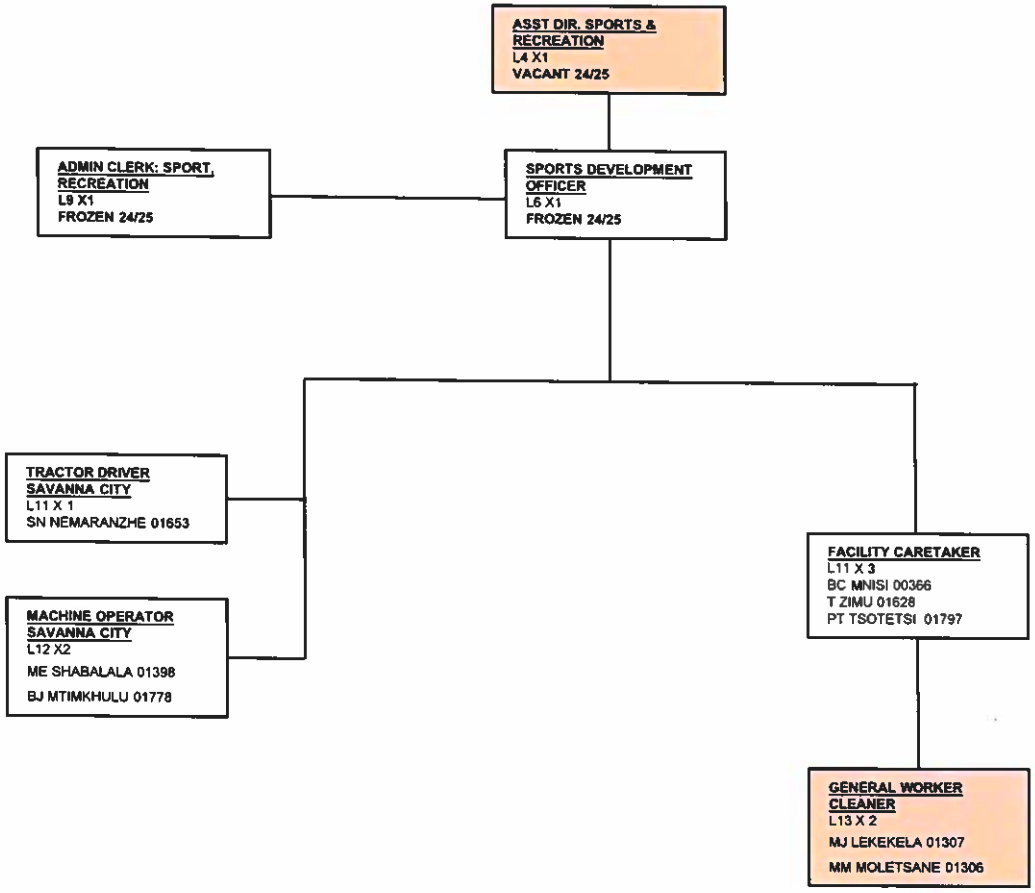
N MAFUXWANA 01067

MIDVAAL Local Municipality
Masepala Wa Selehoe
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – COMMUNITY SERVICES – PARKS – SPORTS AND RECREATION (2024-2025)

Checked by HR:		Date: 2024/05/03
Approved by HOD:		Date: 2024/05/06
Approved by MM:		Date: 6.5.2024

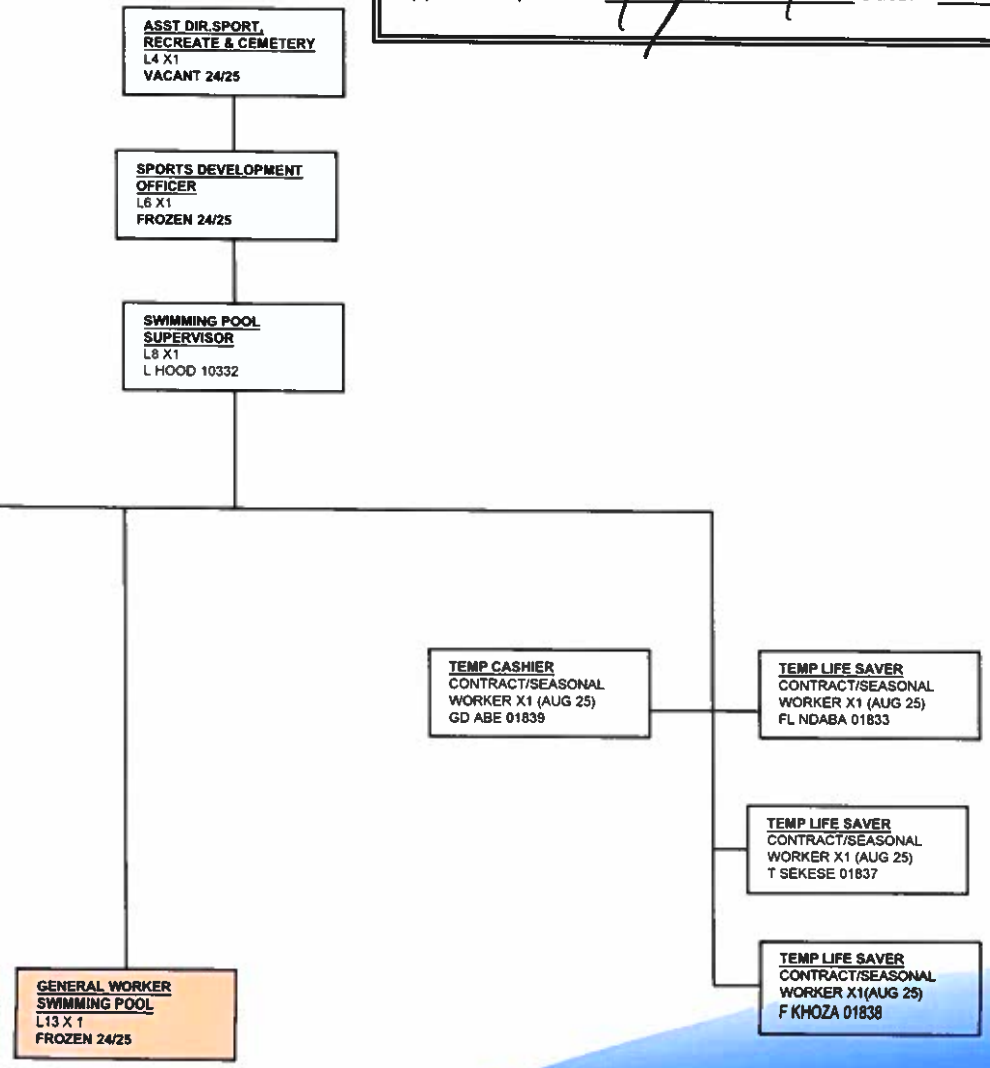


MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – COMMUNITY SERVICES – PARKS (2024-2025)

Checked by HR:		Date: 2024/05/03
Approved by HOD:		Date: 2024/05/06
Approved by MM:		Date: 6.5.2024



MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

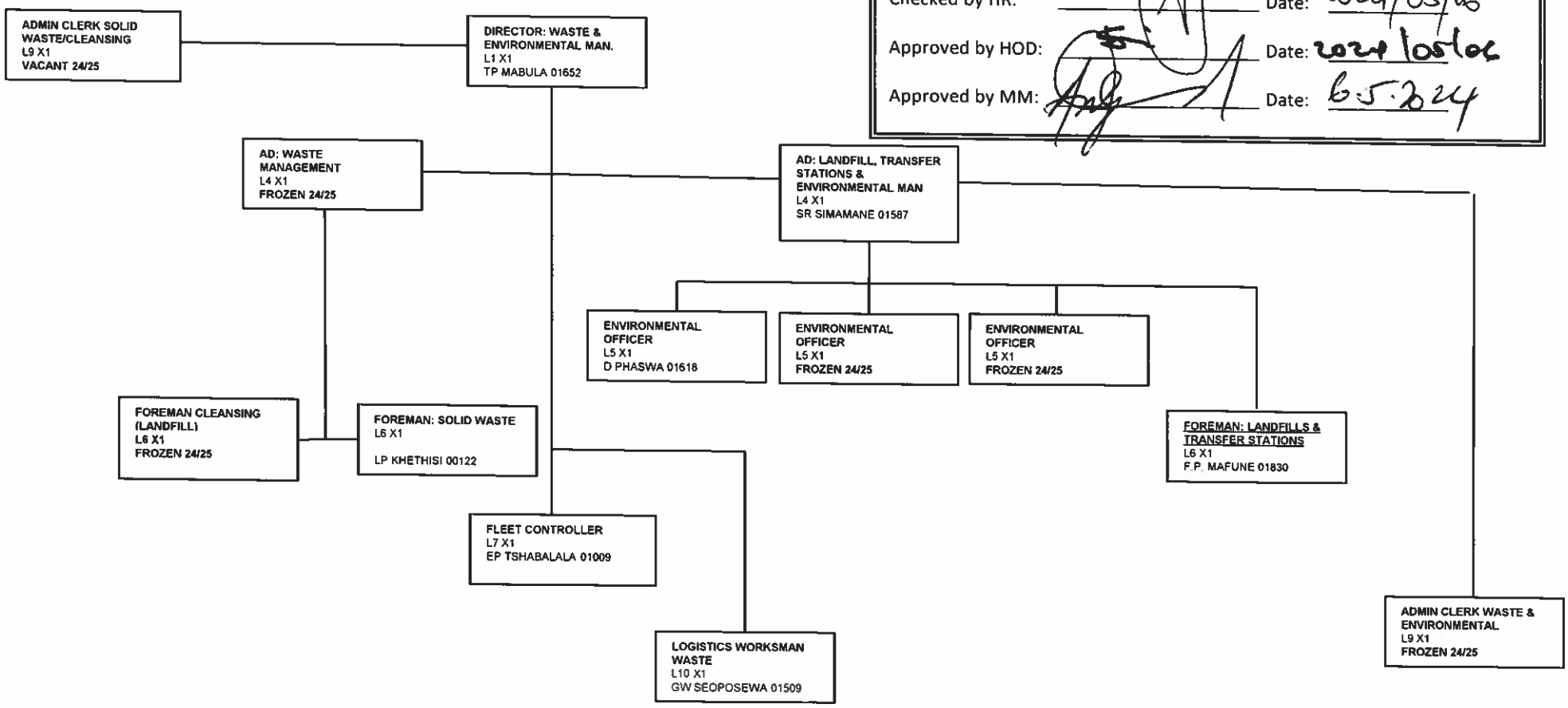
Updated MARCH 2024

ORGANISATIONAL STRUCTURE – COMMUNITY SERVICES – WASTE MANAGEMENT (2024-2025)

Checked by HR: _____ Date: 2024/05/06

Approved by HOD: _____ Date: 2024/05/06

Approved by MM: _____ Date: 6.5.2024

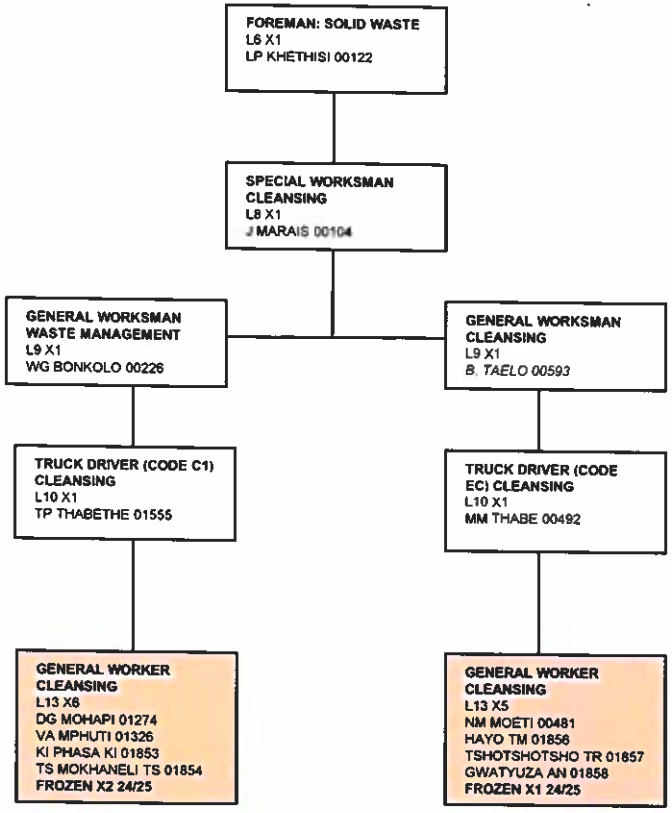


MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – COMMUNITY SERVICES – WASTE MANAGEMENT (2024-2025)

Checked by HR:		Date:	2024/05/08
Approved by HOD:		Date:	2024/5/06
Approved by MM:		Date:	6.5.2024

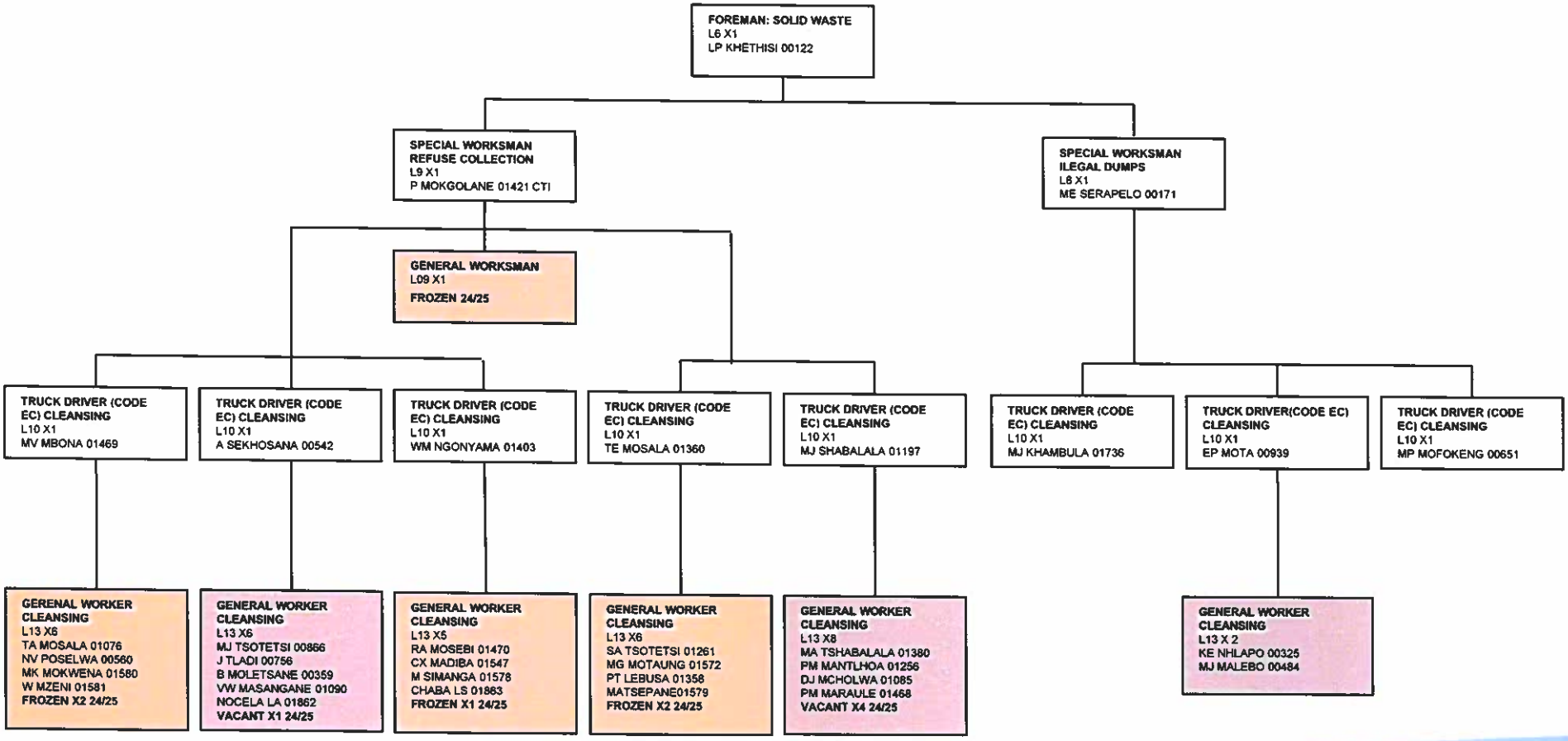


MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – COMMUNITY SERVICES – WASTE MANAGEMENT (2024-2025)

Checked by HR:		Date:	2024/05/03
Approved by HOD:		Date:	2024/05/08
Approved by MM:		Date:	6.5.2024

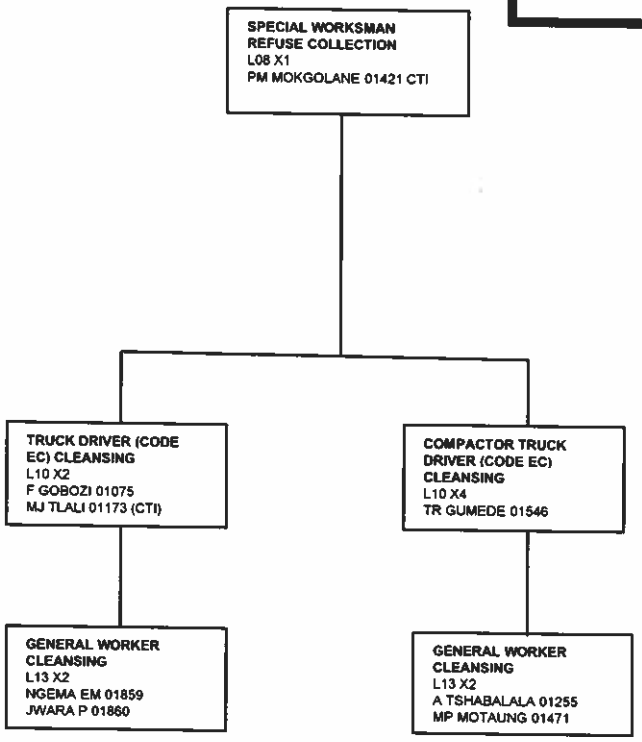


MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – COMMUNITY SERVICES – WASTE MANAGEMENT (SC) (2024-2025)

Checked by HR:		Date:	06/05/08
Approved by HOD:		Date:	2024/5/06
Approved by MM:		Date:	6.5.2024



MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – COMMUNITY SERVICES – WASTE MANAGEMENT (2024-2025) [TRANSFER STATIONS]

Checked by HR:		Date:	2024/05/06
Approved by HOD:		Date:	2024/05/06
Approved by MM:		Date:	6.5.2024

FOREMAN: LANDFILLS & TRANSFER STATIONS
L6 X1
F.P. MAFUNE 01830

LANDFILL SITE SUPERVISOR
L8 – X 1
FROZEN 24/25

HEAVY MACHINE OPERATOR: BULLDOZER
L8 X1
VACANT X1 24/25 (6 MTHS)

GATE CONTROLLER
L10 X3
IJ LESEMELA 01335
AP MAPHALA 00485
JN MASHIFANE 01441

GENERAL WORKER CLEANSING
L13 X3
S MOKERETLA 00320
MJ MAGWAZA 00321
VUMISA AB 01861

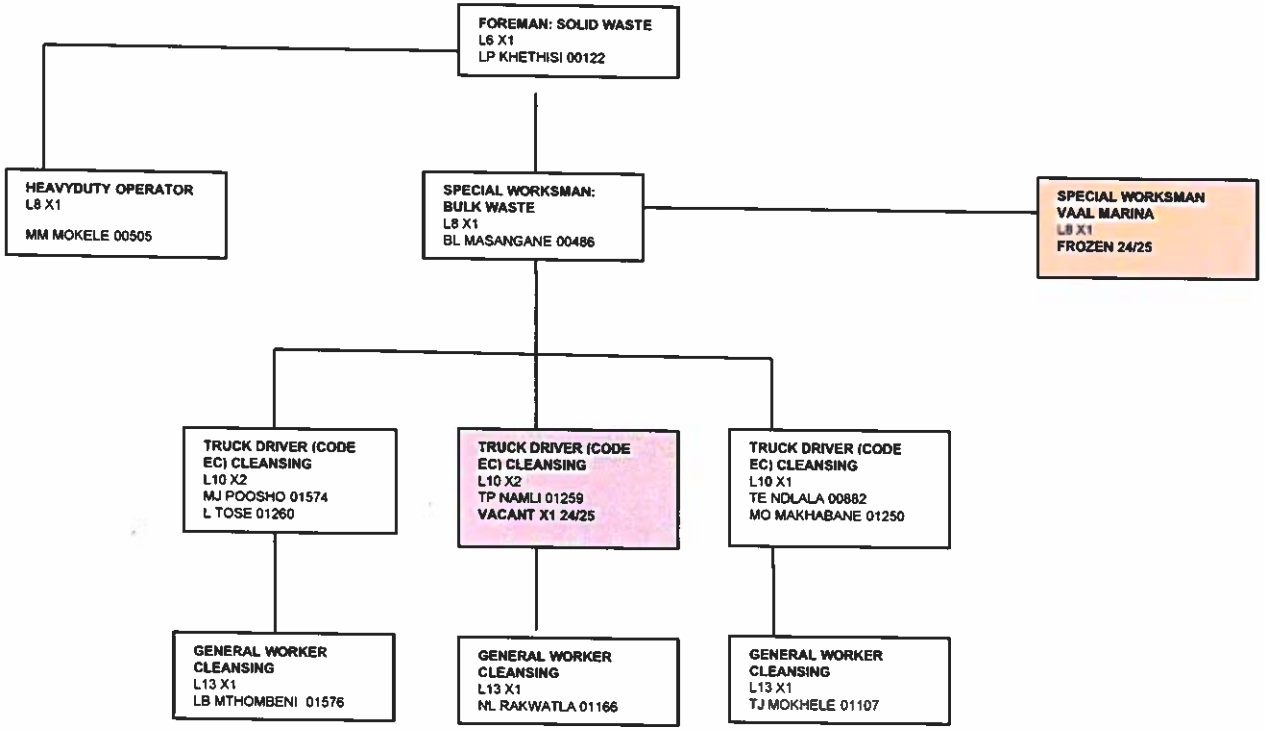
MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – COMMUNITY SERVICES – WASTE MANAGEMENT (2024-2025)

BULK WASTE]

Checked by HR:		Date:	2024/05/03
Approved by HOD:		Date:	2024/05/06
Approved by MM:		Date:	6-5-2024



MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – COMMUNITY SERVICES – LANDFILL SITES (2024-2025)

Checked by HR: _____ Date: 2024/05/03

Approved by HOD: _____ Date: 2024

Approved by MM: _____ Date: 6.5.2024

AD: LANDFILL, TRANSFER STATIONS & ENVIRONMENTAL MAN
L4 – X1
SR SIMAMANE 01587

FOREMAN: LANDFILLS & TRANSFER STATIONS
L6 – X1
F.P. MAFUNE 01830

LANDFILL SITE SUPERVISOR
L8 X1
DC LENTSA 1420

TRUCK DRIVER (CODE EC) SOLID WASTE
L10 X1
MJ KELE 32102

GENERAL WORKER LANDFILL SITE
L13 – X 8
AZ MAYEKISO 00315
NP MCHUNU 00316
MM MOKOENA 00323
ME MPHOLO 00324
TP LENKA 01277
TN NDALA 01850
T RALUSHE 01851
TT MASANGANE 01852

HEAVY MACHINE OPERATOR
L8 – X1
JM MOKOENA 00921

TRACTOR DRIVER LANDFILL SITE
L11 – X1
FROZEN 24/25

HEAVY MACHINE OPERATOR
L8 – X1
M MOTLOUNG 00586

HEAVY MACHINE OPERATOR
L8 – X1
SS NKONDE 00420

SPECIAL WORKSMAN
L8 – X1
MA PAPALI 00278

ACCESSGATE CONTROLLER
L10 X2
MJ MOFOKENG 00162
PW RAKOMA 01651

GENERAL WORKER LANDFILL SITE
L13 – X 3
MI MOLEFI 00582
NE LEMPHANE 00483
PA MAHLATSANE 32041

SPECIAL WORKSMAN
L8 – X1
RS MOTATI 00445

ACCESS CONTROLLER
L10 X2
TS GUBEVU 00414
SN MHLONGO 01504

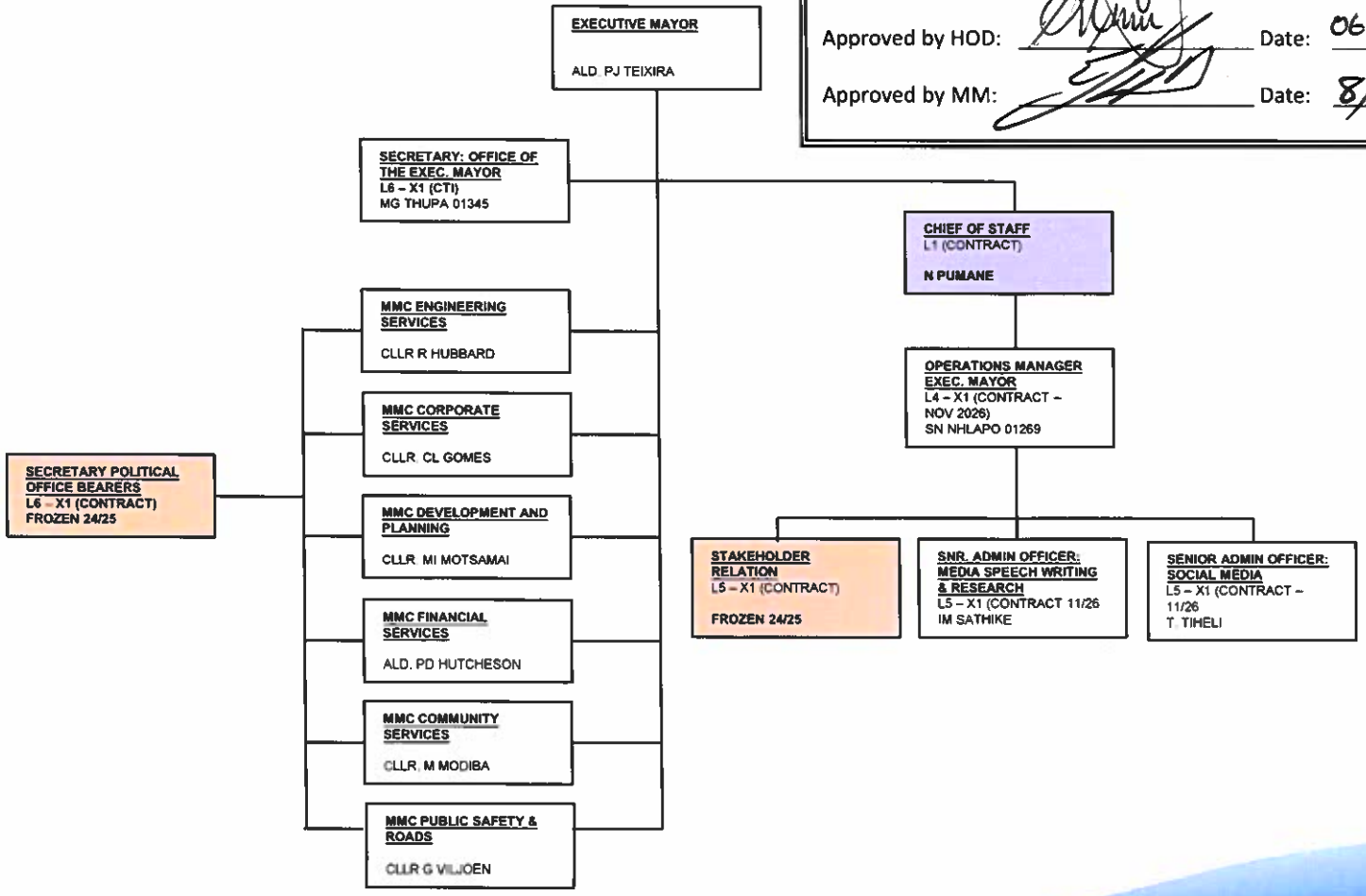
GENERAL WORKER LANDFILL SITE
L13 – X7
MM MOKGOLOANE 00322
FM SEPHULA 00558
OP MPHASA 00587
SM MOKHOMONG 00487
SJ MKHUMA 00976
TE FANTISI 01588
VACANT X1 24/25

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – OFFICE OF THE EXECUTIVE MAYOR (2024-2025)

Checked by HR:		Date: 2024/05/03
Approved by HOD:		Date: 06/05/2024
Approved by MM:		Date: 8/5/24

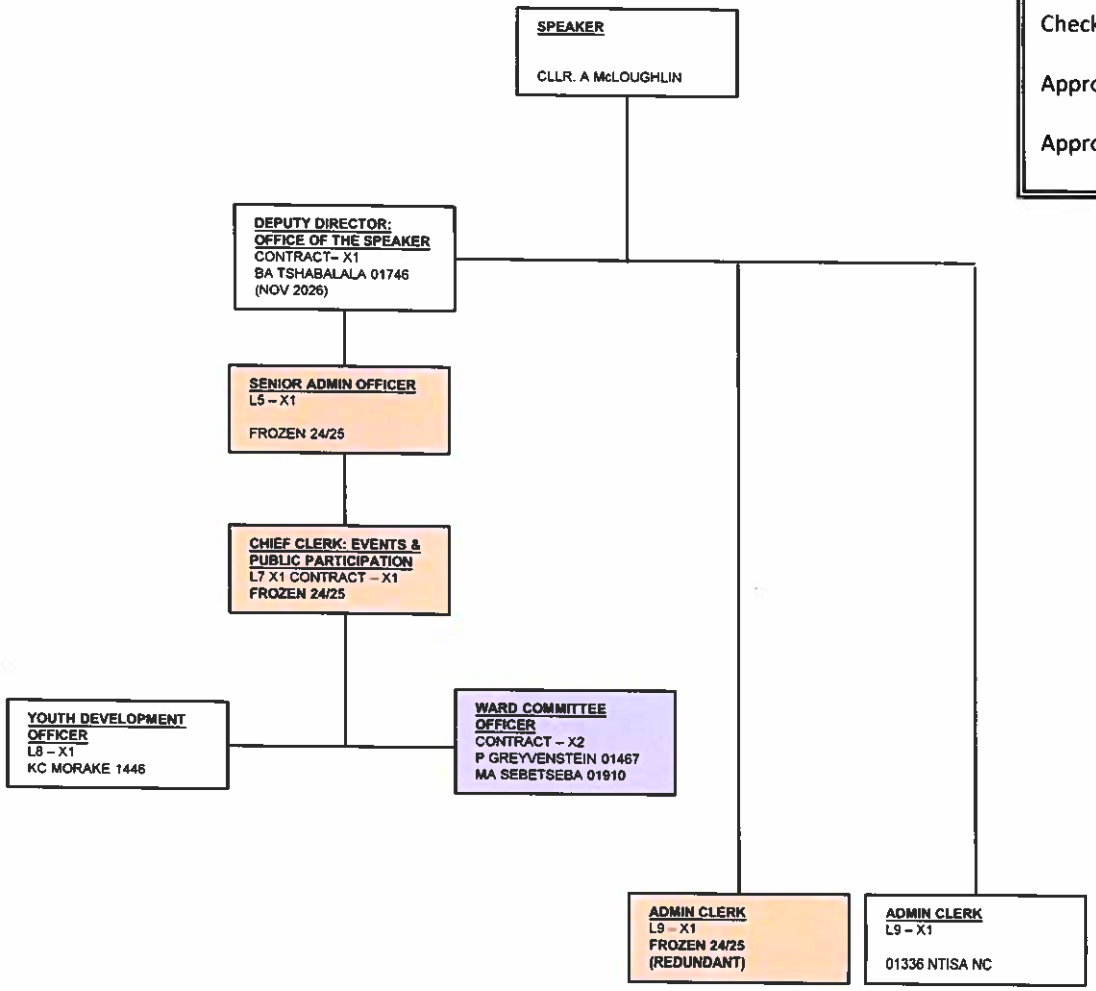


MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – OFFICE OF THE SPEAKER (2024-2025)

Checked by HR:		Date:	2024/05/03
Approved by HOD:		Date:	06/05/2024
Approved by MM:		Date:	8/5/24



MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – OFFICE OF THE MUNICIPAL MANAGER (EXECUTIVE DIRECTORS) (2024-2025)

Checked by HR:		Date: 2024/05/03
Approved by HOD:		Date: 06/05/2024
Approved by MM:		Date: 8/5/24

MUNICIPAL MANAGER
(CONTRACT – JUNE 2027)
SECT 57
AM GROENEWALD

SECRETARY: MUNICIPAL MANAGER
L6 – X1 (CTI)
J DE WENDT 00119

SECRETARY: DIRECTORS OFFICE OF THE MM
L6 – X1
VACANT 24/25 (6 MTHS)

ED: CORPORATE SERVICES
(CONTRACT - OCT 2027)
SECT 57
S CAVE 01786

ED: FINANCIAL SERVICES
(CONTRACT - OCT 2027)
SECT 57
ZN MHLONGO 01781

ED: COMMUNITY SERVICES
SECT 57
TF MNGUNI 01841

ED: ENGINEERING SERVICES
(CONTRACT - AUG 2025)
SECT 57
MAGODI P 01593

ED: DEV & PLANNING
SECT 57
MOKWENA KC 01844

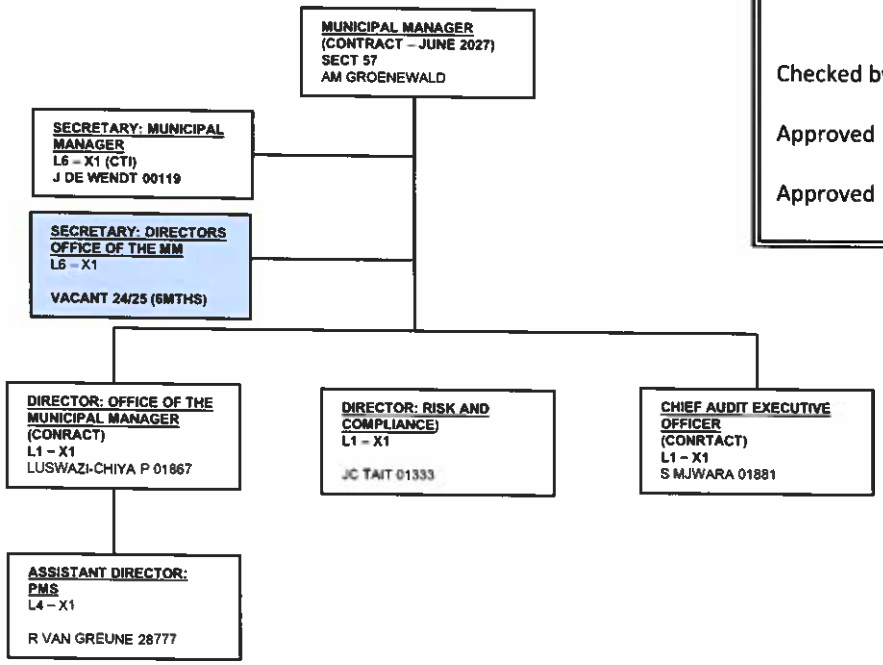
ED: PUBLIC SAFETY & ROADS
SECT 57
LENSLEY E 00114

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – OFFICE OF THE MUNICIPAL MANAGER (2024-2025)

Checked by HR:		Date:	2024/05/03
Approved by HOD:		Date:	06/05/2024
Approved by MM:		Date:	8/5/24

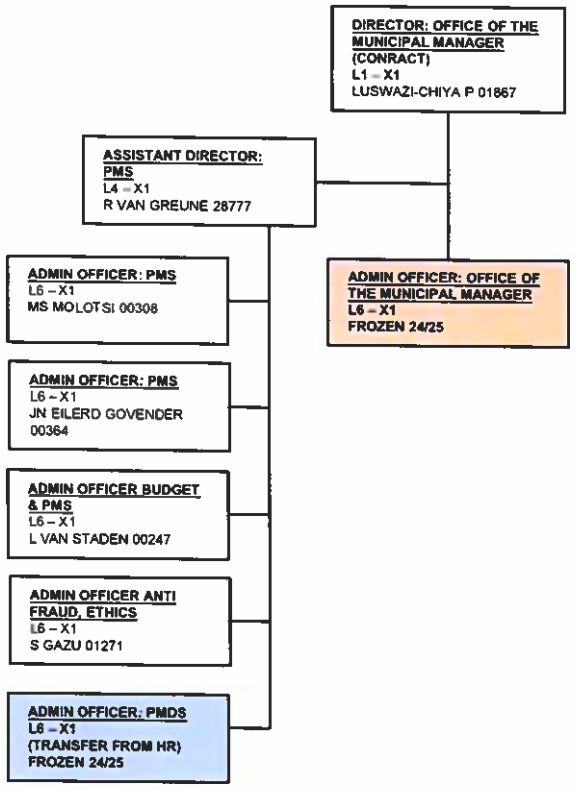


MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – OFFICE OF THE MUNICIPAL MANAGER
DIRECTOR: OFFICE OF THE MUNICIPAL MANAGER
(2024-2025)

Checked by HR:		Date:	2024/05/03
Approved by HOD:		Date:	06/05/2024
Approved by MM:		Date:	8/5/24

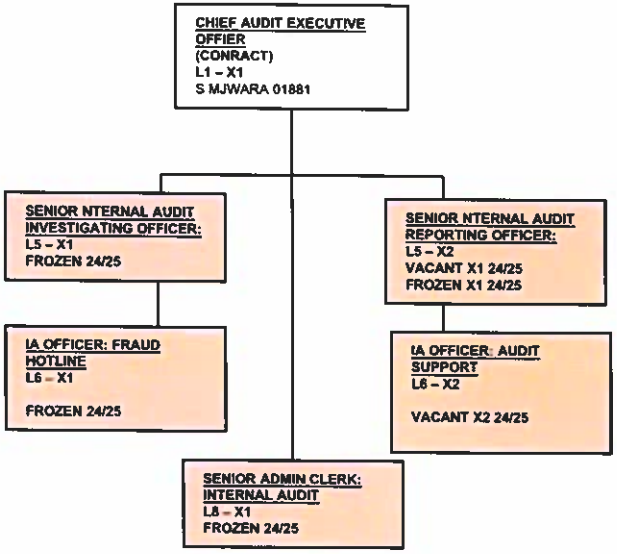


MIDVAAL Local Municipality
Masepala Wa Selehoe
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – OFFICE OF THE MUNICIPAL MANAGER (CHIEF AUDIT EXECUTIVE) (2024-2025)

Checked by HR:		Date:	2024/05/03
Approved by HOD:		Date:	06/05/2024
Approved by MM:		Date:	8/5/24



MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – OFFICE OF THE MUNICIPAL MANAGER (RISK & ETHICS) (2024-2025)

Checked by HR:		Date:	2024/05/03
Approved by HOD:		Date:	06/05/2024
Approved by MM:		Date:	8/5/24

DIRECTOR: RISK AND COMPLIANCE)
L1 – X1
JC TAIT 01333

SUB ACCOUNTANT: RISK MANAGEMENT
L6 – X1
IL NGWENYA 01478

CLERK: RISK & COMPLIANCE
L9 – X1
Z DUBULA 01464

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – CORPORATE CLUSTER (2024-2025)

Checked by HR: _____ Date: 2024/05/03

Approved by HOD: _____ Date: 06/05/2024

Approved by MM: _____ Date: 8/5/24

ED: CORPORATE SERVICES
(CONTRACT - OCT 2027)
SECT 57
S CAVE 01786

SECRETARY: CORPORATE SERVICES
L6 – X1 (CTI)
S NEETHLING 00179

DIRECTOR: IT
L1 – X1
S MNGUNI 01585

DIRECTOR: LEGAL
L1 – X1
N AMEER VAN WYK 01062

DIRECTOR: HR
L1 – X1
00197 SCUTTS A

DEPUTY DIRECTOR: AUXILIARY SERVICES
L3/2 – X1
TJ MAKGOBA 01008

DEPUTY DIRECTOR OFFICE OF THE SPEAKER
CONTRACT
BA TSHABALALA 01746
(NOV 2026)

ASSISTANT DIRECTOR: ADMINISTRATION
L4 – X1
A WELMAN 00108

ASSISTAN DIRECTOR COMMUNICATION
L4 –X1
01627 SOLOMONS YS

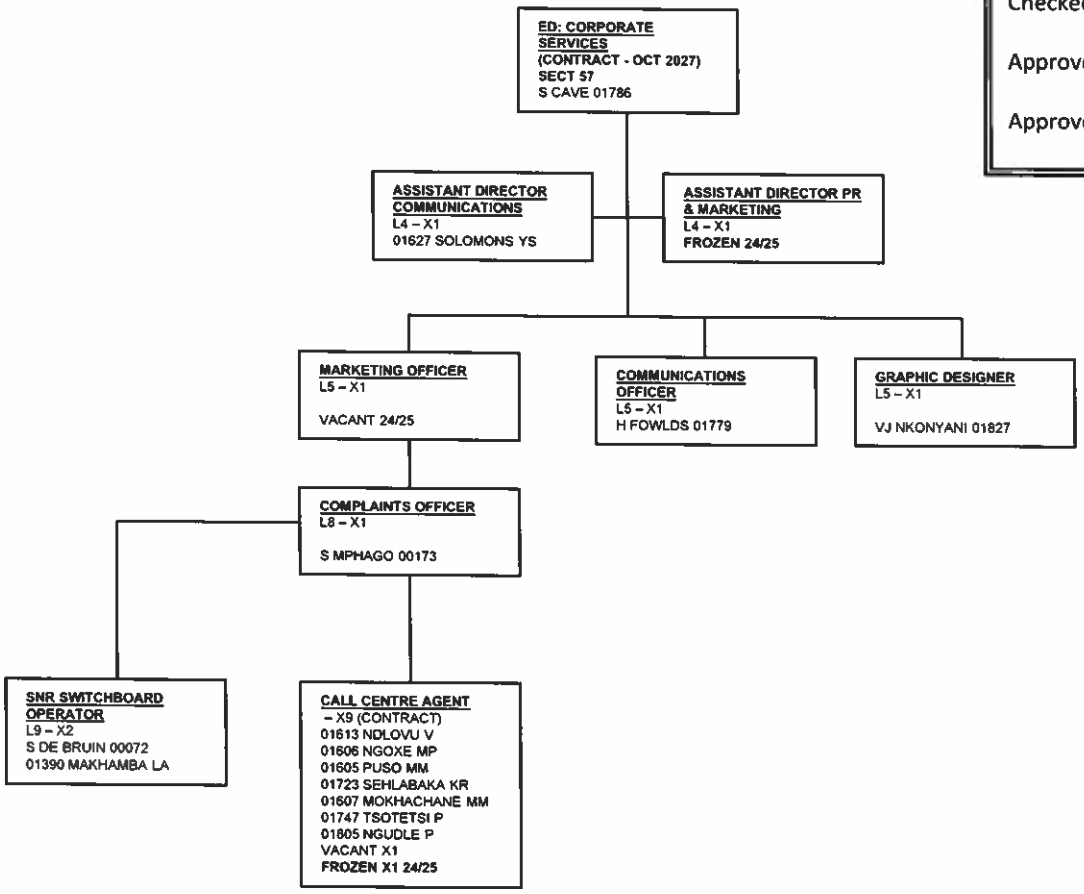
TEAM LEADER: BODYGUARDS
CONTRACT
L7 X1
FROZEN 24/25

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – COMMUNICATIONS (2024-2025)

Checked by HR:		Date:	2024/05/03
Approved by HOD:		Date:	06/05/2024
Approved by MM:		Date:	8/5/24

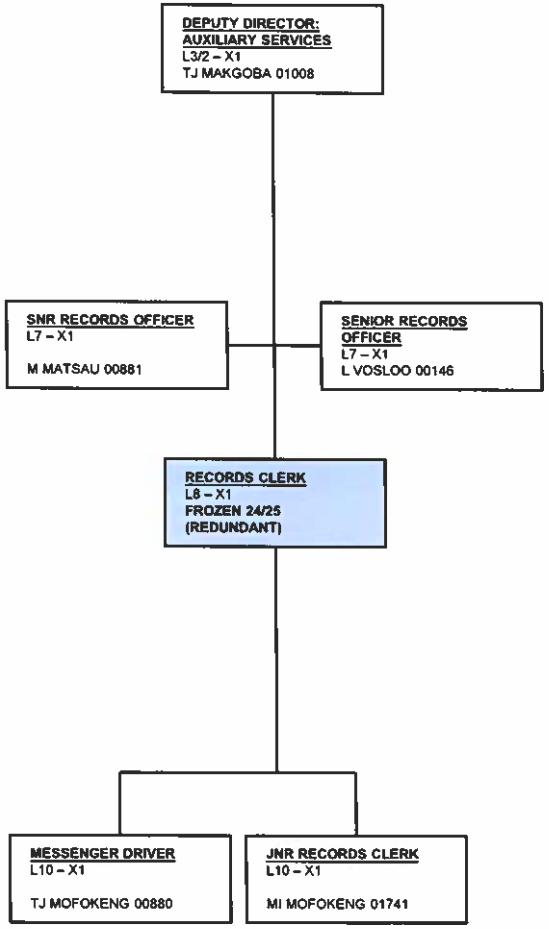


MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – RECORDS
(2024-2025)

Checked by HR:		Date:	2024/05/03
Approved by HOD:		Date:	06/05/2024
Approved by MM:		Date:	8/5/24



MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – AUXILIARY SERVICES (2024-2025)

Checked by HR:		Date:	2024/05/08
Approved by HOD:		Date:	06/05/2024
Approved by MM:		Date:	8/5/24

DEPUTY DIRECTOR: AUXILIARY SERVICES
L3/2 – X1
TJ MAKGOBA 01008

FACILITY MANAGER
L5– X1

FROZEN 24/25

ADMIN OFFICER BUILDINGS
L8– X1
FROZEN 24/25
(REDUNDANT)

HANDY MAN
L8– X1

T MTEMBU 01754

HANDY MAN: MECHATRONIC
L8– X1
FROZEN 24/25

TEAM LEADER/CARETAKER
L11/12 – X1
A RAMBAU 00613

GENERAL WORKER
L13 – X8
LE MOKGANELI 01298
NG MACHABE 00605
MK MODIKENG 00810
SF MOFOKENG 00557 (CTI)
TJ RALINKA 01730
M DWESA 01408
ME MQWATHI 01395
J NDLOVU 01423

GENERAL WORKER
L13– X1

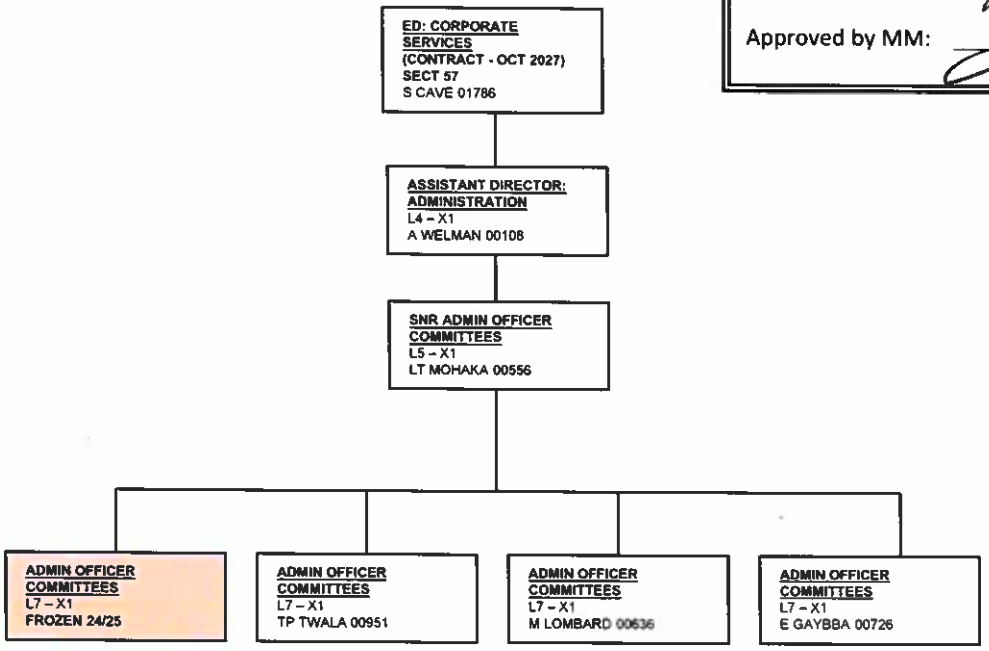
FROZEN 24/25

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – COMMITTEES (2024-2025)

Checked by HR:		Date: 2024/05/03
Approved by HOD:		Date: 06/05/2024
Approved by MM:		Date: 8/5/24



MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – CORPORATE SERVICES – VIP SPECIALISED UNIT (2024-2025)

Checked by HR:		Date: 2024/05/03
Approved by HOD:		Date: 06/05/2024
Approved by MM:		Date: 8/5/24

ED: CORPORATE SERVICES
(CONTRACT - OCT 2027)
SECT 57
S CAVE 01786

TEAM LEADER: BODYGUARD/DRIVER
CONTRACT
L7 X1
FROZEN 24/25

DRIVER
CONTRACT
L7 X1
FROZEN 24/25

DRIVER
CONTRACT
L8 – X1
FROZEN 24/25

DRIVER/BODYGUARD
CONTRACT
L8 - X1
SH SISOKA 01823

DRIVER/BODYGUARD
CONTRACT
L8- X1 – (NOV 2026)
J FELIX 01707

DRIVER/BODYGUARD
CONTRACT
L8 - X1
VP TSHABALALA 01832

DRIVER/BODYGUARD
CONTRACT (05/2024)
L8 - X1
P SIMELANE 01893

DRIVER/BODYGUARD
CONTRACT
L8 - X1
FROZEN 24/25

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – LEGAL
(2024-2025)

Checked by HR:		Date:	2024/05/03
Approved by HOD:		Date:	06/05/2024
Approved by MM:		Date:	8/5/24

DIRECTOR LEGAL
L1 – X1

N AMEER V WYK 01062

DEPUTY DIRECTOR LEGAL SERVICES
L3/2 – X1
FROZEN 24/25

ASSISTANT DIRECTOR: LEGAL
L4 – X3
VACANT 24/25 (6 MTHS)
S MHLAWULI 01808
V MBALI 01840

ADMIN CLERK LEGAL
L9 – X1

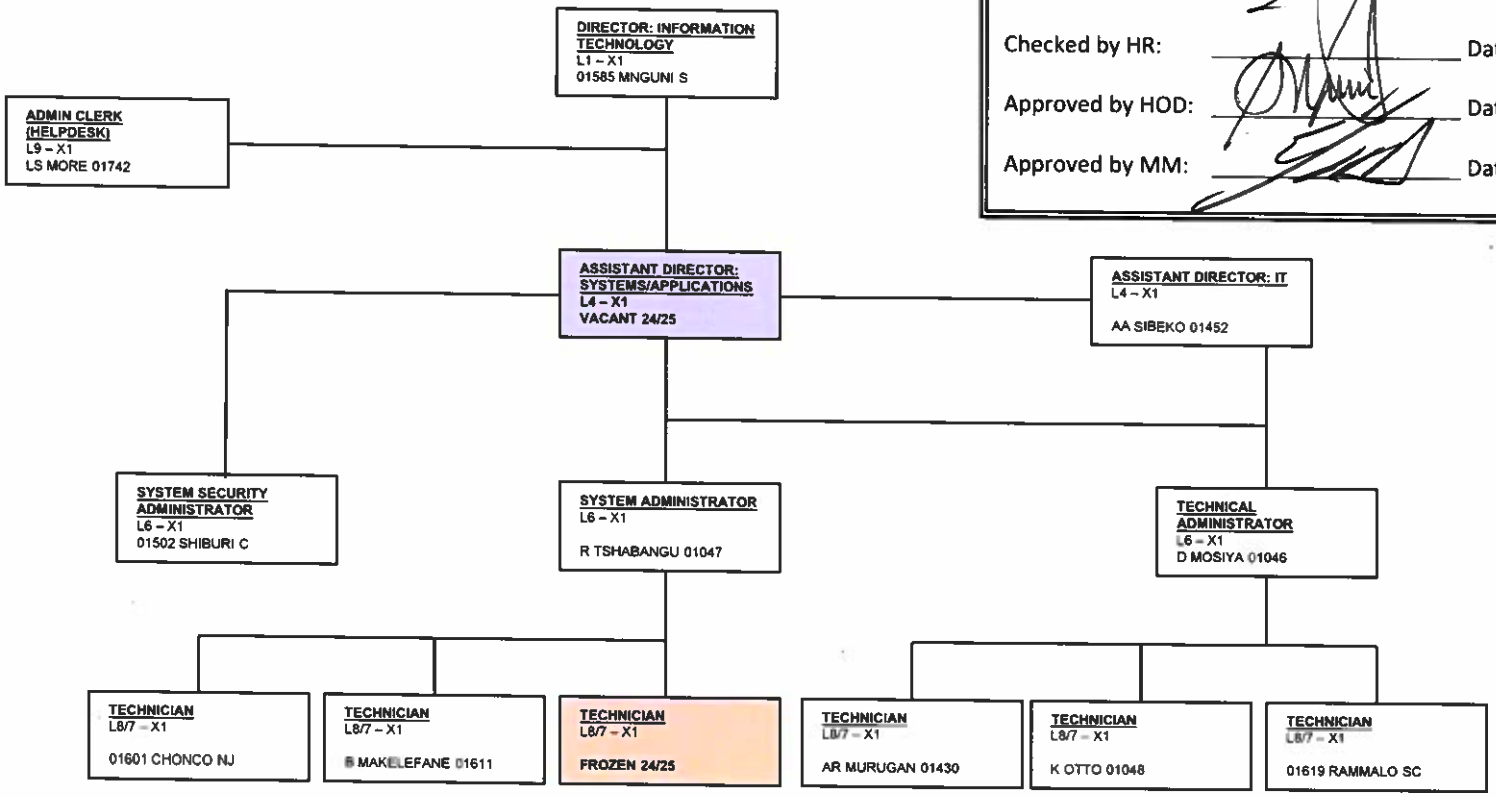
S KHABI 01809

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – INFORMATION TECHNOLOGY (2024-2025)

Checked by HR:		Date: 2024/05/03
Approved by HOD:		Date: 06/5/2024
Approved by MM:		Date: 8/5/24

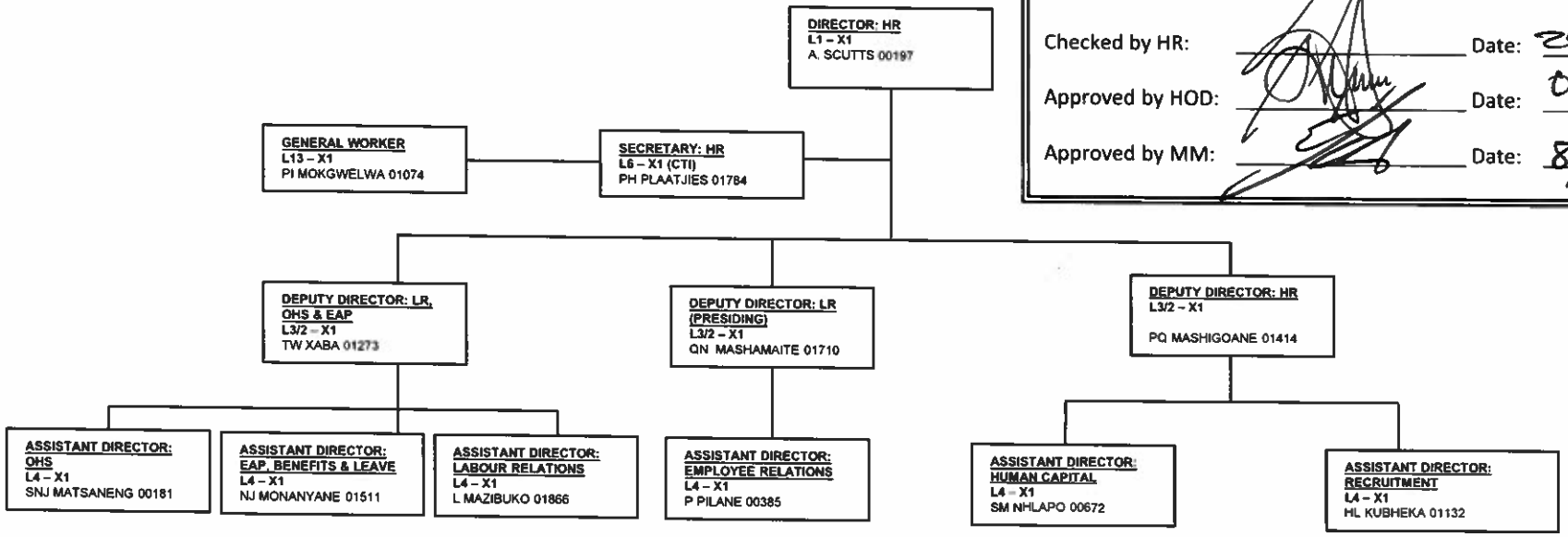


MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – HUMAN RESOURCES DIRECTORATE (2024-2025)

Checked by HR:		Date: 2024/05/03
Approved by HOD:		Date: 06/05/2024
Approved by MM:		Date: 8/5/24



MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – HUMAN RESOURCES DIRECTORATE
PMDS
(2024-2025)

DIRECTOR: HR
L1 – X1
A. SCUTTS 00197

DEPUTY DIRECTOR: HR
L3/2 – X1
PQ MASHIGOANE 01414

ADMIN OFFICER: PMDS
L6 – X1
(MOVE TO PMS)
FROZEN 24/25

Checked by HR:		Date:	2024/05/03
Approved by HOD:		Date:	06/05/2024
Approved by MM:		Date:	8/5/24

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – EAP, BENEFITS, TIME & ATTENDANCE & LEAVE (2024-2025)

Checked by HR:		Date:	2024/05/03
Approved by HOD:		Date:	06/5/2024
Approved by MM:		Date:	8/5/24

DEPUTY DIRECTOR: LR, OHS & EAP
L3/2 – X1
TW XABA 01273

ASSISTANT DIRECTOR: EAP, BENEFITS & LEAVE
L4 – X1
NJ MONANYANE 01511

ADMIN OFFICER: EAP & BENEFITS
L6 – X1
FROZEN 24/25

SNR CLERK: CLOCKING & BENEFITS
L8 – X1
MC PHUTSISI 01396

EAP CLERK
L9 – X1

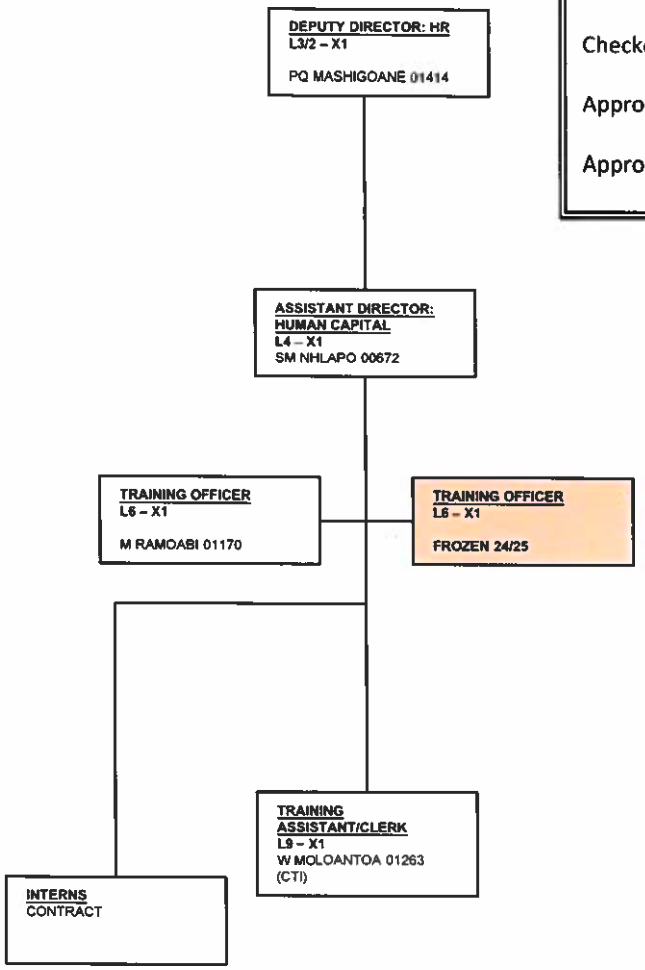
A GAMA 01780

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE –TRAINING (2024-2025)

Checked by HR:		Date: 2024/05/03
Approved by HOD:		Date: 06/5/2024
Approved by MM:		Date: 8/5/24

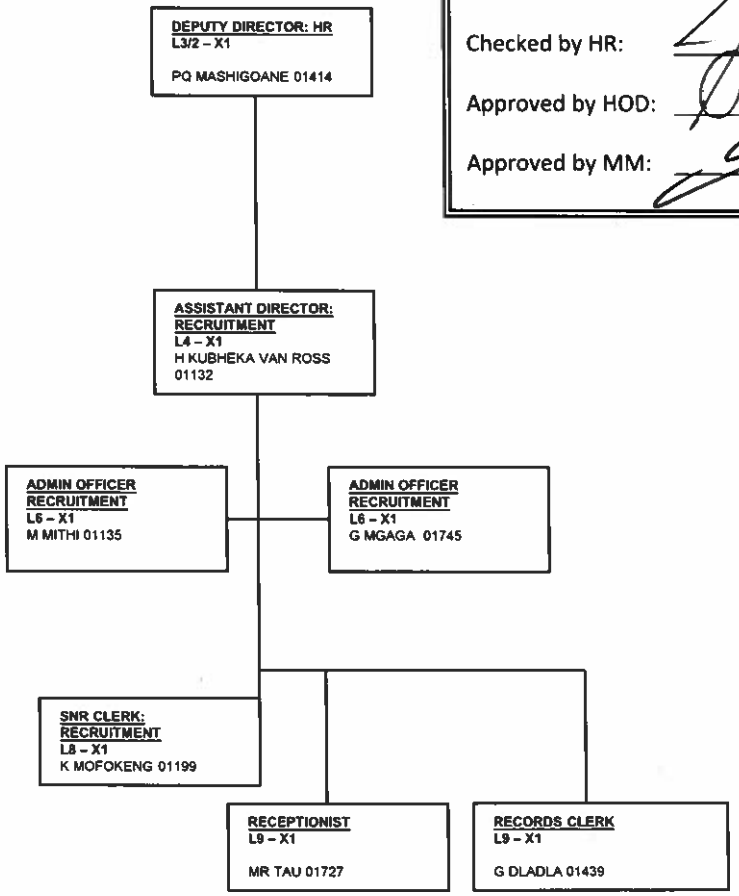


MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – OPERATIONS, RECRUITMENT AND SELECTION (2024-2025)

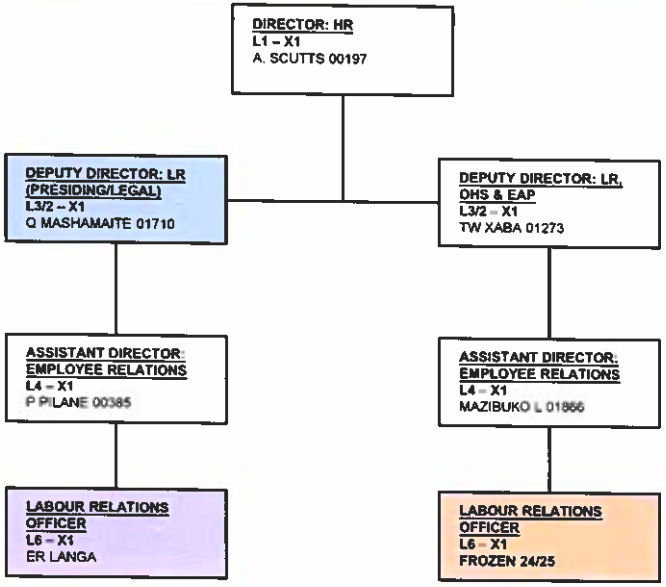
Checked by HR:		Date:	2024/05/03
Approved by HOD:		Date:	06/5/2024
Approved by MM:		Date:	8/5/24



MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – LABOUR RELATIONS (2024-2025)



Checked by HR:		Date:	2024/05/03
Approved by HOD:		Date:	06/5/2024
Approved by MM:		Date:	8/5/24

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – OCCUPATIONAL HEALTH & SAFETY (2024-2025)

DEPUTY DIRECTOR: LR, OHS & EAP
L3/2 – X1
TW XABA 01273

ASSISTANT DIRECTOR: OHS
L4 – X1
SNJ MATSANENG 00181

OCCUPAITONAL HEALTH & SAFETY OFFICER
L6 – X1
D SWART 00628

SNR CLERK: OHS
L8 – X1
NK MOGASHOA 01331

OHS CLERK
L9 – X1
T.E. MOTAUNG 01506

Checked by HR:		Date:	2024/05/03.
Approved by HOD:		Date:	06/5/2024.
Approved by MM:		Date:	8/5/24

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

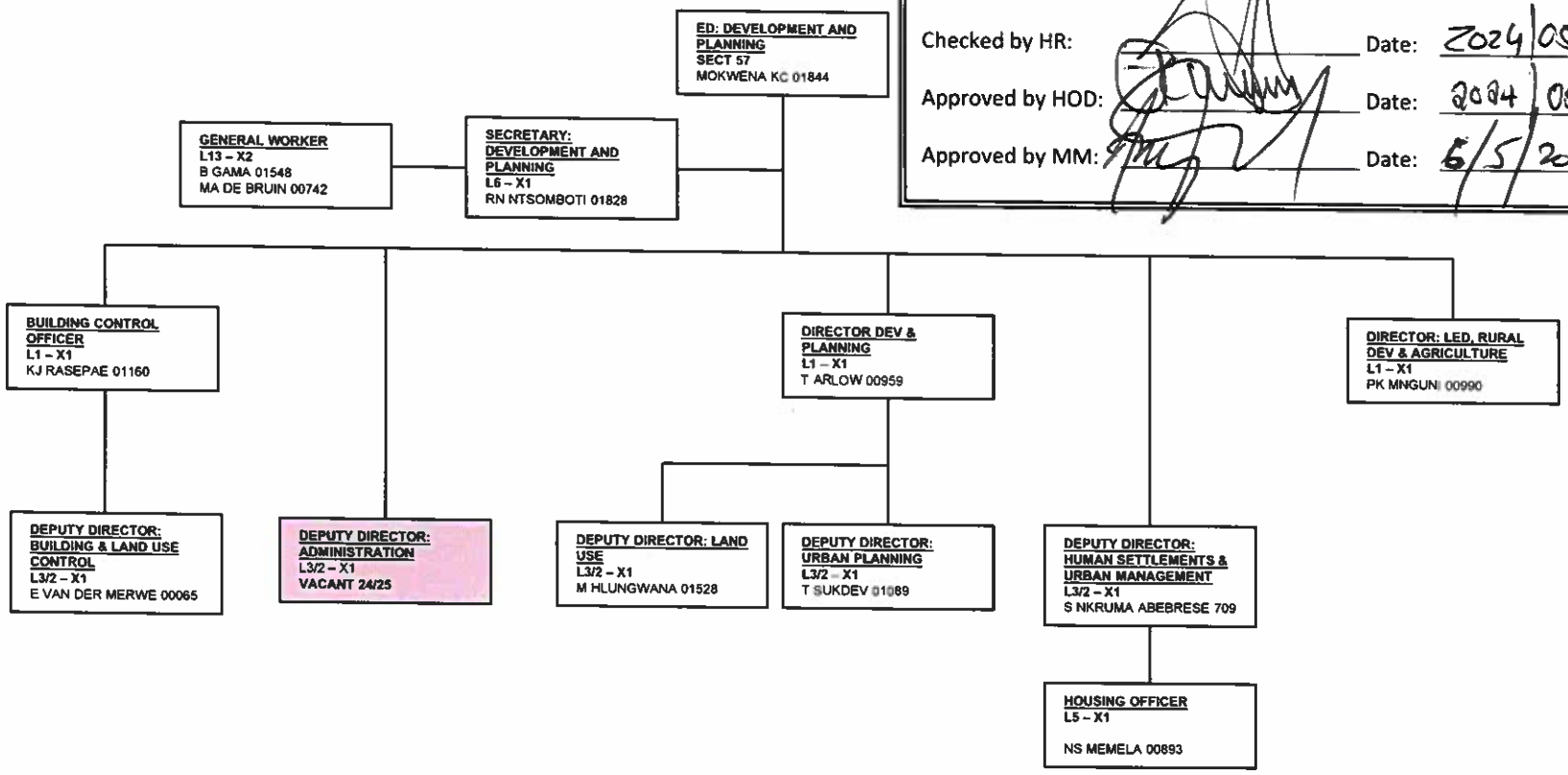
Updated MARCH 2024

PROPOSED ORGANISATIONAL STRUCTURE – DEVELOPMENT & PLANNING (2024-2025)

Checked by HR: _____ Date: 2024/05/03

Approved by HOD: _____ Date: 2024/05/06

Approved by MM: _____ Date: 6/5/2024



MIDVAAL Local Municipality
Masepala Wa Selehoe
Plaasike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – DEVELOPMENT & PLANNING– LED RURAL DEVELOPMENT & HUMAN SETTLEMENT (2024-2025)

Checked by HR:		Date:	2024/05/03
Approved by HOD:		Date:	2024/05/06
Approved by MM:		Date:	6.5.2024

ED: DEVLOPMENT AND PLANNING
SECT 57
MOKWENA KC 01844

DIRECTOR: LED, RURAL DEV & AGRICULTURE
L1 – X1
PK MNGUNI 00990

ASSISTANT DIRECTOR: LED
L4 – X1
TP RAMALEPE 01813

ASSISTANT DIRECTOR: LED (SC)
L4 – X1
N KOBE 01591

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – DEVELOPMENT & PLANNING– BUILDING CONTROL (2024-2025)

Checked by HR: _____ Date: 2024/05/03

Approved by HOD: _____ Date: 2024/05/06

Approved by MM: _____ Date: 6.5.2024

BUILDING CONTROL OFFICER
L1 – X1
KJ RASEPAE 01160

DEPUTY DIRECTOR: BUILDING & LAND USE
L3/2 – X1
E VAN DER MERWE 00065

ASSISTANT DIRECTOR: BUILDING & LAND USE CONTROL
L4 – X1
LM MAKOFANE 00426

- **BUILDING & LAND USE CONTROL OFFICER**
  L6/5 – X1
  VB SADIKI 01600
- **BUILDING INSPECTOR: BUILDING & LAND USE**
  L6/5 – X1
  DBR SCHOLTZ 01418

ASSISTANT DIRECTOR: BUILDING & LAND USE (LAW ENFORCEMENT)
L4 – X1
P STEYN 00400

- **BUILDING & LAND USE CONTROL OFFICER:**
  L6/5 – X1
  VACANT 24/25
- **BUILDING INSPECTOR: BUILDING & LAND USE**
  L6/5 – X1
  M MARAIS 00973
- **BUILDING & LAND USE CONTROL OFFICER:**
  L6/5 – X1
  VACANT 24/25 (6 MTHS)

ASSISTANT DIRECTOR BUILDING & LAND USE CONTROL
L4 – X1
ME MOTHEBE 00431

- **BUILDING & LAND USE CONTROL OFFICER**
  L6/5 – X1
  AP NKWASHU 01598
- **BUILDING INSPECTOR: BUILDING & LAND USE**
  L6/5 – X1
  R PAULSE 01465

ASSISTANT DIRECTOR BUILDING & LAND USE CONTROL
L4 – X1
LP ZULU 01693

- **BUILDING & LAND USE CONTROL OFFICER**
  L6/5 – X1
  SJ NHLAPO 01383
- **BUILDING & LAND USE CONTROL OFFICER**
  L6/5 – X1
  M E. MOGAPI 01483

ASSISTANT DIRECTOR BUILDING CONTROL & DRONE OPERATIONS
L4 – X1
VACANT 24/25 (6 MTHS)

- **BUILDING INSPECTOR: BUILDING & LAND USE**
  L6/5 – X1
  N TWALANI 01415
- **BUILDING & LAND USE CONTROL OFFICER**
  L6/5 – X1
  M LETSOALO 01409

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – DEVELOPMENT & PLANNING
BUILDING CONTROL: LAW ENFORCEMENT AND INFORMAL TRADING
(2024-2025)

Checked by HR:		Date: 2024/05/03
Approved by HOD:		Date: 2024/05/06
Approved by MM:		Date: 6.5.2024

BUILDING CONTROL OFFICER
L1 – X1
KJ RASEPAE 01160

BUSINESS TRADING LICENSING OFFICER
L8 – X1
NM MAZINGELA 00678 (CTI)

LAW ENFORCEMENT / COURT WARRANT OFFICER
L8 – X1
FROZEN X 1 24/25 (REDUNDANT)

LAW ENFORCEMENT / COURT WARRANT OFFICER
L8 – X1
TL PLAATJIES 01208 (CTI)

BY-LAW OFFICERS
CONTRACT x 10
CS MATANZIMA 01771
N CHABALALA 01772
VA RADEBE 01773
TE NYOKONG 01774
VACANT X6

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – DEVELOPMENT & PLANNING– URBAN PLANNING (2024-2025)

Checked by HR:		Date:	2024/05/03
Approved by HOD:		Date:	2024/05/06
Approved by MM:		Date:	6.5.2024

DIRECTOR: DEV & PLANNING
L1 – X1
T ARLOW 00959

DEPUTY DIRECTOR: URBAN PLANNING
L3/2 – X1
T SUKDEV 01089

ASSISTANT DIRECTOR: STRATEGIC PLANNING
L4 – X1
TH MASEMULA 01909

ASSISTANT DIRECTOR: LAND USE - GIS
L4 – X1
Y MONILAL 01404

ASSISTANT TOWN PLANNER - GIS
L6 – X1
SNB MADLHEJWANE 01529

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – DEVELOPMENT & PLANNING– LAND USE (2024-2025)

Checked by HR:		Date: 2024/05/03
Approved by HOD:		Date: 2024/05/06
Approved by MM:		Date: 6.5.2024

DIRECTOR: DEV & PLANNING
L1 – X1
T ARLOW 00959

DEPUTY DIRECTOR: LAND USE
L3/2 – X1
M HLUNGWANA 01528

- **ASSISTANT DIRECTOR LAND USE**
  L4 – X1
  FP PUTHINI 00665
- **ASSISTANT DIRECTOR: LAND USE**
  L4 – X1
  VACANT 24/25 (6 MTHS)
- **ASSISTANT DIRECTOR: LAND USE (SC)**
  L4 – X1
  K REDDY 01045
- **ASSISTANT DIRECTOR URBAN PLANNING**
  L5/4– X1
  M NEMATSWERANI 01138
- **ASSISTANT DIRECTOR URBAN/STRAT PLANNING**
  L4 – X1
  VACANT 24/25 (6 MTHS)

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – DEVELOPMENT & PLANNING – ADMINISTRATION (2024-2025)

Checked by HR:		Date:	2024/05/03
Approved by HOD:		Date:	2024/05/06
Approved by MM:		Date:	6.5.2024

EXECUTIVE DIRECTOR: DEVELOPMENT & PLANNING
SECT 56
MOKWENA KC 01844

DEPUTY DIRECTOR: ADMINISTRATION
L3 – X1
VACANT 24/25

ASSISTANT DIRECTOR: ADMINISTRATION
L4 – X1
PA THEKISO 01152

ADMIN OFFICER BUILDING & LAND USE
L6 – X1
VACANT 24/25 (6 MTHS)

SNR ADMIN ASSISTANT BUILDING & LAND USE
L7 – X1
ST MOTSEKWA 01136

ADMIN CLERK: BUILDING CONTROL
L9 – X1
SD NKOSI 01094

ADMIN OFFICER LAND USE
L6 – X1
L NTSHANGASE 01424

RECORDS CLERK
L8 – X3
MN MANUEL 01444
LER KGAMPE 01375
MI MAKHENE 01712

ADMIN ASSISTANT PROPERTIES & MARKETING
L7 – X1
R WAGNER 00963

ADMIN ASSISTANT
L8 – X1
FROZEN 24/25
(REDUNDANT)

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

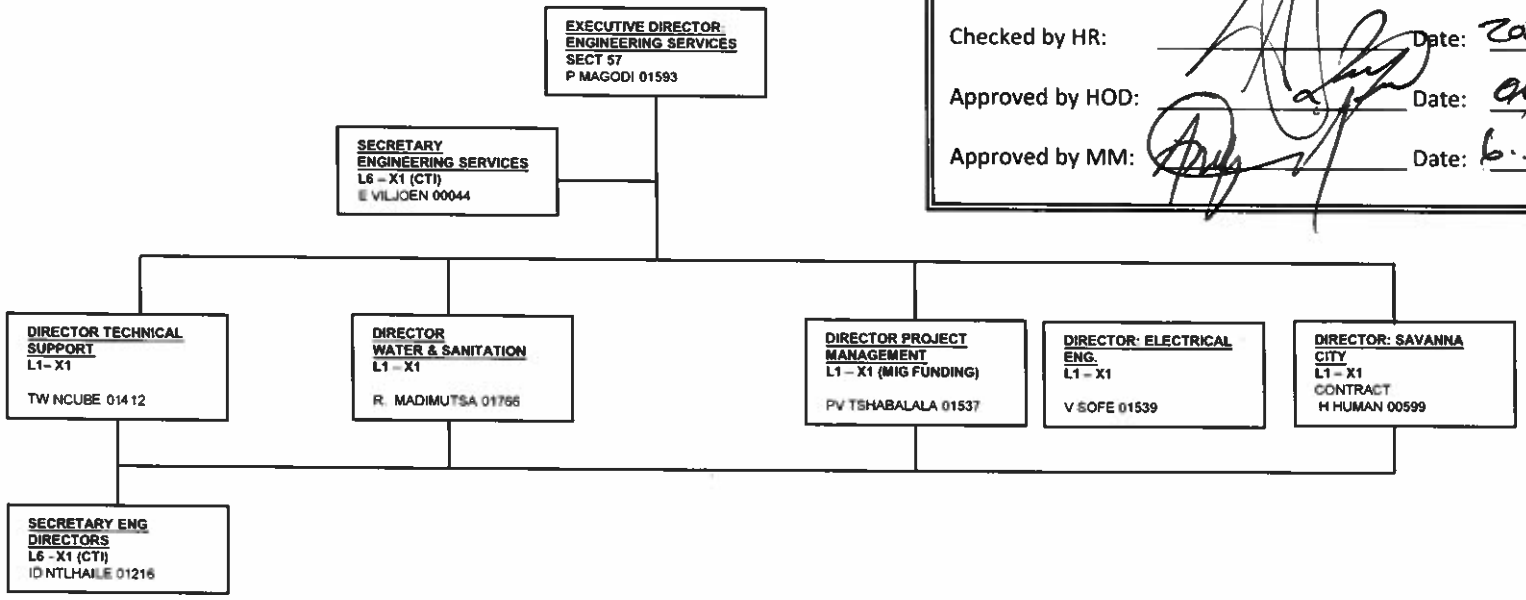
Updated MARCH 2024

ORGANISATIONAL STRUCTURE – ENGINEERING SERVICES - ADMIN (2024-2025)

Checked by HR: _____ Date: 2024/05/08

Approved by HOD: _____ Date: 06/05/2024.

Approved by MM: _____ Date: 6.5.2024

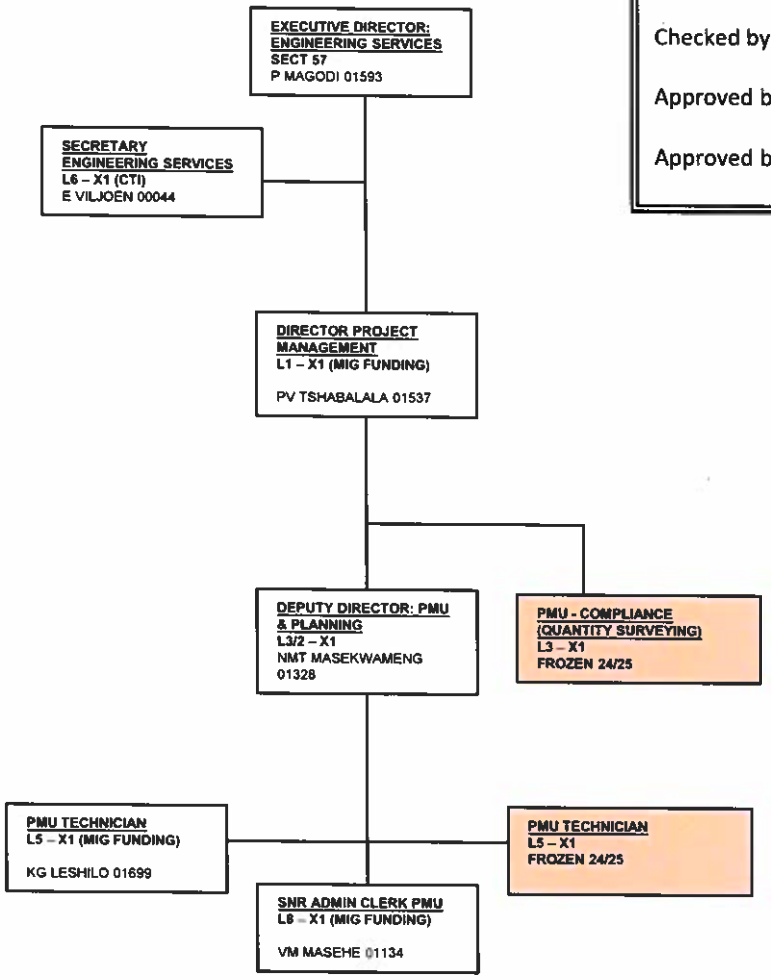


MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – ENGINEERING SERVICES – ADMIN - PMU (2024-2025)

Checked by HR:		Date:	2024/05/03
Approved by HOD:		Date:	06/05/2024
Approved by MM:		Date:	6.5.2024



MIDVAAL Local Municipality
Masepala Wa Selehae
Plaasike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – ENGINEERING SERVICES – TECHNICAL SUPPORT - ADMIN (2024-2025)

Checked by HR:		Date:	2024/05/03
Approved by HOD:		Date:	06/05/2024
Approved by MM:		Date:	6.5.2024

DIRECTOR TECHNICAL SUPPORT
L1 – X1
TW NCUBE 01412

ASSISTANT DIRECTOR: ADMINISTRATION
L4 – X1
KR MOLOI 01351

SNR ADMIN CLERK ENGINEERING SERVICES
L7 – X2
E AUGUST 00942
NE NGOASE 01069

SNR. ADMIN CLERK ENGINEERING SERVICES
L8 – X1 (CTI L8)
S MOSTERT 00812

SNR CLERK INFORMATION
L8 – X1
NN KILI 00792

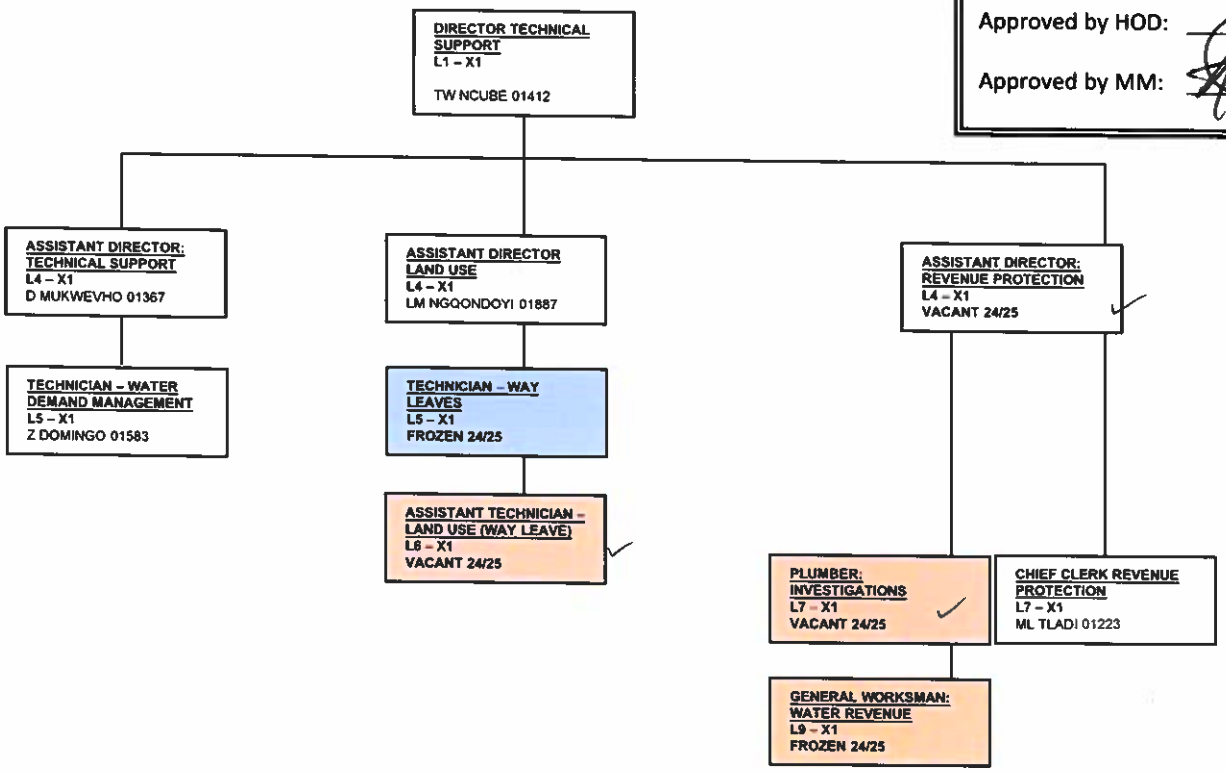
GENERAL WORKER
L13 – X2
TC KHANYILE 00658
KJ PHOHLELE 01558

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – ENGINEERING SERVICES – TECHNICAL SUPPORT (2024-2025)

Checked by HR:		Date:	2024/05/03
Approved by HOD:		Date:	06/05/2024.
Approved by MM:		Date:	6.5.2024



MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – ENGINEERING SERVICES - PURIFICATION (2024-2025)

Checked by HR: _____ Date: 2024/05/06

Approved by HOD: _____ Date: 06/05/2024.

Approved by MM: _____ Date: 6.5.2024

DIRECTOR: WATER & SANITATION
L1 – X1
R. MADIMUTSA 01766

ASSISTANT DIRECTOR: SANITATION
L4 – X1
VACANT 24/25

ADMIN CLERK
L9 – X1
VACANT 24/25

TECHNICIAN PURIFICATION & EFFLUENT
L5 – X1
NS RATSHILI 01525

MILLWRTIGHT
L6 – X1
RM SERERO 01429

GENERAL WORKSMAN
L9 X2
MBF SEKELE 01146
SI MOTLOUNG 01498

PROCESS CONTROLLER IV
L6 – X3
TK MOKHOMOLA 01434
MK NTSHEBELE 01817
VACANT X1 24/25 (6 MTHS)

PROCESS CONTROLLER III
L8 – X3
PJ SHEKOE 01565
OD SELAI 00861
LS MASILELA 01907

PROCESS CONTROLLER II
L11 – X2
MA MOKULUBETE 00974
FROZEN X1 24/25

PROCESS CONTROLLER I
L12 – X2
JT JUOELE 01492
PJ MOTAUNG 01563

PROCESS CONTROLLER IV
L6 – X2
DM MATYOBENI 01451
LS NXALA 01203

PROCESS CONTROLLER III
L8 – X3
BNT NXOZANA 01573
VACANT X1 24/25
FROZEN X1 24/25

PROCESS CONTROLLER II
L11 – X1
AB BEKEMYA 00981

PROCESS CONTROLLER I
L12 – X3
AK NYONI 01564
T LEPHAILA 01688
MM TSELE 01689

BOBCAT OPERATOR
L8 – X1
TE MOKHASI 01087

PROCESS CONTROLLER
L6 – X2
S.P LETLHAKE 00815
NC MASANABO 01662

SPECIAL WORKSMAN PUMP OPERATIONS
L8 – X1
S MABELANE 00916

PUMP OPERATOR ROTHDENE
L11 – X5
BV MOHAPI 01212
L ZULU 00980
NE MPEMBE 00923
VACANT X2 24/25

GENERALWORKER
L13 – X 08

AJ ALFONSO 01561
BJ MELLO 01694
KW RAMPAI 01698
MP MOFOKENG 01696
NE MDLULI 01819
VACANT X1 24/25
MD MOHALE 01697
KA VILAKAZI 01820

SPECIAL WORKSMAN OHENIMURI
L8 – X1
S NTISA 01636

PUMP OPERATOR PURIFICATION
L11 – X5
Z MOUSHULU 28909
MM NHLAPO 28725
DT TSHABALALA 01213
NS MASINA 01659
VACANT X1 24/25

DRIVER C1
L10 – X2
MB MOTAUNG 00947
MJ MONCHO 28720

MIDVAAL
Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – ENGINEERING SERVICES - SANITATION (2024-2025)

Checked by HR: _____ Date: 2024/05/03

Approved by HOD: _____ Date: 06/05/2024.

Approved by MM: _____ Date: 6.5.2024

DIRECTOR: WATER & SANITATION
L1 – X1
R. MADIMUTSA 01766

ASSISTANT DIRECTOR: SANITATION
L4 – X1
VACANT 24/25

ADMIN CLERK
L9 X1
E.K. MONDEMA 01295

SUPERINTENDENT SANITATION
L5 – X1
FROZEN 24/25

MILLWRTIGHT
L6 – X2
CW MNISI 01362
MN MAKWELA 01433

GENERAL WORKSMAN
L9 X3
ND SENAKGOMO 00927
JM NDLOVU 00884
VACANT X1 24/25

ARTISAN ASSISTANT
L12 – X1
S MFENE 00919
MJ MZUNGA 00062

GENERAL WORKER / CLEANER
L13 – X1
ST LETSOKA 00888

PLUMBER
L7 X1
FROZEN 24/25

SPECIAL WORKSMAN
L8 – X2
I SINGO 01262
TP KHOALI 00915

GENERAL WORKSMAN
L9 X1
FROZEN 24/25

GENERAL WORKER
L13 X1
FROZEN 24/25

FOREMAN: SEWER
L6 – X1
MS HLAKOTSA 00188

DRIVER(CODE EC)
L10 – X3
J.M. NGUBENI 00925
C. MCHUNU 01019
VACANT X1 24/25 (6 MTHS)

BOBCAT OPERATOR
L8 – X1
VACANT 24/25

TLB OPERATOR
L8 – X1
M MYATAZA 00534

PLUMBER
L7 X1
GL MASHIMBUKA 01499

SPECIAL WORKSMAN
L8 – X4
SH BIKIZANA 01003
TMP TSOTETSI 01354
JJ THANJEKWAYO 01202

GENERAL WORKER
L13 – X 14

DT MAKHATHENG 00251
TA MAYA 00918
LS RAMAISA 01379
M.I. MOKHADINYANE 1758
V.M. MTWAZ 1764I
KOJ MOKOENA 00434
P STATU 00928
BM MOLOTO 01487
L.P. MAKOFANE 1759
FROZEN X1 24/25
LD MDUNA 00917
TC SHOTO 01343
P.J. NAKEDI 1761
S.H. MAKUBU 1757

MIDVAAL Local Municipality
Masepala Wa Selehoe
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – ENGINEERING SERVICES - WATER (2024-2025)

Checked by HR: _____ Date: 2024/05/06

Approved by HOD: _____ Date: 06/05/2024.

Approved by MM: _____ Date: 6.5.2024

DIRECTOR: WATER & SANITATION
L1 – X1
R. MADIMUTSA 01766

ASSISTANT DIRECTOR: WATER SERVICES
L4 – X1
NGQUMSHE NLP 01879

ADMIN CLERK: WATER
L09 – X1
M.P. MOFOKENG 01193

SUPERINTENDENT WATER
L5 – X1
M MOAHLOLI 01489

GENERAL WORKER / CLEANER
L13 – X1
MF MOKOENA 00547

FOREMAN WATER
L6 – X2
D.S. MATSILISO 00532
WM LEGOABE 01494

MILLWRIGHT WATER
L6 – X1
VACANT 24/25

PLUMBER WATER
L7 – X5
J HUNGWANA 01631
M.B. MCELU 00418
A. MHLONGO 00580
AM MOKOENA 01462
MW MASHININI 01192

SPECIAL WORKSMAN WATER
L8 – X2
X NTUMANE 01812
MO MAGWAZA 00653

MACHINE OPERATOR TLB / BOBCAT - WATER
L8 – X1
PI LENKA 00417

MACHINE OPERATOR TLB - WATER
L8 – X1
AS MOKHOMONG 01363

GENERAL WORKSMAN: WATER
L9 – X2
VACANT X2 24/25 (6 MTHS)

ARTISAN ASSISTANT
L12 – X2
KD MASHAVA 01287
SA MOKONE 01393

GENERAL WORKSMAN: WATER
L9 – X3
KG KAMTE 00774
MP DITHAKONG 00290
T MATLOU 01370

GENERAL WORKSMAN: WATER
L9 – X1
TV TAAIBOSCH 00642

GENERAL WORKSMAN: WATER
L9 – X1
K.S. MADUNA 00638

TEAM LEADER COMPACTION
L12 – X1
D MBONA 00095

DRIVER CODE (EC) WATER
L10 – X3
MJ MOFOKENG 01268
PF MASELOA 01110
NKONYANE MW 01811

GENERAL WORKER WATER SUPPLY
L13 – x34

BS NHLAPO 00494
TJ MADUNA 00772
MA MANOTO 01410
RABORIFI 32021
VACANT X2 24/25
FROZEN X9 24/25

MJ MTHUNZI 00497
ML THANGELA 00779
SB MSIYA 01411
MDP MOFOKENG 1763

MF MOKOENA 00547
AE SMITH 00840
JT MOHLAMME 01491
S.B. NQUBUKA 1765

SM KOPUNG 00555
SP MOKOENA 01194
NN YILANI 01496
J. MOKHALI 1762

SD SITHUKUZA 00561
TN NTEMA 01291
SS MOFOKENG 01497
KM MOKOENA 01831

SM NHLAPO 00590
RI MOHLABAI 01368
MS MAKGALEMELE 01685TA

General Workers may be re-assigned at the discretion of the Engineering Technician

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – ENGINEERING SERVICES – ELECTRICAL - MAINTENANCE (2024-2025)

Checked by HR: _____ Date: 2024/05/03

Approved by HOD: _____ Date: 06/05/2024.

Approved by MM: _____ Date: 6.5.2024

DIRECTOR ELECTRICAL ENGINEERING
L1 – X1
V SOFE 01539

ASSISTANT DIRECTOR: MAINTENANCE
L4 – X1
N NKOMO 01641

SNR. ADMIN CLERK
L8– X1
L GREYLING (CTI) 0068

SUPERINTENDENT ELECTRICAL SUPPLY
L5 – X1
A DU TOIT 00058

GENERAL WORKER CLEANER
L13 – X1
NM CEKISO 00437

FOREMAN
L6 – X1
J ROSSOUW 0008

ELECTRICIAN
L7 – X1
DP SIMELANE 01142

ELECTRICIAN
L7 – X1
NL RIKHOTSO 01442

ELECTRICIAN
L7 – X2
TD BUNU 00503
VACANT X1 24/25

ELECTRICIAN - LOADSHEDDING
L7 – X2 (CONTRACT)
VACANT 24/25 (6 MTHS)

SPECIAL WORKSMAN ELECTRICAL SUPPLY (streetlight attendance)
L8- X3
TR MOKOAKOE 00936
FROZEN X2 24/25

SPECIAL WORKSMAN / TLB TRUCK OPERATOR ELECTRICAL SUPPLY
L8 – X1
K.T. KHANYE 00416

SPECIAL WORKSMAN / TLB TRUCK OPERATOR
L8 – X1
MA PHAHLANE 00710

GENERAL WORKSMAN: ELECTRICAL
L9 – X4
MJ HLOMOKA 00415

GENERAL WORKSMAN: ELECTRICAL
L9 – X4
B LATAKGOMO 00930

GENERAL WORKSMAN: ELECTRICAL
L9 – X1
FROZEN 24/25

ARTISAN ASSISTANT
L12 – X2
PP TSOLO 01365
VACANT X1 24/25 (6 MTHS)

ARTISAN ASSISTANT
L12 – X1
M MKUNDLU 00140

GENERAL WORKER ELECTRICAL SUPPLY
L13 – X5

P MOFOKENG 00254
RODOLO 01057
J CHALALA 01739
PJ THELETSANE 00259
N SIEGONYELA 01738

General Workers may be re-assigned at the discretion of the Engineering Technician

MIDVAAL
Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – ENGINEERING SERVICES – ELECTRICAL - MAINTENANCE (2024-2025)

Checked by HR:		Date: 2024/05/08
Approved by HOD:		Date: 06/05/2024
Approved by MM:		Date: 6.5.2024

DIRECTOR ELECTRICAL ENGINEERING
L1 – X1
V SOFE 01539

ASSISTANT DIRECTOR: MAINTENANCE
L4 – X1
N NKOMO 01641

SNR. ADMIN CLERK
L8– X1
L GREYLING (CTI)

SUPERINTENDENT ELECTRICAL SUPPLY
L5 – X1
A DU TOIT 00058

GENERAL WORKER CLEANER
L13 – X1
NM CEKISO 00437

FOREMAN
L6 – X1
L BOTHA 00199

ELECTRICIAN
L7 – X1
W BOTHA 00193

ELECTRICIAN
L7 – X1
VO SITHOLE 01352

ELECTRICIAN
L7 – X2
H. KOEKEMOER 01825
MB HLATSHWAYO 01556

ELECTRICIAN
L7 – X1
LOUW SSM 01843

SPECIAL WORKSMAN CRANE OPERATOR
L8 – X1
KP MOFOKENG 12009

SPECIAL WORKSMAN Boilermaker/Welder
L8 – X1
SG NOVUKELA 01454

SPECIAL WORKSMAN ELECTRICAL (streetlights)
L8 – X1
OS MOKOENA 00443

SPECIAL WORKSMAN TLB TRUCK OPERATOR
L8 – X1
EM SIBIYA 00249

GENERAL WORKSMAN: ELECTRICAL
L9 – X1
TO MBONANI 00441

GENERAL WORKSMAN: ELECTRICAL
L9 – X1
TRJ MOLOANTOA 01364

GENERAL WORKSMAN: ELECTRICAL
L9 – X1
MS MODIBA 00931

GENERAL WORKSMAN: ELECTRICAL
L9 – X1
MG MOTSHELE 1323

ARTISAN ASSISTANT
L12 – X2
TM THEJANE 01724
A DLAMINI 01726

GENERAL WORKER ELECTRICAL SUPPLY
L13 – X 12

M. MBELE 01270
TS MOFOKENG 00255
AN ZUMA 01449
AK MALATJIE 01735

D. TSHAGALA 01356
PA MNGUNI 00852
LC LITABE 01673
MF KOTELO 01737

FM MOFOKENG 01674
J PIETERSEN 01675
MJ MOLOTO 01734
VACANT X2 24/25

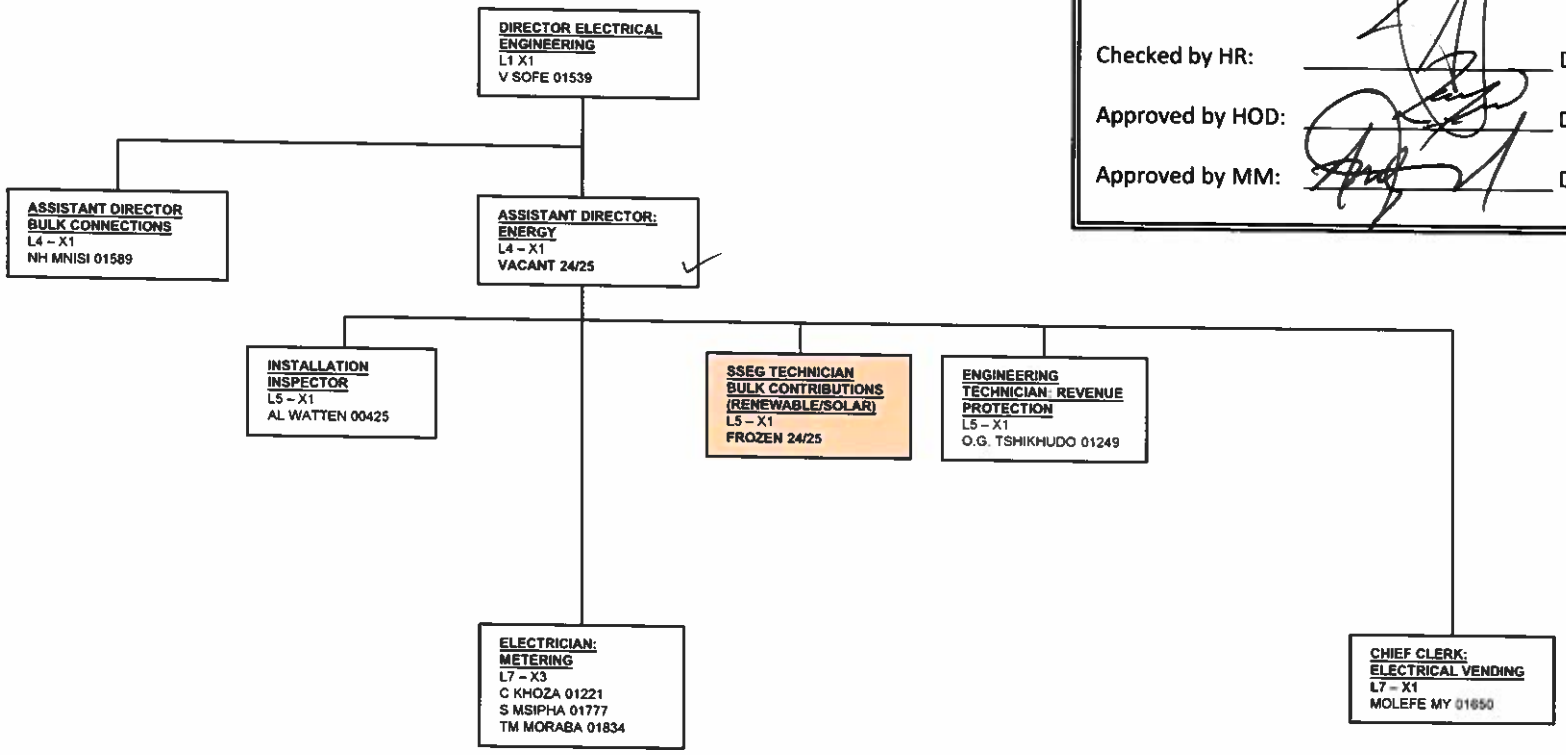
General Workers may be re-assigned at the discretion of the Engineering Technician

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – ENGINEERING SERVICES – ELECTRICAL – REVENUE PROTECTION (2024-2025)

Checked by HR:		Date:	2024/05/03
Approved by HOD:		Date:	06/05/2024
Approved by MM:		Date:	6.5.2024



MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – FINANCIAL SERVICES (2024-2025)

Checked by HR: _____ Date: 2024/05/03

Approved by HOD: _____ Date: 06/05/24

Approved by MM: _____ Date: 6.5.2024

EXECUTIVE DIRECTOR: FINANCIAL SERVICES
SECT 57
ZN MHLONGO 01781

SECRETARY: FINANCIAL SERVICES
L6 – X1 (XCTI)
CM MOTSEPHE 01513

DIRECTOR: INCOME
L1 – X1
AWC MEIRING 00671

DIRECTOR BUDGET & FINANCIAL REPORTING
L1 – X1
K DESAI 01183

DIRECTOR: EXPENDITURE
L1 – X1
TB MNGUNI 01810

DIRECTOR: SCM
L1 – X1
JF JONAS 00897

GENERAL WORKER: CLEANER
L13 – X2
CN MUKHUMA 01488
SE LETSELE 00047

FINANCIAL MANAGEMENT INTERNS
CONTRACT X5
MP MOHUBA 01656
NA MITHI 01794
S MAGOQOZA 01888
LT MASHIGO 01889
TK DEVENHIUS 01890

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – FINANCIAL REPORTING (2024-2025)

Checked by HR: _____ Date: 2024/05/03.

Approved by HOD: _____ Date: _____

Approved by MM: _____ Date: 6.5.2024

DIRECTOR: BUDGET & FINANCIAL REPORTING
L1 – X1
K DESAI 01183

DEPUTY DIRECTOR: BUDGET & FINANCIAL REPORTING
L3/2 – X1
N. GITE 01374

SUB ACCOUNTANT FINANCIAL REPORTING
L6 – X1
FROZEN 24/25

SUB ACCOUNTANT: CASH MANAGEMENT
L6 – X1
MAZIBUKO VN 01846

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – FINANCIAL REPORTING - ASSETS (2024-2025)

Checked by HR: _____ Date: 2024/05/03

Approved by HOD: _____ Date: 06/05/24

Approved by MM: _____ Date: 6.5.2024

DIRECTOR BUDGET & FINANCIAL REPORTING
L1 – X1
K DESAI 01183

DEPUTY DIRECTOR: BUDGET & FINANCIAL REPORTING
L3/2 – X1
N. GITE 01374

ACCOUNTANT: ASSETS & FINANCIAL REPORTING
L5 – X1
JHETAM 01906

SUB ACCOUNTANT FINANCIAL REPORTING
L6 – X1
G DU KOKER 00238

CLERK: ASSETS
L 9 –X1
T MOABI 01880

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

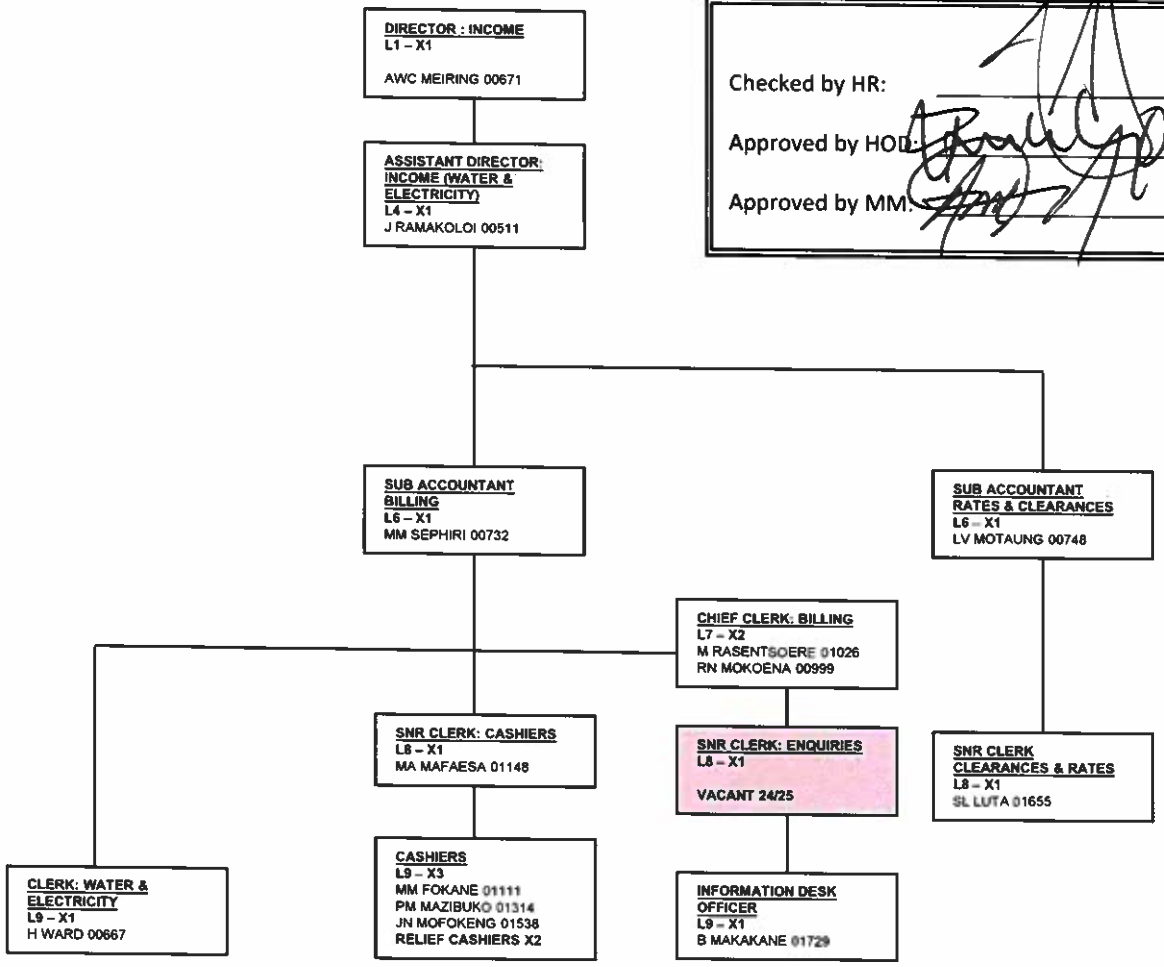
Updated MARCH 2024

ORGANISATIONAL STRUCTURE – INCOME SERVICES (2024-2025)

Checked by HR: _____ Date: 2024/05/08.

Approved by HOD: _____ Date: 06/05/24

Approved by MM: _____ Date: 6.5.2024



MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – DEBT COLLECTION (2024-2025)

Checked by HR: _____ Date: 2024/05/03

Approved by HOD: _____ Date: 06/05/24

Approved by MM: _____ Date: 6.5.2024

DIRECTOR : INCOME
L1 – X1
AWC MEIRING 00671

ASSISTANT DIRECTOR: PROPERTY RATES & CREDIT CONTROL
L4 – X1
JM RAMODIKE 01184

ACCOUNTANT PROPERTY VALUATION ADMIN
L5 – X1
SB THOBANE 01349

ACCOUNTANT: RECONCILIATION DEBT
L5 – X1
JS BHENGU 01023

ACCOUNTANT: DEBT COLLECTION
L5 – X1
VACANT 24/25

SUB ACCOUNTANT CLEARANCES & PROP TRANSFERS
L6 – X1
MM TSOAELI 00696

SUB ACCOUNTANT: REVENUE ENHANCEMENT
L6 – X1
VACANT 24/25

SUB ACCOUNTANT: DEBT COLLECTION
L6 – X1
FROZEN 24/25

CHIEF CLERK: ACCOUNTS
L7 – X2
CJ FOURIE 28862
NM MOLEDI 00071

CHIEF CLERK DEBT COLLECTION
L7 – X2
DP MTHEMBU 01297
L FUNEKA 00533

SNR CLERK SUNDRY DEBTS
L8 – X1
TP RADEBE 01025

SNR CLERK CLEARANCE CERTIFICATE (INCOME)
L8 – X4
S MARENENE 01702
TC MBULAHENI 01646
MP MOSOLA 01530
M MATHIVA 01704

SNR CLERK FINANCIAL CONTROL
L8 – X1
M FILMALTER 00378

SNR CLERK DEBT COLLECTION
L8 – X1
ML MAKAZANE 01567

CLERK STATISTICS
L9 – X1
C DLAMINI 01744

CLERK INDIGENT ADMINISTRATION
L9 – X1
L BIKITSHA 00477

CLERK DEBT COLLECTION
L9 – X1
M MAMATELA 01435

CLERK DEBT COLLECTION
L9 – X1
LG MOTSAMAI 01015

CLERK: TRAFFIC FINES
L9 – X2 (CONTRACT)
FROZEN 24/25

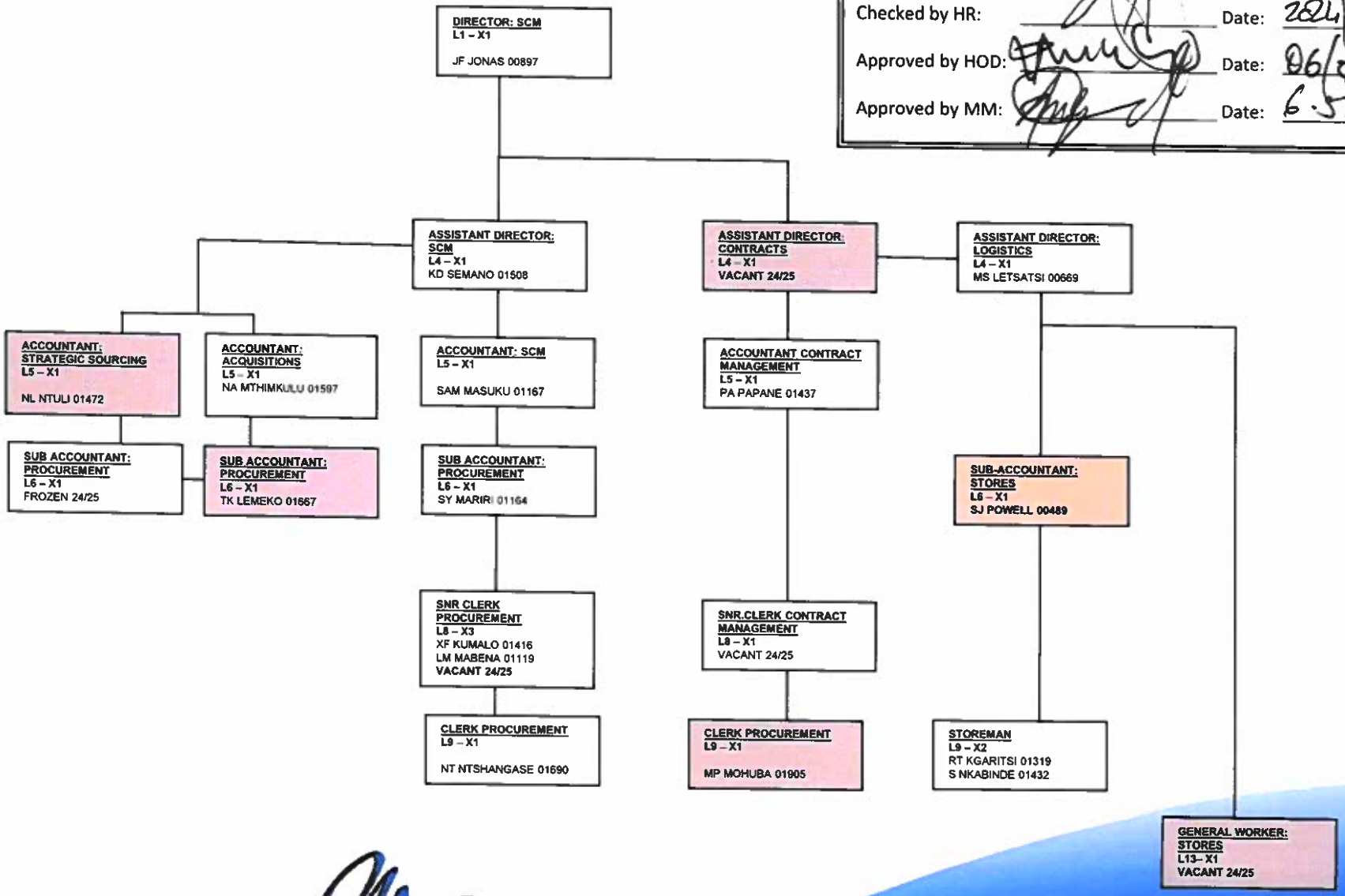
Updated MARCH 2024

ORGANISATIONAL STRUCTURE – SUPPLY CHAIN MANAGEMENT (2024-2025)

Checked by HR: _____ Date: 2024/05/03

Approved by HOD: _____ Date: 06/05/24

Approved by MM: _____ Date: 6.5.2024



MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

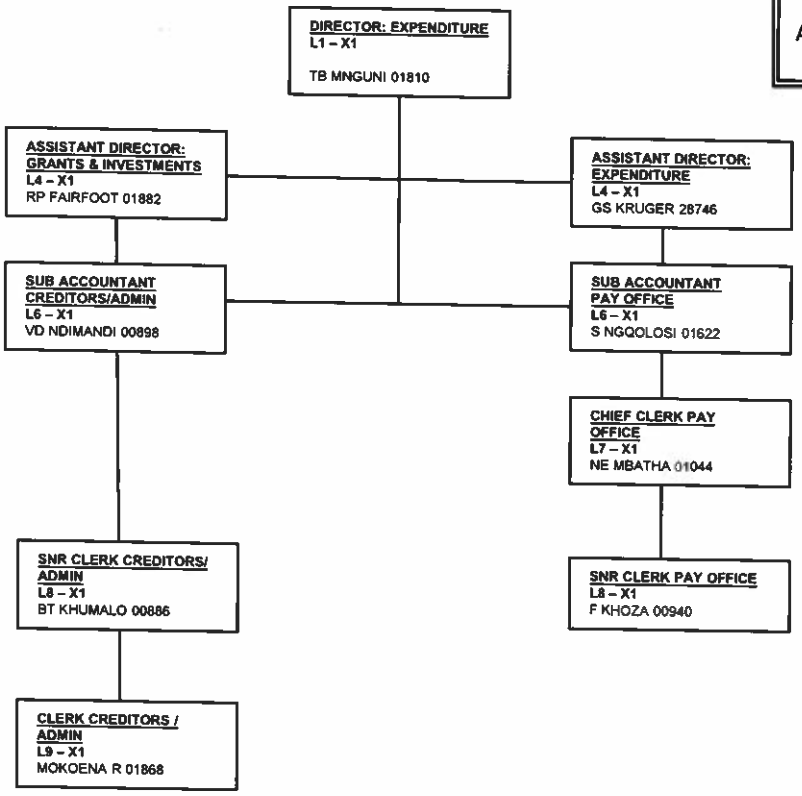
Updated MARCH 2024

ORGANISATIONAL STRUCTURE – EXPENDITURE (2024-2025)

Checked by HR: _____ Date: 2024/05/03.

Approved by HOD: _____ Date: 06/05/24

Approved by MM: _____ Date: 6.5.2024



MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

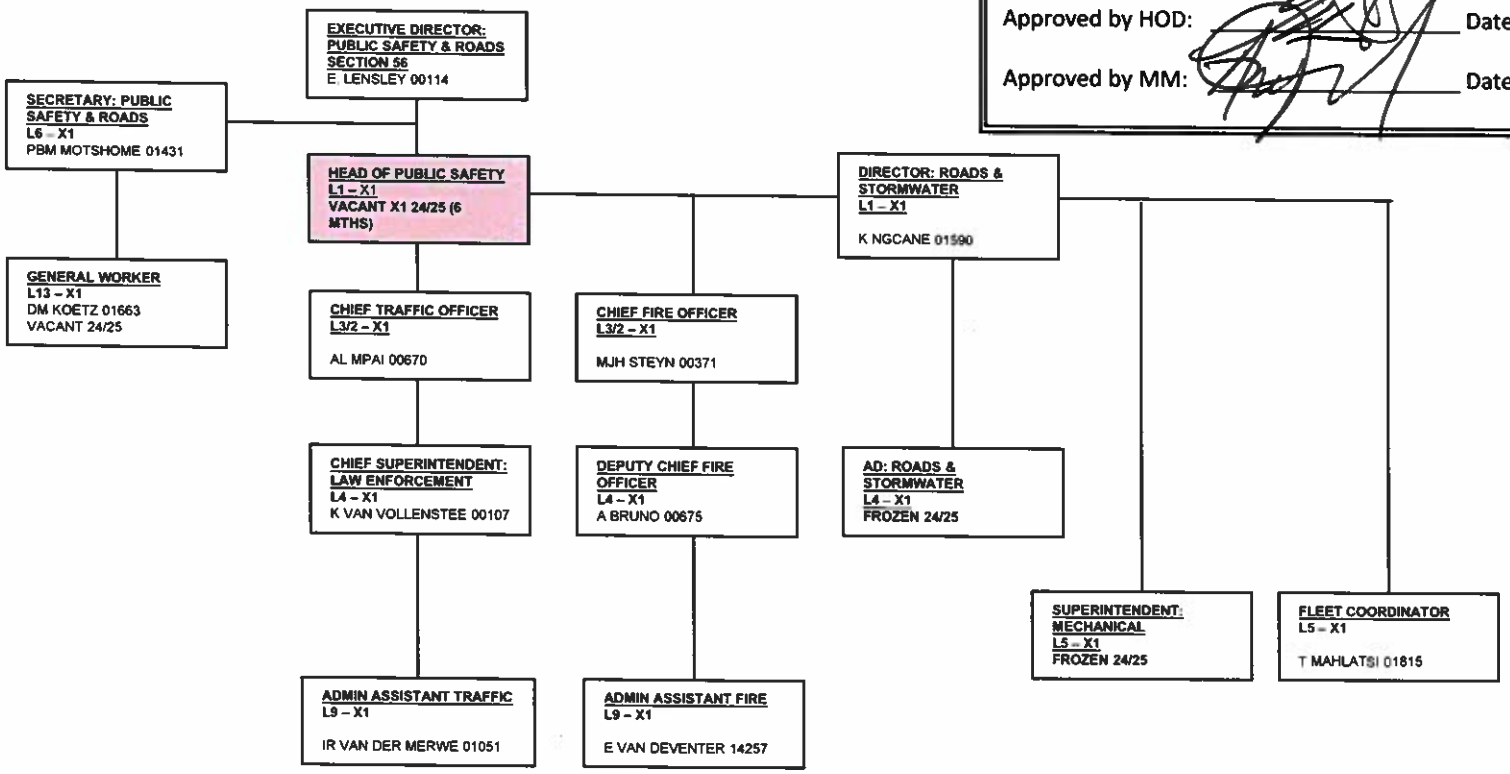
Updated MARCH 2024

ORGANISATIONAL STRUCTURE – PUBLIC SAFETY AND ROADS – TRAFFIC & FIRE (2024-2025)

Checked by HR: _____ Date: 2024/05/03

Approved by HOD: _____ Date: 6/5/24

Approved by MM: _____ Date: 6.5.2024



MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – PUBLIC SAFETY AND ROADS - TRAFFIC (2024-2025)

Checked by HR: _____ Date: 2024/05/03

Approved by HOD: _____ Date: 6/5/24

Approved by MM: _____ Date: 6.5.2024

CHIEF TRAFFIC OFFICER
L3/2 – X1
AL MPAI 00670

CHIEF SUPERINTENDENT: LAW ENFORCEMENT
L4 – X1
K VAN VOLLENSTEE 00107

SUPERINTENDENT SPEED
L6/5 – X1
B SMIT 00042

TRAFFIC OFFICER
L8/7 – X6
S VAN DER BERG 00536
LB MBATHA 01981
VACANT X4 24/25 (6 MTHS)
(SLIDING SCALE)

TRAFFIC OFFICER GR2
L9 – X1
AS NKUNA 01782
(SLIDING SCALE)

SUPERINTENDENT LAW ENFORCEMENT
L6/5 – X1
D SIMELANE 00543

ASSISTANT SUPERINTENDENT
L6 – X1
NM GODOLE 01027

TRAFFIC OFFICER
L8/7 – X7
KJ BALOYI 00240
MR MAZIBUKO 01030
TA NKEKI 01031
XD MAZINGELA 01040
MJ LOURENS 00858
SG RADEBE 01842
LHA MHANGANI 01869
(SLIDING SCALE)

TRAFFIC WARDEN OFFICER (INTERNS)
L14 – X3 (CONTRACT)
VACANT X3 24/25 (6 MTHS)

SUPERINTENDENT LAW ENFORCEMENT
L6/5 – X1
P NKWINIKA 00540

TRAFFIC OFFICER
L8/7 – X6
NA MAHODE 00375
DG LABUSCHAGNE 00822
JT SOLDAT 01034
JP LENKA 01039
M PHULE 00539
SA BIYELA 01785
(SLIDING SCALE)

TRAFFIC WARDEN OFFICER (INTERNS)
L14 – X4 (CONTRACT)
VACANT X4 24/25 (6 MTHS)

LAW ENFORCEMENT OFFICER
L7 – X2
FROZEN X2 24/25

CBD OFFICER
L8 – X1
FROZEN 24/25

POINT DUTY OFFICER
X15 (TEMP CONTRACT)
NE MOJOLA 00075
TJ LUTA 00214
KJ DHLAMINI 00241
MA PAPALI 00504
PV HOYANE 01265
PK SEBILOANE 01648
SH SELBALO 01732
KK MOATLHODI 01733
PP MANOELI 01767
BS MAHLANGU 01768
ZWANE XK 01267
VACANT X4 24/25

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – PUBLIC SAFETY AND ROADS TRAFFIC (2024-2025)

Checked by HR:		Date: 2024/05/03
Approved by HOD:		Date: 6/5/24
Approved by MM:		Date: 6.5.2024

CHIEF TRAFFIC OFFICER
L3/2 – X1
AL MPAI 00670

CHIEF SUPERINTENDENT: LAW ENFORCEMENT
L4 – X1
K VAN VOLLENSTEE 00107

ADMIN CLERK
L9 – X1
IR VAN DER MERWE 01051

SUPERINTENDENT ADMINISTRATION
L6/5 – X1
MB TSOTETSI 00155

ASSISTANT SUPERINTENDENT
L6 – X1
NM GODOLE 01027

BACK OFFICE OFFICERS
L8 – X1
MP MAKHOTLA 00174

ADMIN CLERK
L9 – X1
FROZEN 24/25

SNR ADMIN CLERK
L8 – X1
S THULARE 00050

ADMIN CLERK
L9 – X2
MB MAKOATSANE 00876
Q SEHURUTSE 00073

COURT/WARRANT OFFICER
L8/7 – X2
LA MOTITSOE 14259
M LE ROUX 00178

TRAFFIC WARDEN OFFICER (INTERN)
L14 – CONTRACT)
VACANT

SUPERINTENDENT TECHNICAL SUPPORT
L6/5 – X1
BE RADEBE 01033

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – PUBLIC SAFETY AND ROADS
FIRE (2024-2025)

Checked by HR: _____ Date: 2024/05/03

Approved by HOD: _____ Date: 6/5/24

Approved by MM: _____ Date: 6.5.2024

CHIEF FIRE OFFICER
L3/2 – X1
MJH STEYN 00371

DEPUTY CHIEF FIRE OFFICER
L4 – X1
A BRUNO 00675

REGIONAL DIVISIONAL OFFICER OPERATIONS
L6/5 – X1
CJ HEYMANS 14146

STATION OFFICER
L7 – X1
THA ENGELBRECHT 00160

SNR FIRE FIGHTER
L8 – X5
JJ. HANYANE 80173
KNJ MTAMBO 00698
L NGOEPE 00612
C MASHISHI 01097
RMM MOKGATLE 01237
(SLIDING SCALE)

FIRE FIGHTER
L9 X1
NE TSHABALALA 01178
(SLIDING SCALE)

JNR FIRE FIGHTER
L10 – X1
ME RADEBE 01176

STATION OFFICER
L7 – X1
G VAN STADEN 00166

SNR FIRE FIGHTER
L8 – X5
MD PHEKO 00701
JD MOREBA 01159
M MAKOLA 00608
TS TSOARI 01179
PX ZWANE 01161
(SLIDING SCALE)

FIRE FIGHTER
L9 X 1
FROZEN 24/25
(SLIDING SCALE)

JNR FIRE FIGHTER
L10 – X3
KB BOTHA 01614
PR NDALA 01621
KC LUVHIMBI 01615

STATION OFFICER
L7 – X1
C VERMEULEN 00914

SNR FIRE FIGHTER
L8 – X4
MJ MOTLOUNG 80468
TA NTSANE 00700
PA LEPUTU 00614
KB PLAATJIES 704
(SLIDING SCALE)

FIRE FIGHTER
L9 X1
FROZEN 24/25
(SLIDING SCALE)

JNR FIRE FIGHTER
L10 – X4
DK HLUBI 01180
EN MAHLANGU 01847
TS MOTLOUNG 01848
CT MOKOATSI 01855

STATION OFFICER
L7 – X1
MS MAMATELA 80015

SNR FIRE FIGHTER
L8 – X4
A MONTLE 00620
A HERBST 00907
FROZEN X2 24/25
(SLIDING SCALE)

FIRE FIGHTER
L9 X1
T MUDZULI 01043
(SLIDING SCALE)

JNR FIRE FIGHTER
L10 – X1
RM MOTLHATLHEDI 01239

PIER STATION OFFICER
L7 – X1
VACANT

CONTROL ROOM OPERATOR
L8 – X5
AKA LUBBE 00964
A ZULU 80456 (CTI)
TJ RAMODIBE 13098
FROZEN X2 24/25

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – PUBLIC SAFETY AND ROADS
FIRE (2024-2025)

Checked by HR:		Date:	2024/05/03
Approved by HOD:		Date:	6/5/24
Approved by MM:		Date:	6.5.2024

CHIEF FIRE OFFICER
L3/2 – X1
MJH STEYN 00371

DEPUTY CHIEF FIRE OFFICER
L4 – X1
A BRUNO 00675

REGIONAL DIVISIONAL OFFICER TRAINING
L6/5 – X1
M MOMMSEN 00900

REGIONAL DIVISIONAL OFFICER FIRE SAFETY
L6/5 – X1
NMJ GOUWS 00697

FIRE & RESCUE INSTRUCTOR
L7 – X1
T.G. MOLESIWA 01836

TEMP FIRE FIGHTERS
CONTRACT – X 28
PM MORAJANE 1680
JM MTHOMBENI 1686
NM THUSI 01870
JF MOTAUNG 01871
IE XABA 01872
W SIBUYI 01873
M SIBEKO 01874
AM MOTSHEGWE 01875
M MAKHOANE 01876
HD MALINGA 01877
TS KHANYA 01883
ZBL VAN BILJION 01884
P MOSIANE 01885
LG MOJAJU 01886
VACANT X17 24/25 (6 MTHS)

ADMIN CLERK FIRE
L8 – X1 (CTI)
E VAN DEVENTER 14257

PIER INSTRUCTOR
L7 – X1
FC TRUTER 01620

PIER ASSISTANT
L9 – X1
DM RANTSIE 01473

FIRE EMERGENCY SAFETY OFFICER
L7 – X1
G BELLINGAN 00159

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – PUBLIC SAFETY AND ROADS
FIRE (VAAL MARINA) (2024-2025)

Checked by HR: _____ Date: 2024/05/08

Approved by HOD: _____ Date: 6/5/24

Approved by MM: _____ Date: 6.5.2024

DIRECTOR: FIRE
L3/2 – X1
MJH STEYN 00371

DEPUTY CHIEF FIRE OFFICER
L4 – X1
A BRUNO 00675

REGIONAL DIVISIONAL OFFICER OPERATIONS
L6/5 – X1
CJ HEYMANS 14146

GENERAL WORKER
L13 – X1
VACANT 24/25 (6 MTHS)

STATION OFFICER
L7 – X1
SM PHAKATHI 1800

SNR FIRE FIGHTER
L8 – X1
FROZEN X1 24/25
(SLIDING SCALE)

FIRE FIGHTER
L9 X1
UNFUNDED
(SLIDING SCALE)

JNR FIRE FIGHTER
L10 – X3
QJ BREEDT 01798
MD MOKHOKA 01798
TC BLANKWE 01799

TEMP FIRE FIGHTER
CONTRACT – X2
NM THUSI 01870
HD MALINGA 01877

STATION OFFICER
L7 – X1
RJ MAMATELA 00609

SNR FIRE FIGHTER
L8 – X0
(SLIDING SCALE)

FIRE FIGHTER
L9 X 1
UNFUNDED
(SLIDING SCALE)

JNR FIRE FIGHTER
L10 – X3
PJ MANELE 1803
A MATEE 01802
VACANT 24/25

TEMP FIRE FIGHTER
CONTRACT– X3
JF MOTAUNG 01871
IE XABA 01872
W SIBUYI 01873

STATION OFFICER
L7 – X1
E PIENAAR 00617

SNR FIRE FIGHTER
L8 – X0
(SLIDING SCALE)

FIRE FIGHTER
L9 X1
UNFUNDED
(SLIDING SCALE)

JNR FIRE FIGHTER
L10 – X3
PN TSOTETSI 01865
J TSHABALALA 01849
FROZEN X1 24/25

TEMP FIRE FIGHTER
CONTRACT– X2
M SIBEKO 01874
M MAKHOANE 01876

STATION OFFICER
L7 – X1
PJ MOFOKENG 00163

SNR FIRE FIGHTER
L8 – X0
(SLIDING SCALE)

FIRE FIGHTER
L9 X1
UNFUNDED
(SLIDING SCALE)

JNR FIRE FIGHTER
L10 – X3
P MTHIMONYI 01632
PT MARUMO 1616
AT MPINGA 01801

TEMP FIRE FIGHTER
CONTRACT– X3
PM MORAJANE 01880
AM MOTSHEGWE 01875
VACANT X1

CONTROL ROOM OPERATOR
L8 – X4
FROZEN X4 24/25

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – PUBLIC SAFETY AND ROADS
MECHANICAL WORKSHOP
(2024-2025)

Checked by HR: _____ Date: 2024/05/03

Approved by HOD: _____ Date: 6/5/24

Approved by MM: _____ Date: 6.5.2024

EXECUTIVE DIRECTOR: PUBLIC SAFETY & ROADS SECTION 56
E. LENSLEY 00114

FLEET COORDINATOR
L5 – X1
T MAHLATSI 01815

SENIOR CLERK: FLEET MANAGEMENT
L8 – X1
MM SEEPAMORE 00165

ADMIN CLERK
L9 – X2
SI KATANE 00212
PR MALUMISE

GENERAL WORKER
L13 – X1
FROZEN X1 24/25

WORKSHOP MANAGER (SUPERINTENDENT)
L5 – X1
FROZEN 24/25

FOREMAN: MECHANICAL WORKSHOP
L6 – X1
TN MABOKELA 01217

ADMIN CLERK MECHANICAL
L9 – X1
VACANT X1 24/25

MECHANIC
L7 – X3
LMD MITCHEL 01218
P SEDIANE 00989
M.S. MOKWELE 01804

ARTISAN ASSISTANT MECH WORKSHOP
L12 – X4
VD NGOBENI 01378
JANSE V VUUREN 01461
MP PHEHLANE 01557
MA MOFOKENG 01722

DELIVERY DRIVER MECH WORKSHOP (CODE B)
L10 – X1
ZB RAPOHO 01137

GENERAL WORKER
L13 – X1
VACANT 24/25

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – PUBLIC SAFETY AND ROADS
ROADS & STORMWATER
(2024-2025)

Checked by HR: _____ Date: 2024/05/03

Approved by HOD: _____ Date: 6/5/24

Approved by MM: _____ Date: 6.5.2024

DIRECTOR ROADS & STORMWATER
L1 – X1
K NGCANE 01590

AD:ROADS & STORM WATER
L4 – X1
FROZEN 24/25

ADMIN CLERK: ROADS & STORMWATER
L9 – X1
P NDLELENI 01126

ADMIN CLERK: ROADS & STORMWATER
L9 – X1 (CONTRACT)
FROZEN 24/25

GENERAL WORKER / CLEANER
L13 – X1
ML MOTSOENENG 01394

SUPERINTENDENT ROADS & STORMWATER
L5 – X1
TM MASHAVA 01818

FOREMAN ROADS & STORMWATER
L6 – X1
L VELEBAYI 01728

FOREMAN ROADS & STORMWATER
L6 – X1
NR SERONGWA 01661

FOREMAN ROAD MARKINGS
L6 – X1
OS MAINE 00300

SPECIAL WORKSMAN ROADS & STORMWATER
L8 – X1
JM LOMBAARD 00356

GENERAL WORKSMAN ROADS & STORMWATER
L9 – X1
L OLIFANT 00277

SPECIAL WORKSMAN ROADS & STORMWATER
L8 – X1
BS NOBOZA 00360

GENERAL WORKSMAN ROADS & STORMWATER
L9 – X1
MB TAU 00767

MACHINE OPERATOR: ROADS
L9 – X1
FROZEN 24/25

SPECIAL WORKSMAN ROADS & STORMWATER
L8 – X1
BM MBAMBATHO 00752

GENERAL WORKSMAN ROADS & STORMWATER
L9 – X1
J DLOMO 00424

MACHINE OPERATOR: ROADS
L12 – X1
FROZEN 24/25

SPECIAL WORKSMAN ROADS & STORMWATER
L8 – X1
RT BOLOANG 00352

GENERAL WORKSMAN ROADS & STORMWATER
L9 – X1
TJ MOFOKENG 01495

MACHINE OPERATOR: ROADS
L12 – X1
FROZEN 24/25

SPECIAL WORKSMAN ROADS & STORMWATER
L8 – X1
PD MAFOKOANE 00821

GENERAL WORKSMAN ROADS & STORMWATER
L9 – X1
F SHANGE 01493
MJ TAU 01095

TEAM LEADERS
L12 – X1
MK KHANYILE 01649

GENERAL WORKER
L13 – X7
KA GUQUKA 00904
F TSHABALALA 00932
C LEDWABA 01894
KJ MBONGWA 01895
B MDASHE 01896
VACANT X2 24/25 (6 MTHS)

GENERAL WORKER
L13 – X6
AM KWINDA 01066
ME MFENGUZA 01068
NA NGUBE 01070
TG MACHUBA 01897
W MOFOKENG 01898
MD MOKOENA 01899

GENERAL WORKER
L13 – X7
MC RAKWALA 01679
MP MOTSAMAI 01676
XN MAYEKISO 01677
HM MALETE 01900
PE LETANTA 01901
BM SEJAKE 01902
VACANT X1 24/25 (6 MTHS)

GENERAL WORKER
L13– X8
NS MOMOZA 01198
P THUTHU 01348
MR MKWANAZI 01369
ME NYAKO 01678
NS MOKOENA 01903
TI MOKWENA 01904
VACANT X2 24/25 (6 MTHS)

GENERAL WORKER
L13– X7
NC RALUSHE-JONGA 01071
NAE TEMA 01072
M NOGWENTE 01021
ML MOKOENA 01099
OP MPHASA 00587
MM KALAKE 01908
VACANT X1 24/25 (6 MTHS)

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaasike Munisipaliteit

Updated MARCH 2024

GENERAL WORKERS MAY BE RE-ASSIGNED AT THE DISCRETION OF THE ENGINEERING TECHNICIAN

ORGANISATIONAL STRUCTURE – PUBLIC SAFETY AND ROADS
ROADS & STORMWATER (OPERATORS)
(2024-2025)

Checked by HR:		Date:	2024/05/03
Approved by HOD:		Date:	6/5/24
Approved by MM:		Date:	6.5.2024

SUPERINTENDENT ROADS & STORMWATER
L5 – X1
TM MASHAVA 01818

GRADER OPERATOR
L8 – X1
MS MLOTSHWA 01814

FRONT END TLB OPERATOR
L8 – X1
AK GAZO 01302

GRADER OPERATOR
L8 – X1
HJ MOKOENA 32096

BOMAC OPERATOR
L10 – X1
FROZEN 24/25

WATER CART DRIVER
L10 – X4
ML MOHALE 01731
AGR SEGALO 01792
FROZEN X 2 24/25

TRUCK DRIVER (CODE C1)
L10 – X4
MM MADZIPANE 014695
JF MSIMANGA 00488
JA MKHONDWANE 01098
S NYOKANA 01195

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

ORGANISATIONAL STRUCTURE – PUBLIC SAFETY AND ROADS
ROAD MARKING
(2024-2025)

Checked by HR:		Date:	2024/05/03
Approved by HOD:		Date:	6/5/24
Approved by MM:		Date:	6-5-2024

ASSISTANT DIRECTOR: ROADS & STORMWATER
L4 – X1
FROZEN 24/25

SUPERINTENDENT ROADS & STORMWATER
L5 – X1
TM MASHAVA 01818

FOREMAN ROADS MARKINGS L6 – X1
OS MAINE 00300

SPECIAL WORKSMAN ROADS
L8 – X1
PD MAFOKOANE 00821

GENERAL WORKSMAN
L9 – X1
JZ DLHOMO 00424

DRIVER/GENERAL WORKER
L9 (CTI) – X1
R NDOUVHADA 01186

GENERAL WORKER
L13 – X2
MP MOTSAMAI 01676
MC RAKWALA 01679

MIDVAAL Local Municipality
Masepala Wa Selehae
Plaaslike Munisipaliteit

Updated MARCH 2024

Annexure AU
Midvaal Service Charter
2024/2025

CC: CS]: SERVICE CHARTER ANNUAL REVIEW

10/1/P

COMPETENCY: COUNCIL

PURPOSE

To review the Service Charter for Midvaal Local Municipality, serving the Midvaal area is tasked by The Constitution to provide services at a fair and acceptable cost, to all our customers and it is therefore necessary to indicate the level of service that our customers can expect from the municipality. This level of service shall be applied and maintained consistently throughout the municipality.

RECOMMENDATION

1. That the Service Charter be reviewed as part of the annual amendment to update service delivery processes and developments.

2. That the reviewed and amended Service Charter for the Midvaal Local Municipality, attached to the report as “Annexure A”, be approved.

REPORT

The Service Charter outlines Midvaal’s commitment to service delivery and fulfilling its vision and mission.

Attached as “Annexure A", is the reviewed and amended Service Charter for the financial year 2024/2025.

COMMENTS:

CORPORATE SERVICES

DEVELOPMENT AND PLANNING

COMMUNITY SERVICES

FINANCE SERVICES

ENGINEERING SERVICES

SERVICE CHARTER

2024/2025

MIDVAAL
LOCAL MUNICIPALITY

Contents

1. Background 5
2. Vision 5
3. Mission 5
4. Strategic focus 5
5. Service Standards 6
   5.1 Office hours 6
   5.2 Switchboard 6
   5.3 Customer Care 6
      5.3.1 Direct Calling 6
      5.3.2 My Midvaal App 6
      5.3.3 Virtual Agent (Chatbot) 7
      5.3.4 Walk-In Customers 7
6. Municipal Departments 7
   6.1 Development and Planning 7
   6.2 Community Services 9
   6.3 Corporate Services 10
   6.4 Finance Department 11
   6.5 Public Safety & Roads 11
   6.6 Engineering Services 14
7. CONCLUSION 20

1. Background

The Midvaal Local Municipality is responsible for providing equitable and cost-effective services to Midvaal residents, as directed by the South African constitution. It is, therefore, necessary to inform residents about the level of service they can expect from the municipality.

In 1997, the White Paper on the Transformation of Public Service Delivery introduced eight Batho Pele (people first) principles, which aim to transform public service delivery and prioritize the needs of the residents. The said principles obligate the municipality to meet basic customer requirements.

The Batho Pele principles are still central to this Service Charter and are essential to promoting service excellence in the public sector, particularly within local government.

2. Vision

The Vision of the Midvaal Local Municipality is to *"Achieve excellence in service delivery".*

3. Mission

To achieve this vision the municipality strives to:

- Enhance service delivery through innovative technologies.
- Enable a safe, healthy community and environment.
- Promote local economic development and tourism.
- Adopt clean, renewable energy.
- Build strong partnerships, and
- Be a people-centred, compassionate institution.

4. Strategic focus

The Municipality implements its mandated powers, duties and functions through its Integrated Development Plan which focuses on the following strategic focus areas,

1. Good governance
2. Safe and Healthy environment
3. Community development
4. Institutional development
5. Financial stability
6. Infrastructure and sustainable living environment
7. Communications and Customer Care
8. Economic growth and spatial transformation

5. Service Standards

At an operational level the following will apply:

5.1 Office hours

- The Municipal offices will be open between 07h30 and 16h00 daily, except weekends.
- Libraries, Clinics and the Rates Hall will remain open during lunch periods.

5.2 Switchboard

The number for the Midvaal Local Municipality switchboard can be reached on 016 360 7400.

The following service standards will be maintained:

- Staff should endeavour to answer all calls within five rings (switchboard).
- Staff should endeavour to whenever possible, resolve customer enquiries at first contact.
- All telephonic messages must be responded to as soon as practically possible, preferably within 48 hours if the message was left over a weekend, and/or public holiday.

5.3 Customer Care

All complaints can be logged via the direct Call centre number, 087 106 2471, Chatbot (Virtual Agent: 081 876 0408) or My Midvaal App and will be subject to the turn-around times approved by relevant service departments. (

The Midvaal Local Municipality Call centre is operational between 06:00 - 22:00, 7 days a week.

Complaints to the Call Centre can be raised via the following channels:

5.3.1 DIRECT CALLING

Calling the Call Centre on 087 106 2471 between the hours of 06h00 and 22h00.

5.3.2 MY MIDVAAL APP

The My Midvaal App is a digital platform that brings municipal services to communities through mobile technology. The App provides a tool to enable improved interaction between residents and the municipality. The My Midvaal App can be downloaded on the Google App Store and App Store.

5.3.3 VIRTUAL AGENT (CHATBOT)

The Midvaal Virtual Agent is an additional resident engagement channel. The agent operates on a what's app interface and allow citizens to view account statements, log complaints, pay for municipal services (accounts, traffic infringements and procurement of prepaid services). In addition, the agent allows residents to submit meter readings and view service delivery notices and schedules.

5.3.4 WALK-IN CUSTOMERS

Supplementing the above engagement channels, the Call Centre also allow for residents to walk into the facility and submit complaints using the kiosks within the Call Centre. The walk-in services operate between 07h30 and 16h00 hours.

6. Municipal Departments

The Municipality is structured to deliver services to Midvaal residents across six Departments. It consists of four service delivery and two supporting departments. The Departments and the associated services and service levels or response times is listed below:

6.1 Development and Planning

BUILDING PLANS	
• **Acknowledgement of receipt**	• Within (5) working days
• **<u>Approval / Non-Approval of Building Plans process:</u>** - **Standard Building Plans**	▪ Written response within an average of (40) working days excluding pending and circulation period from date of application.
- **Non-standard building plans**	▪ Written response within and an average of (60) working days (excluding pending and circulation period) from date of application.
- **Occupancy Certificate**	▪ Written response within an average of (20) working days from submission of Occupancy Certificate application.

BY-LAW ENFORCEMENT	
• **Formal Trade License:**	
- **Consider an application for trading on a demarcated area.**	- Written response within an average of (3) working days from date of application.
- **Consider an application for trading on non-demarcated area.**	- Written response within an average of (14) working days including the consent from the relevant Ward Councillor and internal departments.
- **Consider an application for business for the selling of food**	- Written response within an average of (21) working days from date of application.
• **Poster Management:**	
- **Consider an application for posters.**	- Written response within an average of (3) working days from date of application.
- **Response to complaints pertaining to posters.**	- Within an average of (7) working days from date of receipt of such complaint.
- **Removal of Posters**	- Within an average of (3) working days after the expiry date of such approval.
- **Deposit Refunds**	- Within an average of (21) working days from receipt of such a deposit refund application.
APPLICATION FOR LAND USE	
- **Acknowledgement of receipt of application**	Within (5) working days
- **Consideration of Land Use applications if the application meets the minimum requirements in terms of the time frames.**	- Administration phase may not be longer than (12) months. - Consideration phase may not be longer than (3) months. - Decision phase within (30) days from the last Municipal Planning tribunal or the authorized official**.**
• **Public Participation**	

• **The Integrated Development Plan (IDP) review process**	To be conducted as per the approved IDP Process Plan.

6.2 Community Services

Sport fields and swimming pools	
- **Mowing of grass of sport fields**	- Done according to prescheduled match programmes.
- **Swimming pools**	- Public has access between 01 September to 31 May every year.
Public parks	
• **Mowing of lawns and pruning of shrubs and trees**	- Done according to a prescheduled programme.
Illegal dumping	
• **When polluter is identified**	- The identified polluter will be given a Notice within (3) working days. - Otherwise removed within (2) weeks.
Cleaning and waste removal	
• **Collection of residential, garden and business refuse:**	- Done on a weekly basis according to programme.
- **Residential areas**	- Done (3) times a week.
- **Business areas** - **Central Business District (CBD)**	- Swept daily.
Libraries	
• **Operating Hours:**	
- **09:00 to 17:00 in winter**	- Fridays from 09:00 to 17:00
- **09:00 to 17:30 in summer**	- Saturdays from 09:00 to 12:00
Clinics	

- **Clinics will be open from 07:30 to 18:00 on weekdays.** - **Operating hours on Saturdays will be from 08:00 to 13:00**	All patients to be attended to within (2) hours.
Cemeteries	
- **Grave applications and allocations** - **Cemetery maintenance**	- Finalised immediately upon permit. Applications to be dealt within 24 hours. - According to facility maintenance schedule.

6.3 Corporate Services

Council Meetings	- Open to the public, at least once a month at 13:30 (not open to the public during the declared national state of disaster).
• **Anti-Fraud and Corruption Hotline**	- 0860 268 624 (24 hours, 7 Days a week).
• **Legal & Properties**	- Enquiries and requests for Legal assistance response within 48 Hours.
• **Auxiliary Services**	- Halls confirmation of booking upon proof of payment. Assistance within 1 working day. - Rental of municipal facilities confirmation immediately upon proof of payment. Assistance within 1 working day.
• **Human Resources**	- Open to the public during working hours from Monday to Friday, 07:30 to 16:00. - Flexible time hours will be amended to core working hours subject to Council Approval.

• **Information Technology (IT)**	- Response to calls logged on the (IT) Helpdesk, this includes Hardware, Software, Wide area network, and local area network. - The (IT) helpdesk operates from Monday to Friday, 07:30 to 16:00. - Internal Calls at 25 Mitchell Street must be attended to within an hour from the call being logged at the IT.
• **Call Centre** (087 106 2471) Virtual Agent Chatbot: 081 876 0408	- Switchboard open to the public from 7:30 - 16:00. - Call Centre operational from 06:00 to 22:00 Monday to Sunday. - Call is diverted to Midvaal Fire Department from 22:00 to 06:00. - Walk in customers will be attended to during working hours, Monday to Friday, 07:30 to 16:00. - The Virtual Agent (for complaints logging) is available 24x7x365

6.4 Finance Department

Queuing time for municipal accounts payments	The Municipality will endeavor to serve customers within a reasonable timeframe.
Clearance certificate turnaround time	Within (5) working days.
Meter readings	Will be read monthly.

6.5 Public Safety & Roads

Streets	
- **Grading of gravel streets**	- Done according to a scheduled programme. Schedule to be made available on website. - Done within (1) week.
- **Repair of potholes**	- Done according to a scheduled programme.

-	**Maintenance of tarred roads**	-	Schedule to be made available on website**.**
	Storm water		
-	**Floods/emergencies**	-	Reaction within (1) day after incident has been reported.
	Emergency Calls		
-	**Emergency calls dispatching times after receiving the logged call response times to affected site.**	-	Within (3) minutes**.**
	Vehicle Licensing and Registrations		
-	**Sedibeng District Function for Learners and drivers' licenses**	-	This falls under the management of Sedibeng District Municipality and can be contacted on the following telephone numbers: (016) 450 3940 / 1 / 2 / 3 / 4.
	Road markings and Road Signs		
-	**Road markings complaints**	-	Complaints investigated and finalized within (7) to (14) days.
-	**Road marking, street names and road signs**	-	As per technical roster (2) months per ward subject to availability of stock.
-	**Replacement of damaged stop signs**	-	Immediate after reporting, (1) day subject to availability of stock.
-	**Repainting of faded stop markings**	-	Immediately after reporting, (1) day subject to availability of stock.
	Speed Law Enforcement		
-	**As per approved schedule**		Feedback within (2) working days**.**
-	**Ad hoc law enforcement requests consideration**		

Accident Scene	
- **In case of an unforeseen accidents**	Immediate dispatch to the scene, within 3 minutes**.**
Law Enforcement Complaints	
- **Logged via the Call Centre or Control Room**	- Within (5) working days subject to an approval from the Municipal Manager**.**
Events	
- **Events Applications**	- Big events: Apply (6) months before the event.
- **Functions**	- An event with a spectator capacity of at least 2,000 persons.
- **Safety Certificates**	- Small events: Apply 30 working days before the event. - An event with a spectator capacity of 250 to 1,999 persons. - Should there be high profile persons VIP's, the event will be considered as a risk event, the application period can be more than (30) days. - Apply 30 working days before the event. An event with 30 - 250 persons for example weddings, funerals, celebrations, initiation ceremonies etc.

6.6 Engineering Services

Electricity	• Planned	• Unplanned
1. Power Outages (communicate with relevant stake holders)	• Office hours • 6 hours depends on outage cause, Staff availability and workload. All HT calls will receive priority. Afterwards area complaints will be attended to. Single calls will then be dealt with. • After hours • Within 6 hours. As per Nersa guidelines, depends on outage cause, Staff availability and workload. All HT calls will receive priority. Afterwards area complaints will be attended to. Single calls will then be dealt with.	• Within 2 working days prior to the interruption before any planned tasks are executed, notices will be served to the relevant stakeholders two days in advance. • For Area interruptions, notices will be served to the relevant stakeholders 2 days prior to the interruption. As per Nersa guidelines • Notice of planned interruptions • Where possible, at least 48 hours advance notification should be given of any planned interruption. • Midvaal Local Municipality may choose to give certain customers on the Emergency Priority List (EPL) more than 48 hours notification and may even decide to notify these customers personally.

• **2. Service outages or Power outages** (Midvaal supply arears for electricity**)** **Note**: Midvaal Local Municipality however has no control over Eskom schedule or unforeseen power outages.	**Office hours** • 6 hours depends on outage cause, Staff availability and workload. All HT calls will receive priority. Afterwards area complaints will be attended to. Single calls will then be dealt with. • Within 6 hours. As per Nersa guidelines, depends on outage cause, Staff availability and workload. All HT calls will receive priority. Afterwards area complaints will be attended to. Single calls will then be dealt with.	**After hours** • Within 2 working days prior to the interruption before any planned tasks are executed, notices will be served to the relevant stakeholders two days in advance. • For Area interruptions, notices will be served to the relevant stakeholders 2 days prior to the interruption. As per Nersa guidelines **Notice of planned interruptions** • Where possible, at least 48 hours advance notification should be given of any planned interruption. • Midvaal Local Municipality may choose to give certain customers on the Emergency Priority List (EPL) more than 48 hours notification and may even decide to notify these customers personally.
	Planned	**Unplanned**
• **4. Overhead lines**	• Office hours • 6 hours depends on outage cause, Staff availability and workload. All HT calls will receive priority. Afterwards area complaints will be	• Within 2 working days prior to the interruption before any planned tasks are executed, notices will be served to the relevant stakeholders two days in advance.

	attended to. Single calls will then be dealt with. • After hours • Within 6 hours. As per Nersa guidelines, depends on outage cause, Staff availability and workload. All HT calls will receive priority. Afterwards area complaints will be attended to. Single calls will then be dealt with.	• For Area interruptions, notices will be served to the relevant stakeholders 2 days prior to the interruption. As per Nersa guidelines Notice of planned interruptions • Where possible, at least 48 hours advance notification should be given of any planned interruption. • Midvaal Local Municipality may choose to give certain customers on the Emergency Priority List (EPL) more than 48 hours notification and may even decide to notify these customers personally.
5. Skew / falling pole	**Planned**	**Unplanned**
	• Office Hours • Within 2 working days.	• After hours • Will be attended to the next working day. Except if lives are in danger.
6. Open substation / Kiosk	**Office hours** • Availability of staff (Same day.)	**After hours** • **Within 24 hours.**
1. Streetlights (after receiving complaint) – • **Planned maintenance:** Communication via notices. • **Reactive Maintenance:** All open calls will be dealt within the given area where planned maintenance is being done		

8. New connections	• **Standard connection and upgrading.**	• **Non-Standard connection and upgrading.**
• **9.** All quotations must be obtained from the Assistant Director Bulk Connections or Chief Clerk pre-paid electricity.	• Quotations for standard connection and upgrading. • Work will only commence after receiving a works order from the Chief Clerk Electrical and will only be completed within 21 working days.	• Quotations to customers, if a customer has made a written request for supply and has provided all the necessary documentation, the following time frames for quotation shall apply: • Within 10 working days where existing infrastructure can be used. • Within 1 month where network extensions are required; and • If new networks must be installed or if supply is required for industrial and commercial customers, the period for providing a quotation shall be negotiated between the customer and the licensee. • The target percentage success is at least 97%. • Work will only commence after receiving a works order from the Chief Clerk Electrical and will only be completed within 21 working days. This excludes special conditions as outlined by quotation.

10. Pre-paid meter • All queries regarding pre-paid meters during office hours must be forwarded to the Chief Clerk	Office hours	After hours
	Theft / Illegal connections must be reported to Finance Department. Stolen cable or transformers will be replaced within the same day, depending on spares availability.	• Theft / Illegal connections must be reported to Finance Department. • Replacement of apparatus that's been stolen will be done the same day.
11. Conventional meter	Will attend within 2 working days.	No new connections are done after hours. Call outs same as above.
12. Theft / Illegal connections	Theft / Illegal connections must be reported to Finance Department. Stolen cable or transformers will be replaced within the same day, depending on spares availability	• Theft / Illegal connections must be reported to Finance Department. • Replacement of apparatus that's been stolen will be done the same day.

Water	Response time
1. No water a) Bulk supply (Midvaal) b) Reticulation outage c) Rand water supply	• 72 hours • 24 hours • Dependent on Rand Water responsiveness
• 2. Water pressure a) Bulk supply (Midvaal) b) Reticulation outage c) Rand water supply	• 72 hours • 24 hours • Dependent on Rand Water responsiveness

Water	Response time	
3. Water leak a) Bulk supply (Midvaal) b) Reticulation outage **c)** Rand water supply	• 72 hours • 8 hours • Dependent on Rand Water responsiveness	
4. Water theft and Illegal connections	• **1 week**	
5. Water meter leak	• **8 hours**	
7. Delivery water tanker • **Informal settlement** • **Purchases**	• **Per schedule** • **7 days**	
8. Leaking tap • **Informal settlements**	• **8 hours**	
9. Fire hydrant	• **8 hours**	
10. New connections	**Standard connections** • 6 weeks after receipt of payment	**Non-Standard connections** Negotiable subject to delivery times of resources and materials
SANITATION	**Response time**	
1.Spillage / Blockage/ Overflowing Manhole	**4 hours**	
2. New Connections	With a line • 6 weeks	Without a line • 6 months, subject to budget, materials, and resources.

7. CONCLUSION

Certain areas within the municipal boundaries rely on the supply of water and electricity services provided by Eskom and Rand Water. The Midvaal Local Municipality has no control over the performance of these utility service providers. The performance of these services is subject to responses from the providers.

Annexure AV
NT MFMA Cost Containment Regulations 2024/2025

NATIONAL TREASURY

NOTICE 317 OF 2019

LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 2003

MUNICIPAL COST CONTAINMENT REGULATIONS, 2019

The Minister of Finance has, acting with the concurrence of the Minister of Cooperative Governance and Traditional Affairs, in terms of section 168(1) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), made the Regulations as set out in the Schedule.

SCHEDULE

TABLE OF CONTENTS

1. Definitions
2. Object of Regulations
3. Application of Regulations
4. Cost containment policies
5. Use of consultants
6. Vehicles used for political office-bearers
7. Travel and subsistence
8. Domestic accommodation
9. Credit cards
10. Sponsorships, events and catering
11. Communication
12. Conferences, meetings and study tours
13. Other related expenditure items
14. Enforcement procedures
15. Disclosures of cost containment measures
16. Short title and commencement

Definitions

1. In these Regulations, a word or expression to which a meaning has been assigned in the Act has the same meaning as in the Act, unless the context indicates otherwise, and–

"Act" means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);
"consultant" means a professional person, individual, partnership, corporation, or a company appointed to provide technical and specialist advice or to assist with a design and implementation of projects or to assist a municipality or municipal entity to perform its functions to achieve the objects of local government in terms of section 152 of the Constitution;
"cost containment" means measures implemented to curtail spending in terms of these regulations; and
"credit card" means a card issued by a financial services provider, which creates a revolving account and grants a line of credit to the cardholder.

Object of Regulations

2. The object of these Regulations, in line with sections 62(1)(a), 78(1)(b), 95(a) and 105(1)(b) of the Act, is to ensure that resources of a municipality and municipal entity are used effectively, efficiently and economically by implementing cost containment measures.

Application of Regulations

3. These Regulations apply to all officials and political office bearers in municipalities and municipal entities.

Cost containment policies

4. (1) Each municipality or municipal entity must develop or revise and implement a cost containment policy which must–
(a) in the case of a municipality, be adopted by the municipal council, and in the case of a municipal entity, by the board of directors as part of its budget related policies;
(b) define a municipality or municipal entity's objectives for the use of consultants; and
(c) be consistent with the Act and these Regulations.

(2) The cost containment policy of a municipality or a municipal entity contemplated in sub-regulation (1) must–
(a) be in writing;
(b) give effect to these Regulations;
(c) be reviewed annually, as may be appropriate;
(d) be communicated on the municipality's or municipal entity's website; and
(e) set out–
(i) monitoring measures for ensuring implementation of the policy;
(ii) procedures for the annual review of the policy; and
(iii) consequences for non-adherence to the measures contained therein.

Use of consultants

5. (1) A municipality or municipal entity may only appoint consultants if an assessment of the needs and requirements confirms that the affected municipality or municipal entity does not have the requisite skills or resources in its full-time employ to perform the function.
(2) An accounting officer must adopt a fair and reasonable remuneration framework for consultants taking into account the rates–
(a) determined in the "Guideline on fees for audits undertaken on behalf of the Auditor-General of South Africa", issued by the South African Institute of Chartered Accountants;
(b) set out in the "Guide on Hourly Fee Rates for Consultants", issued by the Department of Public Service and Administration; or
(c) as prescribed by the body regulating the profession of the consultant.
(3) The tender documentation for the appointment of consultants must include a clause that the remuneration rates will be subject to negotiation, not exceeding the applicable rates mentioned in sub-regulation (2).
(4) When negotiating cost-effective consultancy rates for international consultants, the accounting officer may take into account the relevant international and market-determined rates.
(5) When consultants are appointed, an accounting officer must–
(a) appoint consultants on a time and cost basis with specific start and end dates;
(b) where practical, appoint consultants on an output-specified basis, subject to specific measurable objectives and associated remuneration;
(c) ensure that contracts with consultants include overall cost ceilings by specifying whether the contract price is inclusive or exclusive of travel and subsistence disbursements;
(d) ensure the transfer of skills by consultants to the relevant officials of a municipality or municipal entity;
(e) undertake all engagements of consultants in accordance with the Municipal Supply Chain Management Regulations, 2005 and the municipality or municipal entity's supply chain management policy; and
(f) develop consultancy reduction plans to reduce the reliance on consultants.
(6) All contracts with consultants must include a fee retention or penalty clause for poor performance.
(7) A municipality or municipal entity must ensure that the specifications and performance are used as a monitoring tool for the work to be undertaken and are appropriately recorded and monitored.
(8) The travel and subsistence costs of consultants must be in accordance with the national travel policy issued by the National Department of Transport, as updated from time to time.

(9) The contract price must specify all travel and subsistence costs and if the travel and subsistence costs for appointed consultants are excluded from the contract price, such costs must be reimbursed in accordance with the national travel policy of the National Department of Transport.

Vehicles used for political office-bearers

6. (1) The threshold limit for vehicle purchases relating to official use by political office-bearers must not exceed R700 000 or 70% (VAT inclusive) of the total annual remuneration package for the different grades of municipalities, as defined in the Public Office Bearers Act and the notices issued in terms thereof by the Minister of Cooperative Governance and Traditional Affairs, whichever is lower.

(2) The procurement of vehicles in sub-regulation (1) must be undertaken using the national government transversal contract mechanism, unless it may be procured at a lower cost through other procurement mechanisms.

(3) Before deciding to procure a vehicle as contemplated in sub-regulation (2), the accounting officer or delegated official must provide the council with information relating to the following criteria which must be considered:

(a) status of current vehicles;

(b) affordability of options including whether to procure a vehicle as compared to rental or hire thereof, provided that the most cost effective option is followed and the cost is equivalent to or lower than that contemplated in sub-regulation (1);

(c) extent of service delivery backlogs;

(d) terrain for effective usage of the vehicle; and

(e) any other policy of council.

(4) If the rental referred to in sub-regulation (3) is preferred, the accounting officer must review the costs incurred regularly to ensure that value for money is obtained.

(5) Regardless of their usage, vehicles for official use by political office bearers may only be replaced after completion of 120 000 kilometres.

(6) Notwithstanding sub-regulation (5), a municipality or municipal entity may replace a vehicle for official use by political office bearers before the completion of 120 000km only in instances where the vehicle has a serious mechanical problem and is in a poor condition and subject to obtaining a detailed mechanical report by the vehicle manufacturer or approved dealer.

(7) An accounting officer must ensure that there is a policy that addresses the use of municipal vehicles for official purposes.

Travel and subsistence

7. (1) An accounting officer–

(a) may approve the purchase of economy class tickets for all officials or political office bearers where the flying time for the flights is five hours or less; and

(b) may only approve the purchase of business class tickets for officials, political office bearers and persons reporting directly to the accounting officer for flights exceeding five hours.

(2) In the case of the accounting officer, the mayor may approve the purchase of economy class tickets where the flying time is five hours or less and business class tickets for flights exceeding five hours.

(3) Notwithstanding sub-regulation (1) or (2), an accounting officer, or the mayor in the case of an accounting officer, may approve the purchase of business class tickets for an official or a political office bearer with a disability or a medically certified condition.

(4) The cost containment policy must limit international travel to meetings or events that are considered critical. The number of officials or political office bearers attending such meetings or events must be limited to those officials or political office bearers directly involved in the subject matter related to such meetings or events.

(5) An accounting officer, or the mayor in the case of the accounting officer, may approve accommodation costs that exceed an amount as determined from time to time by the National Treasury through a notice only–

(a) during peak holiday periods; or

(b) when major local or international events are hosted in a particular geographical area that results in an abnormal increase in the number of local and/or international guests in that particular geographical area.

(6) An official or a political office bearer of a municipality or municipal entity must–
(a) utilise the municipal fleet, where viable, before incurring costs to hire vehicles;
(b) make use of available public transport or a shuttle service if the cost of such a service is lower than-
(i) the cost of hiring a vehicle;
(ii) the cost of kilometres claimable by the official or political office bearer; and
(iii) the cost of parking.
(c) not hire vehicles from a category higher than Group B or an equivalent class; and
(d) where a different class of vehicle is required for a particular terrain or to cater for the special needs of an official, seek the written approval of the accounting officer before hiring the vehicle.

(7) A municipality or a municipal entity must utilise the negotiated rates for flights and accommodation as communicated from time to time by the National Treasury through a notice or any other available cheaper flight and accommodation.

Domestic accommodation

8. (1) An accounting officer must ensure that costs incurred for domestic accommodation and meals are in accordance with the maximum allowable rates for domestic accommodation and meals as communicated from time to time by the National Treasury through a notice.
(2) Overnight accommodation may only be booked where the return trip exceeds 500 kilometres.

Credit cards

9. (1) An accounting officer must ensure that no credit card or debit card linked to a bank account of a municipality or a municipal entity is issued to any official or political office bearer, including members of the board of directors of municipal entities.
(2) Where officials or political office bearers incur expenditure in relation to official municipal activities, such officials or political officer bearers must use their personal credit cards or cash or arrangements made by the municipality or municipal entity, and request reimbursement in accordance with the written approved policy and processes.

Sponsorships, events and catering

10. (1) A municipality or municipal entity may not incur catering expenses for meetings which are only attended by persons in the employ of the municipality or municipal entity, unless the prior written approval of the accounting officer is obtained.
(2) An accounting officer may incur catering expenses for the hosting of meetings, conferences, workshops, courses, forums, recruitment interviews, and proceedings of council that exceed five hours.
(3) Entertainment allowances of qualifying officials may not exceed two thousand rand per person per financial year, unless approved otherwise by the accounting officer.
(4) A municipality or municipal entity may not incur expenses on alcoholic beverages unless the municipality or the municipal entity recovers the cost from the sale of such beverages.
(5) An accounting officer must ensure that social events, team building exercises, year-end functions, sporting events and budget vote dinners are not financed from the municipality or the municipal entity's budgets or by any suppliers or sponsors.
(6) A municipality or municipal entity may not incur expenditure on corporate branded items like clothing or goods for personal use of officials, other than uniforms, office supplies and tools of trade unless costs related thereto are recovered from affected officials or is an integral part of the business model.

(7) An accounting officer may incur expenditure not exceeding the limits for petty cash usage to host farewell functions in recognition of officials who retire after serving the municipality or municipal entity for ten or more years or retire on grounds of ill health.

Communication

11. (1) A municipality or municipal entity may, as far as possible, advertise municipal related events on its website instead of advertising in magazines or newspapers.

(2) An accounting officer must ensure that allowances to officials for private calls and data costs are limited to an amount as determined by the accounting officer in the cost containment policy of the municipality or municipal entity.

(3) Newspapers and other related publications for the use of officials must be discontinued on expiry of existing contracts or supply orders, unless required for professional purposes and where unavailable in electronic format.

(4) A municipality or municipal entity may participate in the transversal term contract arranged by the National Treasury for the acquisition of mobile communication services.

Conferences, meetings and study tours

12. (1) An accounting officer must establish policies and procedures to manage applications to attend conferences or events hosted by professional bodies or non-governmental institutions held within and outside the borders of South Africa taking into account their merits and benefits, costs and available alternatives.

(2) When considering applications from officials or political office bearers to attend conferences or events within and outside the borders of South Africa, an accounting officer or mayor as the case may be, must take the following into account–

(a) the official's or political office bearer's role and responsibilities and the anticipated benefits of the conference or event;

(b) whether the conference or event addresses relevant concerns of the institution;

(c) the appropriate number of officials or political office bearers, not exceeding three, attending the conference or event; and

(d) the availability of funds to meet expenses related to the conference or event.

(3) An accounting officer may consider appropriate benchmark costs with other professional bodies or regulatory bodies prior to granting approval for an official to attend a conference or event within and outside the borders of South Africa.

(4) The benchmark costs referred to in sub-regulation (3) may not exceed an amount as determined from time to time by the National Treasury through a notice.

(5) The amount referred to in sub-regulation (4) excludes costs related to travel, accommodation and related expenses, but includes–

(a) conference or event registration expenses; and

(b) any other expense incurred in relation to the conference or event.

(6) When considering costs for conferences or events these may not include items such as laptops, tablets and other similar tokens that are built into the price of such conferences or events.

(7) The accounting officer of a municipality or municipal entity must ensure that meetings and planning sessions that entail the use of municipal funds are, as far as may be practically possible, held in-house.

(8) Municipal or provincial office facilities must be utilised for conference, meetings, strategic planning sessions, *inter alia*, where an appropriate venue exists within the municipal jurisdiction.

(9) An accounting officer must grant the approval for officials and in the case of political office bearers and the accounting officer, the mayor, as contemplated in sub-regulation (2).

(10) A municipality or municipal entity must, where applicable, take advantage of early registration discounts by granting the required approvals to attend the conference, event or study tour, in advance.

Other related expenditure items

13. (1) All commodities, services and products covered by a transversal contract concluded by the National Treasury must be considered before approaching the market, to benefit from savings where lower prices or rates have been negotiated.

(2) Municipal resources may not be used to fund elections, campaign activities, including the provision of food, clothing, printing of agendas and brochures and other inducements as part of, or during election periods or to fund any activities of any political party at any time.

(3) Expenditure on tools of trade for political office bearers must be limited to the upper limits as approved and published by the Cabinet member responsible for local government in terms of the Remuneration of Public Office Bearers Act, 1998.

(4) A municipality or municipal entity must avoid expenditure on elaborate and expensive office furniture.

(5) A municipality or municipal entity may only use the services of the South African Police Service to conduct periodical or quarterly security threat assessments of political office bearers and key officials and a report must be submitted to the speaker's office.

(6) A municipality or municipal entity may consider providing additional time-off in lieu of payment for overtime worked. Planned overtime must be submitted to the relevant manager for consideration on a monthly basis. A motivation for all unplanned overtime must be submitted to the relevant manager.

(7) A municipality or municipal entity must ensure that due process is followed when suspending or dismissing officials to avoid unnecessary litigation costs.

Enforcement Procedures

14. Failure to implement or comply with these Regulations may result in any official of the municipality or municipal entity, political office bearer or director of the board that authorised or incurred any expenditure contrary to these regulations being held liable for financial misconduct or a financial offence in the case of political office bearers as defined in Chapter 15 of the Act read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014.

Disclosures of cost containment measures

15. (1) The disclosure of cost containment measures applied by the municipality and municipal entity must be included in the municipal in-year budget reports and annual costs savings disclosed in the annual report.

(2) The measures implemented and aggregate amounts saved per quarter, together with the regular reports on reprioritisation of cost savings and on the implementation of the cost containment measures must be submitted to the Municipal Council for review and resolution. The municipal council can refer such reports to an appropriate Council Committee for further recommendations and actions.

(3) The reports referred to in sub-regulation (2) must be copied to the National Treasury and the relevant provincial treasury within seven calendar days after the report is submitted to municipal council.

Short title and commencement

16. These Regulations are called the Municipal Cost Containment Regulations, 2019 and take effect on 1 July 2019.

Annexure AW
Midvaal Cost Containment Progress

Midvaal Local Municipality
PO Box 9, Meyerton, 1960
Tel: 016 360 7400
Fax: 016 360 7519
www.midvaal.gov.za

MIDVAAL
LOCAL MUNICIPALITY

Tel: 016 360 7447* Email: debbies@midvaal.gov.za

INTERNAL MEMORANDUM

TO : THE MUNICIPAL MANAGER

DATE : 04 APRIL 2024

FILE REF : 8/1/1

SUBJECT : MFMA – COST CONTAINMENT MEASURES FOR THE 3rd QUARTER ENDING 31 MARCH 2024

1. PURPOSE:

To disclose the cost containment measures applied by the municipality and the cost savings on the implementation of the cost containment measures in terms of the Municipal Cost Containment Regulations, 2019.

2. RECOMMENDATION

2.1 **That** the report on the disclosure of the cost containment measures applied by the municipality and the cost savings on the implementation of the cost containment measures for the 3rd quarter ending 31 March 2024, BE NOTED.

2.2 **That** since the cost containment measures were implemented in all respects prior to the Regulations being promulgated in 2019 there are no additional cost savings to report for the current reporting period.

2.3 **That** the report be sent to the Gauteng Provincial Treasury.

3. REPORT

The Municipal Cost Containment Regulations were gazetted and came into effect from 1 July 2019.

The MFMA Circular number 82: Cost Containment Measures was issued by National Treasury on 30 March 2016 with the objective of ensuring that the resources of the municipality are used effectively, efficiently and economically. The Council adopted all the recommendations of the Circular and implemented the cost containment measures from 2016.

The Regulations make specific reference to the following:

Cost containment policy

Each municipality must develop or revise and implement a cost containment policy

All the cost containment measures contained in the Regulations are incorporated into the approved Cost Containment Policy.

Use of consultants

Each municipality may only appoint consultants if an assessment of the needs and requirements confirms that the municipality does not have the requisite skills or resources in its full-time employ to perform the function. In addition, there are other guiding principles around the appointment of consultants.

Consultants are appointed after a needs analysis is completed, and submitted together with the specifications which is then approved by the Municipal Manager. It is established whether the services being procured could have been provided by the municipality itself or that the municipality ordinarily has the expertise to provide the service but temporarily could not do so or to save costs.

Vehicles used for political office bearers.

The regulations introduce a ceiling in terms of the value of the vehicles to be procured and principles in terms of management of such vehicles.

The threshold limit for vehicle purchases relating to official use by political office-bearers may not exceed R700 000 or 70% of the total annual remuneration package, as defined in the Public Office Bearers Act and the notices issued in terms thereof by the Minister of Cooperative Governance and Traditional Affairs, whichever is lower.

All vehicles are procured using the RT57 tender to save cost unless it may be procured at a lower cost through procurement mechanisms. The threshold limits and other requirements are strictly observed.

Travel and subsistence

The regulations provide the thresholds for purchasing air tickets, limitations on international travel, and hiring of vehicles. Economy class tickets are the norm, except for flights over 5 hours, and for exceptional cases. Accommodation costs are also pegged to the rates determined by Treasury, with exceptions. Use of municipal fleet vehicles must be the first consideration, where viable, before incurring costs on hired vehicles.

The travel and subsistence policy has been amended to be in compliance with the NT prescriptions on travel and subsistence. The appointed travel agent has been instructed to ensure compliance with the Regulations.

Officials travel economy class for all local travel.

Credit and Debit cards

Prohibition on the issuance of debit or credit cards linked to municipal bank accounts to officials or public office bearers

The municipality has not issued any credit or debit cards.

Sponsorships, Events and Catering

Restrictions on using municipal funds for specific functions which include, amongst others, catering for internal meetings only attended by officials, and social, farewell and team building activities. Entertainment allowances for qualifying officials may not exceed R2 000 per person per financial year.

No catering is considered for meetings. No year-end functions are held at Council's cost.

All entertainment budgets are capped at R2 000 per person per financial year – staff related functions are not funded from the entertainment budgets.

Communication

Municipal events and public information must be listed on the website. Government Gazettes and local media must be used to ensure compliance with the Municipal Finance Management Act as well as the Municipal Systems Act. To further enhance communication, the local radio stations must be used.

Municipal events and public information are posted on the website. Government Gazettes and local media are used to ensure compliance with the Municipal Finance Management Act as well as the Municipal Systems Act. To further enhance communication, the local radio stations are used.

Private telephone calls are tracked and deducted from staff salaries.

Newspaper subscriptions have been reviewed and reduced to the bare minimum.

Domestic accommodation / Conferences, meetings and study tours

Delegations must be limited to no more than 3 officials per conference. Meetings and planning sessions, as far as may be practically possible be held in-house.

In addition there are other guidelines. (which have been incorporated into the Cost Containment Policy)

Conferences are only attended if hosted by the professional bodies or government. Delegations are limited to no more than 3 officials per conference, hotel accommodation was kept within the prescribed limits, and car rentals were reduced and shuttle services were used.

Other related expenditure items

There are other general limitations, relating to the reduction of excessive spending on office furniture and equipment, use of municipal funds for electioneering, brochures, tools of the trade beyond what is already allowed, security measures, and unplanned overtime. Proper processes are to be followed when dismissing and suspending officials to minimise unnecessary legal costs. Municipalities should conduct periodic threat assessments before approving any costs on security for political office bearers or officials

- Office furnishings – The budget for furniture is approved by the Budget Steering Committee and only where new positions are created, or furniture is damaged will new furniture be

procured. Old furniture is also repaired and re-upholstered where possible to further reduce the cost of new furniture.

- Staff study, perks and suspension costs – Staff are required to repay study cost where they do not pass their exams. Staff above the threshold set by the Department of Labour are not paid overtime but get time off in lieu of overtime worked. The municipality had a number of suspensions during the year, but the disciplinary processes are fast-tracked as far as possible.
- NT transversal contracts are used insofar as practically possible. The RT46 transversal contract for vehicle maintenance, RT57 for purchasing vehicles, plant and equipment, RT4 for rescue equipment, RT3 for office automation, RT15 for mobile communication and RT69 for tyre contract.
- Printing is minimised and meeting agendas are circulated electronically. A central printer is used, thereby saving costs of cartridges. Double-sided and non-colour printing is encouraged.

Compliance versus saving

It could be argued that there is an inverse proportional relationship between compliance versus saving. Midvaal adopted and implemented the Circular in 2016 and by the time the Regulation was gazetted in 2019 there was already a move towards 100% compliance, hence the additional savings disclosed from 1 July 2020 onwards is minimal, if any.

PREPARED BY:

MRS. D SEMANO
ASSISTANT DIRECTOR: SCM
FY2023/2024_Cost_Containment Report_Q3/ds

REVIEWED BY:

MR. F JONAS
DIRECTOR: SCM

RECOMMENDED

MR Z.N MHLONGO
CHIEF FINANCIAL OFFICER

APPROVED/NOT APPROVED

MR E LENSLEY
ACTING MUNICIPAL MANAGER

Midvaal Local Municipality
PO Box 9, Meyerton, 1960
Tel: 016 360 7400
Fax: 016 360 7519
www.midvaal.gov.za

MIDVAAL
LOCAL MUNICIPALITY

Tel: (016) 360-7411 • Fax: (016) 362-4334 • E-mail: mm@midvaal.gov.za

INTERNAL MEMORANDUM

TO: ED: Public Safety & Roads
Mr E Lensley

FROM: Municipal Manager

DATE: 02 April 2024

SUBJECT: ACTING MUNICIPAL MANAGER

This memo serves to confirm that you will be Acting Municipal Manager from 02 - 05 April 2024.

All delegated and signing powers of the Municipal Manager is hereby delegated to you for the mentioned period.

Yours faithfully,

ORIGINAL SIGNED

A.M. GROENEWALD
MUNICIPAL MANAGER

Annexure AX
MFMA Budget Circular No 126 dated 7 December 2023

NATIONAL TREASURY

MFMA Circular No. 126

Municipal Finance Management Act No. 56 of 2003

Municipal Budget Circular for the 2024/25 MTREF

CONTENTS:

INTRODUCTION 3

1. THE SOUTH AFRICAN ECONOMY AND INFLATION TARGETS 3

2. KEY FOCUS AREAS FOR THE 2024/25 BUDGET PROCESS 4

2.1 LOCAL GOVERNMENT CONDITIONAL GRANTS ALLOCATIONS 4

2.2 PUBLICATION OF ALLOCATIONS FROM THE MUNICIPAL DISASTER RESPONSE GRANT AND CHANGES FROM THE STOPPING AND REALLOCATION PROCESS 6

3. REVENUE MANAGEMENT 7

3.1 MAXIMIZING THE REVENUE GENERATION OF THE MUNICIPAL REVENUE BASE 8

3.2 SETTING THE COST REFLECTIVE TARIFFS 9

3.3 CONSUMER DEPOSITS AND SECURITIES 9

3.4 CONTRACTS WITH CUSTOMERS 9

3.5 INDIGENT MANAGEMENT 10

3.6 VOLUNTARY RESTRICTION OF NOTIFIED MAXIMUM DEMAND (NMD) 10

3.7 PRO-ACTIVELY MANAGING COLLECTION OF MUNICIPAL REVENUE IN ESKOM SUPPLIED AREAS 11

3.8 MAXIMISING THE REVENUE GENERATION OF THE MUNICIPAL REVENUE BASE REVENUE ON PROPERTY RATES 11

3.9 SETTING THE COST REFLECTIVE TARIFFS 11

3.10 CRITICAL NOTICE AFFECTING STS METERS AND THE RT29 TRANSVERSAL TENDER FOR SMART METERS 11

3.11 ESKOM BULK TARIFF INCREASES 12

3.12 CONSUMER DEPOSITS AND SECURITIES 12

4. FUNDING CHOICES AND MANAGEMENT ISSUES 12

4.1 EMPLOYEE RELATED COSTS 12

4.2 REMUNERATION OF COUNCILLORS 13

5. FUNDING MUNICIPAL BUDGETS 13

5.1 APPROVAL OF DEFICIT BUDGETS 13

5.2 FUNDED BUDGET 13

5.3 CREDIBLE FUNDING PLANS 13

5.4 BUDGETING FOR DEBT IMPAIRMENT LOSS, WRITE OFF OF IRRECOVERABLE DEBT AND REVERSAL OF IMPAIRMENT LOSS 14

5.5 BURIAL OF COUNCILLORS USING PUBLIC FUNDS 14

5.6 THE USE OF MAYORAL DISCRETIONARY ACCOUNTS AND ANY OTHER COUNCIL DISCRETIONARY ACCOUNTS 15

5.7 DEVELOPMENT CHARGES 15

6. MUNICIPAL STANDARD CHART OF ACCOUNTS (*M*SCOA) 15

6.1 RELEASE OF VERSION 6.8 OF THE CHART 15

6.2 IMPROVING *M*SCOA DATA STRINGS CREDIBILITY 17

6.3 *M*SCOA REPORTING ON VALUE ADDED TAX (VAT) 17

6.4 USE OF FUNCTION SEGMENT TO ACHIEVE GRAP 18 SEGMENTAL REPORTING 18

6.5 PERIOD CLOSURE AND RECONCILIATION OF GENERAL LEDGER 18

6.6 *M*SCOA GOVERNANCE AND IMPLEMENTATION 19

6.7 REGULATING THE MINIMUM BUSINESS PROCESSES AND SYSTEM SPECIFICATIONS FOR *M*SCOA 19

6.8 TRAINING INITIATIVES 19

7. THE MUNICIPAL BUDGET AND REPORTING REGULATIONS 20

7.1 ASSISTANCE WITH THE COMPILATION OF BUDGETS 20

8. SUBMITTING BUDGET DOCUMENTATION AND A SCHEDULES FOR THE 2024/25 MTREF 21

8.1 TIME FRAMES FOR SUBMISSION 21
8.2 UPDATING OF CONTACT DETAILS ON GOMUNI 22
8.3 SUBMISSION OF MONTHLY SIGN-OFF 22
8.4 TRAINING ON GOMUNI 22

Introduction

This budget circular provides guidance to municipalities with their compilation of the 2024/25 Medium Term Revenue and Expenditure Framework (MTREF). It is linked to the Municipal Budget and Reporting Regulations (MBRR) and the Municipal Standard Chart of Accounts (*m*SCOA) and strives to support municipalities' budget preparation processes so that the minimum requirements are achieved.

Among the objectives of this budget circular is to demonstrate how municipalities should undertake annual budget preparation in accordance with the budget and financial management reform agenda by focussing on key "game changers". These game-changers include ensuring that municipal budgets are funded, revenue management is optimised, assets are managed efficiently, supply chain management processes are adhered to, *m*SCOA is implemented correctly and that audit findings are addressed.

Municipalities are reminded to refer to the annual budget circulars of the previous years for guidance in areas of the budget preparation that is not covered in this circular.

1. The South African economy and inflation targets

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

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

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

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

Household consumption expenditure is expected to slow from 2.5 per cent in 2022 to 0.8 per cent in 2023 due to the cumulative effect of interest rate increases, elevated inflation and falling real disposable income, and generally weak consumer confidence. Growth in credit

extended to households continues to decelerate for both secured and unsecured credit. National Credit Regulator data shows that in the first quarter of 2023, banks rejected 70 per cent of credit applications – the highest rate on record – reflecting concerns over households' ability to repay loans. Household consumption expenditure is expected to average 1.6 per cent from 2024 to 2026.

The following macro-economic forecasts must be considered when preparing the 2024/25 MTREF municipal budgets.

Table 1: Macroeconomic performance and projections, 2022 - 2027

Fiscal year	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual	Estimate	Forecast		
CPI Inflation	6.9%	6.0%	4.9%	4.6%	4.5%

Source: Medium Term Budget Policy Statement 2023.

Note: the fiscal year referred to is the national fiscal year (April to March) which is more closely aligned to the municipal fiscal year (July to June) than the calendar year inflation.

The above economic challenges will place pressure on households' ability to pay municipal accounts and Eskom power cuts affect sustainability of small and large businesses. Both these factors have placed pressure on municipal own revenues.

It is therefore noted that variations in regional specifics are possible, however, any variation of assumptions must be explicitly set out and well explained in the budget narratives, in the absence of which the Treasuries will refer the budget back to council for alignment to the macroeconomic performance projections.

2. Key focus areas for the 2024/25 budget process

2.1 Local government conditional grants allocations

Over the 2024 MTEF, the local government equitable share and conditional grants will be reduced by a total of R12.8 billion, made up of R9.6 billion in the local government equitable share and R3.2 billion in direct conditional grants. The general fuel levy sharing with municipalities will be reduced by R5.1 billion. These reductions form part of the government's efforts to drive fiscal consolidation. The implication of these changes will be outlined in more detail in the 2024 Budget Review.

Notable changes to the conditional grants system

While the review of the conditional grants system is on-going and reforms envisaged to be implemented from 2025/26, changes will be considered for the *urban settlements development grant*; *integrated urban development grant*; and *the municipal infrastructure grant* to make better use of regulatory frameworks and improve the water business of urban municipalities from 2024/25.

We kindly advise municipalities to utilise the indicative numbers that were presented in the 2023 Division of Revenue Act when developing their 2024/25 MTREF calculations. It is crucial to also make considerations to the proposed reductions to baselines that were presented in the 2023 MTBPS, as they may have a significant impact. We recommend this be prioritised in all budgetary planning for the upcoming fiscal year. In terms of the outer year allocations (2026/27 financial year), it is proposed that municipalities conservatively limit funding allocations to the indicative numbers as presented in the 2023 Division of Revenue Act for 2024/25. The Division of Revenue Bill, 2023, which includes the annexures outlining allocations to each municipality is available at:
http://www.treasury.gov.za/documents/national%20budget/2023/default.aspx

Division Of Revenue Amendment Bill, 2023 (DoRAB)

Declared underspending in the local government equitable share – In January 2023, the National Energy Regulator of South Africa (NERSA) approved a bulk electricity tariff increase of 18.7 per cent for the 2023/24 financial year. The subsidy for free basic electricity in 2023/24 was calculated to include an additional 2 per cent in anticipation of higher municipal tariff increases than that published in January, due to the difference in the financial years of Eskom customers and municipalities. A further R1.4 billion was left unallocated in the local government equitable share to enable additional funding for municipalities should the final municipal tariff increase that was expected to be published between March and June 2023, exceed the 20.7 per cent increase provided for. In June 2023, NERSA approved a municipal tariff increase of 15.1 per cent. The unallocated amount of R1.4 billion in the local government equitable share is therefore surrendered as declared under-expenditure.

Fiscal consolidation reductions – There is a total downward adjustment of R3.4 billion to direct municipal conditional grants. This is made up of reductions of R9 million from the *infrastructure skills development grant*; R58 million from the *programme and project preparation support grant*; R32 million from the *expanded public works programme integrated grant for municipalities*; R1.2 billion from the *municipal infrastructure grant*; R306 million from the informal settlements upgrading partnership grant for municipalities; R553 million from the *urban settlements development grant*; R180 million from the *integrated national electrification programme grant for municipalities*; R40 million from the *neighbourhood development partnership grant;* R600 million from the *public transport network grant*; R237 million from the *regional bulk infrastructure grant*; and R244 million from the *water services infrastructure grant*.

Funds for post disaster repair and recovery – An amount of R1.2 billion is added to the *municipal disaster recovery grant* to fund the reconstruction and rehabilitation of municipal infrastructure damaged by the floods that occurred between February and March 2023.

Top-up of the municipal disaster response grant – Due to the floods that occurred between February and March 2023, the *municipal disaster response grant* was depleted by June 2023. R372 million is added to this grant to enable immediate response by municipalities in the event that a disaster occurs in the remaining months of the 2023/24 financial year.

Conversion of municipal infrastructure grant allocations – R10 million from uThukela Local Municipality's allocation is converted to an indirect allocation for implementation of the Ekuvukeni Water Supply Project by the Department of Cooperative Governance on the municipality's behalf. The project entails the replacement of an asbestos rising main from the Oliphanskop water treatment works. Similarly, R20 million from Emfuleni Local Municipality's allocation is converted to an indirect allocation to address the outfall of sewer in Evaton and Sebokeng.

Conversion of neighbourhood development partnership grant allocations – R88 million in the neighbourhood development partnership grant is converted from the direct to the indirect component of the grant. This is to expedite project implementation in municipalities that are experiencing administrative and financial challenges.

Reduction in the integrated national electrification programme (Eskom) grant – As part of the fiscal consolidation reductions, the integrated national electrification programme (Eskom) grant is reduced by R250 million.

Reprioritisation from the integrated national electrification (Eskom) grant – An amount of R53 million is reprioritised from the integrated national electrification (Eskom) grant to the vote

of the national Department of Mineral Resources and Energy to fund the rehabilitation of derelict and ownerless mines.

Shift of funds from the regional bulk infrastructure grant to the water services infrastructure grant – R309 million has been shifted from the indirect component of the regional bulk infrastructure grant to the indirect component of the water services infrastructure grant. This is to enable the Department of Water and Sanitation to manage contractual obligations, budget pressures, accruals and payables for projects in several municipalities.

Changes to the municipal disaster recovery grant framework – The framework of the municipal disaster recovery grant is amended to ring-fence the additional funds for the repair and reconstruction of municipal infrastructure damaged by the floods that occurred between February and March 2023.

Correction of an error in the indirect allocations of the regional bulk infrastructure grant – An amount of R20 million for the Kirkwoord Water project that was erroneously allocated to Dr Beyers Naude Local Municipality is corrected to an allocation to Sundays River Valley Local Municipality.

Amendment to the framework of the *municipal disaster recover grant* – Parliament has approved that the National Treasury amend the framework of the *municipal disaster recover grant* to ring-fence and conditionalize the fund added for the repair and recovery of infrastructure damaged by the floods that occurred in February and March 2023.

Correction of an error in the indirect allocations of the regional bulk infrastructure grant – Parliament has approved that the National Treasury correct an oversight in the indirect allocations of the *regional bulk infrastructure grant*. An amount of R20 million for the Kirkwoord Water project that was erroneously allocated to Dr Beyers Naude Local Municipality is corrected to an allocation to Sundays River Valley Local Municipality.

2.2 Publication of allocations from the municipal disaster response grant and changes from the stopping and reallocation process

National Treasury has through Government Gazette No. 49584 dated 30 October 2023 published in terms of the Division of Revenue Act, 2023, (Act No. 5 of 2023) (DoRA), and provided information regarding the disaster allocations and the conversion of disaster grants to municipalities in the 2023/24 financial year. The Gazette further provided for the stopping and reallocation of funds to municipalities and reallocated to their districts.

Allocation of disaster response funding

Transfers in terms of section 27 of the 2022 DoRA

Section 27 of the 2022 DoRA provides:

"(1) Despite the Division of Revenue Act for the 2023/24 financial year not having commenced on 1 April 2023, the National Treasury may determine that an amount, not exceeding 45 per cent of the total amount of each —
(a) equitable share in terms of section 4(1), be transferred to the relevant province;
(b) equitable share in terms of section 5(1), be transferred to the relevant municipality;
(c) allocation made in terms of section 7(1) or 8(1), as the case may be, be transferred to the relevant province or municipality.

(2) An amount transferred in terms of subsection (1)(c) is, with the necessary changes, subject to the applicable framework for the 2022/23 financial year and the other requirements of this Act, as if it is an amount of an allocation for the 2022/23 financial year."

Using this section of the DoRA, immediate relief funds were transferred to municipalities from the 2023/24 Municipal Disaster Response Grant (MDRG) baseline in June 2023 (before the start of the 2023/24 municipal financial year). Section 27(2) requires that these funds be subject to the 2022/23 MDRG framework and the DoRA as if these were allocations for the 2022/23 financial year. The implications of this:

MDRG condition 1: Funds from this grant must be utilised within six calendar months following the date of the transfer of the funds to the municipality

By approving the release of these funds in June 2023, National Treasury implicitly approved the roll-over of these funds to the 2023/24 financial year. Therefore, the immediate relief funds transferred to municipalities on 15 June 2023 must be spent by 15 December 2023.

In terms of section 25(3)(d) of the Division of Revenue Act, 2023 (Act No. 5 of 2023 – herein referred to as "2023 DoRA"), which is now applicable to the immediate relief funds, the National Treasury may approve that, funds allocated in Schedule 7 be used at any time. In terms of section 25(3)(e) of the 2023 DoRA, funds approved in terms of paragraph (d) must be included in either the provincial adjustments appropriation legislation, municipal adjustments budgets or other appropriate legislation.

Expenditure need not wait for the passing of such adjustments budget as this is emergency spending or unforeseen and unavoidable expenditure, which is provided for in section 29 of the Municipal Finance Management Act, 2003 ("MFMA").

Municipalities must ensure that the disaster funding and expenditure are ring fenced (isolated) and classified correctly in terms of the *m*SCOA when budgeting and transacting, as per the guidance provided in *m*SCOA Circular No. 14 dated 16 May 2022.

3. Revenue Management

The weak economic growth continues to impact municipal finances and as communicated in MFMA Circular No. 89 this has strained consumers' ability to pay for services. Coupled with this conundrum is the marginal growth in national transfers as compared to the past. These two critical factors necessitate municipalities to function optimally suggesting that municipal operations, processes and procedures must be efficient. Inefficiencies in this space are guaranteed to manifest on municipal finances. Although some municipalities have managed these challenges well, others have fallen into financial distress and face liquidity challenges. Subsequently, municipalities are unable to meet their payment obligations to Eskom, water boards and other creditors. Therefore, municipalities must maximise their revenue generating potential and collect what is due to them and concurrently, eliminate wasteful and non-core spending. Municipal budgets will be scrutinised to ensure that municipalities adequately provide for their core mandate and to service their debt obligations. Municipalities must ensure that expenditure is limited to the maximum revenue collected and not spend on money that they do not have.

National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the financial sustainability of the municipality. The Consumer Price Index (CPI) inflation is forecasted to be within the the 4 to 6 per cent target band; therefore, municipalities are required to justify all increases in excess of the projected inflation target for 2024/25 in

their budget narratives and pay careful attention to the differential incidence of tariff increases across all consumer groups. In addition, municipalities should include details of their revenue growth assumptions for the different service charges in the budget narrative.

3.1 Maximizing the revenue generation of the municipal revenue base

Property Rates

Reference is made to MFMA Circulars No. 93, paragraph 3, 98 paragraph 4.1 and 123 paragraph 5.1. The emphasis in the above mentioned MFMA Circulars is to ensure that municipalities are using their entire revenue base as the basis for the revenue budget projections. The status quo remains. It is essential that municipalities reconcile their most recent consolidated valuation roll data to that of the current billing system data to ensure that revenue anticipated from property rates is realistic. The municipalities should implement a data management strategy and develop internal capacity to perform these reconciliations and investigations to improve completeness of billing.

Requirements of a billing report

The Billing report must at a minimum provide the following per each property:

- Market value;
- Property category;
- Amount billed;
- Unique property identifier (linked to the Valuation Roll);
- Property owner;
- Rebate value;
- Exemption value; and
- Reduction value.

Although the format of the billing reports will vary across municipalities, the billing report will always have the above-mentioned specifics for any municipality regardless of the financial system used as they all use the valuation roll as the basis to update the municipal financial system. Municipalities are advised to engage their service providers in ensuring that there is a standardized billing report that considers the minimum billing report requirements.

Part A and Part B Register

Reference is made to the Municipal Property Rates Act – section 23 of the MPRA reads as follows:

1. A municipality must draw up and maintain a register in respect of properties situated within that municipality, consisting of a Part A and a Part B;
2. Part A of the register consists of the current valuation roll of the municipality, including any supplementary valuation rolls of the municipality prepared in terms of section 78;
3. Part B of the register must specify which properties on the valuation roll or any supplementary valuation rolls are subject to – (a) an exemption from the rate in terms of section 15; (b) a rebate on or a reduction in the rate in terms of section 15; (c) a phasing-in of the rate in terms of section 21; or (d) an exclusion referred to in section 17 (1) (a), (e), (g), (h) and (i); and
4. The register must be open for inspection by the public during office hours. If the municipality has an official website or another website available to it, the register must be displayed on that website. (5) A municipality must at regular intervals, but at least annually, update Part B of the register. Part A of the register must be updated in accordance with the provisions of this Act relating to the updating and supplementing of valuation rolls.

Based on the cited section, municipalities are expected to comply with the provisions of section 23 of the MPRA to ensure that the latest information is used in the reconciliation process. All revenue foregone as supported by municipal policies due to municipal reductions rebates and exemptions must be accounted for in the Part B register and all subsequent supplementary rolls performed are accounted for using a Part A register.

Furthermore, municipalities are also advised and expected to comply with section 8(1) of the MPRA in terms of the billing methodology that should be specified within their policies to ensure that the correct categories (based on the selection made by the municipality) are used in the reconciliation process. A further test would be to reconcile this information with the Deeds Office registry.

In accordance with the MFMA Circular No. 93, municipalities are once more requested to submit their reconciliation of the Valuation roll/ Part A register to the billing system to the National Treasury on a quarterly basis by no later than the 10th working day after the end of the quarter. A detailed action plan must accompany the reconciliation where variances are noted.

The information must be uploaded by the municipality's approved registered user(s) using the GoMuni Upload Portal at: https://lg.treasury.gov.za/ibi_apps/signin.

3.2 Setting the Cost reflective tariffs

Municipalities must ensure that the capital repayment of loans are included in the cost when determining the tariff. In addition, they must ensure that the consumption charges for services are only based on consumption and all other variable costs. Therefore, fixed costs such as salary and wages, etc. should be covered by a fixed charge.

During the budgeting process, provision must be made for revenue to be generated by the tariffs levied for services to address the maintenance of infrastructure. New infrastructure developments in a municipal area of jurisdiction should be obliged to consider and incorporate energy efficiency sources of energy available such as solar or wind to respond to the ongoing global energy crisis.

3.3 Consumer Deposits and securities

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

3.4 Contracts with customers

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

- Requirements of POPIA;
- Digital and Physical Domiciluim for the delivery of notices;
- Acceptance of liability in the case of proven tampering of services;
- Acceptance of Magistrates Court Jurisdiction if in arrears and legal action has been taken;
- Acceptance to adhere to Municipal policies and by-laws;

- Acceptance and approval to be handed over to third party if in arrears inclusive of credit bureau;
- Acceptance to give access to meter readers to read meters;
- Municipality accept to render promptly bills; and
- Municipality accept to limit the estimation of consumption on meters.

3.5 Indigent Management

It is critical to progressively manage the restriction of free basic services to national policy limits. Therefore, free basic services to indigent households must be restricted. Where any unlimited supply or supply above national policy limits is provided, the budget narrative must explicitly articulate how this is funded also in a context of facilitating adequate asset management and adequate provision for related debt impairment and ability to maintain payment of Eskom, bulk water and other creditors.

Establishing and maintaining credible indigent register – It is important that the municipalities undertake the following actions to conduct quality control and monitor the indigents:

- Check accuracy and identify any overstatement of the indigent debtor which will enable municipalities to confirm the accuracy of the reported number of indigent debtors;
- Proactively identify indigent citizens and accelerate the registration process through data-driven indigency status verification, as a precursor to tabling applications to Council for approval;
- Verify the status of indigents on the current indigent register thereby reducing the risk of citizens benefiting from the indigent subsidy when they do not qualify for it anymore;
- Create a verifiable indigent register which reduces performance audit risk through the provision of monthly controls and credible, third party, data-driven evidence to support the validity of households registered as indigent;
- Utilise the insight provided regarding indigents to possibly make any necessary amendments to current Indigent Policy; and
- Municipalities are advised to work closely with their respective DCoG (also provincially) to simplify its indigent management registration processes – even considering qualifying criteria that can be independently checked without requiring a hefty administration burden on indigent households that are already financially constrained, including facilitating such on-site close to where indigents may reside. It is noted that the municipality needs to report on all indigent households for water and energy within its demarcation also in the Eskom supplied areas since the LGES: Free basis services (FBS) allocation is targeted at the demarcation as a whole. The municipality must therefore focus in its 2024/25 MTREF Schedule A submission to report on ALL indigent households (also in Eskom supplied areas).

3.6 Voluntary restriction of notified maximum demand (NMD)

Municipalities are advised that Eskom agreed with NT that once a municipality in principle agreed to a Notified Maximum Demand (NMD) restriction with NT, Eskom will within 30 days of NT request advise on its ability to restrict the NMD at bulk supply points in that municipality. Eskom will restrict the NMD or not charge any NMD exceedance charges and penalties to the municipality until 30 June 2027 or earlier as may be agreed between NT and the municipality. Should any municipality with the electricity function not be able to maintain its Eskom bulk account, it is strongly urged to make an application to the National Treasury for such a

voluntary restriction of its NMD by Eskom. The application must include a council resolution to the effect that council approves and agrees to such a voluntary restriction and the effective date thereof. National Treasury will then make an application to Eskom for this purpose.

3.7 Pro-actively managing collection of municipal revenue in Eskom supplied areas

NT notes that in the context of the Electricity Regulation Act, 2006 (ERA) existing section 21(5) prohibiting Eskom to cut supply in their areas to assist municipalities to collect on rates, water, wastewater and refuse removal – municipalities have no other tool but the restriction of water to collect in Eskom supply areas. Until ERA is amended it is critical that municipalities update their By-laws and policies to facilitate and legally allow the restriction of water as part of proper credit control for municipal revenue collection in Eskom supplied areas. The process before the supply of water is restricted/ limited, must honour the water supply rights of the indigent as well as the administrative processes and procedures, as contained in the municipal by-laws and policies read with section 4(3)(a) of the Water Services Act.

3.8 Maximising the revenue generation of the municipal revenue base Revenue on Property rates

(This section should be read in addition to the information provided on MFMA Circular No. 123 and previous circulars pertaining to this matter).

It is important that municipalities who are performing a general valuation (GV) to implement a new valuation roll on 1 July 2024. Furthermore, it must as a best practice compare the current consolidated roll to the new valuation roll. This can identify any anomalies and errors of category of property and market values for review and investigation and the option of lodging an objection by the municipality, where applicable. This process should also identify outliers and shifts in market values by category and area so that tariffs on the new roll can be modelled and determined in an equitable manner to avoid rates shocks.

Municipalities should undertake this exercise as a routine practice during the budget process so that supplementary adjustments to the valuation roll are kept up to date. In order to ensure that the most updated information is used for the reconciliations, municipalities are reminded to adhere and comply with section 23(1) and section 23(2) of the MPRA and therefore use the Part A register as the basis for performing the reconciliations going forward.

3.9 Setting the Cost reflective tariffs

Municipalities must ensure that when tariffs are designed, the capital repayment of loans are also included in the cost to determine the tariff.

Municipalities must ensure that when tariffs are designed that consumption charges for services are only based on consumption and all other variable costs. Fixed costs e.g. salary and wages, etc. should be covered by a fixed charge. The municipality must ensure its budgeting process address the requirement to maintain its infrastructure. New developments in/ a municipality should mandatorily make provision for alternative energy such as solar or wind or any other energy option available.

3.10 Critical Notice Affecting STS Meters and the RT29 Transversal Tender for Smart Meters

As highlighted in MFMA Circulars No. 115 and 123 (dated 04 March 2022 and 03 March 2023 respectively) municipalities are once again alerted that there is still a pending business risk to the prepayment metering industry that requires urgency of action. The token identifiers (TID) used to identify each credit token will run out of available numbers in November 2024, at which point all STS meters will stop accepting credit tokens. The remedy is to enter a special set of key change tokens in order to reset the meter memory. Municipalities are advised that

the National Treasury, through the Office of the Chief Procurement Officer (OCPO), have issued a transversal contract for the provision of auditing, re-calibration and re-configuration services for standard transfer specification compliant prepayment meters that align to minimum and critical technical specifications for local government. In this respect the development of the transversal contract for smart prepaid meters as per NRS 049 (per latest approved version) is at an advanced stage.

Municipalities are cautioned against issuing their own tender to address the STS TID rollover and a smart solution for electricity and water meters as the RT29 tender should be available for municipalities to participate as early as January 2024 for participation.

3.11 Eskom Bulk Tariff increases

The National Energy Regulator of South Africa (NERSA) is responsible for the price determination of the bulk costs of electricity. In the municipal financial year 2023/24, bulk electricity costs increased significantly at 15.1 per cent, compared to 8.61 per cent in the 2022/23 municipal financial year. There has been no change to the second year of the Multi-Year Price Determination (MYPD 5), as such bulk electricity costs are to be calculated using an increase of 12.7 per cent as per MYPD-5 in the 2024/25 financial year.

Given the absence of an approved tariff increase for the outer year of the MTEF, the increase is projected to be 15.7 per cent in 2025/26. This is the average of the approved increases for the two years of the MYPD-5 period. Municipalities in arrears with Eskom should ensure that their payment arrangements are included in the 2024/25 MTREF budget.

3.12 Consumer Deposits and securities

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

4. Funding choices and management issues

Given the current economic crisis the country faces, Municipalities are under pressure to generate revenue. The ability of customers to pay for services is declining and this means that less revenue will be collected. Municipalities are advised to consider all the advice provided in MFMA Circular No 123 and other previous circulars under this topic to ensure the adoption of surplus and funded budgets.

4.1 Employee related costs

The *Salary and Wage Collective Agreement* for the period 01 July 2021 to 30 June 2024 has come to an end and a new agreement is under consultation, which is anticipated to consider the current fiscal constraints faced by government. Therefore, in the absence of any information in this regard from the South African Local Government Bargaining Council (SALGBC), municipalities are advised to consider their financial sustainability when considering salary increases. It has been observed over the previous years that salary increases were above inflation and has posed challenges to most municipalities' sustainability. In addition, municipalities that could not afford such increases did not apply for exemption as provided by SALGBC.

Therefore, municipalities are urged to consider projecting salary and wage increases that would reflect their affordability given the current economic challenges. Municipalities that are

already not in a position to afford the current wage cost, would have to limit the increase in the 2024/25 MTREF and to exercise the option for exemption for any negotiated increase above the level of their affordability.

4.2 Remuneration of Councillors

Municipalities are advised to budget for the actual costs approved in accordance with the Government Gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils published annually between December and January by the Department of Cooperative Governance. It is anticipated that this salary determination will also take into account the fiscal constraints. Municipalities should also consider guidance provided above on salary increases for municipal officials during this process. Any overpayment to councilors contrary to the upper limits as published by the Minister of Cooperative Governance and Traditional Affairs will be irregular expenditure in terms of section 167 of the MFMA and must be recovered from the councilor(s) concerned.

5. FUNDING MUNICIPAL BUDGETS

5.1 Approval of deficit budgets

National/ Provincial Treasuries encourage municipalities to prepare a surplus budget to avoid placing the municipality's resources in financial difficulties. The adoption of a credible budget starts with the preparation of a surplus budget. With effect from 1 July 2024 all municipal Councils are advised not to approve a deficit budget, as such Mayors who table budgets to Council must be aware of the implications of a deficit budget.

Accounting Officers and their Chief Financial Officers are responsible for preparing budgets and accordingly are tasked with ensuring that the Mayor is guarded against submitting a deficit budget to Council for adoption. Failure thereof may result in Councils implementing section 171 of the MFMA to both the Accounting Officer and Chief Financial Officer.

5.2 Funded Budget

Subsequently, the National Treasury would like to re-emphasise that municipalities must not adopt an unfunded budget. The emphasis is on municipalities to comply with section 18 of the MFMA and ensure that they fund their MTREF budgets from realistically anticipated revenues to be collected. Municipalities are cautioned against assuming collection rates that are unrealistic and unattainable as this is a fundamental reason for municipalities not attaining their desired collection rates. Municipalities are encouraged to limit expenditure according to the anticipated revenue projections. Should their collection rate improve during the financial year, municipalities may bring back initial expenditure items omitted. Municipalities should note that the Office of the Auditor General will soon start auditing those municipalities that have tabled and adopted unfunded budgets over an extended period given that this practice is not only illegal but also compromise their financial sustainability.

5.3 Credible Funding Plans

Municipalities must adopt a credible funding plan in cases where the budget is unfunded (an unfunded budget is not encouraged). Where a funding plan lacks credibility, they will be required to correct the funding plan and ensure that it is credible. The credible funding plan must be immediately adopted by the Municipal Council and the changes to budget must be effected in the mid-year adjustments budget to ensure compliance with section 18 of the MFMA. The funding plan must show progressive improvement in the funding of the budget.

5.4 Budgeting for Debt Impairment Loss, Write Off of irrecoverable debt and Reversal of Impairment Loss

Assessment of the funding position of 2023/24 tabled and adopted municipal budgets revealed that a large number of municipalities incorrectly accounted for debt impairment and the write off of irrecoverable debt with the result that their budgets were assessed as unfunded. The two common mistakes made by most municipalities were:

- Provision for impairment losses was budgeted as Irrecoverable Debt Written Off on Table A4; and
- Provision to write off irrecoverable debt was budgeted for on Table A4 without any adjustment to the Accumulated Provision for Debt Impairment by way of a concomitant reversal of the impairment loss.

Any write off of irrecoverable debt previously impaired and accounted for as an impairment loss should be adjusted as a reversal of impairment loss when the write-off takes place. Failure to adjust the previous impairment loss by the reversal will impact negatively on the net receivables and therefore the funding of the budget. The receivables will be reduced by the amount of the debt written off whilst still providing for the impairment of the receivables already written off.

Municipalities should consider the following when budgeting for the annual Debt Impairment Loss, Write Off of Irrecoverable Debt and Reversal of Impairment Loss. The *m*SCOA chart includes data strings for:

- ***Impairment loss*** – contribution to the provision for annual non-payment based on the realistic collection rate for the municipality. Any increase in impairment is accounted for per debt type. This is treated as a loss in the Statement of Financial Performance;

- ***Reversal of Impairment loss*** – used to facilitate the reversal of overstated impairment losses. Any decrease in impairment is accounted for per debt type. This is treated as a gain in the Statement of Financial Performance. The reversal of impairment loss enables the reduction of debt impairment provision. Therefore, the data strings for impairment loss and reversal of impairment loss are aggregated to populate debt impairment on table A4; and

- ***Irrecoverable Debts Written Off*** – this is no longer written off against the Accumulated Provision for Debt Impairment but is expensed in the Statement of Financial Performance. Therefore, municipalities must record the reversal of impairment loss to reduce the Accumulated Provision for Debt Impairment with the irrecoverable Debts Written Off. The previous versions of the *m*SCOA chart provided for a single expenditure account for the recognition of any bad/ irrecoverable debt written off. However, in version 6.8 the *m*SCOA chart was expanded to include the write off of irrecoverable debt by debt type.

5.5 Burial of councillors using public funds

In terms of National Treasury's Budget Circulars No. 122 and 123 municipalities were urged to ensure that public funds are not used for burial of councillors. The issuance of this requirement in both circulars would have required in certain cases amendment of Council approved policies dealing with these matters.

Therefore, municipalities are reminded to ensure that any policies to this effect are rescinded as this matter will be referred to the Auditor General South Africa (AGSA) to verify during the 2023/24 audit if there have been no instances where public funds are utilised for burial of councillors. If such activities occurred in the municipality w.e.f. the 2023/24 financial year,

each Accounting Officer and Chief Financial Officer will be held responsible, and each Council can deal with such instances in terms of section 171 of the MFMA.

5.6 The use of mayoral discretionary accounts and any other council discretionary accounts

In the previous Budget Circulars municipalities were cautioned against the tendency of utilising Mayoral Discretionary accounts. The risk or danger herein is that public funds are availed/ allocated or given out to other bodies or institutions or individuals by the Mayors of a municipality outside the budget process.

These allocations are at times not known by the Council as they were not disclosed in the budget approved by Council, meaning that there was a lack of transparency during the budgeting processes. Municipalities are reminded that this practice of utilising "Mayoral Discretionary Accounts is not supported by the National Treasury. Therefore, if there are policies developed by municipalities allowing or promoting such activities, those policies must be rescinded when the Council approves the 2024/25 MTREF budget.

Any further use of public funds in that manner will be audited by the AGSA with effect from 1 July 2024 with an intention of ensuring that Accounting Officers/ Executive Mayors and Chief Financial Officers, that allow such practices to continue in their municipalities will be held personally responsible.

5.7 Development charges

Development charges are important components of a sustainable municipal infrastructure financing system, especially for cities and large urban municipalities, as they are used to finance land intensification. Despite their potential as an alternative option for financing infrastructure, municipalities have not fully used development charges due to uncertainty surrounding the regulatory frameworks. To address this uncertainty, amendments to the Municipal Fiscal Powers and Functions Act (2007) are proposed. The Municipal Fiscal Powers and Functions Amendment Bill proposes new, uniform regulations for levying development charges, so strengthening municipalities' revenue-raising framework. This will allow municipalities to mobilise own revenue resources to fund their infrastructure needs and support economic growth.

Once enacted, these amendments will create legal certainty for municipalities to levy development charges, regulate their applicability and create a more standardised, equitable, and sustainable framework for development charges. The Bill was approved by Cabinet for tabling in Parliament on 17 August 2022 and subsequently introduced in Parliament on 08 September 2022. The Bill is currently being processed in line with the Parliamentary processes. Once the Bill has been enacted, the amendments will take effect from the next municipal financial year (commencing 1 July) or on a date prescribed by the President.

The National Treasury will clearly articulate the budgeting and accounting requirements upon the completion of the Parliamentary processes.

6. Municipal Standard Chart of Accounts (*m*SCOA)

6.1 Release of Version 6.8 of the Chart

On an annual basis, the *m*SCOA chart is reviewed to address implementation challenges and correct chart related errors. Towards this end, Version 6.8 is released with this circular. Version 6.8 of the chart will be effective from 2024/25 and must be used to compile the 2024/25 MTREF. The linkages to chart version 6.8 can be downloaded from GoMuni on the following link under the *m*SCOA/ List *m*SCOA WIP account linkages menu option:

https://lg.treasury.gov.za/ibi_apps/signin

The reports on the Local Government and Reporting System (LGDRS) are populated from financial and non-financial data strings. Municipalities must use of the linkages on GoMuni referred to above and not the formulas in the regulated Municipal Budget and Reporting MBRR) Schedules when generating their data strings.

The Municipal Budget and Reporting Regulations (MBRR) Schedules (A to F) and non-financial data string (A1S) was also aligned to chart version 6.8. A protected version of the MBRR Schedules for version 6.8 of the chart and A1S is available on the MFMA Webpage on the link below:

http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx

Municipalities must verify that the A1S data string does not contain spaces and special characters prior to submission to the GoMuni Upload portal as this will result in the data not pulling through on table A10 of the A1 system generated schedule.

All municipalities must prepare their 2024/25 MTREF budgets using the budget modules of their ERP systems, generate their financial and non-financial data string and produce the Schedule A1 directly from the ERP system. The manual preparation of these documents outside the ERP system is not allowed in terms of the *m*SCOA Regulations.

For the National Treasury to consider a new chart change in version 6.9 of the chart, the issue must be logged with all relevant detail, supporting documents and screenshots (where applicable) on the *m*SCOA Frequently Asked Question (FAQ) portal by 31 August 2024. The *m*SCOA FAQ portal can be accessed by all registered GoMuni users on the following link:

https://lg.treasury.gov.za/ibi_apps/signin

Importantly, when a FAQ is logged, it is considered by the FAQ committee after it has been investigated. If the FAQ members do not find grounds for a chart change, the FAQ will be closed with an explanation. If there is merit for a chart change in the next version of the chart, the matter is referred to the *m*SCOA Technical and Steering Committees for recommendation and approval. This process only concludes by the end of October annually. The FAQ process will therefore not provide quick responses to queries.

If a query pertains to GoMuni related issues (such as the **A**, **B** and **C** Schedules) and not a chart change, then an email with all relevant detail, supporting documents and screenshots must be send to lgdataqueries@treaury.gov.za.

Please note the following errata in MFMA Circular No.123 on page 5 in relation to property categories that were approved by the Minister of Cooperative Governance for Bitou and Drakenstein municipalities. It was **incorrectly** indicated that the approval was in accordance with section 8(2)(j) of the Municipal Property Rates Act (MPRA) as amended in 2014, and that municipalities may apply for categories other than the categories in 8(2)(a) to (i).

The paragraph is corrected as follows:

Kindly note that, in accordance with section **8(4)** of the Municipal Property Rates Act (MPRA) as amended in 2014, municipalities may apply to the Minister for the authorisation to sub-categorise the property categories in subsection (2). Towards this end the Minister of Cooperative Governance and Traditional Affairs approved the following categories:

- Sports Clubs and Fields for Bitou Municipality and

- Residential sectional title garages for Drakenstein Municipality.

6.2 Improving *m*SCOA data strings credibility

The credibility of the *m*SCOA data strings that have been submitted by municipalities to the GoMuni Upload portal has improved over the last financial year. However, the following areas of concern remain:

- Municipalities continue to **transact against line items without budgets** and as a result exceed the annual budget already in month 1 to 3 (quarter 1) of the new financial year;
- **Opening balances** for the previous year are **not transferred** in the first month (M01) of the current year, and all adjustments made during the preparation of the annual financial statements in periods 14 and 15 are not transferred through journals to the opening balances of the current year in the month of the current year that the adjustments are done;
- **Cash flow tables** (Tables A7, B7 and C7) are still **not populating correctly** and fully. This can be attributed to the fact that several municipalities still do not use balance sheet budgeting and movement accounting. Guidance on the use of balance sheet budgeting and movement accounting to populate tables A7, B7, and C7 correctly was provided in MFMA Budget Circular No. 107 (dated 04 December 2020) and *m*SCOA Circular No. 11 (dated 04 December 2020);
- Budget and transacting for **water inventory** is **not done correctly** in terms of the guidance given in MFMA Budget Circular No.115 (dated 04 March 2022) and MFMA Budget Circular No. 122 (dated 12 December 2022); and
- Some municipalities **do not budget and transact correctly** or completely **for irrecoverable debt written off and impairment loss** as well as the reversal of impairment loss of consumer debtors that have a significant impact on the funding of budgets.

National and provincial treasuries analyse the data strings of municipalities monthly to identify errors and communicate these findings to municipalities. Municipalities must use the feedback received to correct recurring errors in subsequent periods. Going forward, the National Treasury will not allow data string errors made in a previous month to be corrected in the next open period as this skew the monthly figures on the National Treasury Local Government Database and Reporting System (LGDRS). Municipalities must therefore **verify** the credibility and accuracy of the information in their financial system **prior** to submitting the *m*SCOA data strings to the LGDRS. The data on the LGDRS is used by various stakeholders such as the South African Reserve Bank (SARB), STATSSA, SARS, Department of Water Affairs (DWA), NERSA, DCoG, SALGA, AGSA, World Bank universities and the public.

6.3 *m*SCOA reporting on Value Added Tax (VAT)

In terms of the VAT Act, 1991 (Act No. 89 of 1991) and its amendments, municipalities must be VAT registered and must declare Output tax on the taxable supply of goods and services and claim Input tax credits on expenses incurred in the course or furtherance of the enterprise (the taxable supplies). The output tax is declared, and the input tax claimed by completing a VAT 201 return.

The guidance provided in *m*SCOA Circular No. 12 must be followed when reporting on VAT. It should be noted that the South African Revenue Services (SARS) will be using the data on the LGDRS submitted by municipalities to verify the VAT 201 return in 2024/25. It is therefore

crucial that municipalities report their VAT transaction correctly on their ERP systems and in their *m*SCOA data strings.

6.4 Use of function segment to achieve GRAP 18 segmental reporting

GRAP 18 is applicable to all entities on the accrual basis of accounting. The standard applies to separate (or individual) financial statements of an entity, as well as to consolidated financial statements of an economic entity. Municipalities control significant public resources and provide a wide variety of goods or services in different geographic areas with different socio-economic conditions. Consolidated financial statements provide an overview of assets, liabilities, revenues and costs etc. of an entity, but a greater level of aggregation is necessary to provide information which is relevant for accountability and decision-making purposes.

The objective of the disclosures is to enable users of the financial statements to evaluate the nature and financial effects of the activities in which it engages and the economic environment in which it operates. To achieve the objective, disclosures are required on two levels, namely:

- Specific segment disclosures
- Geographic disclosures

Detailed guidance on GRAP 18 reporting was provided by the National Treasury in the Accounting Guideline on GRAP 18 Segment Reporting (February 2020) which is available on the following link:

https://ag.treasury.gov.za/

The *m*SCOA function and region segments must be used to comply with the GRAP 18 reporting requirements.

The function segment records the major activities that generate the most economic benefits or service potential of the municipality. The implication will be that all income and expenditure transactions related to a specific trading service (function) must be budgeted for and transacted within that function. Therefore, where grants are allocated to trading services, the grant must be budgeted for and transacted in the Trading Services function. Municipalities must review their classification of the function segment as to whether the function is correctly identified as a core or non-core function.

The region segment identifies the lowest relevant geographical regional indicator of the intended contributor or beneficiaries that will contribute/ benefit directly from the given service or capital investment. Municipalities must ensure that they identify the lowest geographical regional indicator in the region segment when they budget, transact and report to provide data on the geographic disclosures required in GRAP 18.

Municipalities are also reminded to include the GPS Longitude for capital projects on supporting table SA36 on the A Schedule.

6.5 Period closure and reconciliation of General Ledger

Section 65 (2)(j) of the MFMA states that the accounting officer must take all reasonable steps to ensure that all financial accounts of the municipality are closed at the end of each month and reconciled with its records.

Annexure B of MFMA Circular No. 80 (08 March 2016) provides guidance on the minimum system requirements in this regard, namely that the ERP system must contain the functionality for:

- Period closures (i.e. budget process, month-end and year-end) and certification within the statutory reporting dates;
- Reconciliations and balancing of the sub-system and the General Ledger of the core ERP System with control accounts as a condition of all period closures;
- System generated transfer of opening balance to month 1 in the following year subsequent to the year-end closures period 12 as at 30 June (of the current year);
- Automated roll-over of the closing balance from month 12 into period 13 of the current financial year and month 01 of the new financial year; and
- Automated roll-over of the closing balance from period 13 to 14 and 15 of the current financial year and the corresponding month in the new financial year.

Guidance on the required period closures will be provided in *m*SCOA Circular No. 15 that will be issued in 2024.

6.6 *m*SCOA governance and implementation

Municipalities that have not yet achieved the required level of *m*SCOA implementation, must develop and implement a road map (action plan) to fast track the implementation of *m*SCOA. The focus areas that should be considered (at a minimum) when developing the road map are articulated in **Annexure A** attached to this circular.

6.7 Regulating the minimum business processes and system specifications for *m*SCOA

The National Treasury will regulate the minimum business processes and system specifications for *m*SCOA towards the end of 2025/26. This project will also include the following outputs:

- Review and update the set of minimum business processes and system specifications for *m*SCOA (currently articulated in MFMA Circular No. 80) to incorporate new legislative requirements that have been issued since the circular was published;
- Update and develop the standard operating procedures (SOPs) for *m*SCOA;
- Align the current ICT due diligence assessment for *m*SCOA to the new Regulations;
- Consultation with key stakeholders on draft regulations; and
- Training on the new Regulations to ensure that there is a fair understanding of the new regulation by stakeholders.

Further communication will be issued on the consultation processes and training in due course.

6.8 Training Initiatives

The National Treasury has introduced several training initiatives to capacitate municipalities, government departments, system vendors and other stakeholders on *m*SCOA. In 2024, these training initiatives will include:

- **Virtual Master classes:** This training is hosted by CIGFARO at no cost via zoom on a monthly basis and deals with technical and accounting aspects of the use of *m*SCOA chart;

- **Provincial training on *m*SCOA:** This is a new training initiative and will be hosted at a physical venue by CIGFARO at a cost (to cover expenses) and will include the fundamentals (part 1) and technical and accounting aspects (part 2) of *m*SCOA. Delegates will be required to pass a test on each part of the training to receive a certificate of completion;

- ***m*SCOA eLearning**: This self-paced web-based course hosted by the National School of Government (NSG) at no cost (until further notice) aims to equip learners with the fundamental of *m*SCOA. Municipal and government officials can register for the course at on the following link:

  https://www.thensg.gov.za/elearning

- **Annual CIGFARO/*m*SCOA workshop:** This annual workshop provides a platform to share lessons learnt, best practices, technical aspects of *m*SCOA implementation and planned new developments by the National Treasury.

The full training program for 2024 is available on the GoMuni/ Go Training portal) on the following link:

https://lg.treasury.gov.za/ibi_apps/portal

7. The Municipal Budget and Reporting Regulations

7.1 Assistance with the compilation of budgets

If municipalities require advice with the compilation of their respective budgets, specifically the budget documents or Schedule A, they should direct their enquiries to their respective provincial treasuries or to the following National Treasury officials:

Province	Responsible NT officials	Tel. No.	Email
Eastern Cape Buffalo City	Matjatji Mashoeshoe Pitso Zwane Mandla Gilimani	012-315 5553 012-315 5171 012-315 5807	Matjatji.Mashoeshoe@treasury.gov.za Pitso.Zwane@Treasury.gov.za Mandla.Gilimani@treasury.gov.za
Free State	Sifiso Mabaso Cethekile Moshane	012-315 5952 012-315 5079	Sifiso.mabaso@treasury.gov.za Cethekile.moshane@treasury.gov.za
Gauteng City of Tshwane and City of Johannesburg City of Ekurhuleni	Matjatji Mashoeshoe Pitso Zwane Oreal Tshidino Willem Voigt Makgabo Mabotja Enock Ndlovu Kgomotso Baloyi	012-315 5553 012-315 5171 012-315 5830 012-315 5156 012-315 5866	Matjatji.Mashoeshoe@treasury.gov.za Pitso.Zwane@Treasury.gov.za Oreal.Tshidino@Treasury.gov.za WillemCordes.Voigt@treasury.gov.za Makgabo.Mabotja@treasury.gov.za Enock.Ndlovu@treasury.gov.za Kgomotso.Baloyi@treasury.gov.za
KwaZulu-Natal eThekwini	Kgomotso Baloyi Kevin Bell Sifiso Mabaso	012-315 5866 012-315 5725 012-315 5952	Kgomotso.Baloyi@treasury.gov.za Kevin.Bell@treasury.gov.za Sifiso.mabaso@treasury.gov.za
Limpopo	Sifiso Mabaso	012-315 5952	Sifiso.Mabaso@treasury.gov.za
Mpumalanga	Mandla Gilimani Lesego Leqasa	012-315 5807	Mandla.Gilimani@treasury.gov.za Lesego.Leqasa@treasury.gov.za
Northern Cape	Mandla Gilimani Sibusisiwe Mchani	012-315 5807 012-315 5539	Mandla.Gilimani@treasury.gov.za Sibusisiwe.Mchani@treasury.gov.za
North West	Willem Voigt Makgabo Mabotja	012-315 5830 012-315 5156	WillemCordes.Voigt@treasury.gov.za Makgabo.Mabotja@treasury.gov.za
Western Cape Cape Town George	Willem Voigt Enock Ndlovu Kgomotso Baloyi Mandla Gilimani	012-315 5830 012-315 5385 012-315 5866 012-315 5807	WillemCordes.Voigt@treasury.gov.za Enock.Ndlovu@treasury.gov.za Kgomotso.Baloyi@treasury.gov.za Mandla.Gilimani@treasury.gov.za
Technical issues on GoMuni Website	Data management		lgdataqueries@treasury.gov.za

8. Submitting budget documentation and A schedules for the 2024/25 MTREF

8.1 Time frames for submission

The LGDRS will be locked at 00:00 on the 10th working day of every month for the submission of data strings due, as required in terms of section 71 of the MFMA. Closed periods will not be opened to correct errors or to accommodate non-submission of data strings, regardless of whether a Schedule G application was done or not.

Municipalities must therefore verify the credibility and accuracy of the information in their financial system prior to closing the month on the ERP system and submitting the *m*SCOA data strings to the LGDRS.

Annexure A (attached) provides a list of the deadline dates for the submission of *m*SCOA data strings and documents to the GoMuni Upload portal in the 2024/25 MTREF. The GoMuni Upload portal can be accessed by registered users on the following link:

https://lg.treasury.gov.za/ibi_apps/signin

Since the 2020/21 MTREF, municipalities are no longer required to submit hard copies of all required documents including budget related, Annual Financial Statements and Annual Reports to National Treasury via post or courier services. PDF versions of documents must be submitted to the GoMuni Upload portal.

8.2 Updating of contact details on GoMuni

Municipalities must ensure that their contact details on GoMuni are updated as soon as changes occur. Often emails containing important information and deadlines do not reach the intended GoMuni users due to outdated users contact information.

To update the contact details, municipalities (registered users) must download the excel report from GoMuni under Database/Contacts/Reporting/Contact information on the following link:

https://lg.treasury.gov.za/ibi_apps/signin

Changes/ additions made must be forwarded to lgdocuments@treasury.gov.za.

8.3 Submission of monthly sign-off

From 2024/25, municipalities will be required to sign off on the *m*SCOA data strings submitted for section 71 and grant reporting monthly. Currently this is being done manually on a quarterly basis. These monthly sign-off certificates will be system generated from the LGDRS and must be uploaded monthly with the data string submission to the GoMuni Upload portal.

8.4 Training on GoMuni

The training schedule and GoMuni links for 2024 to assist those users that require new or refresher training on how to draw reports on the LGDRS, is available on the GoMuni/ Go Training portal on the following link:

https://lg.treasury.gov.za/ibi_apps/portal

Contact

national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Post	Private Bag X115, Pretoria 0001
Phone	012 315 5009
Fax	012 395 6553
Website	http://www.treasury.gov.za/default.aspx

JH Hattingh
Chief Director: Local Government Budget Analysis
07 December 2023

Annexure A

The following focus areas should be considered (at a minimum) when developing the road map and the road map should detail action steps, assign responsibilities, and specify time frames to address the implementation gap:

a. ICT Architecture, which includes the hardware, servers, software, licences required to run the ERP management systems.

b. Governance and Institutional Requirements - which includes:

- A functioning *m*SCOA steering committee or equivalent structure to monitor and report on progress against the road map. This committee consist of the heads of all business units and meet regularly (at least quarterly).
- Regular reporting on *m*SCOA implementation to Management and Executive Committees and Council.
- Appointment of a *m*SCOA champion to drive the *m*SCOA implementation at the municipality.
- Appointment of a suitably qualified System Administrator.
- The development and adoption of the required IT policies and securities.
- Establishment of data back-up and disaster recovery procedures.

c. System Functionality - which includes:

- The ERP modules and 3rd party systems used. These must give effect to the minimum business processes and system requirements specified in MFMA Circular No. 80. Municipalities must budget adequately to procure the required functionality and upgrade to the mSCOA enabling version of the ERP.
- Seamless and full integration of data in the ERP system, including 3rd party systems used by the municipality and its entities. The ERP system vendor sets the requirements for the integration.

An ICT due diligence assessment must be conducted 6 months before the Service Level Agreements (SLA) with an existing system vendor comes to an end to determine if an ERP system changes or extension of the existing SLA is required. Municipalities must follow the due diligence processes set out in MFMA Budget Circulars No. 93, 98, 123 and *m*SCOA Circulars No. 5 and 6 prior to procuring a new ERP system. Guidance on procurement processes were also provided in MFMA Circular No. 107 (4 December 2020).

The ERP system represents the General Ledger. Any 3rd-party system with a direct impact on the General Ledger must integrate fully and seamlessly with the ERP system in terms of the mSCOA Regulations. This means that data contained in the 3rd party system must synchronise without any human or manual intervention integrate to the ERP system without human or manual intervention in real time or at least daily and drill down from the ERP system to the General Ledger of the 3rd party system must be possible.

d. User Proficiency and Training

- The relevant municipal officials and interns must be sufficiently capacitated on the

mSCOA chart, basic accounting, balance sheet budgeting and movement accounting and all system modules and functionalities to use the ERP systems solution. Consideration should be given to training, the establishment of User Support Groups and the availability of user manuals on the system.

- Change management initiatives to ensure that mSCOA is institutionalised as an organisational reform and not only a financial reform.

Annexure B

SUBMISSION CHECKLIST 2024/25 MTREF BUDGET DOCUMENTS:

Category	Documents Required	*m*SCOA Data Strings Required	Due Date	Date for Closing LGDRS Submission
BUDGET DOCUMENTS				
Tabled Budget	1. A1 Schedule Draft 2. Budget Document Draft 3. Council Resolution Draft 4. Quality Certificate Draft 5. IDP Draft 6. SDBIP Draft 7. Spatial Development Framework Draft 8. Long Term Financial Strategies Draft 9. Service Standards Draft 10. Rates Billing Draft 11. Tariff List Draft 12. Property Rates and Tariffs List Draft 13. Draft Tariff Policies on: a. Property Rates and Service charges b. Borrowing c. Budget Implementation and Management d. Cash Management and Investment e. Credit Control and Debt Collection f. Funding and Reserves g. Indigents h. Long-term Financial Planning i. Management and Disposal of Assets Draft j. Infrastructure Investment & Capital Projects k. Supply Chain Management 14. *m*SCOA Road Map Draft 15. Fixed Asset Register Draft	1. TABB – Tabled Budget 2. PRTA – Tabled Project Details 3. A1D – Tabled non-financial data	Immediately (within 24 hours) after tabling by council	15 April 2024

Category	Documents Required	*m*SCOA Data Strings Required	Due Date	Date for Closing LGDRS Submission
	16. Funding Plan Draft 17. Indigent Register Draft 18. General Valuation Roll (GVR) Draft			
Adopted Budget	1. A1 Schedule Final 2. Budget Document Final 3. Council Resolution Final 4. Quality Certificate Final 5. Budget locking certificate Final 6. IDP Final 7. SDBIP Final 8. Spatial Development Framework Final 9. Long Term Financial Strategies Final 10. Service standards Final 11. Rates Billing Final 12. Tariff List Final 13. Property Rates and Tariffs List Final 14. Final Tariff Policies on: a. Property Rates and Service charges b. Borrowing c. Budget Implementation and Management d. Cash Management and Investment e. Credit Control and Debt Collection f. Funding and Reserves g. Indigents h. Long-term Financial Planning i. Management and Disposal of Assets j. Infrastructure Investment & Capital Projects k. Supply Chain Management 15. *m*SCOA Road Map Final 16. Fixed Asset Register Final	1. ORGB – Original (adopted) Budget 2. PROR – Project Details Original Budget 3. A1F – Final non-financial data	10 working days after approval by council	12 July 2024

Category	Documents Required	*m*SCOA Data Strings Required	Due Date	Date for Closing LGDRS Submission
	17. Funding Plan Final 18. Indigent Register Final 19. General Valuation Roll (GVR) Final 20. D Schedule (entities) 21. MTREF Budget Schedule Time Table			
Adjustment Budget	1. Mid-Year Budget Perform Assessment S72 2. Resolution Mid-Year Budget Perf Assess S72 3. Adjusted Budget 4. B Schedule 5. Council Resolution 6. Quality Certificate 7. Budget locking certificate Revised 8. E schedule (entities)	1. ADJB - Adjusted Budget 2. PRAD - Project details Adjusted Budget	10 working days after approval by council	14 March 2024
In-year Reporting	1. S71 monthly report 2. Monthly C Schedule 3. Monthly Quality Certificate 4. Monthly Primary Bank Statements 5. Monthly Primary Bank Recon 6. Monthly Trial Balance 7. Signed S71 Monthly Report to Council 8. Signed Conditional Grant Monthly Report to Council 9. Monthly F Schedule (entities) 10. Quarterly mSCOA Implementation Progress Reports 11. Quarterly S52d Performance Reports	1. M01 – M12 - Monthly Actuals 2. CR01 – CR12 - Monthly Creditors 3. DB01 – DB12 - Monthly Debtors 4. BMQ1 – BMQ4 – Quarterly Borrowing Monitoring 5. IMQ1 – IMQ4 - Quarterly Investment Monitoring	10 working days after the end of month/quarter	15 August 2024 13 September 2024 14 October 2024 14 November 2024 13 December 2024 15 January 2025 14 February 2025 14 March 2025 14 April 2025 15 May 2025 13 June 2025 14 July 2025
YEAR-END DOCUMENTS				
Pre-audit	1. Pre-audited AFS	PAUD - Pre-audited AFS CRPA – Creditors DBPA - Debtors	Immediately (within 24 hours) after submission to AGSA	13 September 2024
Audit	2. Audited AFS	1. AUDA - Audited AFS 2. CRAU – Creditors	Immediately (within 24 hours) after conclusion of audit	14 March 2025

Category	Documents Required	*m*SCOA Data Strings Required	Due Date	Date for Closing LGDRS Submission
		3. DBAU - Debtors		
Restated	4. Restated AFS	RAUD - Restated AFS	Immediately (within 24 hours) after approved by Council	2022/23: 15 August 2024
Annual Report	5. Annual Report 6. Council Oversight Report	Not applicable	Within nine months after the end of a financial year deal	15 May 2025
REVENUE MANAGEMENT DOCUMENTS				
Revenue	1. Tariff Tool Draft and Final 2. Tariff Tool Final 3. Bulk Suppliers (water and electricity) proof of payment-M01 to M12 4. Proof of payment 3rd party (Staff benefits, SARS)-M01 to M12 5. Bulk Suppliers - repayment plans 6. Repayment plan (with any of its creditors excluding bulk suppliers) 7. Municipality Valuation Roll Reconciliation-Q1 to Q4 8. Revenue Enhancement Strategy 9. Municipality Revenue Assessment Tool 10. Schedule for the new general valuation roll 11. Supplementary Valuation Roll 12. Municipal Debt relief Application	Not applicable	1. Annually 2. Monthly 3. Monthly 4. As applicable* 5. As applicable* 6. As applicable 7. Quarterly 8. Every 3 years* 9. Every 3 years* 10. Annually 11. Annually	
MFRS DOCUMENTS				
MFRS	1. Mandatory FRP Progress Report-M01 to M12	Not applicable	Monthly*	Not applicable

Annexure AY
MFMA Budget Circular No 128 dated 8 March 2024

NATIONAL TREASURY

MFMA Circular No. 128

Municipal Finance Management Act No. 56 of 2003

Municipal Budget Circular for the 2024/25 MTREF

INTRODUCTION **2**

1. THE SOUTH AFRICAN ECONOMY AND INFLATION TARGETS **2**

2. KEY FOCUS AREAS FOR THE 2024/25 BUDGET PROCESS **3**

2.1. LOCAL GOVERNMENT CONDITIONAL GRANTS AND UNCONDITIONAL GRANTS ALLOCATIONS 3
2.2. POST 2023 MTBPS CHANGES 4
2.3. REVIEW OF THE LOCAL GOVERNMENT FISCAL FRAMEWORK 5
2.4. UPDATE ON THE REVIEW OF THE CONDITIONAL GRANTS 5
2.5. FUNDING FOR LOCAL ECONOMIC DEVELOPMENT (LED) PROGRAMMES 6
2.6. REFORMS TO IMPROVE THE EFFICIENCY AND FINANCIAL SUSTAINABILITY OF METRO'S TRADING SERVICES 6
2.7. CRITERIA FOR THE RELEASE OF THE EQUITABLE SHARE: 7

3. REVENUE MANAGEMENT **7**

3.1. UPDATE ON MUNICIPAL DEBT RELIEF (MFMA CIRCULAR NO. 124) 8
3.2. SMART METER GRANT 8
3.3. TRANSVERSAL TENDER RT-29 9

4. CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES **9**

4.1. CRITERIA FOR THE ROLLOVER OF CONDITIONAL GRANT FUNDS 9
4.2. UNSPENT CONDITIONAL GRANT FUNDS FOR 2023/24 11

5. FUNDING CHOICES AND MANAGEMENT ISSUES **11**

5.1. EMPLOYEE RELATED COSTS 12
5.2. REMUNERATION OF COUNCILLORS 12
5.3 GOVERNANCE, PERFORMANCE, AND INVESTMENT MATTERS 12
5.4 ENVIRONMENTAL POLLUTION 13

6. MUNICIPAL STANDARD CHART OF ACCOUNTS (*M*SCOA) **14**

6.1. GO LIVE ON VERSION 6.8 OF THE CHART 14
6.2. *M*SCOA DATA STRINGS CREDIBILITY 14
6.3. REGULATING THE MINIMUM BUSINESS PROCESSES AND SYSTEM SPECIFICATIONS FOR *M*SCOA 15

7. SUBMITTING DOCUMENTS TO THE GOMUNI UPLOAD PORTAL **16**

7.1. SUBMISSIONS TO THE NATIONAL TREASURY 16
7.2. UPDATING OF CONTACT DETAILS ON GOMUNI 16
7.3. SUBMISSION OF ADDITIONAL REPORTS 16
7.4. PROCUREMENT SPEND REPORTING 16

8. THE MUNICIPAL BUDGET AND REPORTING REGULATIONS **17**

8.1 ASSISTANCE WITH THE COMPILATION OF BUDGETS 17

Introduction

This budget circular is a follow-up to MFMA Circular No. 126 that was issued on 07 December 2023. It aims to provide further guidance to municipalities with the preparation of their 2024/25 Medium Term Revenue and Expenditure Framework (MTREF) budgets and should be read together with the budget circulars that have been issued previously.

The grant allocations as per the 2024 Budget Review and the 2024 Division of Revenue Bill are also key focus areas in this circular. Municipalities are reminded to refer to the annual budget circulars of the previous years for guidance in areas of the budget preparation that are not covered in this circular.

1. The South African economy and inflation targets

Over the next three years, South Africa's economy is forecast to grow at an average of 1.6 per cent, a moderate improvement on the 1.4 per cent average expected at the time of the 2023 MTBPS. The outlook is supported by an expected recovery in household spending as inflation declines, and an increase in energy-related fixed investments.

Power cuts and operational problems in freight rail and ports continue to disrupt economic activity and limit the country's export potential. Comprehensive reforms are underway in these sectors, although it will take time to see recovery in growth. Household consumption is under pressure from high living costs, and investment remains low due to weak confidence and challenging business conditions linked to structural constraints.

South Africa has experienced over a decade of weak economic growth, GDP has averaged only 0.8 per cent annually since 2012, entrenching high levels of unemployment and poverty. To turn the tide and raise economic growth sustainably, government is prioritising energy and logistics reforms, along with measures to arrest the decline in state capacity. Successful efforts to improve the fiscal position, complete structural reforms and bolster the capacity of the state will, in combination, reduce borrowing costs, raise confidence, increase investment and employment, and accelerate economic growth.

The National Treasury estimates real economic growth of 0.6 per cent in 2023. This is a decrease from growth of 0.8 per cent projected in the 2023 MTBPS due to weaker than expected outcomes in the third quarter of 2023, resulting in downward revisions to household spending growth and spending on gross fixed investment. GDP growth is projected to average 1.6 per cent from 2024 to 2026 as the frequence of power cuts declines, lower inflation supports household consumption, and employment and credit extensions recover gradually. New energy projects will improve fixed investments and business sentiment.

To accelerate GDP growth after an extended period of weak economic performance, South Africa needs large-scale private investment. Government is working to improve the fiscal position, complete structural reforms and bolster the capacity of the state to reduce borrowing costs, raise confidence, increase investment, and put the economy on a higher job creating growth path.

The following macro-economic forecasts must be considered when preparing the 2024/25 MTREF municipal budgets.

Table 1: Macroeconomic performance and projections, 2022 – 2027

Fiscal year	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual	Estimate	Forecast		
CPI Inflation	6.9%	6.0%	4.9%	4.6%	4.6%

Source: 2024 budget review.

Note: the fiscal year referred to is the national fiscal year (April to March) which is more closely aligned to the municipal fiscal year (July to June) than the calendar year inflation.

Headline inflation is projected to moderate from 6 per cent in 2023 to 4.9 per cent in 2024 and 4.6 per cent in 2025 and 2026 as food and fuel inflation continue to decline. In 2023 food inflation slowed less than expected due to power cuts and rand depreciation, keeping imported food costs high. An avian influenza outbreak also increased the costs for poultry and eggs. These factors are expected to dissipate over the medium term.

The current economic challenges in the country place pressure on households' ability to pay municipal accounts, therefore municipal own revenue generation gets affected.

It is noted that variations in regional specifics are possible, however, any variation of assumptions must be explicitly set out and well explained in the budget narratives, in the absence of which the Treasuries will refer the budget back to council for alignment to the macroeconomic performance projections.

Fiscal strategy to contain debt (fiscal consolidation) through reduction of budgets and reprioritisation

The 2024 budget balances development and sustainable public finances. In the context of persistent low economic growth, government will protect critical services, support economic growth through reforms and public investment and stabilise public debt. Although South Africa continues to confront difficult economic conditions, a moderate recovery is forecast in the economic outlook. Broad reforms are underway in energy, freight, water and telecommunications. Yet it will take time to reverse the consequences of operational, maintenance and government failures at state owned companies responsible for electricity, rail and ports. Rapid growth in debt- service costs choke the economy and the public finances. Government is staying the course to narrow the budget deficit and stabilise debt. This year, for the first time since 2008/09, government will achieve a primary budget surplus. Debt will stabilise in 2025/26.

The balances approach to fiscal consolidation includes expenditure restraint and moderate revenue increases, while continuing to support the social wage and ensuring additional funding for critical services. Government will after extensive consultation propose a binding fiscal anchor for future sustainability. In the interim, the debt stabilisation primary surplus will anchor fiscal policy.

The consolidate budget includes the main budget framework and spending by provinces, social security funds, public entities including municipalities finances from their own revenue sources. Government remains committed to fiscal consolidation that balances the needs of the most vulnerable in society and protests the public finances for future generations.

2. Key focus areas for the 2024/25 budget process

2.1. Local government conditional grants and unconditional grants allocations

Net reductions of R80.6 billion to main budget non-interest expenditure are identified across the three spheres of government over the MTEF in comparison to the 2023 budget estimates. Among these 2024 MTEF fiscal consolidation reductions, local government has the smallest contribution. Over the 2024 MTEF, the local government equitable share and direct conditional grants will be reduced by a total of R15.5 billion, made up of R9.6 billion in the local government equitable share and R5.9 billion in direct conditional grants. Despite reduction, local government equitable share growth remains high with transfers to local government significantly increasing by 5.2 per cent annually, driven mainly by the strong growth of local government equitable share by 6.1 per cent. National revenue share increases by 2.6 per cent annually, while transfers to provinces grow by 3.8 per cent annually, with the equitable share growing faster than conditional grants. There were no proposed reductions on the sharing of the general fuel levy to the metropolitan municipalities.

Notable changes to the conditional grants system

Given the ongoing review of the conditional grants system, very minimal changes were proposed to local government conditional grants. The proposed changes indicate a continued focus on enabling municipalities to improve service delivery to communities.

New conditional grant for smart prepaid meters

A new indirect grant, which will be managed by the National Treasury will be introduced in 2024/25. This grant will present an important opportunity for municipalities in the debt relief programme. While debt relief is a critical component of supporting struggling municipalities, it is important to also provide the municipalities with the tools and the necessary funding to improve their operations and long-term sustainability.

This new indirect conditional grant for smart prepaid meters is a meaningful step towards providing municipalities with the financial support they need to better manage their utilities, by ensuring timely and accurate billing; reducing losses; and enhancing operational sustainability. Municipalities will be able to manage their utility services and provide to water and electricity services effectively and efficiently. The grant will initially focus on providing debt relief for Eskom and will be implemented targeting specific municipalities in its initial years.

Improving regulatory levers and reforms

By enhancing the usage of regulatory frameworks in the conditional grants system, the government is taking steps to ensure that municipalities prioritise critical projects and utilise resources effectively. The use of results from the Department of Water and Sanitation's Watch Reports in the prioritisation of water and sanitation projects funded from general-purpose grants such as the integrated urban development grant (IUDG), and municipal infrastructure grant (MIG), will improve the quality and impact of these projects. Further, requiring municipalities to use the results of green drop, blue drop and no drop assessments in planning and prioritising projects will drive greater accountability and transparency in the use of grant funds, promoting sustainable and effective service delivery.

2.2. Post 2023 MTBPS changes

A number of reductions that were proposed in the 2023 MTBPS have been reversed but revised downwards, and several further cuts and other reprioritisations effected to make funds available for other government priorities. These include:

Reductions reversed: Previous reductions proposed on the sharing of the general fuel levy to the metropolitan municipalities, the rural roads asset management systems and the water services infrastructure grants have been reversed.

Reductions revised downwards: The previous reduction of R218 million to the integrated national electrification programme municipal grant is revised to R204 million; the previous reduction of R49 million to the municipal disaster response grant is revised to R35 million; and the previous reduction of R48 million to the municipal systems improvement grant is revised to R27 million.

Further reductions: To make funds available for other government priorities, reductions have been made to some municipal conditional grants over the 2024 MTEF period. These include an additional reduction of R3.5 billion to the integrated national electrification programme Eskom grant; an additional reduction of R73 million to the integrated urban development grant; an additional reduction of R14 million to the energy efficiency and demand-side management grant; an additional reduction of R4 million to the public transport network grant; an additional reduction of R127 million to the direct component of the regional bulk infrastructure grant; and an additional reduction of R852 million to the indirect component of the regional bulk infrastructure grant.

Reprioritisations: Reprioritisations over the MTEF period include the following: R58.3 million from the direct component of the municipal infrastructure grant is converted to the indirect component of the grant; R587 million from the direct component of the regional bulk infrastructure grant is converted to the indirect component; R91 million from the integrated urban development grant and R1.4 billion from the municipal infrastructure grant are shifted to the municipal disaster recovery grant to fund the repair and reconstruction of municipal infrastructure damaged by the floods that occurred between February and March 2023; R400 million from the first two years of the MTEF period are shifted to the outer year in the public transport network grant; R2 billion is reprioritised from the integrated national electrification programme municipal grant to fund the baseline for the new smart meters grant; and R432 million is reprioritised from the integrated national electrification programme Eskom grant to fund other priorities in the energy sector.

2.3. Review of the local government fiscal framework

Government's five-year programme of action to improve local governance, as endorsed by the Budget Forum, includes efforts to improve the funding model for local government. The National Treasury is reviewing a draft report for regulating municipal surcharges on electricity and identifying alternative sources of revenue to replace these. The next step will be consultation with external stakeholders.

The local government equitable share formula is being updated in various ways, including improving its responsiveness to the different functions assigned to district and local municipalities. In addition, the formula will be refined with reforms such as exploring the feasibility of introducing a cost differential model, community services components for health services and firefighting functions, objective criteria for benchmarking municipalities in relation to their administrative functions. The Department of Cooperative Governance, the National Treasury, the South African Local Government Association, the Financial and Fiscal Commission and statistics South Africa are identifying areas for refinement over the 2024 MTEF period.

2.4. Update on the review of the conditional grants

The South African government initiated a review of the existing grant system amid concerns of its effectiveness, including underspending on infrastructure grants and fragmentation in

the provincial and municipal grant systems. The review involved stakeholder consultations and literature reviews of conditional grant programmes to gain insights and make evidence-based recommendations for reform.

In April and May 2024, multiple consultation platforms will be set up to share the preliminary findings with the multi-stakeholder team. While some changes resulting from the review were reflected in the 2024 Budget, further proposed reforms are likely to be considered in the 2025 budget process and implemented gradually in a phased manner.

2.5. Funding for Local Economic Development (LED) Programmes

National Treasury is mindful of the essential role played by municipalities in driving economic development and job creation to mitigate inequality and attract private investment. In addition to the infrastructure grants, municipalities also receive about 66 per cent of their allocations in unconditional grants, which can be utilised to fund operational parts of the LED initiatives. However, it is important to note that economic development does not rely solely on a single funding pot, but on various forms of government programmes and grants. This includes support and initiatives from the Department of Trade, Industry and competition funded by provinces through their equitable share.

Whilst there is a call for creation of conditional grant, it is worth noting that the creation of a dedicated grant for LED initiatives comes with its challenges. In the past, when such grants were introduced, government institutions reprioritised funds that were initially funding the LED programmes, leading to over-reliance on conditional grants. This dependence undermines the purpose and sustainability of these programmes, as their funding is primarily dependent on the availability of funds from the fiscus and the performance of the economy. Therefore, there is a need to align conditional grants with economic development areas while also ensuring their integration with other government spheres to support the developmental mandate effectively.

In addition, it is also crucial for municipalities to provide essential services such as electricity, water, and sanitation efficiently. The efficient provision of these services is crucial for attracting private investment, fostering economic growth, and promoting a conducive environment for businesses to thrive. Therefore, National Treasury urges municipalities to prioritise the provision of these services to enhance economic development and improve the quality of life for their residents.

2.6. Reforms to improve the efficiency and financial sustainability of metro's trading services

Due to years of neglect and inadequate infrastructure maintenance, South Africa's municipalities face severe utility services issues, including in water, wastewater, and electricity. A loss of essential management and technical skills has also contributed to the decline in service quality and reliability. Metro water services alone suffer from an investment gap of R9 billion per year. These inefficiencies threaten economic growth and job creation and increases poverty. Government transferred substantial monetary allocations to local government in the successive Budgets to support water services, but the outcome and value for money of these transfers is low. To address this, an incentive grant system is being explored for 2025/26 to increase investments, change management and governance structures, promote professional management, and ensure transparency, starting with metros.

These reforms are commencing in the 2024/25 municipal financial year with the conditions being introduced in the Urban Settlement Development Grant (USDG). Thereafter, the reform will be extended to other revenue-generating trading services.

2024/25 USDG Financing Component for Trading Services

Municipalities must submit the following to the transferring officer and the National Treasury to qualify for making an application for the financing component:

- A council approved turnaround strategy to the Department of Human Settlement (DHS) and the National Treasury by 31 July 2024;
- A roadmap on the institutional reforms for improved management and governance to be submitted to DHS and National Treasury by 30 September 2024; and
- A business and investment plan that is consistent with the services development plan by 30 September 2024.

In support of these conditions, National Treasury will issue a guidance note by 1 April 2024, on requirements for turnaround strategies, institutional reforms and business plans for the financing component on trading services.

2025/26 onwards Improving the efficiency of urban utility services

Beyond 2024/25, the intention is to extend the reform agenda beyond water services to other revenue-generating trading services, including electricity and solid waste management. The Explanatory Memorandum, **Annexure W1**, to the 2024 Division of Revenue Bill provides the following direction on future work on municipal fiscal frameworks linked to trading/ utility services.

The grant reforms will aim to:

- Increase the level of investments in utility services (water, wastewater, electricity and solid waste) by leveraging grant finance with loan finance, linked to improved operational and financial performance of services providers;
- Catalyse changes in the structure, management, and governance of utility services businesses to support improvements in operational, technical and financial performance;
- Promote professional management with a single point of management accountability for utility services in cities, suitable managerial autonomy and the technical skills necessary to manage an effective service; and
- Promote and ensure full financial transparency, including by making the financial relationship between municipalities and the utility services explicit.

2.7. Criteria for the release of the Equitable Share:

- The criteria for the release of the equitable share were covered in Circulars No. 122 remains relevant and are still applicable for the release of equitable share instalments in the 2024/25 financial year.
- Failure to comply with the criteria will result in National Treasury invoking Section 38 of the MFMA which empowers National Treasury to withhold a municipality's equitable share if the municipality commits a serious or persistent breach of the measures established in terms of Section 216(2) of the Constitution which includes reporting obligations set out in the MFMA and National Treasury requests for information in terms of Section 74 of the MFMA.

3. Revenue Management

3.1. Update on Municipal Debt Relief (MFMA Circular No. 124)

Accounting Guidance

Municipalities whose Municipal Debt Relief applications were approved must fully account for and correctly report on the write-off of their Eskom arrear debt and related benefits. Municipalities should note the guidance in this regard provided in *MFMA Circular No. 124: Supplementary Guide on the accounting- and mSCOA reporting requirements that* can be accessed on the MFMA website at the following link: http://mfma.treasury.gov.za/Circulars/Pages/default.aspx.

It is recommended that all municipalities familiarise themselves with the guidance as far as it relates to correctly budgeting- and accounting for free basic services as well as raising and paying their bulk accounts.

Debt relief reporting requirements

Municipalities approved for debt Relief (in terms of their National Treasury approvals), must ensure that their MFMA s.71 statements, over-and-above the normal MFMA s.71 requirements, include the following as a minimum:

- The municipality's self-assessment in the format of the compliance certificate issued in MFMA Circular No. 124: Annexure A2 (signed by the Municipal Manager) – municipalities should use the latest format of the compliance certificate issued during February 2024 available under MFMA Circular No. 124 and included as **Annexure B** to this circular;
- The municipality's progress towards restricting free basic services to the national policy limits (condition 6.6) and in the format included as **Annexure C** to this circular;
- The municipality's progress towards achieving a minimum average quarterly collection of 80 per cent (condition 6.7) and in the format included as **Annexure D** to this circular;
- If the municipality's 2023/24 and/ or 2024/25 MTREF is not funded, the MFMA Section 71 statement must monthly include the municipality's progress against its approved Budget Funding Plan – if the municipality has an approved the Financial Recovery Plan (FRP), the monthly FRP progress report must include the municipality's progress against the components of the FRP aimed to achieve a funded budget and revenue enhancement initiatives;
- The high-level summary of its monthly property rates reconciliation (in the National Treasury template format already shared with the municipality during the application process); and
- The municipality's progress in addressing any variances evident from its monthly property rates reconciliation; etc.

3.2. Smart Meter Grant

With regard to the smart meter grant referred under 2.1 above, the National Treasury has targeted MFMA Circular No. 124 debt relief applicants for the initial implementation of this grant.

The potential beneficiaries of the smart meter grant will be invited by National Treasury and a compulsory template will be circulated for completion by municipalities. This invitation will be sent out before 15 March 2024. Furthermore, the grant conditions require a council resolution endorsing the application.

A completed template with supporting documentation and council resolution must be submitted to revenuemanagement@treasury.gov.za and sadesh.ramjathan@treasury.gov.za before 30 April 2024.

The applications will be evaluated before 31 May 2024 and allocations will be completed determined the commencement of the municipal budget year.

3.3. Transversal tender RT-29

The National Treasury is finalising the RT-29 transversal tender for a smart metering solution, and the appointed panel is available to all municipalities from March 2024. The transversal tender is targeting smart meter solutions for the water and electricity functions, STS meters compliance and load reduction systems. It will also enable municipalities to implement bi-directional smart metering systems. Municipalities are once again cautioned not to contract any smart metering systems or solutions without considering the RT-29 transversal tender which provides a competitive pricing comparison and cost saving on procurement. Municipalities wishing to participate in the RT-29 transversal must make their interest known to the Office of the Chief Procurement Officer (OCPO) on the email TCcontract1@treasury.gov.za. These municipalities must show evidence of a budget allocation in the current budget as well as future budgets for participation.

4. Conditional Grant Transfers to Municipalities

4.1. Criteria for the rollover of conditional grant funds

In terms of Section 21 of the Division of Revenue Act, 2023 (Act No.5 of 2023) (DoRA) in conjunction with the Division of Revenue Amendment Act, 2023 (Act No. 24 of 2023), the Act requires that any conditional allocation or a portion thereof that is not spent at the end of the 2023/24 financial year reverts to the National Revenue Fund (NRF), unless the rollover of the allocation is approved in terms of subsection (2). Furthermore, the receiving officer, provincial treasury and national transferring officer is required to prove to National Treasury that the unspent allocation is committed to identifiable projects, in which case the funds may be rolled over.

When requesting a rollover in terms of Section 21(2) of the 2023 DoRA, municipalities must include the following information with their submission to National Treasury:

1. A formal letter, signed by the accounting officer addressed to the National Treasury requesting the rollover of unspent conditional grants in terms of Section 21(2) of the 2023 DoRA;
2. A list of all the projects that are linked to the unspent conditional grants and a breakdown of how much was allocated, spent and the balance per project;
3. The following evidence indicating that work on each of the projects has commenced, as applicable to the specific rollover(s):

    a) Proof that the service provider was appointed for delivery of the project before 29 March 2024; or
    b) Proof of project tender and tender submissions published and closed before 31 March 2024 or with the appointment of contractor or service provider for delivery of service before 30 June 2024 in cases where additional funding was allocated during the course of the financial year of the project;
    c) Incorporation of the Appropriation Statement; and
    d) Evidence that all projects linked to an allocation will be fully utilised by 30 June 2024 (attach cash flow projection for the applicable grant).

4. A progress report (also reflecting percentages) on the status of each project's implementation that includes an attached legible implementation plan);
5. The value of the committed project funding and the conditional allocation from the funding source;
6. Reasons why the grants were not fully spent during the year on the original allocation per the DoRA;
7. Rollover of rollovers will not be considered. Municipalities must therefore not include previous year's unspent conditional grants as rollover request;
8. An indication of the time period within which the funds are to be spent if the rollover is approved; and
9. Proof that the Municipal Manager and Chief Financial Officer are permanently appointed.

No rollover requests will be considered for municipalities with vacant or acting Chief Financial Officers and Municipal Managers for a period exceeding 6 months from the date of vacancy; this also includes acting appointments because of suspensions of either MM or CFO that are more than 12 months.

If any of the above information is not provided or the application is received by National Treasury (Intergovernmental Relations Division) after 31 August 2024, the application will be declined.

In addition, National Treasury will also consider the following information when assessing rollover applications; and reserves the right to decline an application should there be non-performance by the municipality in any of these areas:

1. Compliance with the in-year reporting requirements in terms of Sections 71 and 72 of the MFMA and Section 12 of the 2023 DoRA, **including the Municipal Manager and Chief Financial Officer signing-off on the information** sent to National Treasury;
2. Submission of the pre-audited Annual Financial Statements to National Treasury by 31 August 2024;
3. Accurate disclosure of grant performance in the 2023/24 pre-audited Annual Financial Statements, (i.e. correct disclosure of grant receipts and spending in the notes to the AFS);
4. Despite the fact that local government is required to comply with different norms and standards prescribed by different legislations, municipalities are expected to fully comply with the provisions of DoRA that relate to rollover processes and disclose conditional grant performance in the 2023/24 pre-audited Annual Financial Statements (i.e. Cash coverage and unspent conditional grants in the Statement of Financial Position) in order to verify grant expenditure; and
5. Cash available reflected in the Statement of Financial Position and Cash Flow Statements and the bank (net position including short term investments) as at 30 June 2024 is equivalent to the unspent amount at the end of the financial year. If the amount that is requested for rollover is not entirely cash-backed, such a rollover will not be approved. National Treasury will also not approve portions of rollover requests.

It should be noted that under no circumstances will the National Treasury consider requests to rollover:

1. The entire 2023/24 allocation to the municipality. In cases where the rollover request is more than 50 per cent of the total allocation, National Treasury will approve the rollover amount up to 50 per cent of the 2023/24 allocation;

2. Rollover request of the same grant for the third consecutive time. In a case where a municipality is applying for rollover as a result of additional funding, the application will be carefully considered;
3. Funding for projects procured through Regulation 32 and 37 of the Municipal Supply Chain Management Regulations (Gazette No.27636) – Projects linked to additional funding and disasters are exempted; and
4. A portion of an allocation where the proof of commitment for the rollover application is linked to invoices that were issued before or on 31 March 2024. All invoices issued to the municipality before 31 March 2024 should be paid within the same year against the allocated conditional grants. i.e invoices must be paid within 30 days.

4.2. Unspent conditional grant funds for 2023/24

The process to ensure the return of unspent conditional grants for the 2023/24 financial year will be managed in accordance with Section 21 of the DoRA. In addition to the previous MFMA Circulars, the following practical arrangements will apply:

Step 1: Municipalities must submit their June 2024 conditional grant expenditure reports according to Section 71 of the MFMA reflecting all accrued expenditure on conditional grants and further ensure that expenditure reported to both National Treasury and national transferring officers reconciles;

Step 2: When preparing the Annual Financial Statements, a municipality must determine the portion of each national conditional grant allocation that remained unspent as at 30 June 2024. The unspent grant values must be determined based on the guidance that was provided in *m*SCOA Circular No. 13 in as far as VAT, retention and interest is concerned; and

Step 3: If the receiving officer wants to motivate in terms of Section 21(2) of the 2023 DoRA that the unspent funds are committed to identifiable projects, the rollover application pack must be submitted to National Treasury by no later than 31 August 2024.

National Treasury will not consider any rollover requests that are incomplete or received after this deadline.

Step 4: National Treasury will confirm in writing whether or not the municipality may retain any of the unspent funds as a rollover based on criteria outlined above by 22 October 2024;

Step 5: National Treasury will communicate the unspent conditional grants amount by 12 November 2024. A municipality must return the remaining unspent conditional grant funds that are not subject to a specific repayment arrangement to the National Revenue Fund by 18 November 2024; and

Step 6: Any unspent conditional grant funds that should have but has not been repaid to the National Revenue Fund by 18 November 2024, and for which a municipality has not requested a repayment arrangement, will be offset against the municipality's 04 December 2024 equitable share allocation.

All other issues pertaining to Appropriation Statement and reporting on approved rollovers are addressed in the Annexure to MFMA Circular No. 86.

5. Funding choices and management issues

Given the current economic crisis the country faces, Municipalities are under pressure to generate revenue. The ability of customers to pay for services is declining and this means that less revenue will be collected. Municipalities are advised to consider all the advice

provided in MFMA Circular No 126, 123 and other previous circulars under this topic to ensure the adoption of surplus and funded budgets.

5.1. Employee related costs

The *Salary and Wage Collective Agreement* for the period 01 July 2021 to 30 June 2024 has come to an end and a new agreement is under consultation, which is anticipated to consider the current fiscal constraints faced by government. Therefore, in the absence of any information in this regard from the South African Local Government Bargaining Council (SALGBC), municipalities are advised to consider their financial sustainability when considering salary increases. It has been observed over the previous years that salary increases were above inflation and this has posed challenges to most municipalities' sustainability. In addition, municipalities that could not afford such increases did not apply for exemption as provided by SALGBC.

Therefore, municipalities are urged to consider projecting salary and wage increases that would reflect their affordability given the current economic challenges. The 2022 State of Local Government Finance Report revealed that 157 municipalities are in financial distress. These municipalities need to ensure that they seek an early exemption from this dispensation of this salary agreement. Municipalities should also avoid paying out leave in cash while having major financial challenges.

5.2. Remuneration of Councillors

Municipalities are advised to budget for the actual costs approved in accordance with the Government Gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils published annually between December and January by the Department of Cooperative Governance. It is anticipated that this salary determination will also consider the fiscal constraints. Municipalities should also consider guidance provided above on salary increases for municipal officials during this process. Any overpayment to councilors contrary to the upper limits as published by the Minister of Cooperative Governance and Traditional Affairs will be irregular expenditure in terms of Section 167 of the MFMA and must be recovered from the councilor(s) concerned.

5.3 Governance, performance, and investment matters

South Africa has reached a stage where all of government including municipalities need to play in pivotal role in igniting the economy of the country. There is a need for a concerted effort to put initiatives that will attract the investments which will stimulate the economy. The investments take place in the local government and municipalities in particular as the custodian of the spatial planning and enabling infrastructure.

Critical infrastructure such as water, sanitation and electricity to stimulate the economy is owned, maintained and developed by the municipalities. In the last 30 years, there has been investment in ensuring that access to basic services – water, electricity and refuse - is improved markedly.

However, there has been little to no investment on bulk infrastructure such as water treatment works, wastewater treatment works and electrical substations which are the backdrop for enabling investment in municipalities.

Of concern is that budget for operation and maintenance have been negligible. If the trends continue without arresting the decline, the municipalities will in all likelihood not experience

growth. This will reduce the prospect for economic growth leading to high unemployment and less economic activities in general.

As such, the municipalities need to take the responsibility to create initiatives which will attract more investment. Key initiatives to improve this are investing in bulk and connector infrastructure as well as strengthening good governance.

The budget allocation to address infrastructure requirements are not sufficient. As such, the municipalities should improve governance and the overall financial health which will allow for the financier to be attracted to borrow municipalities to finance enabling infrastructure.

Urban management and in particular cleaning of the environment is critical for ensuring that municipal area is attractive. Thus, ability to attract investment should also include clearly defined initiatives that ensure the city is continuously clean. This will retain existing investors and also enable the municipalities to attract new investors who wishes to locate in the municipal area.

A firm's decision to invest is influenced by factors such as infrastructure and land availability, the institutional and regulatory environment, skills availability and innovation levels and the availability of enterprise support and finance. Municipalities have key roles that influence a decision to invest and expand in a particular space. Poorly performing spaces – such as industrial parks, CBDs, logistics hubs, townships – discourage investment and encourage disinvestment. Poorly performing economic assets, such as roads, ports, rail, communications, do the same. Many of the reasons for poor performing spaces and assets lie within the ambit of the public sector, but not all within the local sphere. In some instances, municipalities are directly responsible for what needs to be done, in other areas the municipality needs to mediate inter-governmental solutions.

To turnaround these spaces and unlock their economic potential the immediate focus must be on getting the basics right first –

- Ensure reliable and sustainable service delivery – water, sanitation, stormwater, roads, lighting and waste management;
- Ensure effective land governance – urgently resolve inter-governmental issues that inhibit performance;
- Undertake bulk infrastructure repair and maintenance;
- Address business and community safety issues;
- Operationalise and manage public open spaces and assets; and
- Manage the spaces – at minimum put in place municipal transversal teams responsible for ensuring the basics are in place.

The quality and transparency of municipal governance has a direct impact on economic performance. Dysfunctional municipalities discourage new investment and result in job loss. Ensuring the effective management of municipal businesses through evidenced-based decision making and sound financial management is essential to attract and retain firms. Improving the efficiency and transparency of municipal business processes that impact on the private sector – such as registering property, getting electricity connections, construction permits, obtaining wayleaves, getting a water connection, and issuing an informal trader permit – goes a long way to building business confidence and municipal credibility.

5.4 Environmental Pollution

The deteriorating quality of water resources in urban and rural areas due to pollution, failing infrastructure such as wastewater treatment and the lack of enforcement of by-laws, legislation and urban management, exacerbates water scarcity, and increases costs of providing potable water.

Municipalities are urged to anticipate the imminent approval of the water pricing strategy, which introduces a waste discharge charge. This penalty underscores the need for municipalities to ensure that they comply with and enforce all legislation and by-laws governing urban and environmental management. This requires municipalities to prioritise effective and efficient service delivery, including sufficient investment in asset maintenance, expansion and renewal for solid waste management, wastewater treatment, as well as by-law enforcement to mitigate the continuous pollution of streams and rivers.

Collaboration among municipalities, sector departments, NGOs, citizens, and the private sector are essential for mobilising resources to prevent further deterioration and restoration of water resources. Such efforts need to only prevent pollution at source but also safeguard water quality for future generations, making the strategic investment in water resources a cornerstone of sustainability, economic growth and healthy environments.

6. Municipal Standard Chart of Accounts (*m*SCOA)

6.1. Go Live on Version 6.8 of the Chart

*m*SCOA version 6.8 will go live on 20 March 2024, whereafter municipalities will be able to upload their tabled budget (TABB) and tabled project files (PRTA) data strings for the 2024/25 MTREF on the GoMuni portal.

After going live on version 6.8 of the chart, all the reports available on the LGDRS will be aligned to *m*SCOA chart version 6.8. This includes the format of the Section 71 report for Q3 and Q4 of 2023/24.

The Municipal Budget and Reporting Regulations (MBRR) Schedules (A to F) and non-financial data string (A1S) was also aligned to version 6.8 of the chart. A **protected** version of the MBRR Schedules for version 6.8 of the chart and A1S is available on the on the MFMA Webpage on the link below:

http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx

The reports on the Local Government and Reporting System (LGDRS) are populated from financial and non-financial data strings. Municipalities must use the linkages on GoMuni referred to above and not the formulas in the regulated Municipal Budget and Reporting (MBRR) Schedules when generating their A schedule from the financial system.

In terms of the *m*SCOA Regulations, municipalities must generate the regulated MBRR schedules that is tabled and adopted by Council directly from their financial ERP systems and not import or captured it on the system at a later stage. This is necessary to ensure that there is 'one version of the truth', namely the data in the financial ERP system is the same as the report tabled and adopted by Council and the information submitted to the National Treasury and other stakeholders.

6.2. *m*SCOA data strings credibility

Municipalities must verify the credibility and accuracy of the tabled budget (TABB) and project file (PRTA) data strings **prior and post** to uploading it to the National Treasury Local Government Database and Reporting System (LGDRS). These data strings will be the sole source used by National and Provincial Treasuries to analyse and determine if the municipality's budget is funded and the credibility is therefore of utmost importance.

Registered users from municipalities, provincial treasuries and National Treasury have full access to their data on the LGDRS and can draw the information to verify the accuracy of the figures for their respective municipalities or province (in the case of provincial treasuries). The LGDRS reports can be accessed by registered users on the following link:

https://lg.treasury.gov.za/ibi_apps/signin

From 2025/26, the National Treasury will open the access to all reports available on the LGDRS to the public. Municipalities should make a concerted effort to resolve their *m*SCOA data strings credibility issues as soon as possible to avoid facing the consequences of financial misconduct in terms of Section 171(1)(d) of the MFMA.

The LGDRS also provides information on municipal budgets and performance to the public through the Municipal Money portal. The information on the Municipal Money portal is sourced from the Consolidated Section 71 Reports published quarterly by the National Treasury. The Municipal Money portal is part of South Africa's Open Government Partnership (OGP) 5th National Action Plan to improve transparency and public participation in government processes and a link to the Municipal Money portal is available on the OGP website (76 countries and 104 municipalities are members).

6.3. Regulating the minimum business processes and system specifications for *m*SCOA

The National Treasury commenced with the work to regulate the minimum business processes and system specifications for *m*SCOA towards the end of 2025/26. The following working groups will be established to ensure that relevant stakeholders are consulted during the review processes:

a. **Corporate governance** including internal and external audit, oversight committees, performance management, IT system requirements and management, municipal websites, document management, reporting mechanisms;
b. **Municipal budgeting, planning and financial modelling** including IDP, Budgets Management, Revenue, Human Resources (HR) /Payroll, Assets;
c. **Financial accounting** including general ledger, accounts receivables and payables, financial reporting, AFS reporting, insurance management, consolidation reporting;
d. **Costing and reporting** including cost planning and cost management and reporting;
e. **Project accounting** including project creation and planning, project management and reporting, contract management;
f. **Treasury and cash management** including cash management and reporting, grant management and reporting, investment management and reserves, borrowings management, provisions and contingent liabilities;
g. **Supply chain management** including supply chain management and inventory;
h. **Full asset life cycle management** including maintenance management and asset management;
i. **Real estate management** including property register and rental management and general processes;
j. **Human resource and payroll management** including human resources, time management, payroll management and reporting;
k. **Revenue management**, customer care, credit control and debt collection including revenue management and billing, credit control, customer management, debt collection, indigent management;
l. **Valuation roll management**; and
m. **Land use building control** including land use and building control.

Municipalities are urged to ensure that the officials that participate in the working groups have the technical knowledge and experience to participate meaningfully in these forums. Integrated Consultative Forums will also be held quarterly to keep **all** stakeholders informed and provide them with an opportunity to provide inputs on the business processes and system specification that will be regulated. A dedicated email address will be created for comment and inputs relating to the review processes underpinning these Regulations.

7. Submitting documents to the GoMuni Upload Portal

7.1. Submissions to the National Treasury

Municipalities are reminded to submit documents and queries to the correct portals/ mailboxes. These portals/ mailboxes are:

- **https://lg.treasury.gov.za/ibi_apps/welcome** (GoMuni Upload Portal) – All documents required in terms of legislation by approved registered users, including: • *m*SCOA Data Strings; • Budget-related, in-year and year-end documents and schedules (A, B and C); and • Revenue and MFRS Documents (as per MFMA Circular No. 126);

- **lgdataqueries@treasury.gov.za** – Database related and submission queries; and

- **lgdocuments@treasury.gov.za** – Only Provincial Treasuries may send contact details to lgdocuments@treasury.gov.za.

Any document/ queries that are submitted to the incorrect portal/ mailbox will not be processed and the submission status report will continue to reflect the documents as outstanding.

7.2. Updating of contact details on GoMuni

From 1 April 2024, municipalities (registered users) will be able to make changes/ additions to their own contact details directly on the LGDRS. To municipalities and their respective provincial treasury must select and update the relevant details on GoMuni under Database/Contacts/Reporting/Contact information on the following link:

https://lg.treasury.gov.za/ibi_apps/signin

Municipalities must ensure that their contact details on GoMuni are updated as soon as changes occur.

7.3. Submission of additional reports

From 14 March 2024, municipalities whose debt relief applications were approved will be required to submit reports to the GoMuni Upload portal as indicated in MFMA Circular No 124 dated 31 March 2024. The list of the required debt relief reports is attached as **Annexure A.**

7.4. Procurement spend reporting

In order for government to fulfil its social responsibility to channel procurement spending towards certain designated groups and to unlock economies of scale in government procurement expenditure, a single standardised view needs to be created into the

procurement spend information across all spheres of government on a transactional level for spend and trend analysis purposes.

The OCPO designed and built a Data Warehouse that serves as common repository for procurement related data with the necessary capabilities to produce standardised information in a dashboard format via various Business Intelligence tools. Currently procurement spend data of all National and Provincial departments from 2017 to date is hosted and analysed in the Data Warehouse.

From 1 March 2024, municipalities must on monthly basis report all goods and services related payments at a transactional level monthly. Towards this end, municipalities must complete and submit the template attached as **Annexure E** and submit it to the GoMuni Upload portal under the folder Documents/ Other. These reports are due by the 15th of the month that follows the reporting month. The first report is therefore due on 15 April 2024. This information is only required for municipalities and not for municipal entities.

A Data Upload Tool is also available that allows municipalities to capture their spending data manually or extract the relevant information from the municipality's payment system automatically. Information captured on the Data Upload Tool will be submitted directly into the OCPOs Data Warehouse once the various online input validations to ensure the accuracy and completeness of the data has been passed. To access the tool, an email request must be sent to **ocpodatarequest@treasury.gov.za** to obtain a User ID and Password that is institution specific. Training on the use of the OCPO Data Upload Tool as well as technical integration information will be provided after the institution has received a User ID and Password.

The submission status of the OCPO Spend Report will be included on the status report of document submissions available on the LGDRS. Municipalities that opt to use the Data Upload Tool instead of submitting the excel template to GoMuni must submit a 'not applicable form' to the GoMuni Upload portal for their non-submission is not classified as outstanding.

8. The Municipal Budget and Reporting Regulations

8.1 Assistance with the compilation of budgets

If municipalities require advice with the compilation of their respective budgets, specifically the budget documents or **Schedule A**, they should direct their enquiries to their respective provincial treasuries or to the following National Treasury officials:

Province	Responsible NT officials	Tel. No.	Email
Eastern Cape Buffalo City	Matjatji Mashoeshoe Pitso Zwane Mandla Gilimani	012-315 5553 012-315 5171 012-315 5807	Matjatji.Mashoeshoe@treasury.gov.za Pitso.Zwane@Treasury.gov.za Mandla.Gilimani@treasury.gov.za
Free State	Sifiso Mabaso Cethekile Moshane	012-315 5952 012-315 5079	Sifiso.mabaso@treasury.gov.za Cethekile.moshane@treasury.gov.za
Gauteng City of Tshwane and City of Johannesburg City of Ekurhuleni	Matjatji Mashoeshoe Pitso Zwane Oreal Tshidino Willem Voigt Makgabo Mabotja Enock Ndlovu Kgomotso Baloyi Lunathi Dumani	012-315 5553 012-315 5171 012-315 5830 012-315 5156 012-315 5385 012-315 5866	Matjatji.Mashoeshoe@treasury.gov.za Pitso.Zwane@Treasury.gov.za Oreal.Tshidino@Treasury.gov.za WillemCordes.Voigt@treasury.gov.za Makgabo.Mabotja@treasury.gov.za Enock.Ndlovu@treasury.gov.za Kgomotso.Baloyi@treasury.gov.za Lunathi.dumani@treasury.gov.za
KwaZulu-Natal Msunduzi eThekwini uMhlathuze	Kgomotso Baloyi Lunathi Dumani Sifiso Mabaso Kevin Bell	012-315 5866 012-315 5866 012-315 5952 012-315 5725	Kgomotso.Baloyi@treasury.gov.za Lunathi.dumani@treasury.gov.za Sifiso.mabaso@treasury.gov.za Kevin.bell@treasury.gov.za
Limpopo	Sifiso Mabaso Jabulile Ngwenya	012-315 5952	Sifiso.Mabaso@treasury.gov.za Jabulile.ngwenya@treasury.gov.za
Mpumalanga	Mandla Gilimani Sibusisiwe Mchani	012-315 5807 012-315 5539	Mandla.Gilimani@treasury.gov.za Sibusisiwe.Mchani@treasury.gov.za
Northern Cape	Mandla Gilimani Sibusisiwe Mchani	012-315 5807 012-315 5539	Mandla.Gilimani@treasury.gov.za Sibusisiwe.Mchani@treasury.gov.za
North West	Willem Voigt Makgabo Mabotja	012-315 5830 012-315 5156	WillemCordes.Voigt@treasury.gov.za Makgabo.Mabotja@treasury.gov.za
Western Cape Cape Town George	Willem Voigt Enock Ndlovu Kgomotso Baloyi Mandla Gilimani	012-315 5830 012-315 5385 012-315 5866 012-315 5807	WillemCordes.Voigt@treasury.gov.za Enock.Ndlovu@treasury.gov.za Kgomotso.Baloyi@treasury.gov.za Mandla.Gilimani@treasury.gov.za
Technical issues on GoMuni Website	Data management		lgdataqueries@treasury.gov.za
Local government Conditional Grants	Conditional Grants team	012-315 5183	Sello.mashaba@treasury.gov.za Unathi.lekonyana@treasury.gov.za Pretty.mavhungu@treasury.gov.za Marvin.ngobeni@treasury.gov.za Akanyang.modise@treasury.gov.za

Contact

national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Post	Private Bag X115, Pretoria 0001
Phone	012 315 5009
Fax	012 395 6553
Website	http://www.treasury.gov.za/default.aspx

JH Hattingh
Chief Director: Local Government Budget Analysis
08 March 2024

ANNEXURE A – LIST OF REQUIRED REPORTS TO BE SUBMITTED TO NATIONAL TREASURY FOR DEBT RELIEF PROGRAMME (TEMPLATE)

ANNEXURE B – MUNICIPAL CERTIFICATE OF COMPLIANCE FOR DEBT RELIEF PROGRAMME (TEMPLATE)

ANNEXURE C – MUNICIPAL DEBT RELIEF – MONTHLY REPORTING – INDIGENT HOUSEHOLDS INFORMATION (TEMPLATE)

ANNEXURE D – MUNICIPAL DEBT RELIEF – MONTHLY REVENUE COLLECTION REPORTING (TEMPLATE)

ANNEXURE D – PROCUREMENT SPENT REPORTING (TEMPLATE)

Annexure AZ
DRAFT PROVINCIAL TREASURY BUDGET ASSESSMENT

GAUTENG PROVINCE
TREASURY
REPUBLIC OF SOUTH AFRICA

ANNUAL TABLED BUDGET ASSESSMENT REVIEW 2024/25

This document provides a review of the annual tabled budget of the Midvaal Local Municipality for the 2024/25 budget year.

Midvaal Local Municipality -April 2024

TABLE OF CONTENTS

ABBREVIATIONS **2**

SECTION A: EXECUTIVE SUMMARY **3**

SECTION B: INTRODUCTION AND BACKGROUND **4**

1. LEGISLATIVE FRAMEWORK **4**

2. SCOPE **4**

3. LIMITATION ON SCOPE **4**

4. APPROACH **5**

SECTION C: DETAILED BUDGET ASSESSMENT **6**

1. CREDIBILITY OF THE BUDGET 6
   - 1.1 EVALUATION OF THE BUDGET PROCESS 6
   - 1.2 FINANCIAL PERFORMANCE TREND 7
   - 1.3 CURRENT FINANCIAL YEAR (2024/25): FINANCIAL PERFORMANCE 7
2. RELEVANCE OF THE BUDGET 17
   - 2.1 BUDGET ALIGNMENT TO IDP 17
   - 2.2 BUDGET ALIGNMENT TO PROVINCIAL AND NATIONAL PRIORITIES 17
3. SUSTAINABILITY OF THE BUDGET 18
   - 3.1 Service delivery 18
   - 3.2 Free basic services (FBS) 18
   - 3.4 MSCOA compliance 19
   - 3.5 Institutional governance matters 19
   - 3.6 Funding compliance and financial health 20

4 CONCLUSION AND RECOMMENDATIONS 20

4.1 CREDIBILITY 20

4.2 RELEVANCE 21

4.3 SUSTAINABILITY 21

SECTION D: ANNEXURES **22**

Annexure A: Operating revenue and expenditure budget 22

Annexure B: Consolidated Capital Expenditure (A5) 23

Annexure C: Cash flow budget 24

Annexure D: Application of cash and investments 24

Annexure E: Table A10 Consolidated basic service delivery measurement 25

DRAFT

ABBREVIATIONS

AG	Auditor General
BSC	Budget Steering Committee
CFO	Chief Financial Officer
CPIX	Consumer Price Index
DoRA	Division of Revenue Act,
DoRB	Division of Revenue Bill
GRAP	Generally Recognised Accounting Practice
GPT	Gauteng Provincial Treasury
IDP	Integrated Development Plan
LED	Local Economic Development
MLM	Midvaal Local Municipality
MBRR	Municipal Budgeting and Reporting Regulations
MFMA	Municipal Finance Management Act, 2003, No. 56 of 2003
MIG	Municipal Infrastructure Grant
MM	Municipal Manager
MMC	Member of Mayoral Committee
MPRA	Municipal Property Rates Act
MSA	Municipal Systems Act
MTREF	Medium Term Revenue and Expenditure Framework
NERSA	National Electricity Regulator of South Africa
NT	National Treasury
PPE	Property Plant and Equipment
SDBIP	Service Delivery and Budget Implementation Plan
TER	Township Economy Revitalisation
TMR	Transformation Modernisation Reindustrialisation
VAT	Value Added Tax

DRAFT

SECTION A: EXECUTIVE SUMMARY

This report provides an assessment of the 2024/25 tabled budget of the Midvaal Local Municipality (MLM). The Gauteng Provincial Treasury (GPT) is responsible for reviewing and commenting on the tabled budgets of all delegated municipalities, prior to its adoption by the respective municipal councils. This is done in terms of the Municipal Finance Management Act, Act 56 of 2003 (MFMA) and as part of the provincial treasury's oversight role over local government finances.

The 2024/25 budget of the municipality was assessed during the month of April 2024, and it covers three distinct areas namely, credibility, relevance and sustainability in accordance with the relevant provisions of the MFMA, the Municipal Budget and Reporting Regulations (MBRR) and the National Treasury (NT) Budget Assessment Methodology.

Credibility of the budget

This assessment area evaluated the quality of the budget preparation process, the fiscal planning framework and associated budget assumptions, and the level of budget funding. In summary;

- The budget was tabled and submitted per the applicable regulatory requirements and the submission included the draft IDP.
- The 2024/25 budget was assessed as credible and the budget seems to be funded in line with the requirements of sections 18 and 19 of the MFMA.

Relevance of the budget

This area assessed the level of alignment between the budget and the municipality's IDP and the extent to which national and provincial priorities and guidelines were considered. In summary;

- The budget is well aligned to the strategic objectives of the municipality as contained in the IDP, the 10 pillars and the provincial priorities.

Sustainability of the budget

This assessment area evaluated the extent to which the budget is cash funded and in summary;

- The audited outcomes of the most recent financial year and other prior years indicates stability in the financial affairs of the municipality and the new annual budget presents positive cash flow predictions over the MTREF period and an adequate liquidity position.

DRAFT

SECTION B: INTRODUCTION AND BACKGROUND

1. LEGISLATIVE FRAMEWORK

The strategic objective of the Provincial Treasury in respect of the annual budget assessment of municipal budgets, is derived from Section 195 of the Constitution of the Republic of South Africa, 1996 (Act No 108 of 1996), which establishes the promotion of efficient, economic and effective use of resources as one of the cornerstones of public administration.

Section 16 of the MFMA further requires the mayor of a municipality to table the annual budget in Council at least 90 days before the start of the financial year. To this end, Section 23 of the MFMA requires that once the annual budget has been tabled, the municipal council must consider any views of the relevant Provincial Treasury, national organs of state and any other relevant institutions.

The municipality is thus legislatively required to consider the recommendations of the provincial treasury in terms of sub-sections 23(1)(b) and 23(2) of the MFMA prior to the approval of the 2024/25 budget by the municipal council. This report is meant to serve this purpose and provides an assessment of the 2024/25 tabled budget of the Midvaal Local Municipality.

The Gauteng Provincial Treasury (GPT) is responsible for reviewing and commenting on the tabled budgets of all delegated municipalities, prior to their adoption by the respective municipal councils. This is done in terms of the Municipal Finance Management Act, Act 56 of 2003 (MFMA) and as part of GPT's oversight role over local government finances.

2. SCOPE

The 2024/25 tabled budget assessment was conducted during the month of April 2024. It covers three distinct areas namely, credibility, relevance, and sustainability of the budget in compliance with the relevant provisions of the Municipal Finance Management Act and the Municipal Budget and Reporting Regulations.

Additional general financial management criteria were however added to bolster the completeness of the budget assessment.

3. LIMITATION ON SCOPE

The municipality did not capture Table A7 Cash Flow statement and A8 Cash reserves reconciliation correctly.

The following documents were reviewed:

(a) The 2024/25 budget Data Strings
(b) The PDF budget document with narratives
(c) The council resolutions.
(d) The draft IDP
(e) The draft SDBIP
(f) The tabled budget-related policies

DRAFT

4. APPROACH

The budget assessment includes an assessment of the budget preparation process undertaken in terms of the legislative framework and an in-depth analysis of the supporting budget schedules. The details of the criteria utilised to undertake the assessment are outlined below.

Table 1: Assessment Criteria National Treasury framework

ASSESSMENT CRITERIA		DESCRIPTION OF ASSESSMENT CRITERIA	
1	**CREDIBILITY**		
1.1	Evaluation of the budget process	(a)	Political guidance and oversight
		(b)	Public participation/ Community consultations
		(c)	Evaluation of legal compliance of the budget
1.2	Revenue and expenditure fiscal framework	(a)	Expected outcomes for current financial year
		(b)	Budget assumptions
		(c)	Adequacy of revenue management framework
		(d)	Adequacy of expenditure management framework
		(e)	Adequacy of capital budget and its funding sources
1.3	Establish the level of funding of budget	(a)	Financial performance i.e. surplus/deficit
		(b)	Financial position
		(c)	Cash flow
		(d)	Application of cash and investments
2	**RELEVANCE**		
2.1	Budget alignment to IDP	Establish the level of alignment between the revenue, expenditure and capital budgets and the IDP	
2.2	Budget alignment to national programmes	Establish whether the municipality has sufficiently considered the relevant NDP and TMR priorities	
2.3	Budgetary provision for funded provincial and national priorities	Establish whether the municipality's IDP/SDBIP and budget achieved adequate alignment between national, provincial and local government priorities.	
3	**SUSTAINABILITY**		
3.1	Service delivery	Does the budget give effect to long-term financial and operational sustainability and proper asset management?	
3.2	Free Basic Services (FBS)	Assess the FBS budget provision	
3.3	Forecasting and multi-year budgeting	(a)	Monthly forecasting and projections
		(b)	Baseline assessment
		(c)	Percentage increases in two outer year
3.4	Future sustainability and viability	Assessment of the strength of municipal cash position	

DRAFT

SECTION C: DETAILED BUDGET ASSESSMENT

1. CREDIBILITY OF THE BUDGET

1.1 EVALUATION OF THE BUDGET PROCESS

a) Political guidance and oversight

- The mayor provided political leadership during the budget process and the municipality's budget steering committee is functional.

- The municipal council approved the 'Schedule of key budget process dates' in August 2023 and complied with section 21 of the MFMA.

- The 2024/25 budget and IDP were tabled as per the council approved 'budget process schedule' and our review indicates that there were no major deviations from the approved budget process plan.

b) Public participation

- From the municipality's actual progress reported against the approved budget process plan, it appears that the municipality conducted adequate public participation on the annual budget. Additionally, page 53 of the budget document specifies the dates which public participation will take place.

c) Legal compliance of the budget

- The 2024/25 MTREF budget was timeously tabled (on 26 March 2024) in the municipal council and the budget documents were submitted to the provincial treasury immediately on 26 March 2024.

- The submission to the provincial treasury was inclusive of the IDP, council resolution, the quality certificate and other budget supporting documents which is in line with the requirements of the Municipal Budgeting and Reporting Regulations.

- The municipality prepared the annual budget in the correct format and complied with MFMA Circular No.128 using the correct 'mSCOA version 6.8' of the annual budget schedules.

- In terms of compliance with the mSCOA regulations, the municipality submitted the data strings to National Treasury, and it was successfully uploaded.

DRAFT

1.2 FINANCIAL PERFORMANCE TREND

Table 2: Financial performance trend R'000

Description	Audited 2020/2021	Audited 2021/22	Audited 2022/23
a) Operational Revenue	1 263 085	1 323 631	1 421 663
b) Operational Expenditure	1 106 204	1 337 691	1 345 674
c) Deficit/ surplus	156 881	(14 060)	75 989
d) Capital Expenditure	239 433	164 627	168 766

Source:2024/25 Midvaal A schedule

The municipality presented surplus operating budgets for 2020/21 and 2022/23 financial years on the financial performance when excluding capital grants. In terms of capital expenditure, the municipality achieved 93 percent capital expenditure for the 2022/23 financial year against the SBDIP target of 90 percent. Additionally, the municipality maintained positive cash balances throughout the three audited financial years, the same trend can be observed over the 2024/25 MTREF period.

1.3 CURRENT FINANCIAL YEAR (2023/24): FINANCIAL PERFORMANCE

Table 3: Current financial year as at 31 March 2024

Description (R'000) (R'000)	Original Budget	Adjusted Budget	Actual YTD	Actual YTD %
a) Operating revenue	1 694 996	1 645 002	1 196 175	72,7%
b) Operating expenditure	1 801 035	1 733 013	1 046 203	60,4%
c) Deficit/ Surplus	(106 038)	(88 011)	149 972	
d) Capital Expenditure	259 622	270 012	139 512	51,7%
e) Total Cash and Cash Equivalents	156 987	178 456	1 897 524	

***Source**: National Treasury Local Government Database*

a) Total Operating Revenue and Expenditure

The year-to-date operating performance closely matched the anticipated average projection or benchmark, with revenue reaching around 73 percent and expenditure at about 61 percent. As of March 31, 2024, the municipality has recorded a cumulative surplus. It is recommended that the municipality carefully manages its expenditure during the final quarter of the financial year to stay within the budget and prevent any operating deficit from occurring

b) Total Capital Expenditure

The overall spending rate of 52 percent is concerning, especially since the municipality is now in the final quarter of the financial year. However, considering the spending performance in the third quarter of the previous financial year, the municipality is still likely to achieve the SDBIP target.

DRAFT

c) Total Cash and Cash Equivalents

The cash and cash equivalents reported by the municipality on the GoMuni appear to be incorrect. There seems to be a reporting error, as the municipality has reported a balance of over R1.8 billion to date, which is inaccurate.

1.4 The new 2024/25 MTREF

1.4.1 Table 4: The Budget Overview

Description	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Total Operating Revenue	1 786 079	1 950 409	2 124 763
Total Operating Expenditure	1 869 484	2 028 869	2 200 472
Total Surplus / (Deficit)	**(83 406)**	**(78 460)**	**(75 709)**
Non-Cash Items	265 028	294 497	312 481
- Depreciation	118 783	122 369	126 245
- Debt Impairment	146 245	172 128	186 236
Adjusted Surplus / (Deficit)	**181 622**	**216 037**	**236 773**
Total Capital Expenditure	**269 899**	**218 489**	**156 287**

*Operating expenditure excluding non-cash items

The municipality presented budgets with operating deficits over the 2024/25 MTREF period with a deficit of R83.406 million in 2024/25, R78.460 million in 2025/26 and R75.709 million in 2026/27. The provincial treasury is aware that these deficit budgets are mainly informed by the non-cash items namely Depreciation and Debt Impairment, which if restated, presents surplus budgets. However, it is crucial for the municipality to consider and account for these non-cash items when preparing the budget.

1.4.2 Budget Assumptions

In the budget narratives, the municipality have indicated that the revenue budget was compiled using the following underlying budget assumptions:

- 7.00 percent tariff increase on refuse removal,
- 6.00 percent tariff increase on sanitation services,
- 7.00 percent tariff increase on the water services,
- 12.7 percent tariff increase on electricity services,
- 7.00 percent tariff increase on property rates.

The municipality provided extensive elaboration of its budget assumptions which were found to be adequate and credible although we noted that tariffs are higher than the average inflation rate, the tariff increases are however in line with Rand water and NERSA proposed increases.

DRAFT

1.4.3 The Revenue Framework

1.4.3.1 Adequacy of the revenue management framework

Table 5: Total Operating Revenue

GT422 Midvaal Local Municipality			
Description	2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue			
Exchange Revenue			
Service charges - Electricity	616 262	711 937	822 586
Service charges - Water	294 205	314 641	336 503
Service charges - Waste Water Management	71 008	75 268	79 784
Service charges - Waste Management	66 300	70 941	75 907
Sale of Goods and Rendering of Services	8 141	8 604	9 092
Agency services			
Interest			
Interest earned from Receivables	25 252	26 413	27 602
Interest earned from Current and Non Current Assets	44 209	46 242	48 323
Dividends			
Rent on Land			
Rental from Fixed Assets	1 161	1 230	1 304
Licence and permits	-	-	-
Operational Revenue	4 751	4 980	5 217
Non-Exchange Revenue			
Property rates	349 605	370 581	392 816
Surcharges and Taxes			
Fines, penalties and forfeits	85 614	90 750	96 195
Licences or permits			
Transfer and subsidies - Operational	203 177	212 424	213 038
Total Revenue (excluding capital transfers and contrib	**1 786 079**	**1 950 409**	**2 124 763**

Source: Budget document of municipality

Overall observation

Total operating revenue for the 2024/25 financial year is projected to increase by 8.6 percent or R141 million from the 2023/24 adjustment budget. For the two outer years, operational revenue is projected to increase by 9 percent respectively in 2025/26 and 2026/27 financial years.

Revenue to be generated from rates and service charges constitutes 78 percent of the total operating revenue for the municipality. The municipality indicated that tariffs could not be contained within the targeted inflation limits due to the increasing cost of providing municipal services. The municipality's growth forecasts in the budget assumptions appear to be consistent with the revenue growth.

a) Property rates

The budget narrative indicated a projected 6 percent increase in property rates for the financial year 2024/25, while the revenue growth forecasts a 7 percent increase. Property rates constitute 18 percent of the overall operating revenue. Additionally, the planned increases for subsequent years show an average 6 percent rise in 2025/26 and 2026/27, respectively.

b) Electricity revenue

The projected increase in electricity revenue stands at 12.6 percent compared to the adjustment budget of 2023/24, with the rise primarily attributed to a 12.7 percent increase in electricity tariffs. A discussion regarding the cost reflectiveness of the tariff will be addressed in subsequent sections of the report.

c) Water revenue

Water tariff increase is set to increase by 7 percent while the revenue increase from the adjustment budget is also at 7 percent.

1.4.3.2 Analysis of impact of tariff increases on revenue projections

Table 6: Tariffs compared to CPIX

Service	% Tariff increase	% revenue increase	CPIX	Diff - Tariff incr. Vs CPIX
Electricity	12,7	12,6	4,9	7,80
Water	7	7	4,9	2,10
Waste Water Management	6	6	4,9	1,10
Waste Management	7	7	4,9	2,10
Property Rates	6	6	4,9	1,10

Source: PT Generated

Overall

Considering that the projected CPI is 4,9 percent (2024/25) and 4.6 and 4.6 percent (in the outer years), the tariff increases exceeds the CPI. The municipality however indicated in its budget assumptions and narratives that whilst the electricity and water tariff increases are driven by the true cost and increases from Eskom and Rand Water, all other municipal tariffs are informed by the true costs of goods and services used in the service delivery process. In this context, although the tariff increases are “above CPI inflation” for the 2024/25 MTREF, this is transparently explained in the budget document of the municipality on page 9.

1.4.3.3 Analysis of impact of tariff increases on revenue projections

Table 7: Net surplus/deficit on trading services

Service		Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Electricity	Revenue	616 262	711 937	822 586
	Expenditure	668 825	765 434	872 967
	Surplus/Deficit	**(52 563)**	**(53 496)**	**(50 381)**
Water	Revenue	294 205	314 641	336 503
	Expenditure	276 067	291 247	304 971
	Surplus/Deficit	**18 138**	**23 394**	**31 532**
Waste Management	Revenue	66 300	70 941	75 907
	Expenditure	128 595	131 867	140 281
	Surplus/Deficit	**(62 295)**	**(60 926)**	**(64 374)**
Waste Water Mnagement	Revenue	71 008	75 268	79 784
	Expenditure	100 856	110 376	116 075
	Surplus/Deficit	**(29 848)**	**(35 108)**	**(36 291)**

*Revenue: Sourced from A4 of the budget

Expenditure: Sourced from A2 of the budget

DRAFT

Table 7 indicates that only water services are projected to generate operating surpluses over the 2024/25 MTREF period. Despite the projected increase of R69 million in electricity revenue, the municipality is expected to incur a loss of R52.563 million for electricity in the 2024/25 financial year, increasing to R53.496 million in the 2025/26 financial year, and decreasing to R50.381 million in the outer year. Similarly, sanitation and refuse services are also projected to generate operating deficits over the 2024/25 MTREF period.

It is concerning to observe that the primary revenue source of the municipality is operating at a loss, which directly impacts its financial sustainability. Ideally, the municipality should aim to at least break even. This situation also indicates that the tariffs being charged may not fully cover all the costs associated with providing these services.

During the mid-year engagement between GPT and the municipality, it was conveyed that there are currently no immediate plans in place to address the deficits, as the municipality lacks the financial resources to resolve the issue. Consequently, the municipality requested additional grant funding from GPT, NT, and GCoGTA to help mitigate losses in water and electricity which in turn will solve the deficit problem.

1.4.4 The Expenditure Framework

1.4.4.1 Adequacy of the operating expenditure management framework

Table 8: Operating Expenditure by type

GT422 Midvaal - Table A4 Budgeted Financial Performance (revenue and expenditure)			
Description	2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Expenditure			
Employee related costs	423 949	441 583	463 508
Remuneration of councillors	15 270	16 049	16 851
Bulk purchases - electricity	557 142	644 614	745 818
Inventory consumed	166 250	174 565	183 613
Debt impairment	146 245	172 128	186 236
Depreciation and amortisation	118 783	122 369	126 245
Interest	23 767	25 431	27 211
Contracted services	244 937	252 534	263 778
Transfers and subsidies	2 500	2 500	2 500
Irrecoverable debts written off	6 814	7 128	7 449
Operational costs	113 826	117 518	122 241
Losses on disposal of Assets	-	-	-
Other Losses	50 001	52 451	55 021
Total Expenditure	**1 869 484**	**2 028 869**	**2 200 472**

Source: Budget document

Overall observation

The operating expenditure budget is forecasted to increase by R137 million or 7,87 percent to R1.869 billion from the 2023/24 adjustment budget of R1,733 billion.

DRAFT

a) Employee Related Costs

Employee costs as a percentage of operational expenditure for 2024/25 is budgeted at 23,5 percent, which is in line with the norm of between 25 – 40 percent.The municipality forecasted an increase of 5 percent for staff and 5 percent for senior managers in total employee costs including remuneration of councillors for the budget year.The guideline by the Independent Commission for the Remuneration of Public Office Bearers has been taken into account by the municipality in this regard when compiling the budget.

b) Depreciation & asset impairment

The depreciation and asset provision are budgeted to increase from the current year to the budget year from R115 million to R119 million which equates to over 7 percent of the total operating expenditure. This subsequently increases to R122.369 million and R126.245 million in the two outer years.

c) Debt impairment

The municipality has made a provision of R146.245 million for debt impairment for the 2024/25 financial year. Debt impairment accounts for 8 percent of the total operational expenditure. The municipality assumed a collection rate of 90 percent in this regard and as a result the debt impairment appears to be in line with the budgeted collection rate. However, the municipality is advised to ensure all revenue generated is collected.

1.4.4.2 Adequacy of the capital expenditure framework

Table 8: The Total Capital Budget

Vote Description	Current Year 2023/34			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Capital Expenditure - Functional						
Governance and administration	34 620	35 166	35 166	7 890	7 400	5 250
Community and public safety	40 823	46 393	46 393	39 175	43 300	9 700
Economic and environmental services	47 348	52 185	52 185	55 600	42 000	13 276
Trading services	136 831	136 267	136 267	167 234	125 789	128 061
Other						
Total Capital Expenditure - Functional	**259 622**	**270 012**	**270 012**	**269 899**	**218 489**	**156 287**
Funded by:						
National Government	84 307	84 833	84 833	115 129	90 089	83 787
Provincial Government	8 200	13 413	13 413	6 100	8 000	5 600
District Municipality						
Other transfers and grants	4 000	4 000	4 000	6 000	3 000	6 000
Transfers recognised - capital	**96 507**	**102 246**	**102 246**	**127 229**	**101 089**	**95 387**
Public contributions & donations						
Borrowing	74 780	118 790	118 790	87 850	69 150	23 000
Internally generated funds	88 335	48 975	48 975	54 820	48 250	37 900
Total Capital Funding	**259 622**	**270 012**	**270 012**	**269 899**	**218 489**	**156 287**

Source: Budget document

DRAFT

a) Overall per main items or categories

Table 8 above provides an illustration of the municipality's 2024/25 MTREF capital budget as extracted from Table A5 of the A-Schedule. The budget is forecasted to decrease from R270 012 million in the current financial year to R269.899 million in 2024/25 budget year.

b) Breakdown of service delivery backlogs

The information provided by the municipality in Table A10 of the budget appears to be unrealistic, particularly regarding the consistency of backlogs figures for water, sanitation, and refuse across the 2024/25 MTREF period. This lack of variation makes it challenging to track progress or assess whether the capital budget effectively addresses these backlogs.

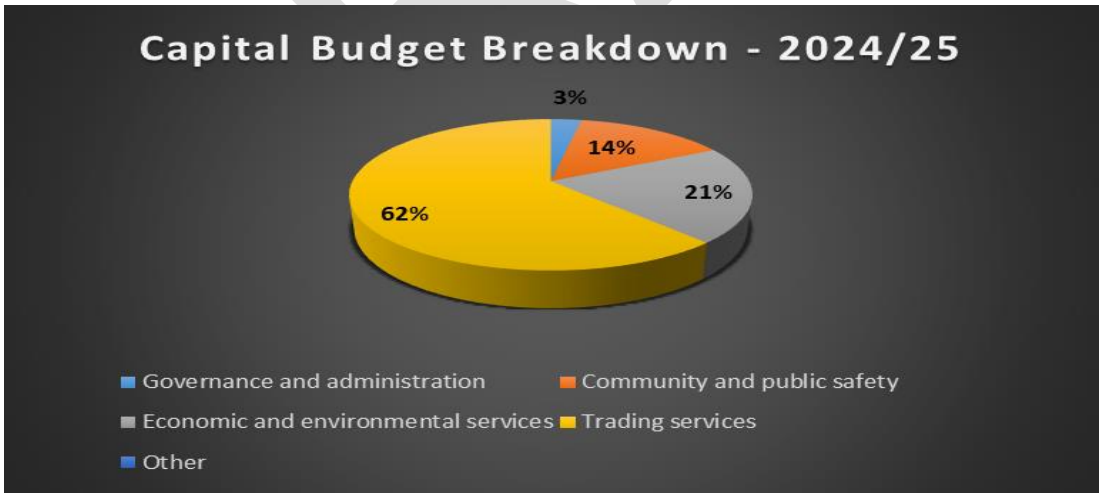
Despite these concerns, the provincial treasury has acknowledged that majority of the approved capital projects are focused on electricity and water infrastructure. This strategic allocation of resources towards critical infrastructure projects is commendable and reflects a proactive approach to addressing essential service needs within the municipality.

c) Long-term financial plan/model

The municipality's long-term financial strategy is detailed on page 83 of the draft IDP. This plan is centred around ten key components, emphasizing effective and efficient resource utilization, equity, redistribution of funds, and maintaining a strong cash liquidity position. Additionally, the plan aims to enhance the municipality's revenue streams relative to its expenditures, ensuring financial sustainability and viability for the municipality as a going concern.

d) Composition and Prioritisation of the Capital Budget

Graph 1: Capital Budget



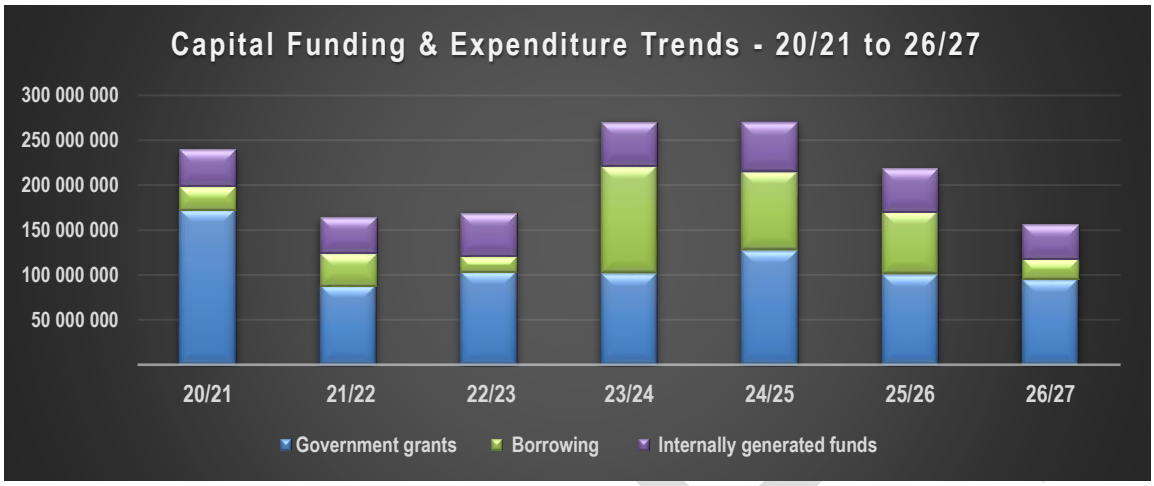
Source: Budget document

The majority of the capital budget, comprising 62 percent, is allocated to trading services, while 21 percent is directed towards the economic services cluster, 14 percent towards Community and public safety, and 3 percent towards governance and administration. The budget is designed with a focus on service delivery, evident in its allocation towards essential infrastructure such as roads, water, electricity, and sanitation, which align with core service delivery objectives.

e) Capital Funding Mix

The figure below represents a graphical representation of the municipality's capital funding outlook for the current year and the MTREF as well as the audited performance for the past three audit years.

Graph 2: Capital Funding Mix



***Source**: Budget document*

The municipality intends to fund over 47 percent of the capital budget through grant funding followed by 33 percent borrowing and the remainder 20 percent from grant funding.

Credibility of the funding sources

In testing the funding credibility of the capital budget, GPT firstly looks at whether grant allocations as captured on schedule SA18 of the budget are aligned to DoRA and the Provincial gazette. The second would be looking at whether the municipality has sufficient cash reserves to fund the internally funded capital programmes. The municipality's capital budget is mainly funded by capital grants as discussed above.

Table 9: National Grant Reconciliations

National Grant	Gazette (R '000)	Municipal Budget (R '000)
Local Government Equitable Share	172 049	172 049
Local Government Financial Management Grant	1 800	1 800
Municipal Infrastructure Grant	46 465	1 823
Neighbourhood Development Partnership Grant	10 000	0
Water Services Infrastructure Grant		2 000
Integrated National Electrification Programme Grant	29 888	0
Regional Bulk Infrastructure Grant	94 000	0

***Source:** Provincial Gazette & SA18 of 2024/25 A-Schedule*

The tables above shows the medium-term expenditure framework as per the DoRA. Misalignments were noted on the DoRA allocations. The municipality needs to correct what has been captured in the budget to match provincial allocations and national allocations as highlighted in the table above.

Funding of the budget

Section 18 of the MFMA requires that a municipal budget be funded from "realistically anticipated revenues". This requirement means that the municipality should consider past trends as well as socio-economic factors in compiling a budget that is credible, relevant as well as financially sustainable. A critical element of testing the credibility of the municipality's budget is testing the cash flow projections of the municipality and how they have been applied in ensuring the long-term survival of the municipality.

Table 10: Cash Assessment table

GT422 - Midvaal Description R thousand	MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK 2024/25 Budget Year +0	2024/25 Treasury Calculation
CASH FLOW FROM OPERATING ACTIVITIES		
Receipts		
Property rates	314 644	334 537
Service charges	1 131 739	950 039
Other revenue	(199 039)	292 755
Transfers and Subsidies - Operational	366 703	203 177
Transfers and Subsidies - Capital	127 952	127 129
Interest	44 209	44 209
Dividends	–	–
Payments		
Suppliers and employees	(1 659 387)	(1 763 827)
Finance charges	(23 767)	(23 767)
Transfers and Grants	–	(2 500)
NET CASH FROM/(USED) OPERATING ACTIVITIES	**103 054**	**161 751**
CASH FLOWS FROM INVESTING ACTIVITIES		
Receipts		
Proceeds on disposal of PPE	–	–
Decrease (increase) in non-current receivables	–	–
Decrease (increase) in non-current investments	–	–
Payments	–	
Capital assets	(258 599)	(269 799)
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(258 599)**	**(269 799)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts		
Short term loans	–	–
Borrowing long term/refinancing	87 850	87 850
Increase (decrease) in consumer deposits	–	–
Payments	–	
Repayment of borrowing	(42 386)	(42 386)
NET CASH FROM/(USED) FINANCING ACTIVITIES	**45 464**	**45 464**
NET INCREASE/ (DECREASE) IN CASH HELD	**(110 080)**	**(62 584)**
Cash/cash equivalents at the year begin:	**350 033**	**328 824**
Cash/cash equivalents at the year end:	**239 953**	**266 241**

Source: GPT Generated

Table 10 above indicates GPT cash flow recalculations. The municipality's cash flow figures are not used as comparison as they were not completed correctly

In testing the credibility of the assumptions, GPT undertook an independent calculation to determine whether the cash flow assumptions and projections used by the municipality are realistic and promote financial stability within the municipality. The assumptions used in the GPT calculations consider past trends to adhere as much as possible to the principles of a conservative and realistic budget.

The Provincial Treasury applied a collection rate of 90 percent for property rates and all four trading services, furthermore the Provincial Treasury also performed recalculations based on the 2022/23 audited annual financial statements. The municipality however, maintained a positive cash position indicating that it will meet its financial obligations. Improving cash balance is evident of financial stability of a municipality. The Department would like to commend Midvaal for tabling a funded budget.

Disclaimer:

- The GPT recalculations are not to be used as a budgeting tool but rather are to guide the municipality into considering other broader cash flow aspects in ensuring that a budget is sufficiently funded. The municipality would have more accurate budgeting assumptions and the tool is merely used to ascertain to what extent these assumptions are informed by past trends.
- Although it is unlikely that all the "applications" will have to be paid at one point in time by the municipality, it must be noted that this remains a significant institutional risk.

Table 11: Cash reserves reconciliation

GT422 - Midvaal Description R thousand	MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK 2024/25 Budget Year +0	2024/25 Treasury Calculation
Cash and investments available		
Cash/cash equivalents at the year end	239 953	266 241
Other current investments > 90 days	115 783	(87 850)
Non current assets - Investments	–	–
Cash and investments available:	**355 736**	**178 391**
	–	
Application of cash and investments	–	
Unspent conditional transfers	186 093	11 764
Unspent borrowing	–	–
Statutory requirements	(15 792)	32 721
Other working capital requirements	(71 638)	(105 671)
Other provisions	17 687	1 709
Long term investments committed	–	–
Reserves to be backed by cash/investments	–	–
Total Application of cash and investments:	**116 350**	**(59 477)**
Surplus(shortfall) - Excl Non-Current Creditors Trf to Debt Relief Benefits	**239 386**	**237 868**
Creditors transferred to Debt Relief - Non-Current portion	–	–
Surplus(shortfall) - Incl Non-Current Creditors Trf to Debt Relief Benefits	**239 386**	**237 868**

Source: GPT Generated

The table 11 above indicates whether the Municipality's 2024/25 MTREF is funded in terms of Section 18 of the Municipal Finance Management Act. An independent assessment was conducted by GPT. The total application of cash commitments amounts to R237.868 million for the 2024/25 financial year. It should however be noted that there were limitations in calculating the above figures as some of the information is not available.

In conclusion, based on the provincial re-calculations of tables A7 and A8, the 2024/25 tabled budget is assessed as funded, including from an "application and investment" perspective. The assumptions made were based on 90 percent collection rate and the municipality's past performance.

DRAFT

2. RELEVANCE OF THE BUDGET

2.1 BUDGET ALIGNMENT TO IDP

The IDP and the budget are high level strategic planning documents where capital projects prioritized from IDP should align with budgeted capital projects. The projects identified from the IDP are aligning with those from the budget.

In terms of the linkage of the budget to the IDP, the municipality clearly outlined the National Outcomes on the budget tables SA4, SA5 and SA6 and the totals reconcile with main budget Table A4. In addition, it was also observed that the totals on table SA6 reconcile with totals on table A5 i.e. budgeted capital expenditure. The plans highlighted in the Integrated Development Plan are addressed in the budget.

2.2 BUDGET ALIGNMENT TO PROVINCIAL AND NATIONAL PRIORITIES

The municipality's 2024/25 IDP provides a high-level overview on how the municipal strategic objectives are linked to the National KPAs, the Growth and Development Strategy and the Provincial pillars.

To achieve the vision of making Gauteng into an integrated city region, in 2014 the Premier of the Province outlined a ten-pillar programme to facilitate the radical transformation, modernisation and revitalisation of the Gauteng region

Table 12: Synergy of capital programme to TER and TMR

Pillar No.	Pillar Description	Allocation 2021/22 ('000)	Allocation 2022/23 ('000)	Allocation 2023/24 ('000)
Pillar 2	Accelerated social transformation	56 732	21 747	11 457
Pillar 5	Modernisation of the public service	41 367	25 648	17 947
Pillar 7	Modernisation of human settlement and urban development	137 234	125 789	105 975
Pillar 8	Modernisation of public transport infrastructure	34 566	45 306	20 909
		269 899	**218 489**	**156 287**

Source: *Budget Document*

From the table above it can be determined that 100 percent of the capital budget will contribute towards four of the provincial 10 pillars. The biggest contribution is observed to be from projects impacting pillar 7 'Modernisation of human settlement and urban development' with over 137.234 million in 2024/25 and over R369 million over the MTREF period.

In aligning the capital projects of the 2024/25 financial year, GPT has undertaken an independent assessment of taking each project and classifying it in terms of the Provincial Pillars. The municipality's capital budget has been found to align to four of the ten Provincial Pillars. In the year under review, the bulk of the projects are linked to the modernisation of public service as most of the projects relate to the improvement of the infrastructure network.

Regarding corridors of development over the 2024/25 MTREF period, it was observed that most the municipality's capital projects are contributing towards the development of the southern corridor in respect of agriculture, green economy, creation of new industries, new economic nodes, and new cities.

3. SUSTAINABILITY OF THE BUDGET

3.1 Service delivery

With unemployment rate standing at 36.2 percent and high poverty rate, it is very important for the municipal capital programme to address the socio-economic issues in the municipal area. This can be achieved by continuous involvement of unemployed local youth and local businesses in the municipality's projects and prioritising infrastructural projects that benefits local communities. Additionally, the capital programme should also focus on addressing service delivery backlogs as shown in the IDP.

In the IDP document the municipality has outlined some initiatives in partnership with the province and businesses which seek to ensure social upliftment and job creation through the LED department of the municipality. The municipality also seeks to attract investment through its Local Economic Development Strategy.

3.2 Free basic services (FBS)

Table 13: Cost of Free Basic Services compared to the Equitable Share package

No.	Service	National FBS Standard	FBS Granted by municipality	Difference
1.	Electricity to Indigents	50 kwh	50 kwh	0
2.	Water to Indigents	6 kl	6kl	0
3.	Sanitation	-	85L per week	-
4.	Refuse removal	-	85L per week	-
5.	Property Rates	R15 000	150 000	135 000

Source: PT generated

The Table above aims to determine how much the municipality incurs in providing free basic services to the indigents in comparison to how much it receives from the equitable share. According to the indigent policy and the budget, registered indigents receive: 6kl free water, 50khw of electricity and 85L sanitation and 169L refuse removal as shown in table above.

The number of indigents or household receiving free basic services is 6000 for the 2024/25 financial year which is expected to increase to 7000 and 8000 in 2025/26 and 2026/27 respectively whilst the equitable share of the municipality is budgeted at R172.049 million.

It is noted that the municipality is providing more free basic services than supported by National Treasury through the equitable share, especially for Sanitation, Refuse and Property Rates. This is a serious cause for concern and should be attended to by the municipality, especially with Wastewater and Waste Management are projected to generate operating deficits. The municipality should revise its subsidies to indigent and align them to the equitable share received from National Treasury.

DRAFT

Forecasting and multi-year budgeting

The review compares the extent to which the indicative budget for 2023/24 and 2024/25 financial years that were approved in the 2022/23 MTREF have changed when compared to 2024/25 MTREF. It is helpful in evaluating whether municipalities do multi-year budgeting given that a budget is a three (3) year plan because if it does, the increase/ decrease in baseline will not be material.

The application of the multi-year budgeting principle is limited particularly in the operating budget of the municipality. This is since the budget is purely adjusted by inflation forecasts in the two outer years. The capital budget on the other hand can be said to be multi-year as it is informed by changes in grant allocations.

We observed that MLM does apply multi-year planning as the differences are not significant in their revenue, operating and capital expenditure. It can, however, be concluded that MLM considered current national and global macro-economic when forecasting although there are some matters that need to be considered.

3.4 MSCOA compliance

MSCOA - Summary - Upload and Segment Validation

Green = correct (Phase 2), Yellow = Segment errors (Phase 2), Orange = Submitted with Error (Phase 1), Red = Outstanding, Blank = N/A

			Financial,Year																
			2022	2023		2024												2025	
			SUBMISSIONCODE																
			RAUD	PAUD	AUDA	ORGB	PROR	ADJB	PRAD	M01	M02	M03	M04	M05	M06	M07	M08	TABB	PRTA
Demarcation Description	Demarc Code	CAP																	
Province : GAUTENG (GT)																			
Midvaal	GT422	M																	

Source: LG database

The budget format used by the municipality is the one that is regulated by Regulation 9 of the MBRR, the municipality also complied with MFMA Circular No. 128 by using the mSCOA version 6.8 of the A1 schedule which appears to be generated through the financial system. GPT noted that the municipality has been submitting data strings to National Treasury which were successfully uploaded.

3.5 Institutional governance matters

MLM has the mayor, municipal manager, and the Chief Financial Officer and all senior management positions filled. The Budget and Treasury office on the other hand is almost at full capacity with minimal vacancies, as a result the municipality has the relevant capacity that will promote good financial management and ensure the efficient application of financial resources in the rendering of services to the community.

DRAFT

3.6 Funding compliance and financial health

Table 14: Financial Health

Description	2024/25 Medium Term Revenue & Expenditure Framework		
	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Funding measures			
Cash/cash equivalents at the year end - R'000	(80 911)	(175 551)	(362 152)
Cash + investments at the yr end less applications - R'000	239 386	144 434	158 804
Cash year end/monthly employee/supplier payments	(0,7)	(1,3)	(2,4)
Surplus/(Deficit) excluding depreciation offsets: R'000	43 723	20 429	8 078
Service charge rev % change - macro CPIX target exclusive	3,3%	4,4%	4,6%
Cash receipts % of Ratepayer & Other revenue	83,4%	84,1%	77,7%
Debt impairment expense as a % of total billable revenue	10,5%	11,2%	10,9%
Capital payments % of capital expenditure	95,8%	93,2%	94,3%
Borrowing receipts % of capital expenditure (excl. transfers)	61,6%	57,5%	35,6%
Grants % of Govt. legislated/gazetted allocations	0,0%	0,0%	0,0%
Current consumer debtors % change - incr(decr)	(65,0%)	2,3%	175,4%
Long term receivables % change - incr(decr)	0,0%	0,0%	0,0%
R&M % of Property Plant & Equipment	9,2%	9,4%	0,0%
Asset renewal % of capital budget	43,5%	51,2%	66,1%

Source: Budget document

The table above looks at general financial health of the municipality using purely municipal-generated figures. The analysis of the table should be read notwithstanding comments already made in the independent calculation that GPT conducted in the cash flow discussion of the assessment. The municipality however did not capture Table A7 Cash flow statement which has distorted the funding measurement tool, the outcome of the funding tool is incorrect as a result. GPT recalculation however render the 2024/25 tabled budget funded as discussed on the cash flow section.

4 CONCLUSION AND RECOMMENDATIONS

4.1 CREDIBILITY

- The draft budget was tabled and submitted according to the applicable regulatory requirements. The submission also includes the top layer of the SDBIP
- MLM's budget assumption were in-line with the proposed tariffs as tabled in MFMA Circular 126 and 128. However, the increases were above the CPI and the municipality is still incurring losses in the supply of electricity, sanitation and refuse removal and the provision of these services is unsustainable.
- The municipality faces a critical need to explore alternative funding sources, particularly government grants, to effectively mitigate ongoing losses, especially with electricity supply provision.
- The municipality has submitted the A-Schedule using the 6.8 version; however, table A7 and A8 where not captured correctly.
- The 2024/25 budget was assessed to be funded in line with the requirements of sections 18 and 19 of the MFMA.

DRAFT

4.2 RELEVANCE

- The municipality's Tabled 2024/25 MTREF budget is based on a clear organizational strategy.
- There is clear evidence that the municipality's priorities are aligned with those of the national government and the Gauteng provincial government.
- The municipality's budget aligns closely with the Integrated Development Plan (IDP) strategic objectives, the 10 pillars, and provincial priorities. This alignment is evident in the allocation of operating revenue, expenditure, and capital budget, which reconcile with tables SA4, SA5, and SA6.

4.3 SUSTAINABILITY

- The municipality has demonstrated stability in financial management over the past number of financial years. This stability is further evidenced by the achievement of positive results and commendable performance reflected in the audit outcomes.
- Although the 2024/25 Cash flow statement was not captured correctly, the positive outcome has been observed throughout the previous financial years including the cash coverage of over 2 months
- The municipality should take note of the findings as the municipality is legislatively required to consider the recommendations of GPT in terms of sub-sections 23(1)(b) and 23(2) of the MFMA prior to the approval of the 2024/25 budget by the municipal council.
- In this regard the municipality is requested to table this assessment report with the annual budget in council during the adoption of the annual budget.

DRAFT

SECTION D: ANNEXURES

Annexure A: Operating revenue and expenditure budget

GT422 Midvaal - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue											
Exchange Revenue											
Service charges - Electricity	2	388 232	461 979	438 811	601 337	547 484	547 484	330 865	616 262	711 937	822 586
Service charges - Water	2	249 280	214 565	244 870	274 372	275 097	275 097	181 186	294 205	314 641	336 503
Service charges - Waste Water Management	2	49 841	54 450	61 723	58 893	66 988	66 988	45 023	71 008	75 268	79 784
Service charges - Waste Management	2	46 892	55 102	57 490	59 433	61 962	61 962	41 022	66 300	70 941	75 907
Sale of Goods and Rendering of Services		6 453	5 482	8 247	7 273	7 697	7 697	5 798	8 141	8 604	9 092
Agency services											
Interest											
Interest earned from Receivables		13 263	13 009	16 074	17 662	24 072	24 072	15 497	25 252	26 413	27 602
Interest earned from Current and Non Current Assets		17 194	18 248	32 679	21 144	42 144	42 144	27 346	44 209	46 242	48 323
Dividends											
Rent on Land											
Rental from Fixed Assets		1 014	1 098	1 093	1 315	1 095	1 095	909	1 161	1 230	1 304
Licence and permits		-	-	-	-	-	-	-	-	-	-
Operational Revenue		3 191	1 641	3 878	3 918	4 522	4 522	927	4 751	4 980	5 217
Non-Exchange Revenue											
Property rates	2	253 452	273 314	296 169	321 362	326 734	326 734	214 312	349 605	370 581	392 816
Surcharges and Taxes											
Fines, penalties and forfeits		69 271	68 387	74 543	124 813	80 767	80 767	38 024	85 614	90 750	96 195
Licences or permits											
Transfer and subsidies - Operational		159 071	150 862	172 219	193 221	190 043	190 043	139 869	203 177	212 424	213 038
Interest		6 557	5 509	13 794	10 254	16 396	16 396	10 502	16 396	16 396	16 396
Fuel Levy											
Operational Revenue											
Gains on disposal of Assets		(641)	(70)	-	-	-	-	-	-	-	-
Other Gains		15	55	74	-	-	-	-	-	-	-
Discontinued Operations											
Total Revenue (excluding capital transfers and contributions)		**1 263 085**	**1 323 631**	**1 421 663**	**1 694 996**	**1 645 002**	**1 645 002**	**1 051 281**	**1 786 079**	**1 950 409**	**2 124 763**
Expenditure											
Employee related costs	2	298 272	322 148	345 632	433 982	396 777	396 777	272 267	423 949	441 583	463 508
Remuneration of councillors		12 822	12 968	14 364	13 860	14 904	14 904	11 515	15 270	16 049	16 851
Bulk purchases - electricity	2	333 403	387 270	378 128	507 668	507 668	507 668	282 619	557 142	644 614	745 818
Inventory consumed	8	17 005	107 595	107 794	162 300	157 570	157 570	54 310	166 250	174 565	183 613
Debt impairment	3	75 392	64 731	67 104	169 656	130 573	130 573	32 609	146 245	172 128	186 236
Depreciation and amortisation		134 535	127 289	99 105	140 855	115 481	115 481	62 792	118 783	122 369	126 245
Interest		17 471	30 123	22 946	24 212	22 212	22 212	7 889	23 767	25 431	27 211
Contracted services		106 283	127 895	145 648	195 539	223 840	223 840	110 454	244 937	252 534	263 778
Transfers and subsidies		1 212	1 534	1 465	1 500	2 337	2 337	783	2 500	2 500	2 500
Irrecoverable debts written off		45 208	58 514	50 566	6 496	6 496	6 496	3 872	6 814	7 128	7 449
Operational costs		62 320	58 791	71 212	97 301	107 500	107 500	62 841	113 826	117 518	122 241
Losses on disposal of Assets		2 245	7 739	4 904	-	-	-	0	-	-	-
Other Losses		35	31 095	36 805	47 665	47 665	47 665	-	50 001	52 451	55 021
Total Expenditure		**1 106 204**	**1 337 691**	**1 345 674**	**1 801 035**	**1 733 024**	**1 733 024**	**901 951**	**1 869 484**	**2 028 869**	**2 200 472**
Surplus/(Deficit)		**156 881**	**(14 060)**	**75 989**	**(106 038)**	**(88 022)**	**(88 022)**	**149 329**	**(83 406)**	**(78 460)**	**(75 709)**
Transfers and subsidies - capital (monetary allocations)	6	184 315	96 481	98 947	101 140	106 529	106 529	53 967	127 129	98 889	83 787
Transfers and subsidies - capital (in-kind)	6	–	–	10 191	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**341 196**	**82 421**	**185 127**	**(4 899)**	**18 508**	**18 508**	**203 297**	**43 723**	**20 429**	**8 078**
Income Tax											
Surplus/(Deficit) after income tax		**341 196**	**82 421**	**185 127**	**(4 899)**	**18 508**	**18 508**	**203 297**	**43 723**	**20 429**	**8 078**
Share of Surplus/Deficit attributable to Joint Venture											
Share of Surplus/Deficit attributable to Minorities											
Surplus/(Deficit) attributable to municipality		**341 196**	**82 421**	**185 127**	**(4 899)**	**18 508**	**18 508**	**203 297**	**43 723**	**20 429**	**8 078**
Share of Surplus/Deficit attributable to Associate	7										
Intercompany/Parent subsidiary transactions											
Surplus/(Deficit) for the year	1	**341 196**	**82 421**	**185 127**	**(4 899)**	**18 508**	**18 508**	**203 297**	**43 723**	**20 429**	**8 078**

DRAFT

Annexure B: Consolidated Capital Expenditure (A5)

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Capital expenditure - Vote											
Multi-year expenditure ***to be appropriated***	2										
Vote 01 - Executive & Council		77 449	17	2	1 130	165	165	60	–	–	–
Vote 02 - Corporate Services		8 973	6 499	2 298	16 210	13 470	13 470	12 164	4 770	5 100	4 400
Vote 03 - Financial Services		132	956	2 786	17 250	20 374	20 374	6 404	2 000	–	–
Vote 04 - Development & Planning		49	7 676	4 270	10 500	17 051	17 051	14 295	10 000	10 000	5 026
Vote 05 - Health		–	–	–	–	–	–	–	–	–	–
Vote 06 - Community And Social Services		24 373	13 526	11 289	29 738	31 642	31 642	14 591	26 575	32 300	9 350
Vote 07 - Public Safety		4 550	7 375	10 171	7 665	10 466	10 466	6 240	2 000	11 000	–
Vote 08 - Sport And Recreation		–	–	–	–	–	–	–	–	–	–
Vote 09 - Environmental Protection		–	–	–	–	–	–	–	–	–	–
Vote 10 - Waste Water Management		23 704	16 553	10 491	15 650	18 960	18 960	9 191	16 950	11 600	8 000
Vote 11 - Solid Waste Management		15 552	14 935	4 018	16 370	14 415	14 415	10	20 000	25 850	21 100
Vote 12 - Roads And Transport		13 775	18 776	34 421	40 298	39 249	39 249	902	42 650	34 300	9 450
Vote 13 - Water Services		46 365	47 350	48 425	51 899	49 579	49 579	35 799	57 696	41 839	38 011
Vote 14 - Electrical Services		24 511	30 965	40 594	52 912	51 918	51 918	21 876	28 773	30 500	43 950
Vote 15 - Other		–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	7	**239 433**	**164 627**	**168 766**	**259 622**	**267 290**	**267 290**	**121 531**	**211 414**	**202 489**	**139 287**
Single-year expenditure ***to be appropriated***	2										
Vote 01 - Executive & Council		–	–	–	–	–	–	–	–	–	–
Vote 02 - Corporate Services		–	–	–	–	1 007	1 007	–	520	–	–
Vote 03 - Financial Services		–	–	–	–	–	–	–	–	–	–
Vote 04 - Development & Planning		–	–	–	–	–	–	–	–	–	–
Vote 05 - Health		–	–	–	–	–	–	–	–	–	–
Vote 06 - Community And Social Services		–	–	–	–	–	–	–	10 600	–	–
Vote 07 - Public Safety		–	–	–	–	200	200	68	–	–	–
Vote 08 - Sport And Recreation		–	–	–	–	–	–	–	–	–	–
Vote 09 - Environmental Protection		–	–	–	–	–	–	–	–	–	–
Vote 10 - Waste Water Management		–	–	–	–	340	340	–	9 500	5 000	–
Vote 11 - Solid Waste Management		–	–	–	–	–	–	–	11 700	3 000	10 000
Vote 12 - Roads And Transport		–	–	–	–	–	–	–	3 550	–	–
Vote 13 - Water Services		–	–	–	–	1 175	1 175	–	7 000	8 000	7 000
Vote 14 - Electrical Services		–	–	–	–	–	–	–	15 615	–	–
Vote 15 - Other		–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total		**–**	**–**	**–**	**–**	**2 722**	**2 722**	**68**	**58 485**	**16 000**	**17 000**
Total Capital Expenditure - Vote		**239 433**	**164 627**	**168 766**	**259 622**	**270 012**	**270 012**	**121 599**	**269 899**	**218 489**	**156 287**
Capital Expenditure - Functional											
Governance and administration		**86 762**	**7 763**	**5 708**	**34 620**	**35 166**	**35 166**	**18 654**	**7 890**	**7 400**	**5 250**
Executive and council		345	17	2	1 130	165	165	60	–	–	–
Finance and administration		86 417	7 747	5 707	33 490	35 001	35 001	18 595	7 890	7 400	5 250
Internal audit											
Community and public safety		**30 605**	**22 091**	**22 119**	**40 823**	**46 393**	**46 393**	**21 145**	**39 175**	**43 300**	**9 700**
Community and social services		7 190	7 327	4 726	7 500	9 094	9 094	2 738	11 100	13 000	5 600
Sport and recreation		17 087	5 922	6 304	22 208	22 518	22 518	11 830	26 075	19 300	2 900
Public safety		6 327	8 842	11 089	11 115	14 781	14 781	6 576	2 000	11 000	1 200
Housing											
Health											
Economic and environmental services		**12 047**	**24 986**	**37 490**	**47 348**	**52 185**	**52 185**	**14 929**	**55 600**	**42 000**	**13 276**
Planning and development		49	7 676	4 270	10 500	17 051	17 051	14 295	10 000	10 000	5 026
Road transport		11 998	17 309	33 220	36 848	35 134	35 134	634	45 600	32 000	8 250
Environmental protection											
Trading services		**110 019**	**109 787**	**103 449**	**136 831**	**136 267**	**136 267**	**66 871**	**167 234**	**125 789**	**128 061**
Energy sources		24 398	30 950	40 515	52 912	51 798	51 798	21 872	44 388	30 500	43 950
Water management		46 365	47 350	48 425	51 899	50 754	50 754	35 799	64 696	49 839	45 011
Waste water management		23 704	16 553	10 491	15 650	19 300	19 300	9 191	26 450	16 600	8 000
Waste management		15 552	14 935	4 018	16 370	14 415	14 415	10	31 700	28 850	31 100
Other											
Total Capital Expenditure - Functional	3	**239 433**	**164 627**	**168 766**	**259 622**	**270 012**	**270 012**	**121 599**	**269 899**	**218 489**	**156 287**
Funded by:											
National Government		83 320	75 997	79 571	84 307	84 833	84 833	62 967	115 129	90 089	83 787
Provincial Government		8 744	9 652	18 570	8 200	13 413	13 413	6 468	6 100	8 000	5 600
District Municipality											
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		80 477	2 252	5 595	4 000	4 000	4 000	3 372	6 000	3 000	6 000
Transfers recognised - capital	4	**172 541**	**87 901**	**103 737**	**96 507**	**102 246**	**102 246**	**72 806**	**127 229**	**101 089**	**95 387**
Borrowing	6	26 307	36 518	17 546	74 780	118 790	118 790	25 197	87 850	69 150	23 000
Internally generated funds		40 585	40 209	47 483	88 335	48 975	48 975	23 596	54 820	48 250	37 900
Total Capital Funding	7	**239 433**	**164 627**	**168 766**	**259 622**	**270 012**	**270 012**	**121 599**	**269 899**	**218 489**	**156 287**

DRAFT

Annexure C: Cash flow budget

GT422 Midvaal - Table A7 Budgeted Cash Flows

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		78 789	592 132	239 953	295 653	312 389	312 389	176 757	314 644	333 523	353 534
Service charges		148 800	787 382	651 159	927 799	1 044 413	1 044 413	492 642	1 131 739	1 271 317	1 430 295
Other revenue		(19 981)	146 353	517 340	35 490	(251 158)	(251 158)	1 206 209	(199 039)	(219 705)	(371 252)
Transfers and Subsidies - Operational	1	–	–	92 981	345 060	346 742	346 742	120 404	366 703	380 728	407 972
Transfers and Subsidies - Capital	1	4 335	90 117	111 412	101 140	94 765	94 765	85 125	127 952	94 918	84 683
Interest		7 671	17 996	31 811	21 144	–	–	26 268	44 209	46 242	48 323
Dividends									–	–	–
Payments											
Suppliers and employees		(259 841)	(993 698)	(1 150 926)	(1 519 873)	(1 517 100)	(1 517 100)	(1 576 056)	(1 659 387)	(1 795 732)	(1 940 568)
Interest		–	–	–	(24 212)	(22 212)	(22 212)	–	(23 767)	(25 431)	(27 211)
Transfers and Subsidies	1								–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**(40 227)**	**640 282**	**493 731**	**182 199**	**7 839**	**7 839**	**531 349**	**103 054**	**85 861**	**(14 223)**
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE									–	–	–
Decrease (increase) in non-current receivables									–	–	–
Decrease (increase) in non-current investments									–	–	–
Payments											
Capital assets		(109 053)	(164 627)	(167 085)	(249 492)	(256 825)	(256 825)	(105 240)	(258 599)	(203 589)	(147 387)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(109 053)**	**(164 627)**	**(167 085)**	**(249 492)**	**(256 825)**	**(256 825)**	**(105 240)**	**(258 599)**	**(203 589)**	**(147 387)**
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans									–	–	–
Borrowing long term/refinancing		21 500	18 600	14 861	116 080	119 790	119 790	(500)	87 850	67 550	21 650
Increase (decrease) in consumer deposits		–	–	21	–	–	–	741	–	–	–
Payments											
Repayment of borrowing		–	(40 189)	(31 193)	(42 233)	(47 781)	(47 781)	(8 565)	(42 386)	(44 463)	(46 641)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**21 500**	**(21 589)**	**(16 310)**	**73 847**	**72 009**	**72 009**	**(8 323)**	**45 464**	**23 087**	**(24 991)**
NET INCREASE/ (DECREASE) IN CASH HELD		**(127 780)**	**454 066**	**310 335**	**6 554**	**(176 977)**	**(176 977)**	**417 786**	**(110 080)**	**(94 640)**	**(186 601)**
Cash/cash equivalents at the year begin:	2	**400 047**	**451 305**	**487 962**	**150 433**	**355 433**	**355 433**	**–**	**29 169**	**(80 911)**	**(175 551)**
Cash/cash equivalents at the year end:	2	**272 267**	**905 371**	**798 298**	**156 987**	**178 456**	**178 456**	**417 786**	**(80 911)**	**(175 551)**	**(362 152)**

Annexure D: Application of cash and investments

GT422 Midvaal - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Cash and investments available											
Cash/cash equivalents at the year end	1	272 267	905 371	798 298	156 987	178 456	178 456	417 786	(80 911)	(175 551)	(362 152)
Other current investments > 90 days		129 038	(417 408)	(302 895)	117 873	320 193	320 193	28 637	436 647	423 128	414 107
Non current Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		**401 305**	**487 962**	**495 402**	**274 860**	**498 649**	**498 649**	**446 422**	**355 736**	**247 577**	**51 955**
Application of cash and investments											
Unspent conditional transfers		46 551	43 721	20 732	148 423	7 308	7 308	49 293	186 093	190 036	205 584
Unspent borrowing											
Statutory requirements	2	16 681	23 210	23 131	(15 501)	(11 812)	(11 812)	42 452	(15 792)	(15 792)	(15 792)
Other working capital requirements	3	143 622	84 452	31 470	(37 687)	45 643	45 643	(274 518)	(71 638)	(89 655)	(316 103)
Other provisions		97 092	–	–	16 845	–	–	–	17 687	18 554	19 463
Long term investments commited	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		**303 947**	**151 383**	**75 333**	**112 080**	**41 139**	**41 139**	**(182 773)**	**116 350**	**103 143**	**(106 849)**
Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Benefits		**97 358**	**336 579**	**420 069**	**162 780**	**457 510**	**457 510**	**629 196**	**239 386**	**144 434**	**158 804**
Creditors transferred to Debt Relief - Non-Current portion		–	–	–	–	–	–	–	–	–	–
Surplus(shortfall) - Including Non-Current Creditors Trf to Debt Relief Benefits		**97 358**	**336 579**	**420 069**	**162 780**	**457 510**	**457 510**	**629 196**	**239 386**	**144 434**	**158 804**

DRAFT

Annexure E: Table A10 Consolidated basic service delivery measurement

GT422 Midvaal - Table A10 Basic service delivery measurement

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Household service targets	1									
Water:										
Piped water inside dwelling		19 850	19 850	–	29 372	29 372	29 372	21 743	22 303	29 672
Piped water inside yard (but not in dwelling)		5 484	5 484	–	103	103	103	5 484	5 000	4 500
Using public tap (at least min.service level)	2	1 496	1 496	–	123	123	123	123	123	123
Other water supply (at least min.service level)	4	–	–	–	8 498	8 498	8 498	26 304	8 498	8 498
Minimum Service Level and Above sub-total		26 830	26 830	–	38 096	38 096	38 096	53 654	35 924	42 793
Using public tap (< min.service level)	3	2 442	2 442	–	–	–	–	–	–	–
Other water supply (< min.service level)	4	–	–	–	150	150	150	150	150	150
No water supply		1 291	1 291	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		3 733	3 733	–	150	150	150	150	150	150
Total number of households	5	**30 563**	**30 563**	**–**	**38 246**	**38 246**	**38 246**	**53 804**	**36 074**	**42 943**
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		17 717	17 717	–	24 308	24 308	24 308	18 029	19 127	24 448
Flush toilet (with septic tank)		5 615	5 615	–	10 385	10 385	10 385	10 385	10 385	10 385
Chemical toilet		1 879	1 879	–	2 044	2 044	2 044	2 044	2 044	2 044
Pit toilet (ventilated)		487	487	–	1 400	1 400	1 400	1 400	1 400	1 400
Other toilet provisions (> min.service level)		3 589	3 589	–	42	42	42	42	42	42
Minimum Service Level and Above sub-total		29 287	29 287	–	38 179	38 179	38 179	31 900	32 998	38 319
Bucket toilet		–	–	–	–	–	–	–	–	–
Other toilet provisions (< min.service level)		658	658	–	86	86	86	86	86	86
No toilet provisions		618	618	–	–	–	–	618	618	500
Below Minimum Service Level sub-total		1 276	1 276	–	86	86	86	704	704	586
Total number of households	5	**30 563**	**30 563**	**–**	**38 265**	**38 265**	**38 265**	**32 604**	**33 702**	**38 905**
Energy:										
Electricity (at least min.service level)		16 224	16 224	–	2 785	2 785	2 785	18 127	18 763	19 399
Electricity - prepaid (min.service level)		7 650	7 650	–	14 733	14 733	14 733	14 733	14 733	14 733
Minimum Service Level and Above sub-total		23 874	23 874	–	17 518	17 518	17 518	32 860	33 496	34 132
Electricity (< min.service level)		370	370	–	1 536	1 536	1 536	1 536	32 321	32 421
Electricity - prepaid (< min. service level)		–	–	–	–	–	–	–	49 909	50 109
Other energy sources		6 319	6 319	–	21 527	21 527	21 527	21 527	82 230	82 530
Below Minimum Service Level sub-total		6 689	6 689	–	23 063	23 063	23 063	23 063	164 460	165 060
Total number of households	5	**30 563**	**30 563**	**–**	**40 581**	**40 581**	**40 581**	**55 923**	**197 956**	**199 192**
Refuse:										
Removed at least once a week		25 086	25 086	–	25 086	25 086	25 086	25 086	25 086	25 806
Minimum Service Level and Above sub-total		25 086	25 086	–	25 086	25 086	25 086	25 086	25 086	25 806
Removed less frequently than once a week		309	309	–	309	309	309	309	309	309
Using communal refuse dump		591	591	–	–	–	–	–	–	–
Using own refuse dump		3 241	3 241	–	3 241	3 241	3 241	3 241	3 241	3 241
Other rubbish disposal		967	967	–	967	967	967	967	967	967
No rubbish disposal		5 370	5 370	–	5 478	5 478	5 478	5 478	5 478	5 478
Below Minimum Service Level sub-total		10 478	10 478	–	9 995	9 995	9 995	9 995	9 995	9 995
Total number of households	5	**35 564**	**35 564**	**–**	**35 081**	**35 081**	**35 081**	**35 081**	**35 081**	**35 801**
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		–	–	–	12 374 591	12 374 591	12 374 591	12 374 591	–	–
Sanitation (free minimum level service)		–	–	–	–	–	–	–	–	–
Electricity/other energy (50kwh per household per month)		–	–	–	715 348	715 348	715 348	715 348	–	–
Refuse (removed at least once a week)		–	–	–	–	–	–	–	–	–
Informal Settlements		–	–	–	–	–	–	13	–	–
Cost of Free Basic Services provided - Formal Settlements (R'000)										
Water (6 kilolitres per **indigent** household per month)		6 743	4 434	4 507	6 891	5 279	5 279	5 648	6 044	6 467
Sanitation (free sanitation service to **indigent households**)		–	–	–	–	–	–	–	–	–
Electricity/other energy (50kwh per **indigent** household per month)		1 423	2 334	3 435	2 725	3 425	3 425	3 860	4 466	5 167
Refuse (removed once a week **for indigent households**)		–	–	–	–	–	–	–	–	–
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		–	–	–	13	13	13	–	–	–
Total cost of FBS provided	8	**8 166**	**6 768**	**7 942**	**9 629**	**8 717**	**8 717**	**9 508**	**10 510**	**11 634**
Highest level of free service provided per household										
Property rates (R value threshold)										
Water (kilolitres per household per month)										
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)										
Electricity (kwh per household per month)										
Refuse (average litres per week)										
Revenue cost of subsidised services provided (R'000)	9									
Property rates **(tariff adjustment)** (**impermissable values per section 17 of MPRA**)		–	–	–	–	–	–	–	–	–
Property rates exemptions, reductions and rebates **and impermissable values in excess of section 17 of MPRA)**		44 319	42 184	45 758	52 333	46 831	46 831	50 109	53 115	56 302
Water **(in excess of 6 kilolitres per indigent household per month)**		298	–	(2)	–	(10)	(10)	(11)	(11)	(12)
Sanitation **(in excess of free sanitation service to indigent households)**		15 157	15 702	16 193	18 229	17 128	17 128	18 156	19 245	20 400
Electricity/other energy **(in excess of 50 kwh per indigent household per month)**		–	–	–	–	–	–	–	–	–
Refuse **(in excess of one removal a week for indigent households)**		8 757	9 631	9 768	6 183	10 356	10 356	11 081	11 856	12 686
Municipal Housing - rental rebates										
Housing - top structure subsidies	6									
Other										
Total revenue cost of subsidised services provided		**68 531**	**67 517**	**71 718**	**76 746**	**74 305**	**74 305**	**79 335**	**84 205**	**89 376**

DRAFT