



THEMBELIHLE

**LOCAL MUNICIPALITY
PLAASLIKE MUNISIPALITEIT
U-MASIPALA WASEKUHALENI**

ANNUAL BUDGET

2016/2017



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Adjustments Budgets – Prescribed in section 28 of the Municipal Finance Management Act. It is the formal means by which a municipality may revise its budget during a financial year.

Allocations – Money received from Provincial and National Treasury.

Budget – The financial plan of a municipality.

Budget related policy – Policy of a municipality affecting or affected by the budget. Examples include traffic policy, rated policy and credit control and debt policy.

Budget Steering Committee – Committee established to provide technical assistance to the mayor in discharging the responsibilities set out in section 53 of the MFMA.

Capital Expenditure – Spending on municipal assets such as land, buildings and vehicles. Any capital expenditure must be reflected as an asset on a municipality's balance sheet.

Cash Flow Statement - A statement showing when actual cash will be received and spent by the Municipality, and the month end balances of cash and short term investments. Cash receipts and payments do not always coincide with budgeted income and expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month that the services or goods are received, even though it may not be paid in the same period.

CPI – Headline Consumer Price Index

DORA – Division of Revenue Act. Annual legislation which shows the allocations from national to local government.

DoRb – Division of Revenue Bill. Annual legislation tabled in parliament, but not enacted, which shows the allocations from national to local government.

Equitable Share – A general grant paid to municipalities. It is predominantly targeted to assist municipalities with the costs of free basic services.

CDFI – Gross Domestic Fixed Investment

GFS – Government Finance Statistics. An internationally recognized classification system that facilitates comparisons between municipalities.

IDP – Integrated Development Plan. The main strategic planning document of a municipality.

KPI – Key Performance Indicators. Measures of service output and/or outcome.

MFMA – Municipal Finance Management Act (No 53 of 2003). The principal piece of legislation relating to municipal financial management.

MTREF – Medium Term Revenue and Expenditure Framework as prescribed by the MFMA sets out indicative revenue and projected expenditure for the budget year plus two outer financial years to determine the affordability level thereof. It effectively represents a municipality's medium term financial plan.

MYPD – Multi Year Price Determination

NT – National Treasury

Operating Expenditure – Spending on the day to day expenses of a municipality such as general expenses, salaries & wages and repairs & maintenance.

Portfolio Committee – Section 79 of the Structures Act dictates that a municipal council may (a) establish one or more committees necessary for the effective and efficient performance of any of its functions or the exercise of any of its powers and (b) appoint the members of such a committee from among its members. Portfolio Committees process policies and bylaws relating to the functional areas within their terms of reference, and are responsible for implementation monitoring of these, as well as oversight of the functional areas. This oversight function is further enhanced by the Portfolio Committee’s responsibility of assessing and monitoring the performance of service delivery which inter alia includes ensuring that the annual budgets of the municipality’s departments are spent wisely and that there is no wastage or corruption.

Rates – Local Government tax based on assessed valuation of a property.

TMA – Total Municipal Account

SCM – Supply Chain Management

SDBIP – Service Delivery Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

SFA – Strategic Focus areas: The main priorities of a municipality as set out in the IDP. Budgeted spending must contribute towards achievement of these strategic focus areas.

Vote – One of the main segments into which a budget is divided, usually at directorate level

COUNCILLORS

COMRADES, FRIENDS

LADIES AND GENTLEMEN

MUNICIPAL MANAGER, YOUR MANAGEMENT TEAM & MUNICIPAL OFFICIALS

It is indeed an honor to present the reviewed Integrated Development Plan and the Draft Medium Term Budget for the 2016/17 financial year of the municipality.

The IDP and Budget is presented at a time when there is a growing demand for municipal services, amidst unemployment, poverty coupled with the ever increasing cost of living.

This is our fifth budget and IDP which we were able to develop in-house as a result of continued staff training and skills transferred. We have continued to provide services to our people and will endeavor to increase the quality and quantity thereof. I am of the opinion that we, as a council, have fared well in this regard but remain conscious of the challenges that we are faced with. It is a known fact that the municipality is currently faced with staff shortage and cash flow challenges which the municipality is addressing in a concerted effort to overcome. With the continued commitment of all Councilors and dedication of the staff we will surely overcome these challenges to ensure the financial viability and sustainability of Thembelihle Local municipality.

IDP consultations were held to inform the compilation of the 2016 2017 annual budget. As a Council we have, through the budget allocations we made, move forward to address particular challenges in order to improve on service delivery.

The SDBIP is a tool linked to the performance of managers and their Departments which clearly determines what is to be done, where it will be done, how it is to be done, how much is budgeted for, who are the responsible managers and the tangible reports that need to submit as proof of progress against defined targets.

It is imported to focus on what is surely one of the biggest problems namely: debt collection, will have to be robustly attended to with programmes that are complimenting those we have. For every expense incurred, there must be a corresponding revenue stream to fund that expenditure.

It is with a great pleasure that I table the Draft Budget for the 2016/2017 MTREF of the municipality.

Key figures that I would like to emphasize are:

- **the decrease of our annual budget from the previous year of 2015/2016 of R 81,665,231.00 by R 3,742,530 to the budget of 2016/2017 of R 77,922,701.00 which is a 4.5% decrease. The decrease in**

the total budget is mainly due to a decrease in Government Grants for capital projects allocated for this financial year.

- **The Capital Budget decreased by 17% from R17,256,550.00 from the previous year to R14,323,100.00 for the 2016/2017 financial year.**
- **Projected revenue being R72, 322 million and expenditure being R77, 923 million. We are thus budgeting for a deficit of R5, 601 million.**
- **The budget will also indicate that tariffs have increased by a base line increase of 6.6% for the year coming and for Electricity, which increased by an overall 12.4% which is a higher increase as per notice from the National Energy Regulator of South Africa. All budget related National Treasury MFMA Circulars were taken into account when compiling the budget.**
- **The budget book contains the details in the outer years of the medium term revenue and expenditure framework which in essence maintain this trend.**

Our major cost drivers reflect as follows:

□ Employee Cost (both council and officials):	R 28,128,311.00
□ Repairs and Maintenance:	R 1,836,029.00
□ Operating Cost:	R 25,853,556.00
□ Capital Cost:	R 14,323,100.00
□ Depreciation:	R 7,781,705.00
TOTAL EXPENDITURE	R 77,922,701.00

Our Major Revenue Sources that we anticipate:

□ Grants & Subsidies –	R 24,031,900.00
□ Income Generated –	R 34,006,939.00
□ Capital Funding –	R 14,283,100.00
TOTAL INCOME	R 72,321,939.00

The total capital budget is funded as follows:

National Government –	R 14,283,100.00
Own Revenue -	R40, 000.00
TOTAL SOURCE –	R 14,323,100.00

During the Financial Year of 2016/2017 major capital projects that we anticipate to actively progress with and work towards completion are as follows:

- **Upgrading of Roads in Strydenburg**
- **Upgrading of Roads in Steynville**
- **Upgrade of Bulk Water in Steynville**

Honorable Speaker, the draft recommendations of this budget will be dealt with when the budget is presented to Council for adoption.

I would like to propose that when the public participation process unfolds these issues be thoroughly discussed. The public participation on the revised IDP and Budget is set for the middle of April. These inputs will need to be considered and factored in before we finalize the budget.

In conclusion I wish to thank all those officials who work hard to render a better service to our citizens. I also wish to thank all those personnel members who worked hard to put this IDP and budget together.

I thank my fellow councilors for their support and unwavering commitment to the people of Thembelihle Municipality.

My gratitude goes to the members of this council and public out there for their continuous support.

I hereby table the IDP, the draft budget as stipulated on the agenda.

Councilor Danny A. Jonas


Mayor of Thembelihle Local Municipality

Minutes of a General Council Meeting that took place the 31 May 2016 at the Council Chambers Hopetown at 10:00

THEMBELIHLE LOCAL MUNICIPALITY
SPECIAL COUNCIL MEETING MINUTES 31 MAY 2016

ITEM NR	ITEM DESCRIPTION	COUNCIL DECISION	RESPONSIBLE PERSON	REPORTING TO	DUE DATE
SCM/5-1/ 31/5/2016	<p>Tabling of the Annual budget for 2016/2017 in terms of S 16 of the MFMA in the prescribed format as guided by S 17 (1) and accompanied by the following documents as prescribed in S 17 (3) (a-n)</p> <ul style="list-style-type: none"> -The Draft Operational & Capital budget for 2016/2017 -The draft Municipal Tariffs for 2016/2017 -The draft SDBIP for 2016/2017 -The draft Integrated Development Plan for 2016/2017 -The draft Budget related and Financial Policies (reviewed) -The draft Budget related and Financial Policies (new) -The MFMA Circular No. 82 (Cost containing measures) -The Quality Certificate -The Budget Lock Certificate 	<p>That, in terms of the Annual Budget for 2016/2017 Council approves the following items as tabled:</p> <ol style="list-style-type: none"> 1. The Annual Operating and Capital budget for 2016/2017 together with the MTRF summary, budget and budget supporting tables as prescribed by the Budgeting and Reporting. 2. The municipal tariffs for property rates and charges on properties, tariffs and tariff structures and service charges for water, electricity, refuse, sewerage and all other municipal services, municipal services and charges as contained and referred to in the budget documents 3. The IDP as submitted. 4. The SDBIP as submitted. 5. The Budget related and Financial policies as reviewed: <ul style="list-style-type: none"> - Property Rates Policy - Tariff Policy - Customer Care Credit control and Revenue Management Policy 	Chief Financial Officer	Municipal manager	



		<ul style="list-style-type: none"> -Indigent Policy -Supply Chain Management -Policy -Unauthorized, Irregular, fruitless and wasteful expenditure Policy -Cash Management and Investment Policy -Virement Policy -General Ledger Chart of Accounts Maintenance Policy -Asset Management Policy <p>6. The Budget related and Financial policies-<u>newly developed</u>:</p> <ul style="list-style-type: none"> -Overtime Policy -Recruitment, selection and Induction Policy -Borrowing Policy -Funding and Reserve Policy -Long term Financial Plan Policy -Infrastructure Investment and Capital projects Policy -Appointment of temporary employees Policy <p>7. The content and purport of MFMA Circular No: 82-Cost containment measures</p>			
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	<p>8. The Budget Quality Certificate</p> <p>9. The Budget Lock Certificate</p> <p>10. That, in summary and with reference to the above, the final Medium Term and Revenue Expenditure Framework for the 2016/2017 to the 2018/2019 financial period, inclusive of all tariffs, reviewed budget related Policies, newly developed Policies, SDBIP, IDP and all related documents as submitted to Council for final consideration, be approved as required by S 24 of the MFMA.</p> <p>11. That the Council resolution, No SR V 5.2/19/12/2015 taken on 19 December 2016 and dealing with the Cash flow turnaround strategy, be amended so as to rescind Pt. 3.1 (b) under the heading: Expenditure, (S & T) and which directly addresses all measures to reduce Subsistence and Travel costs. This amendment would then have the effect that all S & T and related claims be forthwith dealt with as per Policy and legislation previously applied.</p>			
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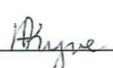
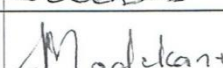
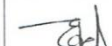
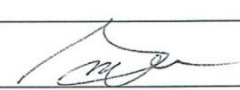
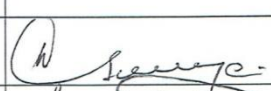
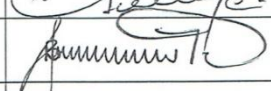

Chairperson:

Date: 31 May 2016

THEMBELIHLE MUNICIPALITY

SPECIAL COUNCIL MEETING

31 MAY 2016

COUNCILLORS	SIGNATURE
D JONAS	
M HUMPHREYS	Verstekning
B MPAMBA	Verstekning
A KYWE	
P LOUW	DECEASED
S MADEKANE	
E DE BRUIN	
OFFICIALS	
M MOGALE	
S MARUFU	
E MGUYE	
B SITHOLE	
J CEDRAS	

SPECIAL COUNCIL MEETING

31 MAY 2016

VISITORS

NAME & SURNAME	COMPANY	CONTACT DETAILS	E-MAIL ADDRESS	SIGNATURE
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BONGUMUJI SITHOLE	Thembelinle	059 2030005/8	bsithole@thembelinle.co.za	
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Thembelihle Municipality is situated in an area with vast differences in its area of jurisdiction. Whilst Hopetown is situated on the banks of the Orange River, Strydenburg is continuously marred by droughts and water shortages.

Our area is mainly dependent on the farming activities in and around the municipal areas and subsequently a high number of unemployment is being experienced by our communities.

The preparation of the Annual Budget 2016/2017 Medium Term Revenue and Expenditure Framework (MTREF) was an extremely challenging one as various factors, with considerable potential impacts on core service delivery cost and revenue components influenced the outcome of this MTREF.

The challenge to produce a sustainable, affordable budget necessitated reductions to certain budgetary provisions. NT MFMA Budget related Circulars and related correspondence clearly prescribe that a budget must be realistic, sustainable and relevant; and must be fully funded. To comply with these prescribes, it is a requirement that the municipality must produce a positive cash flow budget for the 2016/2017 financial year. This was no mean feat to achieve which resulted in having to apply a very conservative approach during the budget process.

The MFREF-based revenue and expenditure projections assumed inflation-linked annual adjustments between 6.6% and 5,9% respectively for the 3-year budget period of 2016/2017, 2017/2018 and 2018/2019. We have included in the budget the Inclined Block Tariff setting method for residential users of electricity and for large users of electricity. This will mean that tariffs are set based on the units consumed.

Further key parameters applied to the Municipality’s financial framework included the following for the 2015/2016 financial year:

Revenue / tariff increases

- Rates 6.6%
- Electricity 12.4%
- Water 6.6%
- Sanitation 6.6%
- Refuse 6.6%
- Salaries and Wages adjustments 7%
- General Expenses 6.6%

Our major cost drivers reflect as follows:

<input type="checkbox"/> Employee Cost (both council and officials):	R 28,128,311.00
<input type="checkbox"/> Repairs and Maintenance:	R 1,836,029.00
<input type="checkbox"/> Operating Cost:	R 25,853,556.00
<input type="checkbox"/> Capital Cost:	R 14,323,100.00
<input type="checkbox"/> Depreciation:	R 7,781,705.00
TOTAL EXPENDITURE	R 77,922,701.00

Our Major Revenue Sources that we anticipate:

- Grants & Subsidies – R 24,031,900.00

□	Income Generated –	R 34,006,939.00
□	Capital Funding –	R 14,283,100.00

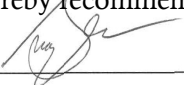
TOTAL INCOME R 72,321,939

The total budget as indicated above reflects the following about the municipality

- That both the capital expenditure and operational expenditure, excluding depreciation and debt impairment budgets are fully funded.
- Salary increase from R25,502,519 to R28,128,311
- Capital budget decrease from R17,256,550 to R14,323,100
- Projected Revenue decrease from R73,914,859 to R72,321,939
- The municipality committed to spend within the approved budgets
- Ensure that a stable collection rate 68% is anticipated
- Capital projects are focus on service delivery and a better living

The budget has been prepared in terms of guidelines as contained in all budget related National Treasury Circulars and Guidelines issued. Budget related policies need to be revised or amended on a regular basis to ensure that the municipality has effective guidelines to ensure performance of their duties.

I hereby recommend that this 2016/ 2017 draft budget presented to council will be adopted.



A. M. MUNICIPAL MOGALE
MANAGER

THEMBELIHLE MUNICIPALITY (NC076)

**Quality certificate in terms of Section 5 of the Municipal Budget Regulations;
Government Gazette 32141, 17 April 2009...**

I Abraham Mpho Mogale, Municipal Manager of Thembelihle Municipality hereby certify that the Annual Budget for 2016/17 and supporting documentation have been prepared in accordance with the Municipal Financial Management Act No 56 of 2003 and the regulations made under the Act and that the budget and supporting documents are consistent with the Integrated Development Plan of the Municipality.



ABRAHAM MPHOGOGALE

MUNICIPAL MANAGER

The Budget schedules approved by resolution of Council:

Table 1 – Budget Summary

NC076 Thembelihle - Table A1 Budget Summary

Description	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousands										
Financial Performance										
Property rates	2,373	2,289	2,599	4,220	3,357	3,357	3,357	3,578	3,800	4,024
Service charges	14,847	15,175	16,230	20,633	20,710	20,710	20,710	19,164	20,389	21,677
Investment revenue	-	663	391	318	312	312	312	333	354	354
Transfers recognised - operational	17,316	24,215	22,424	24,059	24,059	24,059	24,059	24,032	24,785	26,434
Other own revenue	3,907	3,124	6,861	7,428	13,665	13,665	13,665	10,931	6,300	6,712
Total Revenue (excluding capital transfers and contributions)	38,443	45,465	48,504	56,658	62,103	62,103	62,103	58,039	55,628	59,201
Employee costs	15,280	18,712	22,188	21,976	22,695	22,695	22,695	25,125	27,135	29,578
Remuneration of councillors	1,803	1,949	2,498	2,808	2,808	2,808	2,808	3,004	3,244	3,536
Depreciation & asset impairment	10,267	8,221	8,936	9,586	9,171	9,171	9,171	7,782	8,570	8,256
Finance charges	965	1,086	3,476	685	1,622	1,622	1,622	680	771	816
Materials and bulk purchases	10,705	10,661	11,563	12,146	13,506	13,506	13,506	13,969	15,442	17,469
Transfers and grants	2,117	-	-	1,408	1,189	1,189	1,189	-	-	-
Other expenditure	13,622	13,343	19,971	15,771	27,416	27,416	27,416	13,040	10,819	11,151
Total Expenditure	54,759	53,973	68,633	64,380	78,407	78,407	78,407	63,600	65,982	70,807
Surplus/(Deficit)	(16,316)	(8,508)	(20,128)	(7,722)	(16,304)	(16,304)	(16,304)	(5,561)	(10,354)	(11,606)
Transfers recognised - capital	29,907	9,628	23,168	17,257	17,257	17,257	17,257	14,283	9,085	9,355
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	13,591	1,120	3,040	9,535	953	953	953	8,722	(1,269)	(2,251)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	13,591	1,120	3,040	9,535	953	953	953	8,722	(1,269)	(2,251)
Capital expenditure & funds sources										
Capital expenditure	28,484	10,948	20,614	17,257	17,257	17,257	17,257	14,323	9,086	9,355
Transfers recognised - capital	28,308	10,948	20,614	17,257	17,257	17,257	17,257	14,283	9,086	9,355
Public contributions & donations	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	177	-	-	-	-	-	-	40	-	-
Total sources of capital funds	28,484	10,948	20,614	17,257	17,257	17,257	17,257	14,323	9,086	9,355
Financial position										
Total current assets	9,373	13,165	7,381	18,221	20,404	20,404	20,404	28,741	26,898	24,694
Total non current assets	196,749	217,569	229,723	221,730	247,022	247,022	247,022	252,744	253,259	254,358
Total current liabilities	32,853	46,427	50,789	26,139	51,443	51,443	51,443	42,537	39,506	38,651
Total non current liabilities	12,517	10,529	9,496	10,810	12,810	12,810	12,810	12,187	9,938	10,932
Community wealth/Equity	160,752	173,778	176,820	203,002	203,174	203,174	203,174	226,762	230,714	229,469
Cash flows										
Net cash from (used) operating	32,164	11,618	13,535	20,644	20,974	20,974	20,974	12,025	5,107	5,584
Net cash from (used) investing	(28,502)	(8,842)	(20,631)	(16,394)	(11,756)	(11,756)	(11,756)	(9,323)	(9,085)	(9,355)
Net cash from (used) financing	(66)	(572)	(1,044)	(710)	(710)	(710)	(710)	(270)	(270)	(270)
Cash/cash equivalents at the year end	6,662	8,863	723	4,263	9,952	9,952	9,952	12,384	8,136	4,095
Cash backing/surplus reconciliation										
Cash and investments available	6,662	8,863	723	13,942	9,952	9,952	9,952	12,424	8,176	4,135
Application of cash and investments	19,369	30,875	37,271	13,683	20,763	20,763	20,763	10,511	6,574	5,113
Balance - surplus (shortfall)	(12,706)	(22,012)	(36,549)	259	(10,811)	(10,811)	(10,811)	1,913	1,602	(978)
Asset management										
Asset register summary (WDV)	194,842	217,569	229,268	211,297	238,053	238,053	252,284	252,284	252,799	253,898
Depreciation & asset impairment	10,267	8,221	8,936	9,586	9,171	9,171	7,782	7,782	8,570	8,256
Renewal of Existing Assets	-	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	1,900	1,089	1,191	1,095	1,143	1,143	1,836	1,836	1,613	1,703
Free services										
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	2,877	3,055
Revenue cost of free services provided	783	596	376	884	488	488	488	488	587	623
Households below minimum service level										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	1	1	1	1	1	1	1	1
Energy:	2	2	2	2	2	2	2	2	2	2
Refuse:	-	-	-	-	-	-	-	-	-	-

Table 1: Budget Summary (Table A1)

Table 2 – Budgeted Financial Performance (Revenue and Expenditure by standard classification)

NC076 Thembelihle - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue - Standard	1									
Governance and administration		20,453	21,020	25,104	27,104	31,853	31,853	28,711	25,501	27,229
Executive and council		14,633	15,397	17,596	18,676	18,676	18,676	16,490	17,621	18,747
Budget and treasury office		5,318	5,023	5,593	7,784	6,596	6,596	6,388	6,995	7,542
Corporate services		502	600	1,916	644	6,581	6,581	5,832	885	940
Community and public safety		534	1,728	1,320	1,518	2,521	2,521	2,618	2,787	2,951
Community and social services		534	1,728	1,320	1,518	2,511	2,511	2,618	2,787	2,951
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	9	9	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		12,658	7,414	22,767	15,285	15,421	15,421	12,904	12,629	13,093
Planning and development		11,918	6,923	17,587	10,311	10,318	10,318	10,049	9,597	9,882
Road transport		740	491	5,180	4,974	5,103	5,103	2,855	3,032	3,211
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		34,705	24,931	22,481	30,008	29,566	29,566	31,164	27,062	28,700
Electricity		12,969	11,409	10,279	11,647	11,534	11,534	12,768	13,596	14,440
Water		18,319	9,728	8,817	13,996	13,953	13,953	12,231	6,919	7,327
Waste water management		2,207	2,484	2,150	2,825	2,717	2,717	4,042	4,293	4,546
Waste management		1,210	1,310	1,236	1,539	1,361	1,361	2,122	2,254	2,387
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	68,350	55,093	71,673	73,915	79,360	79,360	75,397	67,979	71,973
Expenditure - Standard										
Governance and administration		32,133	22,056	32,853	25,285	40,447	40,447	25,369	24,168	25,652
Executive and council		5,963	6,154	7,301	6,621	6,544	6,544	6,131	6,593	6,900
Budget and treasury office		11,557	10,617	17,868	13,131	27,893	27,893	13,542	11,389	12,159
Corporate services		14,613	5,285	7,683	5,534	6,011	6,011	5,696	6,186	6,592
Community and public safety		827	1,466	1,270	1,444	1,787	1,787	1,884	2,860	3,047
Community and social services		819	1,443	1,253	1,425	1,754	1,754	1,849	2,822	3,007
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		8	23	17	18	33	33	35	37	40
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		7,464	11,793	13,160	13,255	11,074	11,074	11,604	12,035	12,800
Planning and development		6,314	9,905	11,614	10,468	9,581	9,581	9,959	10,267	10,887
Road transport		1,150	1,888	1,547	2,787	1,493	1,493	1,645	1,769	1,913
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		14,335	18,657	21,350	24,395	25,098	25,098	27,817	30,184	32,723
Electricity		9,378	9,145	10,804	14,171	15,179	15,179	15,955	17,000	18,714
Water		2,906	4,802	7,082	5,896	6,628	6,628	6,593	6,992	7,449
Waste water management		1,011	2,157	2,009	2,094	1,731	1,731	2,995	3,196	3,414
Waste management		1,039	2,552	1,455	2,234	1,561	1,561	2,275	2,996	3,146
Other	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	54,759	53,973	68,633	64,380	78,407	78,407	66,675	69,248	74,222
Surplus/(Deficit) for the year		13,590	1,120	3,040	9,535	953	953	8,722	(1,268)	(2,250)

Table 2: Budget Summary (Table A2)

Table 3 – Budgeted Financial Performance (revenue and expenditure by municipal vote)

NC076 Thembelihle - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand										
Revenue - Standard	1									
Municipal governance and administration		20,453	21,020	25,104	27,104	31,853	31,853	28,711	25,501	27,229
Executive and council		14,633	15,397	17,596	18,676	18,676	18,676	16,490	17,621	18,747
Mayor and Council		14,630	15,397	17,596	18,676	18,676	18,676	16,490	17,621	18,747
Municipal Manager		3								
Budget and treasury office		5,318	5,023	5,593	7,784	6,596	6,596	6,388	6,995	7,542
Corporate services		502	600	1,916	644	6,581	6,581	5,832	885	940
Property Services		409	534	1,916	504	6,088	6,088	5,307	327	349
Other Admin		93	66		141	493	493	525	558	591
Community and public safety		534	1,728	1,320	1,518	2,521	2,521	2,618	2,787	2,951
Community and social services		534	1,728	1,320	1,518	2,511	2,511	2,618	2,787	2,951
Libraries and Archives		195	1,388	1,320	1,184	1,189	1,189	1,209	1,290	1,365
Museums & Art Galleries etc										
Community halls and Facilities		339	340		334	1,322	1,322	1,410	1,497	1,585
Public safety						9	9			
Health										
Economic and environmental services		12,658	7,414	22,767	15,285	15,421	15,421	12,904	12,629	13,093
Planning and development		11,918	6,923	17,587	10,311	10,318	10,318	10,049	9,597	9,882
Economic Development/Planning		11,906	6,863	17,587	9,825	9,825	9,825	9,567	9,085	9,355
Town Planning/Building enforcement		12	60		22	29	29	31	33	35
PMU					464	464	464	451	479	492
Road transport		740	491	5,180	4,974	5,103	5,103	2,855	3,032	3,211
Vehicle Licensing and Testing		740	491	5,180	4,974	5,103	5,103	2,855	3,032	3,211
Other										
Environmental protection										
Trading services		34,705	24,931	22,481	30,008	29,566	29,566	31,164	27,062	28,700
Electricity		12,969	11,409	10,279	11,647	11,534	11,534	12,768	13,596	14,440
Electricity Distribution		12,969	11,409	10,279	11,647	11,534	11,534	12,768	13,596	14,440
Electricity Generation										
Water		18,319	9,728	8,817	13,996	13,953	13,953	12,231	6,919	7,327
Water Distribution		18,319	9,728	8,817	13,996	13,953	13,953	12,231	6,919	7,327
Water Storage										
Waste water management		2,207	2,484	2,150	2,825	2,717	2,717	4,042	4,293	4,546
Sewerage		2,207	2,484	2,150	2,825	2,717	2,717	4,042	4,293	4,546
Storm Water Management										
Public Toilets										
Waste management		1,210	1,310	1,236	1,539	1,361	1,361	2,122	2,254	2,387
Solid Waste		1,210	1,310	1,236	1,539	1,361	1,361	2,122	2,254	2,387
Other										
Total Revenue - Standard	2	68,350	55,093	71,673	73,915	79,360	79,360	75,397	67,979	71,973
Expenditure - Standard										
Municipal governance and administration		32,133	22,056	32,853	25,285	40,447	40,447	25,369	24,168	25,652
Executive and council		5,963	6,154	7,301	6,621	6,544	6,544	6,131	6,593	6,900
Mayor and Council		4,771	6,154	7,301	5,169	5,125	5,125	4,356	4,681	5,057
Municipal Manager		1,193			1,452	1,419	1,419	1,774	1,912	1,843
Budget and treasury office		11,557	10,617	17,868	13,131	27,893	27,893	13,542	11,389	12,159
Corporate services		14,613	5,285	7,683	5,534	6,011	6,011	5,696	6,186	6,592
Human Resources										
Information Technology										
Property Services		10,438	5,285	7,683	1,381	1,479	1,479	1,290	1,442	1,448
Other Admin		4,174			4,154	4,532	4,532	4,406	4,744	5,145
Community and public safety		827	1,466	1,270	1,444	1,787	1,787	1,884	2,860	3,047
Community and social services		819	1,443	1,253	1,425	1,754	1,754	1,849	2,822	3,007
Libraries and Archives		727	1,443	1,253	847	1,233	1,233	1,319	1,423	1,548
Museums & Art Galleries etc										
Community halls and Facilities		92			579	522	522	530	1,400	1,459
Public safety		8	23	17	18	33	33	35	37	40
Other		8	23	17	18	33	33	35	37	40
Housing										
Health										
Economic and environmental services		7,464	11,793	13,160	13,255	11,074	11,074	11,604	12,035	12,800
Planning and development		6,314	9,905	11,614	10,468	9,581	9,581	9,959	10,267	10,887
Economic Development/Planning		1,060	9,905	11,614	1,641	1,283	1,283	1,307	692	721
Town Planning/Building enforcement		5,207			8,171	7,879	7,879	8,205	9,093	9,642
PMU		47			656	418	418	447	482	524
Road transport		1,150	1,888	1,547	2,787	1,493	1,493	1,645	1,769	1,913
Vehicle Licensing and Testing		1,150	1,888	1,547	2,787	1,493	1,493	1,645	1,769	1,913
Other										
Environmental protection										
Trading services		14,335	18,657	21,350	24,395	25,098	25,098	27,817	30,184	32,723
Electricity		9,378	9,145	10,804	14,171	15,179	15,179	15,955	17,000	18,714
Electricity Distribution		9,378	9,145	10,804	14,171	15,179	15,179	15,955	17,000	18,714
Electricity Generation										
Water		2,906	4,802	7,082	5,896	6,628	6,628	6,593	6,992	7,449
Water Distribution		2,906	4,802	7,082	5,896	6,628	6,628	6,593	6,992	7,449
Water Storage										
Waste water management		1,011	2,157	2,009	2,094	1,731	1,731	2,995	3,196	3,414
Sewerage		1,011	2,157	2,009	2,094	1,731	1,731	2,995	3,196	3,414
Waste management		1,039	2,552	1,455	2,234	1,561	1,561	2,275	2,996	3,146
Solid Waste		1,039	2,552	1,455	2,234	1,561	1,561	2,275	2,996	3,146
Other										
Total Expenditure - Standard	3	54,759	53,973	68,633	64,380	78,407	78,407	66,675	69,248	74,222
Surplus/(Deficit) for the year		13,591	1,120	3,040	9,535	953	953	8,722	(1,268)	(2,250)

Table 3: Budgeted Financial Performance (revenue and expenditure by municipal vote) (Table A3)

NC076 Thembehlhe - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue by Vote	1									
Vote 1 - Executive and Council		14,633	15,397	17,596	18,676	18,676	18,676	16,490	17,621	18,747
Vote 2 - Budget & Treasury		5,318	5,023	5,593	7,784	6,596	6,596	6,388	6,995	7,542
Vote 3 - Corporate Services		502	600	1,916	644	6,581	6,581	5,832	885	940
Vote 4 - Community & Social Services		534	1,728	1,320	1,518	2,511	2,511	2,618	2,787	2,951
Vote 5 - Public Safety		-	-	-	-	9	9	-	-	-
Vote 6 - Planning & Development		11,918	6,923	17,587	10,311	10,318	10,318	10,049	9,597	9,882
Vote 7 - Road Transport		740	491	5,180	4,974	5,103	5,103	2,855	3,032	3,211
Vote 8 - Electricity		12,969	11,409	10,279	11,647	11,534	11,534	12,768	13,596	14,440
Vote 9 - Water		18,319	9,728	8,817	13,996	13,953	13,953	12,231	6,919	7,327
Vote 10 - Water Waste Management		2,207	2,484	2,150	2,825	2,717	2,717	4,042	4,293	4,546
Vote 11 - Waste Management		1,210	1,310	1,236	1,539	1,361	1,361	2,122	2,254	2,387
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	68,350	55,093	71,673	73,915	79,360	79,360	75,397	67,979	71,973
Expenditure by Vote to be appropriated	1									
Vote 1 - Executive and Council		5,963	6,154	7,301	6,621	6,544	6,544	6,131	6,593	6,900
Vote 2 - Budget & Treasury		11,557	10,617	17,868	13,131	27,893	27,893	13,542	11,389	12,159
Vote 3 - Corporate Services		14,613	5,285	7,683	5,534	6,011	6,011	5,696	6,186	6,592
Vote 4 - Community & Social Services		819	1,443	1,253	1,425	1,754	1,754	1,849	2,822	3,007
Vote 5 - Public Safety		8	23	17	18	33	33	35	37	40
Vote 6 - Planning & Development		6,314	9,905	11,614	10,468	9,581	9,581	9,959	10,267	10,887
Vote 7 - Road Transport		1,150	1,888	1,547	2,787	1,493	1,493	1,645	1,769	1,913
Vote 8 - Electricity		9,378	9,145	10,804	14,171	15,179	15,179	15,955	17,000	18,714
Vote 9 - Water		2,906	4,802	7,082	5,896	6,628	6,628	6,593	6,992	7,449
Vote 10 - Water Waste Management		1,011	2,157	2,009	2,094	1,731	1,731	2,995	3,196	3,414
Vote 11 - Waste Management		1,039	2,552	1,455	2,234	1,561	1,561	2,275	2,996	3,146
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	54,759	53,973	68,633	64,380	78,407	78,407	66,675	69,248	74,222
Surplus/(Deficit) for the year	2	13,590	1,120	3,040	9,535	953	953	8,722	(1,268)	(2,250)

Table 4 – Budgeted Financial Performance (revenue and expenditure)

NC076 Thembehlhe - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue by Vote										
Vote 1 - Executive and Council	1	14,633	15,397	17,596	18,676	18,676	18,676	16,490	17,621	18,747
1.1 - Council		14,630	15,397	17,596	18,676	18,676	18,676	16,490	17,621	18,747
1.2 - Municipal Manager		3								
Vote 2 - Budget & Treasury		5,318	5,023	5,593	7,784	6,596	6,596	6,388	6,995	7,542
2.1 - Budget & Treasury		5,318	5,023	5,593	7,784	6,596	6,596	6,388	6,995	7,542
Vote 3 - Corporate Services		502	600	1,916	644	6,581	6,581	5,832	885	940
3.1 - Administration		93	66		141	493	493	525	558	591
3.2 - Fixed Property & Building		409	534	1,916	504	6,088	6,088	5,307	327	349
Vote 4 - Community & Social Services		534	1,728	1,320	1,518	2,511	2,511	2,618	2,787	2,951
4.1 - Library		195	1,388	1,320	1,184	1,189	1,189	1,209	1,290	1,365
4.2 - Community		339	340		334	1,322	1,322	1,410	1,497	1,585
Vote 5 - Public Safety		-	-	-	-	9	9	-	-	-
5.1 - Disaster Management						9	9			
Vote 6 - Planning & Development		11,918	6,923	17,587	10,311	10,318	10,318	10,049	9,597	9,882
6.1 - Technical		12	60		22	29	29	31	33	35
6.2 - Support Services		11,906	6,863	17,587	9,825	9,825	9,825	9,567	9,085	9,355
6.3 - PMU					464	464	464	451	479	492
Vote 7 - Road Transport		740	491	5,180	4,974	5,103	5,103	2,855	3,032	3,211
7.1 - Traffic		740	491	5,180	4,974	5,103	5,103	2,855	3,032	3,211
Vote 8 - Electricity		12,969	11,409	10,279	11,647	11,534	11,534	12,768	13,596	14,440
8.1 - Electricity		12,969	11,409	10,279	11,647	11,534	11,534	12,768	13,596	14,440
Vote 9 - Water		18,319	9,728	8,817	13,996	13,953	13,953	12,231	6,919	7,327
9.1 - Water		18,319	9,728	8,817	13,996	13,953	13,953	12,231	6,919	7,327
Vote 10 - Water Waste Management		2,207	2,484	2,150	2,825	2,717	2,717	4,042	4,293	4,546
10.1 - Water Waste Management		2,207	2,484	2,150	2,825	2,717	2,717	4,042	4,293	4,546
Vote 11 - Waste Management		1,210	1,310	1,236	1,539	1,361	1,361	2,122	2,254	2,387
11.1 - Waste Management		1,210	1,310	1,236	1,539	1,361	1,361	2,122	2,254	2,387
Total Revenue by Vote	2	68,350	55,093	71,673	73,915	79,360	79,360	75,397	67,979	71,973
Expenditure by Vote										
Vote 1 - Executive and Council	1	5,963	6,154	7,301	6,621	6,544	6,544	6,131	6,593	6,900
1.1 - Council		4,771	6,154	7,301	5,169	5,125	5,125	4,356	4,681	5,057
1.2 - Municipal Manager		1,193			1,452	1,419	1,419	1,774	1,912	1,843
Vote 2 - Budget & Treasury		11,557	10,617	17,868	13,131	27,893	27,893	13,542	11,389	12,159
2.1 - Budget & Treasury		11,557	10,617	17,868	13,131	27,893	27,893	13,542	11,389	12,159
Vote 3 - Corporate Services		14,613	5,285	7,683	5,534	6,011	6,011	5,696	6,186	6,592
3.1 - Administration		4,174			4,154	4,532	4,532	4,406	4,744	5,145
3.2 - Fixed Property & Building		10,438	5,285	7,683	1,381	1,479	1,479	1,290	1,442	1,448
Vote 4 - Community & Social Services		819	1,443	1,253	1,425	1,754	1,754	1,849	2,822	3,007
4.1 - Library		727	1,443	1,253	847	1,233	1,233	1,319	1,423	1,548
4.2 - Community		92			579	522	522	530	1,400	1,459
Vote 5 - Public Safety		8	23	17	18	33	33	35	37	40
5.1 - Disaster Management		8	23	17	18	33	33	35	37	40
Vote 6 - Planning & Development		6,314	9,905	11,614	10,468	9,581	9,581	9,959	10,267	10,887
6.1 - Technical		5,207			8,171	7,879	7,879	8,205	9,093	9,642
6.2 - Support Services		1,060	9,905	11,614	1,641	1,283	1,283	1,307	692	721
6.3 - PMU		47			656	418	418	447	482	524
Vote 7 - Road Transport		1,150	1,888	1,547	2,787	1,493	1,493	1,645	1,769	1,913
7.1 - Traffic		1,150	1,888	1,547	2,787	1,493	1,493	1,645	1,769	1,913
Vote 8 - Electricity		9,378	9,145	10,804	14,171	15,179	15,179	15,955	17,000	18,714
8.1 - Electricity		9,378	9,145	10,804	14,171	15,179	15,179	15,955	17,000	18,714
Vote 9 - Water		2,906	4,802	7,082	5,896	6,628	6,628	6,593	6,992	7,449
9.1 - Water		2,906	4,802	7,082	5,896	6,628	6,628	6,593	6,992	7,449
Vote 10 - Water Waste Management		1,011	2,157	2,009	2,094	1,731	1,731	2,995	3,196	3,414
10.1 - Water Waste Management		1,011	2,157	2,009	2,094	1,731	1,731	2,995	3,196	3,414
Vote 11 - Waste Management		1,039	2,552	1,455	2,234	1,561	1,561	2,275	2,996	3,146
11.1 - Waste Management		1,039	2,552	1,455	2,234	1,561	1,561	2,275	2,996	3,146
Total Expenditure by Vote	2	54,759	53,973	68,633	64,380	78,407	78,407	66,675	69,248	74,222
Surplus/(Deficit) for the year	2	13,590	1,120	3,040	9,535	953	953	8,722	(1,268)	(2,250)

Table 4: Budgeted Financial Performance (revenue and expenditure) (Table A4

NC076 Thembelihle - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue By Source											
Property rates	2	2,373	2,289	2,599	4,220	3,357	3,357	3,357	3,578	3,800	4,024
Property rates - penalties & collection charges											
Service charges - electricity revenue	2	8,780	8,729	10,795	11,204	11,401	11,401	11,401	11,746	12,511	13,292
Service charges - water revenue	2	2,656	3,007	2,070	5,381	5,395	5,395	5,395	5,062	5,376	5,693
Service charges - sanitation revenue	2	2,202	2,245	2,250	2,618	2,572	2,572	2,572	1,597	1,696	1,796
Service charges - refuse revenue	2	1,209	1,193	1,115	1,430	1,341	1,341	1,341	759	806	896
Service charges - other											
Rental of facilities and equipment		417	304	433	545	805	805	805	325	347	370
Interest earned - external investments			663	391	318	312	312	312	333	354	354
Interest earned - outstanding debtors		1,772	785	808	1,393	544	544	544	580	616	652
Dividends received											
Fines		717	924	3,879	4,783	4,841	4,841	4,841	2,571	2,735	2,896
Licences and permits		26	253	213	195	242	242	242	287	304	322
Agency services											
Transfers recognised - operational		17,316	24,215	22,424	24,059	24,059	24,059	24,059	24,032	24,785	26,434
Other revenue	2	976	674	1,527	512	1,933	1,933	1,933	2,169	2,298	2,471
Gains on disposal of PPE			183			5,300	5,300	5,300	5,000		
Total Revenue (excluding capital transfers and contributions)		38,443	45,465	48,504	56,658	62,103	62,103	62,103	58,039	55,628	59,201
Expenditure By Type											
Employee related costs	2	15,280	18,712	22,188	21,976	22,695	22,695	22,695	25,125	27,135	29,578
Remuneration of councillors		1,803	1,949	2,498	2,808	2,808	2,808	2,808	3,004	3,244	3,536
Debt impairment	3	6,054	4,483	6,690	2,400	17,120	17,120	17,120	4,012	1,500	1,500
Depreciation & asset impairment	2	10,267	8,221	8,936	9,586	9,171	9,171	9,171	7,782	8,570	8,256
Finance charges		965	1,086	3,476	685	1,622	1,622	1,622	680	771	816
Bulk purchases	2	8,805	9,572	10,372	11,051	12,363	12,363	12,363	12,133	13,830	15,765
Other materials	8	1,900	1,089	1,191	1,095	1,143	1,143	1,143	1,836	1,613	1,703
Contracted services		480	64	92	171	267	267	267	221	235	249
Transfers and grants		2,117	-	-	1,408	1,189	1,189	1,189	-	-	-
Other expenditure	4, 5	7,088	8,796	12,998	13,199	10,029	10,029	10,029	8,807	9,084	9,402
Loss on disposal of PPE				193							
Total Expenditure		54,759	53,973	68,633	64,380	78,407	78,407	78,407	63,600	65,982	70,807
Surplus/(Deficit)											
Transfers recognised - capital		29,907	9,628	23,168	17,257	17,257	17,257	17,257	14,283	9,085	9,355
Contributions recognised - capital	6	-	-	-	-	-	-	-	-	-	-
Contributed assets											
Surplus/(Deficit) after capital transfers & contributions		13,591	1,120	3,040	9,535	953	953	953	8,722	(1,269)	(2,251)
Taxation											
Surplus/(Deficit) after taxation		13,591	1,120	3,040	9,535	953	953	953	8,722	(1,269)	(2,251)
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		13,591	1,120	3,040	9,535	953	953	953	8,722	(1,269)	(2,251)
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		13,591	1,120	3,040	9,535	953	953	953	8,722	(1,269)	(2,251)

Table 5 – Budgeted Capital Expenditure by vote, standard classification and funding

NC076 Thembelihle - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Capital expenditure - Vote											
Multi-year expenditure, to be appropriated	2										
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Budget & Treasury		-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote 4 - Community & Social Services		-	-	-	-	-	-	-	-	-	-
Vote 5 - Public Safety		-	-	-	-	-	-	-	-	-	-
Vote 6 - Planning & Development		10,964	7,683	387	8,825	8,825	8,825	8,825	8,567	9,086	9,355
Vote 7 - Road Transport		-	-	-	-	-	-	-	-	-	-
Vote 8 - Electricity		-	-	-	-	-	-	-	-	-	-
Vote 9 - Water		-	-	-	-	-	-	-	-	-	-
Vote 10 - Water Waste Management		-	-	-	-	-	-	-	-	-	-
Vote 11 - Waste Management		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	10,964	7,683	387	8,825	8,825	8,825	8,825	8,567	9,086	9,355
Single-year expenditure, to be appropriated	2										
Vote 1 - Executive and Council		6	-	-	-	-	-	-	-	-	-
Vote 2 - Budget & Treasury		751	13	451	70	70	70	70	40	-	-
Vote 3 - Corporate Services		74	-	-	-	-	-	-	-	-	-
Vote 4 - Community & Social Services		-	205	-	-	-	-	-	-	-	-
Vote 5 - Public Safety		-	-	-	-	-	-	-	-	-	-
Vote 6 - Planning & Development		97	-	29	-	-	-	-	-	-	-
Vote 7 - Road Transport		-	-	-	-	-	-	-	-	-	-
Vote 8 - Electricity		1,061	1,081	1,054	-	-	-	-	-	-	-
Vote 9 - Water		15,532	1,274	18,683	8,362	8,362	8,362	8,362	5,716	-	-
Vote 10 - Water Waste Management		-	682	11	-	-	-	-	-	-	-
Vote 11 - Waste Management		-	11	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		17,521	3,265	20,228	8,432	8,432	8,432	8,432	5,756	-	-
Total Capital Expenditure - Vote		28,484	10,948	20,614	17,257	17,257	17,257	17,257	14,323	9,086	9,355
Capital Expenditure - Standard											
Governance and administration		831	13	451	70	70	70	70	40	-	-
Executive and council		6	-	-	-	-	-	-	-	-	-
Budget and treasury office		751	13	451	70	70	70	70	40	-	-
Corporate services		74	-	-	-	-	-	-	-	-	-
Community and public safety		-	205	-	-	-	-	-	-	-	-
Community and social services		-	205	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		11,060	7,683	415	8,825	8,825	8,825	8,825	8,567	9,086	9,355
Planning and development		11,060	7,683	415	8,825	8,825	8,825	8,825	8,567	9,086	9,355
Road transport		-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		16,593	3,047	19,748	8,362	8,362	8,362	8,362	5,716	-	-
Electricity		1,061	1,081	1,054	-	-	-	-	-	-	-
Water		15,532	1,274	18,683	8,362	8,362	8,362	8,362	5,716	-	-
Waste water management		-	682	11	-	-	-	-	-	-	-
Waste management		-	11	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard	3	28,484	10,948	20,614	17,257	17,257	17,257	17,257	14,323	9,086	9,355
Funded by:											
National Government		28,308	10,049	20,614	17,257	17,257	17,257	17,257	14,283	9,086	9,355
Provincial Government		-	218	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	682	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	28,308	10,948	20,614	17,257	17,257	17,257	17,257	14,283	9,086	9,355
Public contributions & donations	5										
Borrowing	6										
Internally generated funds		177	-	-	-	-	-	-	40	-	-
Total Capital Funding	7	28,484	10,948	20,614	17,257	17,257	17,257	17,257	14,323	9,086	9,355

Table 5: Budget Capital Expenditure by vote, standard classification and funding (Table A5)

NC076 Thembelihle - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand	1										
Capital expenditure - Municipal Vote											
Multi-year expenditure appropriation	2										
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Budget & Treasury		-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote 4 - Community & Social Services		-	-	-	-	-	-	-	-	-	-
Vote 5 - Public Safety		-	-	-	-	-	-	-	-	-	-
Vote 6 - Planning & Development		10,964	7,683	387	8,825	8,825	8,825	8,825	8,567	9,086	9,355
6.2 - Support Services		10,964	7,683	387	8,825	8,825	8,825	8,825	8,567	9,086	9,355
Vote 7 - Road Transport		-	-	-	-	-	-	-	-	-	-
Vote 8 - Electricity		-	-	-	-	-	-	-	-	-	-
Vote 9 - Water		-	-	-	-	-	-	-	-	-	-
Vote 10 - Water Waste Management		-	-	-	-	-	-	-	-	-	-
Vote 11 - Waste Management		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total		10,964	7,683	387	8,825	8,825	8,825	8,825	8,567	9,086	9,355
Capital expenditure - Municipal Vote											
Single-year expenditure appropriation	2										
Vote 1 - Executive and Council		6	-	-	-	-	-	-	-	-	-
1.1 - Council		6	-	-	-	-	-	-	-	-	-
1.2 - Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 2 - Budget & Treasury		751	13	451	70	70	70	70	40	-	-
2.1 - Budget & Treasury		751	13	451	70	70	70	70	40	-	-
Vote 3 - Corporate Services		74	-	-	-	-	-	-	-	-	-
3.1 - Administration		74	-	-	-	-	-	-	-	-	-
3.2 - Fixed Property & Building		-	-	-	-	-	-	-	-	-	-
Vote 4 - Community & Social Services		-	205	-	-	-	-	-	-	-	-
4.1 - Library		-	205	-	-	-	-	-	-	-	-
4.2 - Community		-	-	-	-	-	-	-	-	-	-
Vote 5 - Public Safety		-	-	-	-	-	-	-	-	-	-
5.1 - Disaster Management		-	-	-	-	-	-	-	-	-	-
Vote 6 - Planning & Development		97	-	29	-	-	-	-	-	-	-
6.1 - Technical		97	-	29	-	-	-	-	-	-	-
6.2 - Support Services		-	-	-	-	-	-	-	-	-	-
6.3 - PMU		-	-	-	-	-	-	-	-	-	-
Vote 7 - Road Transport		-	-	-	-	-	-	-	-	-	-
7.1 - Traffic		-	-	-	-	-	-	-	-	-	-
Vote 8 - Electricity		1,061	1,081	1,054	-	-	-	-	-	-	-
8.1 - Electricity		1,061	1,081	1,054	-	-	-	-	-	-	-
Vote 9 - Water		15,532	1,274	18,683	8,362	8,362	8,362	8,362	5,716	-	-
9.1 - Water		15,532	1,274	18,683	8,362	8,362	8,362	8,362	5,716	-	-
Vote 10 - Water Waste Management		-	682	11	-	-	-	-	-	-	-
10.1 - Water Waste Management		-	682	11	-	-	-	-	-	-	-
Vote 11 - Waste Management		-	11	-	-	-	-	-	-	-	-
11.1 - Waste Management		-	11	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		17,521	3,265	20,228	8,432	8,432	8,432	8,432	5,756	-	-
Total Capital Expenditure		28,484	10,948	20,614	17,257	17,257	17,257	17,257	14,323	9,086	9,355

Table 6 – Budgeted Financial Position

Table 6 – Budgeted Financial Position(Tabel A6)

NC076 Thembelihle - Table A6 Budgeted Financial Position

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
ASSETS											
Current assets											
Cash		6,662	8,863	723	13,942	9,952	9,952	9,952	12,424	8,176	4,135
Call investment deposits	1	–	–	–	–	–	–	–	–	–	–
Consumer debtors	1	1,580	2,749	2,981	3,828	10,000	10,000	10,000	12,688	15,094	16,930
Other debtors		999	1,409	3,676	402	402	402	402	3,579	3,579	3,579
Current portion of long-term receivables											
Inventory	2	131	145	2	50	50	50	50	50	50	50
Total current assets		9,373	13,165	7,381	18,221	20,404	20,404	20,404	28,741	26,898	24,694
Non current assets											
Long-term receivables		1,907	439	455		460	460	460	460	460	460
Investments											
Investment property		5,433	7,077	7,729	10,433	8,429	8,429	8,429	7,729	7,729	7,729
Investment in Associate											
Property, plant and equipment	3	189,016	209,779	221,339	211,139	238,053	238,053	238,053	244,555	245,070	246,169
Agricultural											
Biological											
Intangible		394	275	200	158	80	80	80			
Other non-current assets											
Total non current assets		196,749	217,569	229,723	221,730	247,022	247,022	247,022	252,744	253,259	254,358
TOTAL ASSETS		206,122	230,735	237,105	239,951	267,427	267,427	267,427	281,485	280,158	279,051
LIABILITIES											
Current liabilities											
Bank overdraft	1										
Borrowing	4	633	698	1,087	710	710	710	710	270	270	270
Consumer deposits		494	476	474	487	587	587	587	694	576	574
Trade and other payables	4	24,154	38,593	41,421	16,863	30,120	30,120	30,120	24,000	22,000	22,000
Provisions		7,573	6,660	7,806	8,079	20,025	20,025	20,025	17,573	16,660	15,806
Total current liabilities		32,853	46,427	50,789	26,139	51,443	51,443	51,443	42,537	39,506	38,651
Non current liabilities											
Borrowing		5,597	6,182	4,749	5,382	5,382	5,382	5,382	4,984	4,224	3,504
Provisions		6,920	4,347	4,747	5,427	7,428	7,428	7,428	7,203	5,713	7,428
Total non current liabilities		12,517	10,529	9,496	10,810	12,810	12,810	12,810	12,187	9,938	10,932
TOTAL LIABILITIES		45,370	56,956	60,285	36,949	64,253	64,253	64,253	54,724	49,444	49,583
NET ASSETS	5	160,752	173,778	176,820	203,002	203,174	203,174	203,174	226,762	230,714	229,469
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		129,214	173,778	176,820	203,002	203,174	203,174	203,174	226,762	230,714	229,469
Reserves	4	31,538	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	5	160,752	173,778	176,820	203,002	203,174	203,174	203,174	226,762	230,714	229,469

Table 7 – Budgeted Cash Flows

NC076 Thembelihle - Table A7 Budgeted Cash Flows

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates, penalties & collection charges		2,536	1,225	653	4,009	3,290	3,290	3,290	2,505	2,660	2,817
Service charges		16,377	19,197	12,783	14,732	16,568	16,568	16,568	15,428	16,411	17,409
Other revenue		3,618	2,782	1,148	5,531	7,724	7,724	7,724	5,190	5,512	5,878
Government - operating	1	50,409	24,215	20,437	24,059	24,059	24,059	24,059	24,032	24,785	26,434
Government - capital	1		6,977	17,229	17,257	17,257	17,257	17,257	14,283	9,085	9,355
Interest		225	663	391	1,085	845	845	845	844	896	928
Dividends									-	-	-
Payments											
Suppliers and employees		(38,711)	(42,491)	(35,729)	(44,096)	(47,148)	(47,148)	(47,148)	(49,576)	(53,471)	(56,421)
Finance charges		(216)	(950)	(3,377)	(685)	(1,622)	(1,622)	(1,622)	(680)	(771)	(816)
Transfers and Grants	1	(2,073)			(1,247)	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		32,164	11,618	13,535	20,644	20,974	20,974	20,974	12,025	5,107	5,584
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE						5,300	5,300	5,300	5,000	-	-
Decrease (Increase) in non-current debtors						67	67	67	-	-	-
Decrease (increase) other non-current receivables						78	78	78	-	-	-
Decrease (increase) in non-current investments						55	55	55	-	-	-
Payments											
Capital assets		(28,502)	(8,842)	(20,631)	(16,394)	(17,257)	(17,257)	(17,257)	(14,323)	(9,085)	(9,355)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(28,502)	(8,842)	(20,631)	(16,394)	(11,756)	(11,756)	(11,756)	(9,323)	(9,085)	(9,355)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans									-	-	-
Borrowing long term/refinancing									-	-	-
Increase (decrease) in consumer deposits									-	-	-
Payments											
Repayment of borrowing		(66)	(572)	(1,044)	(710)	(710)	(710)	(710)	(270)	(270)	(270)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(66)	(572)	(1,044)	(710)	(710)	(710)	(710)	(270)	(270)	(270)
NET INCREASE/ (DECREASE) IN CASH HELD		3,596	2,204	(8,140)	3,540	8,507	8,507	8,507	2,432	(4,248)	(4,041)
Cash/cash equivalents at the year begin:	2	3,066	6,659	8,863	723	1,445	1,445	1,445	9,952	12,384	8,136
Cash/cash equivalents at the year end:	2	6,662	8,863	723	4,263	9,952	9,952	9,952	12,384	8,136	4,095

Table 7: Budgeted cash Flow (Table A7)

Table 8 – Cash backed reserves/accumulated surplus reconciliation

NC076 Thembelihle - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Cash and investments available											
Cash/cash equivalents at the year end	1	6,662	8,863	723	4,263	9,952	9,952	9,952	12,384	8,136	4,095
Other current investments > 90 days		-	-	-	9,679	(0)	(0)	(0)	40	40	40
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		6,662	8,863	723	13,942	9,952	9,952	9,952	12,424	8,176	4,135
Application of cash and investments											
Unspent conditional transfers		7,269	11,620	6,785	863	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	12,099	19,254	30,486	12,820	20,763	20,763	20,763	10,511	6,574	5,113
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		19,369	30,875	37,271	13,683	20,763	20,763	20,763	10,511	6,574	5,113
Surplus(shortfall)		(12,706)	(22,012)	(36,549)	259	(10,811)	(10,811)	(10,811)	1,913	1,602	(978)

Table 8: Cash backed reserves/accumulated surplus reconciliation (Table A8)

Table 9 – Asset Management

NC076 Thembelihle - Table A9 Asset Management

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	28,484	10,948	20,614	17,257	17,257	17,257	14,323	9,086	9,355
Infrastructure - Road transport		-	-	-	8,825	8,125	8,125	8,567	9,086	9,355
Infrastructure - Electricity		1,061	1,081	1,054	-	-	-	-	-	-
Infrastructure - Water		26,495	1,274	18,377	8,362	9,061	9,061	5,716	-	-
Infrastructure - Sanitation		-	682	-	-	-	-	-	-	-
Infrastructure - Other		-	7,694	398	-	-	-	-	-	-
Infrastructure		27,556	10,730	19,829	17,187	17,187	17,187	14,283	9,086	9,355
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	549	218	699	70	70	70	40	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		379	-	87	-	-	-	-	-	-
Total Renewal of Existing Assets	2	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	-	-	-	-	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	-	-	-	8,825	8,125	8,125	8,567	9,086	9,355
Infrastructure - Road transport		-	-	-	8,825	8,125	8,125	8,567	9,086	9,355
Infrastructure - Electricity		1,061	1,081	1,054	-	-	-	-	-	-
Infrastructure - Water		26,495	1,274	18,377	8,362	9,061	9,061	5,716	-	-
Infrastructure - Sanitation		-	682	-	-	-	-	-	-	-
Infrastructure - Other		-	7,694	398	-	-	-	-	-	-
Infrastructure		27,556	10,730	19,829	17,187	17,187	17,187	14,283	9,086	9,355
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	549	218	699	70	70	70	40	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		379	-	87	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	2	28,484	10,948	20,614	17,257	17,257	17,257	14,323	9,086	9,355
ASSET REGISTER SUMMARY - PPE (WDV)										
Infrastructure - Road transport	5	51,073	49,460	30,441	48,457	39,830	39,830	46,135	52,532	59,198
Infrastructure - Electricity		67,736	22,485	15,812	2,800	13,812	13,812	11,825	10,238	8,990
Infrastructure - Water		33,185	54,716	119,378	98,465	128,088	128,088	132,691	131,578	130,465
Infrastructure - Sanitation		25,536	52,139	32,300	18,638	31,822	31,822	31,312	30,771	30,198
Infrastructure - Other		5,215	10,850	8,971	662	3,075	3,075	2,675	1,688	700
Infrastructure		182,746	189,650	206,902	169,022	216,627	216,627	224,639	226,806	229,551
Community		3,961	12,870	9,992	2,490	9,602	9,602	9,212	8,822	8,432
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		5,433	7,077	7,729	10,433	8,429	8,429	7,729	7,729	7,729
Other assets		2,309	7,698	4,445	29,195	3,315	3,315	10,704	9,442	8,186
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		394	275	200	158	80	80	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	194,842	217,569	229,268	211,297	238,053	238,053	252,284	252,799	253,898
EXPENDITURE OTHER ITEMS										
Depreciation & asset impairment		10,267	8,221	8,936	9,586	9,171	9,171	7,782	8,570	8,256
Repairs and Maintenance by Asset Class	3	1,900	1,089	1,191	1,095	1,143	1,143	1,836	1,613	1,703
Infrastructure - Road transport		-	3	94	11	5	5	5	6	6
Infrastructure - Electricity		211	313	173	131	132	132	489	202	212
Infrastructure - Water		353	509	199	98	158	158	270	287	304
Infrastructure - Sanitation		33	55	314	8	157	157	168	178	189
Infrastructure - Other		-	-	-	-	58	58	-	-	-
Infrastructure		597	880	780	247	511	511	932	672	710
Community		8	11	12	16	3	3	3	3	4
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6, 7	1,295	198	399	832	630	630	901	937	989
TOTAL EXPENDITURE OTHER ITEMS		12,167	9,310	10,127	10,681	10,315	10,315	9,618	10,182	9,959
Renewal of Existing Assets as % of total capex		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Renewal of Existing Assets as % of deprecn"		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M as a % of PPE		1.0%	0.5%	0.5%	0.5%	0.5%	0.5%	0.8%	0.7%	0.7%
Renewal and R&M as a % of PPE		1.0%	1.0%	1.0%	1.0%	0.0%	0.0%	1.0%	1.0%	1.0%

Table 9: Asset Management (Table A9)

Table 10 – Basic service delivery measurement

NC076 Thembelihle - Table A10 Basic service delivery measurement

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Household service targets	1									
Water:										
Piped water inside dwelling		1,946	1,946	2,560	2,560	2,560	2,560	2,560	2,560	2,560
Piped water inside yard (but not in dwelling)		455	455	-	-	-	-	-	-	-
Using public tap (at least min.service level)	2	200	200	1,501	1,501	1,501	1,501	1,501	1,501	1,501
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		2,601	2,601	4,061	4,061	4,061	4,061	4,061	4,061	4,061
Using public tap (< min.service level)	3	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	4	-	-	-	-	-	-	-	-	-
No water supply		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	2,601	2,601	4,061	4,061	4,061	4,061	4,061	4,061	4,061
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		1,761	1,761	1,761	2,229	2,229	2,229	2,229	2,229	2,229
Flush toilet (with septic tank)		161	161	161	-	-	-	-	-	-
Chemical toilet		-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)		679	679	679	731	731	731	731	731	731
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		2,601	2,601	2,601	2,960	2,960	2,960	2,960	2,960	2,960
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		-	-	1,101	1,101	1,101	1,101	1,101	1,101	1,101
<i>Below Minimum Service Level sub-total</i>		-	-	1,101	1,101	1,101	1,101	1,101	1,101	1,101
Total number of households	5	2,601	2,601	3,702	4,061	4,061	4,061	4,061	4,061	4,061
Energy:										
Electricity (at least min.service level)		683	683	740	740	740	740	740	740	740
Electricity - prepaid (min.service level)		43	43	1,820	1,820	1,820	1,820	1,820	1,820	1,820
<i>Minimum Service Level and Above sub-total</i>		726	726	2,560	2,560	2,560	2,560	2,560	2,560	2,560
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875
<i>Below Minimum Service Level sub-total</i>		1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875
Total number of households	5	2,601	2,601	4,435	4,435	4,435	4,435	4,435	4,435	4,435
Refuse:										
Removed at least once a week		2,601	2,601	4,061	4,061	4,061	4,061	4,061	4,061	4,061
<i>Minimum Service Level and Above sub-total</i>		2,601	2,601	4,061	4,061	4,061	4,061	4,061	4,061	4,061
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-
Using communal refuse dump		-	-	-	-	-	-	-	-	-
Using own refuse dump		-	-	-	-	-	-	-	-	-
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	2,601	2,601	4,061	4,061	4,061	4,061	4,061	4,061	4,061
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		620	2,601	2,560	2,560	2,560	2,560	2,560	2,560	2,560
Sanitation (free minimum level service)		620	780	385	385	385	385	385	385	385
Electricity/other energy (50kwh per household per month)		620	780	385	385	385	385	385	385	385
Refuse (removed at least once a week)		620	780	385	385	385	385	385	385	385
Cost of Free Basic Services provided - Formal Settlements (R'000)	8									
Water (6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	622	661
Sanitation (free sanitation service to indigent households)		-	-	-	-	-	-	-	1,146	1,217
Electricity/other energy (50kwh per indigent household per month)		-	-	-	-	-	-	-	438	465
Refuse (removed once a week for indigent households)		-	-	-	-	-	-	-	671	712
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)										
Total cost of FBS provided									2,877	3,055
Highest level of free service provided per household										
Property rates (R value threshold)		15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Water (kilolitres per household per month)		6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (Rand per household per month)		22	22	22	22	22	22	22	22	22
Electricity (kwh per household per month)		50	50	50	50	50	50	50	50	50
Refuse (average litres per week)		200	200	200	200	200	200	200	200	200
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)		783	596	376	745	363	363	363	387	411
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	139	125	125	125	200	212
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates										
Housing - top structure subsidies										
Other										
Total revenue cost of subsidised services provided	6	783	596	376	884	488	488	488	587	623

Table 10: Basic service delivery measurement (Table A10)

a. Budget Process Overview (including consultation process and outcomes)

In terms of Section 24 of the MFMA, Council must at least 30 days before the start of the financial year consider approval of the annual budget. Section 53, requires the mayor of a municipality to provide general political guidance over the budget process and the priorities that must guide the preparation of the budget. In addition, Chapter 2 of the Municipal Budget and Reporting Regulations, gazetted on 17 April 2009, 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.

1. BACKGROUND

The Municipal System Act (Act 32 of 2000) and the Municipal Finance Management Act (Act 56 of 2003) require all municipalities to adopt a process plan for the integrated development plan and budget that will harness the development process. It is within this context that this first process plan of the newly constituted council was drafted to particularly enable the municipality to meet the requirements spelled-out in section 27 (2) of the Municipal Systems Act (Act 32 Of 2000). The next sub-sections highlight the legislative frameworks to be complied with.

The process plan focusing on the IDP, PMS and Budget for 2016-2016 was tabled by the Mayor to Council during a Special Council meeting August 2014, in terms of MFMA section 21 (1) (b).

1.1 *Municipal Systems Act*

In terms of the Municipal System Act of 2000, all municipalities have to undertake an IDP process to produce the IDP. The Act further mandates municipalities to have a Performance Management System in place. These planning tools together with other planning instruments i.e. a municipal budget are designed to assist Municipalities to be developmentally oriented and to contribute meaningfully in improving the lives of their communities. As the aforementioned plans are the legislative requirements they have legal status and supersede all other plans that guide development at local government level.

Thembelihle Municipality has completed its 5 year IDP cycle. This was done in terms of chapter 5 and 6, of the Municipal System Act and of the Municipal Finance Management Act of 2003. In terms of Section 34 of the Municipal Systems Act:

Thembelihle Municipality is currently embarking on the IDP, which will reflect the new planning. This plan will address, amongst others, the following:

- (a) Comments received from various role-players in the IDP process, especially the community, the IDP Representative Forum the IDP Hearings and the Engagement sessions.
- (b) Areas requiring additional attention in terms of legislation requirements;
- (c) Areas identified through self-assessment;
- (d) The review of KPI's (PMS) and alignment of budget;
- (e) The update of the 5 years financial plan as well as the list of projects;
- (f) Identification of new projects,

- (g) The continuation of the Sector Plans to be completed
- (h) Implementation of existing projects
- (i) The update of the Spatial Development Framework (SDF); and
- (j) The preparation and update to the Sector Plans.

1.2 *Municipal Finance Management Act*

Chapter 4, section 16 (1) and (2) of the Municipal Finance Management Act states that-

- 1) *The Council of the municipality must of each financial year approve an annual budget for the municipality before the start of the financial year.*
- 2) *In order for the municipality to comply with subsection (1), the Mayor of the municipality must table the annual budget at the council meeting at least 90 days before the start of the budget year.*

The above section must be read in conjunction with section 24 (1) which states that

Council must at least 30 days before the start of the new financial year approve the annual budget. It is clear that this Act provides very strict time frames within the budget process must be completed.

Adding to the above the Act states in section 21 (1) (b) that-

The Mayor of a Municipal must-

- (a) At least 10 months before the starts of the budget year, table in the municipal council a time schedule outlining key deadlines for-
 - (b) The preparation, tabling and approval of the annual budget;
 - (ii) the annual review of-
 - (aa) the integrated development plan in terms of section 34 of the municipal Systems Act and
 - (bb) the budget related policies;
 - (iii) the tabling and adoption of any amendments to the integrated development plan and the budget-related policies; and
 - (iv) Any consultative processed forming part of the referred to in subparagraphs (i), (ii) and (iii).

Considering this, it implies that the Mayor must table the budget process before Council, 10 months before the start of the new financial year.

ALIGNMENT PROCESS

The Municipal Systems Act states that development strategies must be aligned with National and Provincial sector plans as well as planning requirements. It also establishes that a single inclusive and strategic plan must be adopted which links, integrates and coordinates plans.

The municipality realized early into the first round of IDPs that good effective alignment would result in successful implementation whilst a failure to align might result in a total collapse of the implementation of the IDP. The municipality tries to ensure alignment with the assistance of the PIMS-Centre, located at the Pixley ka Seme District Municipality and the involvement of the sector departments in the IDP Representative Forum.

Although alignment was not always reached fully in the previous IDP cycle the municipality takes the following documents into account in the IDP process:

- Integrated Sustainable Rural Development Programme (ISRDP)
- Northern Cape Provincial Growth and Development Strategy (PGDS)
- District Growth and Development (DGDS)
- National Spatial Development Programme (NSDP)
- IDP Hearings Comments

Besides the alignment with National, Provincial and district programmes and policies, internal alignment is also reached in the process plan, aligning the budget, the PMS and the IDP.

2. PROCESS PLAN

As with the previous years, there is a need for the preparation and adoption of a process plan as emphasized in paragraph 1.2 above. This plan is also aligned with the District Process and Framework Plan to provide the linkage and binding relationships between the district and local municipality in the region.

3. ORGANISATIONAL ARRANGEMENT

Council	<ul style="list-style-type: none"> • Political oversight over the IDP
IDP Steering Committee	<ul style="list-style-type: none"> • Responsible for assisting the Council in its oversight role. • Assumes the role of the political champion of the process (this is particularly important and critical as it allows for the Councilors to take ownership of the IDP process). • Forms the link between Council, management and the representatives forum
Municipal Manager	<ul style="list-style-type: none"> • Overall responsibility for the IDP
IDP Co-ordinator	<ul style="list-style-type: none"> • Responsible for managing the IDP process through • Facilitation of the IDP process, • Coordinating IDP related activities including capaMunicipality building programmes, • Facilitating reporting and the documentation thereof, • Making recommendations to the IDP Steering Committee • Liaising with the PIMS Centre and Provincial Sector Departments, • Providing secretariat functions for the IDP Steering Committee and the Representative Forum
The Financial Manager	<p>Ensures that the municipal budget is linked to the IDP. Responsible for:</p> <ul style="list-style-type: none"> • Co-ordinating the budget implementation in a manner aim at addressing the issues raised in the IDP, • Development of the 3 year integrated financial plan
IDP Steering Committee	<p>The technical working team, also the “driver of the bus” consist of 11 members of whom 3 are departmental</p>

	<p>managers, 1 Municipal Manager, 7 Councilors</p> <ul style="list-style-type: none"> • This committee meets monthly, chaired by Mayor • It is responsible for IDP process, resources and outputs, • It oversees the monthly status reports that are received from departments, • It makes recommendations to Council, • It oversees the meetings of the IDP Representative Forum, • The committee is responsible for the process of integration and alignment.
IDP Representative Forum	<p>Representatives from local organisational and communities.</p> <p>It forms the interface for community participation in the affairs of the council.</p> <p>Operates on consensus basis in the determination of priority issues for the municipal area,</p> <p>Participates in the annual IDP review process,</p> <p>Meets quarterly to discuss progress and shortcomings,</p> <p>All the wards within the municipal area are represented on this forum through the Ward Committee members.</p>
PIMS Centre	<p>Situated at the Pixley ka Seme District Municipality.</p> <ul style="list-style-type: none"> • The centre plays a supporting role to the local municipality, • It contributes to the IDP process by facilitating activities and process, especially during difficult times, • Facilitates the process of alignment amongst the municipalities in the district and the various other sector departments.
Budget Steering Committee	<p>The budget steering committee (BSC) is responsible for the budget process</p> <p>The composition of the BSC is as follows:</p> <ul style="list-style-type: none"> • Mayor (Chairperson) • Municipal Manager • Chief Financial Officer • Manager responsible for IDP • Other managers will be co-opted, when necessary. Councilors may attend any meetings of BSC and will be co-opted, when necessary, to smoothen the process. <p>2.2 Other stakeholders to be consulted:</p> <ul style="list-style-type: none"> • Ward Committees and Ward communities • Local Economic Steering forum • Local Formers / Emerging Farmers Committee • IDP Rep Forum

Table 11: Organizational Structure

4. ACTION PROGRAMME WITH TIME FRAME AND RESOURCE REQUIREMENTS

As mentioned earlier, the new legislation and processes like the Municipal Finance Management Act, budget process and PMS compels municipalities to align the planning process (IDP) with all these other processes. Adding to this, it is sometimes a difficult task to align projects of the IDP with Provincial and National Departments as well as aligning timeframes with the District Municipality. All of this did take place in the previous IDP processes, but it is recognized that room for improvement does exist. The Municipality will increase its efforts to try and consider that various Provincial and National Department's efforts in the IDP and also try to improve the process of budget allocations to the Local Municipalities.

The table below illustrates the various phases of the planning process, linking it with the budget process and PMS process in order to accomplish proper alignment. This is also the schedule for the budget and IDP process stipulated in Section 21 of the MFMA.

SCHEDULES FOR THE IDP, PMS AND BUDGET PROCESS FOR THE 2016/2017 FINANCIAL YEAR

To note that this is a guideline for implementation of IDP and Budget process, the dates will be allocated later.

TIME	BUDGET PROCES	IDP PROGRAMME	PMS – PROCESS
July 2015	<ul style="list-style-type: none"> Submit Draft SDBIP within 14 days after approval of the budget Submit quarterly report to Council on Budget implementation and the financial affairs of the municipality Approval of SDBIP – within 28 days after budget approval 		
August 2015	<ul style="list-style-type: none"> Table the planning and budget schedule and draft policies to Council Submission of financial statements (14/15) to Councilors Establishment of budget office and BCSC (budget coordinating committee) 	<ul style="list-style-type: none"> Mayor tables the process plan to Council on 31 August 2015 	<ul style="list-style-type: none"> Receive monthly performance datasheets for departmental and Section 57 performance Monitor SDBIP Start compiling reports on Annual performance of 2015/16
September 2015	<ul style="list-style-type: none"> Submit Financial statements to Auditor General and MEC Submit Financial statements (July and Aug) to Mayor Review of budget process (Budget Evaluation Checklist) for 3 years Proposals for tariffs (rates and taxes). Allocations and policies Engages with NT an PT on allocations and specific programmes Advertise public hearings 	<ul style="list-style-type: none"> Reconsider strategies and objectives accordingly IDP Workshop initiating and kick – starting the IDP review process Start with the review of the IDP Analyse Integrated Sector Programmes like Environmental programmes, Waste Management programmes, Provincial and District G & DS, comments from Province etc. IDP Steering committee meeting Advertise public 	<ul style="list-style-type: none"> PMS Coordinating Committee meeting interacting on 2014-2015 annual reports Receive monthly performance datasheets for departmental and Section 57 performance Annual performance contracts for section 57 Employees Monitor SDBIP Advertise public hearings

		hearings	
October 2015	<ul style="list-style-type: none"> Budget workshops for 2016/2017 and 3 years budget Agenda: Planning Inputs and managers according to A B C system (MFMA's 35,36,42) Budget workshops for managers and supervisors Financial statements (September) submitted to Mayor Budget implementation (July – Sept) Mayor and Council Submit feedback of budget implementation (June – Sept) to council Feedback on progress up to date (Budget implementation) Expectations for rest of 2015-16 year 	<ul style="list-style-type: none"> IDP Road show identifying community needs to inform budget (visiting all wards) 	<ul style="list-style-type: none"> Mayor table annual PMS report to council Receive monthly performance datasheets for departmental and Section 57 performance 1st Quarterly report on budget implementation 1st Quarterly evaluation of Sec 57 employees 1st Quarterly evaluation on organisational PMS Public hearing on Annual Report jointly with IDP budget roadshow (visiting all wards)
November 2015	<ul style="list-style-type: none"> Preparation and consolidating of draft budget for 16-17 Financial statements (October) submitted to Mayor Draft budget submitted to BSC Review with managers Finalize rates and taxes 2016/17 Rates and taxes submitted to Council Receive audit report from AG 	<ul style="list-style-type: none"> <i>Continue with IDP road show identifying community needs to inform budget (visiting all wards)</i> <i>Inputs from Departments</i> <i>Identify new and appropriate projects</i> <i>Amend existing project designs</i> <i>Continue with integrated programmes</i> <i>Presentation of project by HOD's</i> <i>Prioritise identified projects and start with documentation of draft IDP for 2016/17</i> <i>IDP Representative meeting</i> <i>Report to Council on project implementation IDP</i> <i>IDP Steering Committee meeting</i> 	<ul style="list-style-type: none"> Continue Public hearing on Annual Report jointly with IDP budget road show (visiting all wards) Receive monthly performance datasheets for departmental and Section 57 performance Monitor SDBIP PMS Coordinating meeting to interact on 1st quarter reports Submit 1st Quarter reports to Council
December 2015	<ul style="list-style-type: none"> Council finalises the first draft of the annual report Monthly financial statements (November) submitted to Mayor 	<ul style="list-style-type: none"> Continue with integrated programmes and finalize integrated programmes Amend IDP documentation accordingly 	<ul style="list-style-type: none"> Receive monthly performance datasheets for departmental and Section 57 performance Monitor SDBIP

January 2016	<ul style="list-style-type: none"> Financial statements (December) Submit report on SCM implementation to Mayor Budget implementation plan (October – December) to Mayor Budget 15-16 as on 31 December submitted to BSC for mid-year reviewing Reviewing 15-16 budget Corrective measures as part of oversight report for the previous years audited financial statements and annual report Allocations from NT and PT 	<ul style="list-style-type: none"> Submission of Project lists to Pixley ka Seme District Municipality not later than 31 January 2016 	<ul style="list-style-type: none"> Submit Annual PMS Report to Auditor General and to Province and National after approval from Council Receive monthly performance datasheets for departmental and Section 57 performance Mid-year Budget and performance Assessment Report 2 nd Quarterly Report on budget implementation 2nd Quarterly evaluation of Section 57 employees
			<ul style="list-style-type: none"> 2nd Quarterly evaluation on organisational PMS Review SDBIP in line with mid-year budget review
February 2016	<ul style="list-style-type: none"> Financial Statements (January) submitted to Mayor Workshop on draft budget 16-17 to Councilors and management Information from PKSDM for 16/17 budget Consultation with NT and PT Council approve revised budget 15/16 Draft budget (16/17) tabled in Council and IDP Draft budget (16/17) submitted to NT and PT (MFMA 22) and IDP S72 PT Engagement 	<ul style="list-style-type: none"> Report to council on project implementation for IDP Produce first draft IDP for 2016/17 Mayor tables draft IDP together with budget IDP Steering Committee meeting 	<ul style="list-style-type: none"> Receive monthly performance datasheets for departmental and Section 57 performance Produce first draft balance scorecard Monitor SDBIP PMS Coordinating committee to interact on mid-year evaluation reports Table first draft on SDBIP with IDP and budget
March 2016	<ul style="list-style-type: none"> Notification of draft budget & IDP to all stakeholders <p>Financial Statements (February) submitted to Mayor</p> <p>Price structures review for bulk services form authorities last day</p> <p>Notification of draft budget & IDP to all stakeholders (MFMA) Financial Statements (February) submitted to Mayor</p>	<ul style="list-style-type: none"> Interaction with sector department to integrate funding 	<ul style="list-style-type: none"> Receive monthly performance datasheets for departmental and Section 57 performance Finalise Departmental Programmes Monitor SDBIP
April 2016	<ul style="list-style-type: none"> Consultations with NT and PT for finalizing grants Financial statements (March 2016) to Mayor Budget implementation S 52 report (Jan-March) to Mayor and to Council Finalizing draft budget 16-17 	<ul style="list-style-type: none"> MM publish IDP and related documents for comments in local papers Conduct public hearings on IDP Finalize inputs from sector Departments 	<ul style="list-style-type: none"> Review monthly performance datasheets for departmental and Section 57 performance 3rd Quarterly Report on budget implementation

	<p>and Draft IDP</p> <ul style="list-style-type: none"> • MM publish draft budget and related documents for comments • Conduct public hearings on budget • Budget sent to Provincial and National Treasury • Review current system of delegations • PT Annual Budget Benchmark Engagement 	<ul style="list-style-type: none"> • Consult Representative Forums • Report to Council on project implementation IDP 	<ul style="list-style-type: none"> • 3rd Quarterly evaluation of Sec 57 employees • 3rd Quarterly evaluation on organizational PMS
May 2016	<ul style="list-style-type: none"> • Consider inputs and comments received • Amend budget accordingly • Mayor table 2016/17 Budget and IDP for adoption not later than 31 May 2016 • Financial Statements (April 2016) to Mayor 	<ul style="list-style-type: none"> • Consider inputs and comments received • Amend document accordingly • Mayor tables 2016/17 IDP for adoption together with budget (not later than 31 May 2016) 	<ul style="list-style-type: none"> • Receive monthly performance datasheets for departmental and Section 57 performance • Monitor SDBIP • PMS Coordinating Committee to interact on 3rd quarter reports
June 2016	<ul style="list-style-type: none"> • Approved budget sent to Provincial and National Treasury • Publication of approved budget and IDP • Financial statements (May 2016) to Mayor • Financial year (15-16) ends 	<ul style="list-style-type: none"> • IDP sent to MEC within 10 days after adoption by Council • MM place notice that the Council has adopted its reviewed IDP • Report to Council on project implementation for IDP 	<ul style="list-style-type: none"> • Table SDBIP's and section 57 performance agreements 14 days after approval of budget to Mayor • Advertise SDBIP and Section 57 performance agreements for inputs from community • Mayor approves Draft SDBIP 2016/17 by 28 June 2016 • Signing of Section 57 Contracts • Receive monthly performance datasheets for departmental and Section 57 performance • Review organizational PMS indicators and set targets for 2016/17
July 2016	<ul style="list-style-type: none"> • Plan annual report 2015/16 • Financial Statements (June 2016) to Mayor 		<ul style="list-style-type: none"> • 4th Quarterly report on budget implementation • Annual PMS evaluation • Annual evaluation of SDBIP

Table 12: IDP and Budget Time Schedule

7. OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH INTEGRATED DEVELOPMENT PLAN

a. The Vision of the Municipality

The Municipality's long term vision:

- ✚ **“We as Thembelihle Municipality, commit ourselves to a better life for all through sound economic growth, provision of basic infrastructure, disciplined social welfare, a sound and participative institutional management system, as we stand united.”**

The Municipality's Mission:

- **To improve the lives of citizens of Thembelihle Municipal area through:**
- **Quality Service Delivery**
- **Have a two-way approach to communication and service**
- **Ensuring a safe and enabling environment for economic growth**
- **Ensuring integrated sustainable human settlements**
- **Ensuring equal opportunities**

b. The IDP and Strategic Focus Areas

The IDP was reviewed and outlines the intent of the Municipality in terms of the eight strategic focus areas, which it has agreed are required to overcome the challenges it is facing, achieve its vision, and implement its other strategic considerations.

These eight strategic focus areas from the framework of the IDP and function as internal strategic levers to facilitate shared growth and development and enhance urban efficiency and institutional effectiveness.

The way in which the Municipality's vision is supported by the eight strategic focus areas is shown in the figure below:

VISIONARY GOALS:

- A prosperous Municipality
- Effective and equitable service delivery
- A well-governed and efficiently run administration

STRATEGIC FOCUS AREAS:

- 1) Shared economic growth and development
- 2) Sustainable urban infrastructure and services
- 3) Energy efficiency for a sustainable future
- 4) Public transport systems
- 5) Integrated human settlements
- 6) Safety and security
- 7) Health, social and community development
- 8) Good governance and regulatory reform, urban efficiency, institutional, effectiveness

The Integrated Development Plan is attached as Annexure 12.

c. The Intergovernmental Development Agenda for Thembelihle Municipality

The Municipality engages with the Provincial and National Government in a structured and functional manner. At a technical and administrative level, engagements take place at sectoral (functional) level. This is aimed at ensuring the Municipality derives meaningful benefit through such interaction by ensuring the better planning, coordination and accountability are achieved, that the Municipality's strategic objectives of infrastructure investment for economic growth, service delivery excellence and constitutional efficiency are enhanced, and resources better and efficiently utilized. In short, it is aimed at ensuring the Municipality extracts value and benefit for its participation in intergovernmental and international cooperative relations.

8. MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS

a. Key financial indicators and ratios

NC076 Thembelihle - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Borrowing Management											
Credit Rating	Interest & Principal Paid /Operating Expenditure	1.9%	3.1%	6.6%	2.2%	3.0%	3.0%	3.0%	1.5%	1.6%	1.5%
Capital Charges to Operating Expenditure	Finance charges & Repayment of borrowing /Own Revenue	4.9%	7.8%	17.3%	4.3%	6.1%	6.1%	6.1%	2.8%	3.4%	3.3%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital											
Gearing	Long Term Borrowing/ Funds & Reserves	17.7%	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	0.3	0.3	0.1	0.7	0.4	0.4	0.4	0.7	0.7	0.6
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	0.3	0.3	0.1	0.7	0.4	0.4	0.4	0.7	0.7	0.6
Liquidity Ratio	Monetary Assets/Current Liabilities	0.2	0.2	0.0	0.5	0.2	0.2	0.2	0.3	0.2	0.1
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		109.8%	116.9%	71.4%	75.4%	83.1%	83.1%	83.1%	78.9%	78.8%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		109.8%	116.9%	71.4%	75.4%	82.5%	82.5%	82.5%	78.9%	78.8%	78.7%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	11.7%	10.1%	14.7%	7.5%	17.5%	17.5%	17.5%	28.8%	34.4%	35.4%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	5.0%									
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA's 65(e))				3.0%	3.0%	3.0%	3.0%			
Creditors to Cash and Investments		253.4%	276.2%	4778.1%	375.3%	301.4%	301.4%	301.4%	193.8%	270.4%	537.2%
Other Indicators											
Electricity Distribution Losses (2)	Total Volume Losses (kW)		0.52	0.58		0.52	0.52	0.52	0.52	0.52	0.52
	Total Cost of Losses (Rand '000)		6,595	6,478		6,698	6,698	6,698	6,698	6,698	6,698
	% Volume (units purchased and generated less units sold)/units purchased and generated		42	49		43	43	43	43	43	43
Water Distribution Losses (2)	Total Volume Losses (kℓ)		0	0		0	0	0	0	0	0
	Total Cost of Losses (Rand '000)	4493	4246	5314		5514	5514	5514	5514	5514	5514
	% Volume (units purchased and generated less units sold)/units purchased and generated		58	52		52	52	52	52	52	52
Employee costs	Employee costs/(Total Revenue - capital revenue)	39.7%	41.2%	45.7%	38.8%	36.5%	36.5%	36.5%	43.3%	48.8%	50.0%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	44.4%	45.4%	50.9%	43.7%	41.1%	41.1%		48.5%	54.6%	55.9%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	4.9%	2.4%	2.5%	1.9%	1.8%	1.8%		3.2%	2.9%	2.9%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	29.2%	20.5%	25.6%	18.1%	17.4%	17.4%	17.4%	14.6%	16.8%	15.3%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	17.1	14.8	14.5	21.0	21.0	21.0	34.2	29.2	25.7	27.4
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	14.6%	23.4%	34.6%	16.7%	41.8%	41.8%	41.8%	70.5%	76.1%	78.7%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	2.2	2.7	0.2	1.2	2.0	2.0	2.0	3.0	1.9	0.9

Table 13: Performance indicators (Supporting Table SA8)

b. Measurable performance objectives and indicators

The Municipality's visionary framework is unpacked into objectives, Key Performance Indicators (KPIs) and targets for implementation. These are then broken up into Service Delivery and Budget Implementation Plans (SDBIPs) that reflect the detailed projects, which are then allocated a budget. This concept also includes the Municipality's performance management system, as the KPIs that are contained in the SDBIPs are monitored and reported on quarterly.

The Municipality's measurable performance objectives as reflected in support, SDBIP are attached as an annexure.

Revenue Framework

Section 18 of the MFMA states that the budget can only be funded by realistically anticipated revenue to be collected and cash-backed accumulated funds from previous years, not committed for other purposes.

In addition, NT Circular 74 stipulates that the budget is to be managed in a full accrual manner, reflecting a transparent budget and accounting system approach.

The MFMA requires the municipality to adopt and implement a tariff policy. Council has approved such policies for all major tariff-funded services provided by the municipality, which are attached as annexure to this document.

Council is required to adopt budgetary provisions based on realistic anticipated revenue for the budget year from each revenue source as per the requirements of the MFMA (CHAPTER 4, S17 (1) (a) & (3) (b)).

1. Revenue related policies

General Tariff Policy

The Municipal System Act requires Council to adopt a Tariff Policy. The general financial management functions covered in section 62 of the MFMA includes the implementation of a tariff policy. Specific legislation applicable to each service has been taken into consideration when determining this policy.

Credit Control and Debt Collection Policy

This Policy has been formulated in terms of section 96 (b) and 98 of the Local Government: Municipal Systems Act, 200 and the Credit Control and Debt Collection By-Law.

2. Budget related policies

The following budget related policies have been approved by Council, or have been reviewed / amended and / or are currently being reviewed / amended, in line with National Guidelines and Legislation.

Supply Chain Management Policy

Section 111 of the MFMA requires each Municipality and municipal entity to adopt and implement a supply chain management policy, which gives effect to the requirements of the Act.

Property Rates Policy

The Rates Policy has been drafted and submitted to council on 31 March 2016.

Cash Management and Investment Policy

The Municipality's Investment Policy, which deals with the management of the Municipality's surplus cash and capital resources and the investment thereof, was submitted to council on 31 March 2016. The policy also cover partially related long-term financial planning, and dealing with infrastructure investment and capital projects.

Borrowing, & Cash Backed and Funds Reserve Policy

The municipality is a low capacity municipality and as a result Borrowing Funds Reserve Policies have not been implemented. All the policies required is not feasible to establish because the policies are not used by the municipality

POLICIES	DRAFT SUBMITTED	APPROVED
Property Rates	31 March 2016	31 May 2016
Tarrif policy	31 March 2016	31 May 2016
Customer care, credit control and Revenue Management Policy	31 March 2016	31 May 2016
Indigent Policy	31 March 2016	31 May 2016
Supply Chain Management Policy	31 March 2016	31 May 2016
Unauthorized, Irregular, Fruitless and Wasteful Expenditure policy	31 March 2016	31 May 2016
Cash management and Investment policy	31 March 2016	31 May 2016
Virement Policy	31 March 2016	31 May 2016
General Ledger Chart of Accounts Maintenance Policy	31 March 2016	31 May 2016
Asset Management	31 March 2016	31 May 2016
Overtime policy	31 March 2016	31 May 2016
Recruitment, selection and Induction policy	31 March 2016	31 May 2016
Borrowing Policy	31 March 2016	31 May 2016
Funding & Reserve Policy	31 March 2016	31 May 2016
Long term financial plan policy	31 March 2016	31 May 2016
Infrastructure Investment and Capital projects Policy	31 March 2016	31 May 2016
Appointment of temporary Employees policy	31 March 2016	31 May 2016

Figure1: Policies amendments

10. OVERVIEW OF BUDGET ASSUMPTIONS

The MTREF model, which enables economic forecasts and the eventual medium term fiscal framework, was compiled under harsh external economic conditions. Budgetary constraints and economic challenges meant that the Municipality had to apply a combination of cost-saving interventions and higher than headline CPI revenue increases to ensure an affordable, credible and sustainable budget over the 2016/2017 MTREF.

The biggest challenge this year more so than previous years, is that the Municipality needs to do more within its existing resource envelope. This was reiterated in the NT Budget Circular 79 for the 2016/2017 MTREF.

The Municipality faced the following challenges in preparing the 2016/2017 MTREF:

1. Lower than planned revenue collection ratios are currently achieved, which in turn required a re-assessment of previously modeled rates revenue for future years. The collection ratios of major revenue sources were consequently adjusted downwards to reflect realistic and sustainable flows over the 3-year MTREF period. This aspect is currently receiving priority attention to improve on the collection rate of the municipality.
2. The actual expenditure incurred on the repairs and maintenance of infrastructure, especially on water infrastructure with pipes bursting and the replacement of the old asbestos pipes with pvc type pipes.
3. Service delivery vehicles are very old and are breaking down more regularly and subsequent repair cost is gradually on the increase year after year.
4. With the National Municipal Infrastructure Unit of the Department of Cooperative Governance and Traditional Affairs, declining to finance roads in town and previous “white” areas, more and more pressure is put on the repair and maintenance of the tar roads in town that is very old.
5. Roads infrastructure in the CBD area can no longer be repaired but is at a stage where it must be resealed and in other places even ripped up and rebuild in full.
6. The global financial meltdown and the effect it had on the ever increasing unemployment rate, has caused huge increases in the poor communities and lead to an increased number of households being unable to pay for municipal services utilized and increase the indigent figures dramatically.
7. This however, has a huge effect on the main source of income of the municipality which is rates and taxes for services rendered.

The combined effect of the above-listed economic/financial factors and consequential impact on departmental budgets resulted in a substantial deficit starting position on the MTREF Rates-funded portion.

Reversing the unacceptable deficit position on Rates required several iterative changes to the multi-year targets on both revenue and expenditure across all services, while simultaneously retaining the strategic links to and focus on the IDP and Budget Prioritization Model.

The Budget Steering Committee further placed particular emphasis on the following aspects to influence the outcome of the financial / MTREF scenario's presented to it:

- ✓ a differentiated approach to consideration of budgetary amendments across services, thereby giving effect to the strategic intent of the Budget Prioritization Model;
- ✓ further specific considerations to inform budgetary amendments or allocations were (factors to impact positively on budget allocations):
 - services which promote external service delivery;

- services responsible for improvement to citizens' quality of living environment;
 - services responsible for hard infrastructure – based economic growth;
 - Services responsible for revenue collection.
- ✓ The limited financial resources available for additional allocations meant that few new projects or initiatives were to receive such budgetary allocations.

Financial modeling

In addition to the above, further principles applied to the MTREF in determining the affordability envelope included:

- ✓ Higher than headline CPI revenue increases with regards Property rates at 6.6% and Electricity at 12.4% increase to the extent that they affect and support Council's operational activities of relevant services.
- ✓ A high percentage capital expenditure implementation rate was assumed, based on current spending patterns.
- ✓ Improved collection rates, based on collection achievements to date, incorporating improved success anticipated on selected revenue items taking in consideration the debt collection strategy.
- ✓ Higher than nationally projected inflation provisions for repairs and maintenance, to attain nationally benchmarked levels on this expenditure item, and ensure/enhance the preservation of the Municipality's infrastructure.

Key Financial Indicators in the MTREF

Headline Consumer Price Index (CPI) – Inflation Outlook

Headline CPI projected over the MTREF is an average of CPI forecasts from various financial institutions and the Bureau of Economic Research (BER).

The CPI increase for 2016/2017 budget was set at 6.6%,

CPI projection over the 2018 MTREF was 6.6% for 2016/2017, 6.2% for 2017/2018 and 5.9% for 2018/2018.

However, the benchmark for the 2016/ 17 financial year was set at a straight line increase of around 6.6% with actual and current cpix as indicators for the outer year.

EXPENDITURE FRAMEWORK

Salaries, wages and related staff costs

The promulgation of the Salary and Wage Collective Agreement by the South African Local Government Bargaining Council (SALGBC) provided the general salary adjustment guidelines for the period 2016/2017 is still under negotiations and are set to be in and around the 7% according to Circular 78.

General expenses

Items with the general expenses category were increased in proportion on the projected CPI increases over the MTREF.

However, as part of the initiative to attain affordable budget, general expenses were reduced.

Repairs and maintenance

Serious repairs and maintenance and renewal backlogs exist in relation to municipal infrastructure, particularly municipality's electricity, water reticulation, sewage, storm water and roads systems. It is noted

that these backlogs are impacting negatively on the financial sustainability of municipalities and on the reliability and quality of municipal services, as well as municipality's contribution to supporting economic growth.

- National Treasury is very concerned about the low levels of expenditure on repairs and maintenance and the renewal of existing infrastructure in most municipalities. Municipal councils, Mayors and municipal managers are therefore urged to ensure that allocations to repairs and maintenance, and the renewal of existing infrastructure are prioritised. In this regard:
- Therefore, more emphasis will be placed on this budget vote from this year going forward.

REVENUE FRAMEWORK

Revenue growth parameters: Rates and trading services

To ensure an effective, efficient and well-run Municipality, tariff increases are inevitable. The individual tariff increase proposals will be considered against the backdrop of the overall 'package of tariffs' approach adopted in compiling and evaluating the affordability of the tariffs and charges that make up the total municipal account.

The current financial predicament further impacted on the combination of revenue parameter increases required to ensure an affordable, balanced and sustainable budget over the 2016/2017 MTREF. After considering various scenario outcomes, the following revenue parameter increases were factored into the MTREF model for 2016/2017:

- *Rates:* The MPRA is used for the calculation of Property Rates. The residential rates guided the municipality to establish the other categories. A new valuation roll will be implemented in July 2015 thus we need to decrease the tariff to ensure the increased in value does not have a huge impact on the rate determination. The rates revenue increase was modeled at 9%. This above-CPI increase was required to achieve an affordable and balanced rates budget without impeding on service delivery.
- *Electricity:* The initial revenue parameter was based on the guidelines in the Circular 78 that proposed an annual 9.4% increase over the period 2016/2017. The final budget applied an overall increase of 12,4 %

Subsequent to the approval of the MTREF parameters by Council, the Electricity service's revenue estimations were amended based on the NERSA statement on Eskom's proposed tariff increases. Even though the revenue parameter increase is higher than CPI, it afforded water and sanitation with limited scope for new initiatives.

- *Refuse Removal:* This revenue parameter increase was modeled at 6.6%; the increase is as a result of the impact of the higher disposal tariff and to ensure adequate service delivery levels in future.
- *Water and Sanitation:* The revenue parameter adjustment for both water and sanitation was modeled at chapters below.

Collection rate

In accordance with relevant legislation and national directives, the Municipality's projected revenue recovery rates are based on realistic and sustainable trends. The Municipality's projected collection ratios are envisaged to increase from the current 68% to at least 90% especially when the debt collection strategy takes full effect.

National Grants

Equitable Share

The Constitution provides that each sphere of government is entitled to an equitable share of revenue raised nationally to enable it to provide basic services and perform the functions allocated to it.

The equitable division of revenue takes into account the functions assigned to each sphere under the Constitution and the capacity of each, government to pay for these functions through own receipts and revenues.

The local government equitable share allocations supplement municipalities' own revenue sources for the provision of basic services to poor households within their areas of jurisdiction.

Initiatives are currently being pursued to assess the application of the equation for the Municipality to ensure that the allocation received by die Municipality is equitable and fair. The annual Division of Revenue Act (DORA) published the equitable share allocations. The following indicative allocations, as published in the 2016/2017 Division of Revenue Bill, were modeled:

2016/2017 – R 19 367 000

2017/2018 – R 20 676 000

2018/2019 – R 21 982 000

NC076 Thembelihle - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Cash Transfers to other municipalities											
<i>Insert description</i>	1										
Total Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Entities/Other External Mechanisms											
<i>Insert description</i>	2										
Total Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
Cash Transfers to other Organs of State											
<i>Insert description</i>	3										
Total Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Organisations											
<i>Insert description</i>											
Total Cash Transfers To Organisations		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Groups of Individuals											
<i>Insert description</i>											
Total Cash Transfers To Groups Of Individuals:		-	-	-	-	-	-	-	-	-	-
TOTAL CASH TRANSFERS AND GRANTS	6	-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to other municipalities											
<i>Insert description</i>	1										
Total Non-Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to Entities/Other External Mechanisms											
<i>Insert description</i>	2										
Total Non-Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to other Organs of State											
<i>Indigent support</i>	3	2,073			208	192	192	192	-	-	-
<i>Pauper Burials</i>		44			14	9	9	9	-	-	-
<i>Ward Committee Stipends</i>					174	162	162	162	-	-	-
Total Non-Cash Transfers To Other Organs Of State:		2,117	-	-	397	363	363	363	-	-	-
Non-Cash Grants to Organisations											
<i>Insert description</i>	4										
Total Non-Cash Grants To Organisations		-	-	-	-	-	-	-	-	-	-
Groups of Individuals											
<i>Indigent</i>	5				1,011	826	826	826			
Total Non-Cash Grants To Groups Of Individuals:		-	-	-	1,011	826	826	826	-	-	-
TOTAL NON-CASH TRANSFERS AND GRANTS		2,117	-	-	1,408	1,189	1,189	1,189	-	-	-
TOTAL TRANSFERS AND GRANTS	6	2,117	-	-	1,408	1,189	1,189	1,189	-	-	-

Table 14- Transfers and grants made by the municipality (Supporting Table SA21)

Capital expenditure (External Financing Fund/EFF component)

The larger portion of Capital expenditure will be financed from conditional grants of National Government.

Here we have the Municipal Infrastructure Grant and RBIG projects as indicated. The following Infrastructure projects are budgeted for the 2016/17 financial year:

- Upgrading of Bulk Water Strydenburg
- Upgrading of Roads in Steynville
- Upgrading of Roads in Deetlefsville

Table 15 - Detailed capital budget(Supporting Table SA36)

NC076 Thembelihle - Supporting Table SA36 Detailed capital budget

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2016/17 Medium Term Revenue & Expenditure Framework			Project information		
										Audited Outcome 2014/15	Current Year 2015/16 Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19	Ward location	New or renewal	
Parent municipality:																	
List all capital projects grouped by Municipal Vote																	
Budget & Treasury		Furniture & Equipment		H		Other Assets	Furniture and other office equipment				70	40					New
Budget & Treasury		Intangible		H		Intangibles	Computers - software & programming										
Corporate Service		Furniture & Equipment		I		Other Assets	Furniture and other office equipment										
Planning and Development		Furniture & Equipment		B		Other Assets	Furniture and other office equipment										
Planning and Development		Plant & Equipment		B		Other Assets	Plant & equipment										
Planning and Development		Road project - Skydenburg		B		Infrastructure - Road transport	Roads, Pavements & Bridges			2,845	5,140	3,634	9,355				New
Planning and Development		Road project - Steynville		B		Infrastructure - Road transport	Roads, Pavements & Bridges			5,281	3,427	5,451					New
Planning and Development		Upgrading Upstudson Point - Hopebwn		B		Infrastructure - Water	Reticulation			699							
Planning and Development		Abstraction Point - Hopebwn		B		Infrastructure - Water	Reticulation										
Planning and Development		Sewerage Network		B		Infrastructure - Sanitation	Sewerage purification										
Planning and Development		MIG Unit		B		Other Assets	Other										New
Water		Upgrading Bulk Water - Steynville		B		Infrastructure - Water	Water purification			8,362	5,716						
Executive and Council		Furniture & Equipment		G		Other Assets	Furniture and other office equipment										
Parent Capital expenditure	1											14,323	9,086	9,355			
Entities:																	
List all capital projects grouped by Entity																	
Entity A																	
Water project A																	
Entity B																	
Electricity project B																	
Entity Capital expenditure																	
Total Capital expenditure												17,257	14,323	9,086	9,355		

Fiscal Overview

1. 2016/2017 and 2017/2018 to 2018/2019 projected financial performance

1.1 Operating Budget

The operating budget decreased from R 78 407 million in 2015/2016 to R 65 793 million in 2016/2017. The followings provisions made:

- Repairs and Maintenance (Primary) of Infrastructure
- Inflation related increases to major expenditure components, such as the staff budget (salary level increases).

1.2 Capital Budget

The capital budget decreased from R17 257 million in 2015/2016 to R14 283million in 2017/2018. The following funding available:

- MIG
- RBIG

2. Medium Term Outlook: 2016/2017 to 2018/2019

Operating Budget

The ensuing table reflects the operating budgets

	2016/2017	2017/2018	2018/2019
	R'm	R'm	R'm
Operating Budget	65, 793	68,295	73, 186

Table 16: Medium term operating budget

Capital Budget

The ensuing table reflects the capital budget as well as the funding sources in the medium term:

	2016/2017	2017/2018	2018/2019
	R'm	R'm	R'm
Capital Budget	14,283	9,085	9,354
Funded as follows:			
National Grant Funding	14,283	9,085	9,354
Provincial Grant Funding			

Table 17: Medium term capital budget and funding sources

The funding sources listed below as appropriated towards the following major projects on the capital budget:

National Grant Funded

- MIG
- RBIG

1. Source of Funding

Rates, tariffs and other charges

Property Tax Rates

The proposed property rates are to be levied in accordance with existing Council policies unless otherwise indicated and both the Local Government Municipal Property Rates Act 2004 (MPRA) and the Local Government Municipal Finance Management Act 2003.

The proposed average rates increase in 6.6% for all categories of properties.

Property tax rates are based on values indicated in the General Valuation Roll 2015 (GV). The Roll is updated for properties affected by land sub-divisions, alterations to buildings, demolitions and new buildings (improvements) through Supplemental Valuation Rolls.

Rebates and concessions are granted to certain categories of property usage and/or property owner and took effect with the new General Valuation Roll implemented by 01st July 2015. Each year thereafter a supplementary roll will amend the General Valuation Roll.

Water and Sanitation

The proposed Water and Sanitation Tariffs for 2016/2017 are consistent with National Policy on the provision of free basic services, the National Strategic Framework for Water and Sanitation and with Council's Indigent relief measures, Rates and Tariff Policies and Equitable Service Framework. The tariff increases are necessary to address essential operational requirements, maintenance of existing infrastructure, new infrastructure provision and to ensure the financial sustainability of the service.

The progressive nature of the existing domestic stepped tariff structure both for water is pro-poor and allows for the needs of the indigent.

The tariff levels for water increase by 6.6% to make provision for the under collection of previous years. Sanitation tariffs increase by 6.6%. This is still a challenge for the municipality due to the cost reflective tariff that needs to be implemented.

Electricity

The proposed revisions to the tariffs have been formulated in accordance with the Tariff and Rates Policy and comply with Section 78 of the Municipal Systems Act as well as the recommendation of the National Energy Regulator of South Africa (NERSA).

The Electricity Regulation Act requires that proposed revisions to the electricity consumption based tariffs be submitted to the Regulator for approval prior the implementation. Provisional approval will therefore be requested with the express proviso that any alterations required by Council will be submitted to the Regulator as soon as possible.

Guidelines for the municipal electricity tariff increase in July were issued by National Treasury as being 9.4%. The bulk purchases increase to the Municipality is budgeted to be 12.4%.

Solid Waste Management

The Solid Waste Tariffs are levied to recover costs of services provided directly to customers and include collection fees, disposal fees, compost sales, clearance of illegal dumping on private properties, weighbridge fees and other ad hoc services. It is proposed that the Collections Tariffs (Consumptive and Sundry) increase by 6.6%.

2 Grant Allocations

National Allocations

The table below reflects the grant allocations in terms of the Division of Revenue Act that have been included in the medium term budget:

NC076 Thembelihle - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		17,049	18,854	20,252	22,875	22,875	22,875	22,828	23,500	25,074
Local Government Equitable Share		14,630	15,565	16,735	18,676	18,676	18,676	19,367	20,676	21,982
Finance Management		749	1,650	1,496	1,805	1,805	1,805	2,010	2,345	2,600
Municipal Systems Improvement		800	890	934	930	930	930			
Municipal Infrastructure Grant (MIG)		-	-	570	464	464	464	451	479	492
EPWP Incentive		871	749	516	1,000	1,000	1,000	1,000		
Regional Bulk Infrastructure										
Other transfers/grants [insert description]										
Provincial Government:		267	353	185	1,184	1,184	1,184	1,204	1,285	1,360
Sport and Recreation		195	353	185	1,184	1,184	1,184	1,204	1,285	1,360
72										
Other transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	2,357	-	-	-	-	-	-	-
ACIP			2,357							
Total Operating Transfers and Grants	5	17,316	21,564	20,437	24,059	24,059	24,059	24,032	24,785	26,434
Capital Transfers and Grants										
National Government:		29,907	9,628	17,229	17,257	17,257	17,257	14,283	9,085	9,355
Municipal Infrastructure Grant (MIG)		10,964	4,682	10,444	8,825	8,825	8,825	8,567	9,085	9,355
Regional Bulk Infrastructure		15,660	4,676	6,481	8,362	8,362	8,362	5,716		
Finance Management		751		304	70	70	70			
Integrated National Electrification Programme		2,531	270		-	-	-			
EPWP Incentive										
Other capital transfers/grants [insert desc]										
Provincial Government:		-	-	-	-	-	-	-	-	-
DWA										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
ACIP										
Total Capital Transfers and Grants	5	29,907	9,628	17,229	17,257	17,257	17,257	14,283	9,085	9,355
TOTAL RECEIPTS OF TRANSFERS & GRANTS		47,223	31,192	37,666	41,316	41,316	41,316	38,315	33,870	35,789

Table 18: National allocations

Provincial Allocations

The table below reflects the grants allocated in terms of the Provincial Gazette that have been included in this medium term budget:

NC076 Thembelihle - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		17,049	18,854	20,356	22,875	22,875	22,875	22,828	23,500	25,074
Local Government Equitable Share		14,630	15,565	16,735	18,676	18,676	18,676	19,367	20,676	21,982
Finance Management		749	1,650	1,496	1,805	1,805	1,805	2,010	2,345	2,600
Municipal Systems Improvement		800	890	934	930	930	930			
Municipal Infrastructure Grant (MIG)		-		570	464	464	464	451	479	492
EPWP Incentive		871	749	608	1,000	1,000	1,000	1,000		
Regional Bulk Infrastructure				12						
Other transfers/grants [insert description]										
Provincial Government:		267	353	185	1,184	1,184	1,184	1,204	1,285	1,360
Sport and Recreation		195	353	185	1,184	1,184	1,184	1,204	1,285	1,360
72										
Other transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	5,008	1,883	-	-	-	-	-	-
ACIP			3,351							
LG Seta			39	34						
NT Contribution AG			1,618	1,849						
Total operating expenditure of Transfers and Grants:		17,316	24,215	22,424	24,059	24,059	24,059	24,032	24,785	26,434
Capital expenditure of Transfers and Grants										
National Government:		28,308	9,628	22,652	17,257	17,257	17,257	14,283	9,085	9,355
Municipal Infrastructure Grant (MIG)		10,964	4,682	16,171	8,825	8,825	8,825	8,567	9,085	9,355
Regional Bulk Infrastructure		15,532	4,676	6,481	8,362	8,362	8,362	5,716		
Finance Management		751			70	70	70			
Integrated National Electrification Programme		1,061	270		-	-	-			
EPWP Incentive										
Other capital transfers/grants [insert desc]										
Provincial Government:		-	-	-	-	-	-	-	-	-
DWA										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
ACIP										
Total capital expenditure of Transfers and Grants		28,308	9,628	22,652	17,257	17,257	17,257	14,283	9,085	9,355
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		45,624	33,843	45,076	41,316	41,316	41,316	38,315	33,870	35,789

Table 19: Provincial allocations

12 EXPENDITURE ON ALLOCATIONS AND GRANT PROGRAMMES

NC076 Thembelihle - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
EXPENDITURE:										
Operating expenditure of Transfers and Grants										
National Government:		17,049	18,854	20,356	22,875	22,875	22,875	22,828	23,500	25,074
Local Government Equitable Share		14,630	15,565	16,735	18,676	18,676	18,676	19,367	20,676	21,982
Finance Management		749	1,650	1,496	1,805	1,805	1,805	2,010	2,345	2,600
Municipal Systems Improvement		800	890	934	930	930	930			
Municipal Infrastructure Grant (MIG)		-		570	464	464	464	451	479	492
EPWP Incentive		871	749	608	1,000	1,000	1,000	1,000		
Regional Bulk Infrastructure				12						
Other transfers/grants [insert description]										
Provincial Government:		267	353	185	1,184	1,184	1,184	1,204	1,285	1,360
Sport and Recreation		195	353	185	1,184	1,184	1,184	1,204	1,285	1,360
		72								
Other transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	5,008	1,883	-	-	-	-	-	-
ACIP			3,351							
LG Seta			39	34						
NT Contribution AG			1,618	1,849						
Total operating expenditure of Transfers and Grants:		17,316	24,215	22,424	24,059	24,059	24,059	24,032	24,785	26,434
Capital expenditure of Transfers and Grants										
National Government:		28,308	9,628	22,652	17,257	17,257	17,257	14,283	9,085	9,355
Municipal Infrastructure Grant (MIG)		10,964	4,682	16,171	8,825	8,825	8,825	8,567	9,085	9,355
Regional Bulk Infrastructure		15,532	4,676	6,481	8,362	8,362	8,362	5,716		
Finance Management		751			70	70	70			
Integrated National Electrification Programme		1,061	270		-	-	-			
EPWP Incentive										
Other capital transfers/grants [insert desc]										
Provincial Government:		-	-	-	-	-	-	-	-	-
DWA										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
ACIP										
Total capital expenditure of Transfers and Grants		28,308	9,628	22,652	17,257	17,257	17,257	14,283	9,085	9,355
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		45,624	33,843	45,076	41,316	41,316	41,316	38,315	33,870	35,789

Table 20: Expenditure on allocations and grant programme (Supporting Table SA19)

13 MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW

As can be seen from the Table below, the cash flow situation will remain very constraint for the 2016/17 financial year. A number of steps have been implemented to address this situation. Two of these are that we have again started with speed law enforcement and debt collection actions have been implemented in full which means that electricity will be cut where we are the service provider and legal action will also be taken against non-payers. Our approach remains that people who can pay, must pay. These two steps will result in an increase in our own income. A new valuation roll is being implemented and it is recommended to Council to increase property rate income by 6.6%.

NC076 Thembelihle - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand															
Cash Receipts By Source															
Property rates	144	199	166	102	249	188	247	235	225	247	235	267	2,505	2,660	2,817
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	725	746	602	703	535	760	687	574	674	874	804	844	8,529	9,083	9,649
Service charges - water revenue	363	348	317	323	392	300	324	367	226	224	467	328	3,979	4,226	4,475
Service charges - sanitation revenue	123	126	116	133	122	117	128	125	217	228	225	257	1,920	2,039	2,159
Service charges - refuse revenue	88	90	86	89	82	86	87	83	82	87	83	59	1,001	1,063	1,126
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	47	13	24	29	26	10	38	29	25	46	29	8	325	347	370
Interest earned - external investments	-	56	67	49	-	36	30	48	12	24	11	11	333	354	354
Interest earned - outstanding debtors	35	49	48	49	44	45	49	40	47	38	47	21	510	542	574
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines	155	114	115	114	104	238	254	215	216	205	279	202	2,211	2,352	2,491
Licences and permits	17	12	23	13	13	28	26	20	25	20	26	63	287	304	322
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer receipts - operational	10,148	400	-	451	6,691	602	-	300	4,838	602	-	-	24,032	24,785	26,434
Other revenue	46	873	207	59	97	181	155	126	125	201	175	123	2,368	2,509	2,695
Cash Receipts by Source	11,891	3,026	1,771	2,115	8,355	2,592	2,025	2,162	6,713	2,796	2,370	2,183	47,999	50,264	53,466
Other Cash Flows by Source															
Transfer receipts - capital	1,500	-	-	5,770	-	-	-	1,216	5,797	-	-	-	14,283	9,085	9,355
Contributions recognised - capital & Contributed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE	-	-	-	5,000	-	-	-	-	-	-	-	-	5,000	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	13,391	3,026	1,771	12,885	8,355	2,592	2,025	3,378	12,510	2,796	2,370	2,183	67,282	59,349	62,821
Cash Payments by Type															
Employee related costs	1,587	1,817	1,839	1,012	1,151	3,055	2,220	2,215	2,216	2,221	2,216	2,244	23,792	25,696	28,008
Remuneration of councillors	200	200	200	191	190	190	408	238	238	238	238	473	3,004	3,244	3,536
Finances charges	52	61	60	54	76	81	17	47	57	57	67	51	680	771	816
Bulk purchases - Electricity	579	560	1,603	807	766	981	1,640	830	810	1,613	906	675	11,760	13,434	14,346
Bulk purchases - Water & Sewer	24	30	35	30	26	26	32	21	41	21	31	54	373	396	419
Other materials	142	142	168	174	191	190	104	150	106	144	100	224	1,836	1,613	1,703
Contracted services	-	59	-	-	60	-	-	58	-	-	-	45	221	235	249
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	481	412	893	879	699	882	784	788	656	784	798	533	8,590	8,854	8,159
Cash Payments by Type	3,065	3,271	4,799	3,147	3,159	5,405	5,205	4,348	4,125	5,078	4,356	4,298	50,257	54,242	57,237
Other Cash Flows/Payments by Type															
Capital assets	1,500	-	40	-	-	5,570	-	-	1,216	-	5,797	200	14,323	9,085	9,355
Repayment of borrowing	-	68	-	-	68	-	-	68	-	-	-	68	270	270	270
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type	4,565	3,339	4,839	3,147	3,227	10,975	5,205	4,416	5,341	5,078	10,153	4,566	64,850	63,597	66,862
NET INCREASE/(DECREASE) IN CASH HELD	8,827	(313)	(3,067)	9,737	5,128	(8,383)	(3,181)	(1,038)	7,170	(2,282)	(7,783)	(2,382)	2,432	(4,248)	(4,041)
Cash/cash equivalents at the monthly/year begin:	9,952	18,779	18,466	15,399	25,136	30,264	21,881	18,700	17,662	24,832	22,550	14,767	9,952	12,384	8,136
Cash/cash equivalents at the monthly/year end:	18,779	18,466	15,399	25,136	30,264	21,881	18,700	17,662	24,832	22,550	14,767	12,384	12,384	8,136	4,095

Table 21: Monthly targets for revenue and cash flow (Support Table SA30)

14 COUNCILLOR AND BOARD MEMBER ALLOWANCES AND EMPLOYEE BENEFITS

No provision for performance bonuses has been made as this is not affordable at this stage. Remuneration is to a large degree negotiated at a national level and Thembelihle will have to implement the agreed to increases whether it is affordable or not. Due to the tight cash flow situation, Council has taken a decision that only critical posts will be filled until such time that the cash flow situation has improved. This will put a burden on staff to meet the vast number of reports having to be submitted as required by legislation. It will not always be possible to meet all deadlines, but we will endeavor to comply with legislation. This aspect also places a burden on our ability to work towards a clean audit opinion.

NC076 Thembelihle - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4							-
Chief Whip			303,034	64,712	71,974			439,720
Executive Mayor			420,004	76,409	72,887			569,300
Deputy Executive Mayor			1,394,945	273,259	326,870			1,995,074
Executive Committee								-
Total for all other councillors								-
Total Councillors	8	-	2,117,983	414,380	471,731			3,004,094
Senior Managers of the Municipality	5							
Municipal Manager (MM)			615,590	119,846	188,008			923,444
Chief Finance Officer			593,088	115,711	139,080			847,879
								-
								-
<i>List of each official with packages >= senior manager</i>								
Manager: Corporate Services			571,128	65,785	137,583			774,496
Manager : Technical Services			571,128	65,785	137,583			774,496
								-
								-
								-
								-
								-
								-
								-
Total Senior Managers of the Municipality	8.10	-	2,350,934	367,127	602,254	-		3,320,315
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	-	4,468,917	781,507	1,073,985	-		6,324,409

Table 22: Salaries, allowances & benefits (political office bearers/councilors/senior managers) (Support Table SA23)

NC076 Thembelihle - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		1,174	1,710	2,260	1,813	1,979	1,979	2,118	2,287	2,493
Pension and UIF Contributions		142	58	74	253	256	256	274	295	166
Medical Aid Contributions		60	34	40	134	132	132	141	152	322
Motor Vehicle Allowance		330	128	97	270	270	270	288	312	340
Cellphone Allowance		97	19	27	337	171	171	183	198	216
Housing Allowances										
Other benefits and allowances										
Sub Total - Councillors		1,803	1,949	2,498	2,808	2,808	2,808	3,004	3,244	3,536
% increase	4		8.1%	28.2%	12.4%	0.0%	-	7.0%	8.0%	9.0%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		1,724	1,478	1,641	2,056	2,056	2,056	2,351	2,539	2,768
Pension and UIF Contributions		90	206	224	375	375	375	367	396	432
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3	360	440	312	574	300	300	552	596	650
Cellphone Allowance	3	1	15	4	43	43	43	50	54	59
Housing Allowances	3	76	-	-	-	-	-	-	-	-
Other benefits and allowances	3		170							
Payments in lieu of leave		71	-	43						
Long service awards		5	-	-						
Post-retirement benefit obligations	6									
Sub Total - Senior Managers of Municipality		2,328	2,309	2,223	3,048	2,774	2,774	3,320	3,586	3,909
% increase	4		(0.8%)	(3.7%)	37.1%	(9.0%)	-	19.7%	8.0%	9.0%
Other Municipal Staff										
Basic Salaries and Wages		9,264	10,433	12,994	12,847	13,673	13,673	15,002	16,202	17,660
Pension and UIF Contributions		1,899	1,721	2,093	2,399	1,967	1,967	2,289	2,472	2,694
Medical Aid Contributions		383	573	619	853	752	752	753	813	886
Overtime		796	1,097	1,706	1,109	1,204	1,204	1,061	1,146	1,249
Performance Bonus		413	-	-	1,301	960	960	1,104	1,193	1,300
Motor Vehicle Allowance	3	31	83	94	96					
Cellphone Allowance	3	35	24	67		(14)	(14)			
Housing Allowances	3	8	18	29	5	47	47	50	54	59
Other benefits and allowances	3	82	1,698	1,895	99	8	8	85	92	100
Payments in lieu of leave		12	360	444	161	623	623	667	720	785
Long service awards		28	397	23				4	4	4
Post-retirement benefit obligations	6				59	702	702	790	853	930
Sub Total - Other Municipal Staff		12,952	16,404	19,964	18,928	19,921	19,921	21,804	23,549	25,668
% increase	4		26.7%	21.7%	(5.2%)	5.2%	-	9.5%	8.0%	9.0%
Total Parent Municipality		17,083	20,661	24,686	24,784	25,503	25,503	28,129	30,379	33,113
% increase			20.9%	19.5%	0.4%	2.9%	-	10.3%	8.0%	9.0%
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									
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									
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									
Sub Total - Other Staff of Entities		-	-	-	-	-	-	-	-	-
% increase	4		-	-	-	-	-	-	-	-
Total Municipal Entities		-	-	-	-	-	-	-	-	-
TOTAL SALARY, ALLOWANCES & BENEFITS		17,083	20,661	24,686	24,784	25,503	25,503	28,129	30,379	33,113
% increase	4		20.9%	19.5%	0.4%	2.9%	-	10.3%	8.0%	9.0%
TOTAL MANAGERS AND STAFF	5.7	15,280	18,712	22,188	21,976	22,695	22,695	25,125	27,135	29,577

Table 23: Councillor allowances and employee benefits (Support Table SA22)

15 ANNUAL BUDGETS AND SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLANS – INTERNAL DEPARTMENTS

In terms of Section 53 (1)(c)(ii) of the MFMA, the Service Delivery and Budget Implementation Plan (SDBIP) is defined as a detailed plan approved by the mayor of a municipality for implementing the municipality's delivery of municipal services and its annual budget, and which must indicate the following :

- (a) Projections for each month of
 - Revenue to be collected, by source; and
 - Operational and capital expenditure, by vote.
- (b) Service delivery targets and performance indicators for each quarter, and
- (c) Other matters prescribed.

The Executive Mayor, in accordance with Section 53 of the MFMA, is expected to approve the SDBIP within 28 days after the approval of the budget. In addition, the Executive Mayor must ensure that the revenue and expenditure projections for each month and the service delivery targets and performance indicators as set out in the SDBIP are made public with 14 days after its approval.

The SDBIP gives effect to the Integrated Development Plan and the budget of the municipality. It is an expression of the objectives of the Municipality in quantifiable outcomes which will be implemented by the administration for the financial period from 1 July 2016 to 30 June 2017 (the Municipality's financial year). It includes the service delivery targets and performance indicators for each quarter which should be linked to the performance agreements of senior management. It therefore facilitates oversight over financial and non-financial performance of the municipality and allows the Municipality Manager to monitor the performance of the Executive Directors, the Mayor/Council to monitor the performance of the Municipality Manager, and the Community to monitor the performance of the Municipality Government.

The SDBIP for the 2016/2017 financial year will be approved by the Mayor in June 2016 after approval of the Budget.

Providing clean water and managing waste water

DRINKING WATER QUALITY AND WASTE WATER MANAGEMENT

THEMBELIHLE MUNICIPAL WATER SERVICE AUTHORITY AND PROVIDER

Thembelihle Municipality is the Water Service Authority and Provider.

This responsibility falls under the Technical Department's water and wastewater sections. The Technical Manager is the responsible person.

BLUE DROP PERFORMANCE

Water quality in both Hopetown and Steynville is good and complies with SAN 241 specifications. We have recorded problems where samples have been analysed in Kimberley. The results have indicated that free chlorine is above 1 mg/ℓ but we still obtain an E-coli count. This is not possible and so we are investigating the issue of contamination at the laboratory.

The Table below shows our Blue Drop Score.

Thembelihle Local Municipality
from www.dwa.gov.za

Supply Area of Strydenburg

The Town of Strydenburg, Deetlifsville and Mandela Square and Informal area

Treatment:

Raw water is abstracted from several boreholes. Water is disinfected using calcium hypochlorite at the central command reservoir.

Current Water Quality:



Excellent Microbiological Water Quality Compliance but with Operational (*Not Monitored*) non-compliance.

Blue Drop Status:

2009 (Blue Drop Report 2010) not participated.
2010 (Blue Drop Report 2011) 29.44%
2011 (Blue Drop Report 2012) 62.49%

Regulatory Comments:

See below.

Supply Area Hopetown

The Town of Hopetown, Steynville, Tamboville, Vergenoeg, Sewendelaan, Houjoubek, Informal areas of Goutrou,

Industrial area and plots

Treatment:

Conventional processes of flash mixing, coagulation, flocculation, clarification, filtration and disinfection Raw water from boreholes.

Current Water Quality:



Excellent Drinking Water Quality Compliance!

Blue Drop Status:

2009 (Blue Drop Report 2010) not participated.
2010 (Blue Drop Report 2011) 54.08%
2011 (Blue Drop Report 2012) 77.71%

Regulatory Comments:

The Department salutes the tremendous efforts made by Thembelihle Local Municipality to improve previous audit performance challenges. As a small municipality with an even smaller revenue base, Thembelihle displays what is possible if those responsible are dedicated to manage drinking water quality according to the set regulatory requirements. The Department congratulates all involved.

The four non-complying microbiological results in the Strydenburg water supply system slightly spoiled

the performance. But it is trusted that disinfection procedures and the full implementation of the water safety planning process will ensure a turn-around in this regard.

Average consumption figures are reasonably high. It is therefore required that the municipality would give attention to this aspect of the water business, especially in light of the arid nature of the two Northern Cape towns, which the municipality is taking responsibility for.

2011 Municipal Score (2012 Report)

THEMBELIHLE LOCAL MUNICIPALITY
NORTHERN CAPE

Water Service Provider

THEMBILIHLE LOCAL MUNICIPALITY

OVERALL SCORE

72.82%

This places us second in the Northern Cape and we wish to salute Ms Linda van Wyk for her efforts.

GREEN DROP PERFORMANCE RATINGS

Performance of our wastewater treatment works both in Hopetown and Strydenburg have low ratings. Thembelihle Municipality was audited last year and the results of that audit are shown in the Table below.

<i>System Name</i>	WSP No.	Design Capacity (MI/d)	2013 System Score ⁵³ (%)	2011 System Score (%)
Hopetown (Old Plant)		0.80	E+	62.40
Hopetown (New Plant)		1.30	D+	
Strydenburg (Old Plant)		0.25	C-	26.00
Strydenburg (New Plant)		0.55	C-	

We have many areas in which to improve and this will be part of our business plan for 2013/2014.

RISK-BASED WATER SAFETY PLAN

Risk-based approach to the management of our water infrastructure is critical to ensuring the effective and efficient delivery of water services to Thembelihle residents.

Risks identified include:

- Abstraction license with van der Kloof WUA for abstracting water from the Orange River in Hopetown
- Abstraction licenses for all boreholes in Strydenburg
- Addressing the high risk associated with the abstraction pump station at Hopetown
- Registration and licensing of the water treatment works and the wastewater treatment works
- Effective training and registration of our process controllers
- Effective Water Conservation Water Demand Management of the infrastructure
- Addressing the lack of back-up power generators for all pump stations in both Hopetown and Strydenburg
- Aged asbestos cement pipes which burst regularly
- Addressing the disinfection management of potable water in Strydenburg
- Addressing the hardness of the potable water in Strydenburg possible by the introduction of lime softening
- Leaking command reservoir in Deetlefsville
- Addressing health and safety issues throughout all infrastructure in Hopetown and Strydenburg
- Inability to attract skilled artisans and professional to Thembelihle
- Problem with aged vehicles, plant and equipment to operate and maintain Thembelihle's infrastructure

The following key components have been addressed:

- New 4,6 Mℓ/d WTW which was commissioned in May 2013
- Planning has begun on the refurbishment of the abstraction pump station on the Orange River at Hopetown
- Refurbished bulk water supply scheme to Steynville
- Planning for the upgrading of the water resources in Strydenburg by equipping new boreholes in Fairfield

ACIP funding has been granted to Thembelihle for the replacement of bulk and domestic meters that are out of order. This will make a significant improvement to our unaccounted-for water losses which is currently standing at 48,4% of the potable water produced.

16 RECONCILIATION OF IDP STRATEGIC OBJECTIVES AND CAPITAL BUDGET

NC076 Thembelihle - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19	
Sustaining the Natural and Built Environment	Services	A		16,593	3,047	19,748	8,362	8,362	8,362	5,716			
Economic Development and Job Creation	Planning & Development	B		11,060	7,683	415	8,825	8,825	8,825	8,567	9,086	9,355	
Quality Living Environment	Recreation	C											
Safe, Health and Secure Environment	Health & Public Safety	D											
Empowering our Citizens	Library	E		-									
Embracing our Cultural Diversity	Community	F			205								
Good Governance	Public Participation (Council)	G		6									
Financial Viability and Sustainability	Financial Management	H		751	13	451	70	70	70	40			
Operations and Support Services	Corporate Services	I		74									
Allocations to other priorities			3										
Total Capital Expenditure				1	28,484	10,948	20,614	17,257	17,257	17,257	14,323	9,086	9,355

Table 24: Reconciliation of IDP strategic objective and budget (capital Expenditure) (Supporting table SA6)

NC076 Thembelihle - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		27,556	10,730	19,829	17,187	17,187	17,187	14,283	9,086	9,355
Infrastructure - Road transport		-	-	-	8,825	8,125	8,125	8,567	9,086	9,355
Roads, Pavements & Bridges					8,825	8,125	8,125	8,567	9,086	9,355
Storm water										
Infrastructure - Electricity		1,061	1,081	1,054	-	-	-	-	-	-
Generation										
Transmission & Reticulation		1,061	1,081	1,054						
Street Lighting										
Infrastructure - Water		26,495	1,274	18,377	8,362	9,061	9,061	5,716	-	-
Dams & Reservoirs		10,964								
Water purification										
Reticulation		15,532	1,274	18,377	8,362	9,061	9,061	5,716		
Infrastructure - Sanitation		-	682	-	-	-	-	-	-	-
Reticulation			682							
Sewerage purification			682							
Infrastructure - Other		-	7,694	398	-	-	-	-	-	-
Waste Management			11	11						
Transportation										
Gas										
Other			7,683	387						
Community		-	-	-	-	-	-	-	-	-
Parks & gardens										
Sportsfields & stadia										
Swimming pools										
Community halls										
Libraries										
Recreational facilities										
Fire, safety & emergency										
Security and policing										
Buses										
Clinics										
Museums & Art Galleries										
Cemeteries										
Social rental housing										
Other										
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings										
Other										
Investment properties		-	-	-	-	-	-	-	-	-
Housing development										
Other										
Other assets		549	218	699	70	70	70	40	-	-
General vehicles										
Specialised vehicles										
Plant & equipment			65	166						
Computers - hardware/equipment		14								
Furniture and other office equipment		535	140	533	70	70	70	40		
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings										
Other Land										
Surplus Assets - (Investment or Inventory)										
Other			13							
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class										
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class										
Intangibles		379	-	87	-	-	-	-	-	-
Computers - software & programming		379		87						
Other (list sub-class)										
Total Capital Expenditure on new assets	1	28,484	10,948	20,614	17,257	17,257	17,257	14,323	9,086	9,355
Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse										
Fire										
Conservancy										
Ambulances										

Table 25: Capital expenditure by Asset class/ sub class (Supporting Table SA34(a))

17 LEGISLATION COMPLIANCE STATUS

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

Budget and Treasury Office

A budget office and Treasury office has been established in accordance with the MFMA.

Budgeting

The annual budget is prepared in accordance with the requirements prescribed by National Treasury and the MFMA.

- **Financial reporting**
100% compliance with regards to monthly, quarterly and annual reporting to the Executive Mayor, Mayoral Committee, Council, Provincial and National Treasury.
- **Annual Report**
The annual report is prepared in accordance with the MFMA and National Treasury requirements.
- **Internship Programme**
The Municipality of Thembelihle in participating in the Municipal Finance Management Internship Programme has employed a number of interns undergoing training in various finance departments. One of the interns completed the two-year training period and has taken up permanent employment within Finance. Five interns are currently employed in the Treasury department.

Key issues addressed in National Treasury Circular 79: Municipal Budget Circular for the 2016 MTREF – refer Annexure 21

1. Municipalities' role in employment creation

Underemployment, precarious employment (in the informal sector) and unemployment will continue to grow, putting further pressure on wage levels that are under stress, given cost of living increases and inflation generally. Hence, the percentage of the population living in poverty will continue to increase faster than the population finding employment at a living wage.

A major challenge has been to facilitate and encourage semi and unskilled labour absorptive growth. With financial services being the major driver of the Municipality economy its high end skills employer and does not create jobs at scale necessary to address employment challenges.

Expanded Public Works Programme (EPWP):

The creation of short term job opportunities through the EPWP is identified as one of the top Strategic Priorities in the Municipality of Thembelihle's Integrated Development Plan (IDP).

The Municipality is fully participating in the EPWP and has entered into a Memorandum of Agreement (MOA) with the Provincial EPWP unit committing to an annual job creation target as part of the EPWP Incentive Grant Scheme.

The maximization of labour intensive methods is driven through the SCM processes within the Municipality. Job creation targets are specified in tender documents where possible to regulate the use of temporary labour.

An EPWP policy is currently being developed to drive implementation and compliance of the programme within the Municipality. This is supported by the developments and implementation of a policy on the Recruitment and Selection of Community Workers for temporary work for all council programmes and projects. Through this initiative, it is aimed to provide the low and un-skilled labour with a fair access to community based work and to ensure the local communities are protected from both corruption and nepotism in accessing of job opportunities.

2. Procurement reforms and fighting corruption

Corruption

In addition to these policies and procedures, the Municipality makes use of an external service provider to verify the HDI status of vendor. The HDI status is used as part of the scoring when awarding to vendors, over and above the scoring of price and functionality (functionality is determined by the requisitioning department). With regard to the procurement of goods and services up to a value of R200 000, the buyers are placed in commodities and are rotated on an annual basis.

Compliance

The Municipality's SCM policy is adopted in accordance with legislation. The supply chain processes are linked to this policy and each process is followed and monitored through regular internal, external and ISO audits.

3. Eskom bulk tariff increases

Implementation of Inclining Block Tariff (IBT):

NERSA conceded that implementation challenges exist for municipalities and agreed:-

- The industry is not expected to implement IBT during the 2016/2017 financial year.
- The 4 (four) block structure of the IBT and the energy rates per block detailed in the Media statement of 24 February 2010 are *'mere guidelines and municipalities may deviate from it'*.

4. Providing clean water and managing waste water

The Municipality of Thembelihle performs the roles of both the Water Service Authority and Water Service Provider i.e. actually manages the provision of drinking water and treatment of wastewater.

5. Phasing in on formats and tables – Repairs and Maintenance

NT Circular 74 stipulated that repairs and maintenance 'must be broken-up into component expenditure types for the 2015/2016 budget' and not reported on as a subjective category.

In order for the Municipality to be compliant, a rework of the repairs and maintenance subjective category had to be undertaken. A new allocation structure was created to allocate the budgetary provision by cost element of 'component expenditure' for the 2016/2017 budget

19 CAPITAL EXPENDITURE DETAILS

NC076 Thembelihle - Supporting Table SA36 Detailed capital budget

Municipal Vote/Capital project R thousand	Ref 4	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No) 6	Asset Class 3	Asset Sub-Class 3	GPS co-ordinates 5	Total Project Estimate	Prior year outcomes		2016/17 Medium Term Revenue & Expenditure Framework			Project information	
										Audited Outcome 2014/15	Current Year 2015/16 Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19	Ward location	New or renewal
Parent municipality: <i>List all capital projects grouped by Municipal Vote</i>																
Budget & Treasury		Furniture & Equipment		H		<i>Other Assets</i>	<i>Furniture and other office equipment</i>			70	40					New
Budget & Treasury		Intangible		H		<i>Intangibles</i>	<i>Computers - software & programming</i>									
Corporate Service		Furniture & Equipment		I		<i>Other Assets</i>	<i>Furniture and other office equipment</i>									
Planning and Development		Furniture & Equipment		B		<i>Other Assets</i>	<i>Furniture and other office equipment</i>									
Planning and Development		Plant & Equipment		B		<i>Other Assets</i>	<i>Plant & equipment</i>									
Planning and Development		Road project - Stydenburg		B		<i>Infrastructure - Road transport</i>	<i>Roads, Pavements & Bridges</i>			2,845	5,140	3,634	9,355			New
Planning and Development		Road project - Steynville		B		<i>Infrastructure - Road transport</i>	<i>Roads, Pavements & Bridges</i>			5,281	3,427	5,451				New
Planning and Development		Upgrading Upstruction Point - Hopelown		B		<i>Infrastructure - Water</i>	<i>Reticulation</i>			699						
Planning and Development		Abstraction Point - Hopelown		B		<i>Infrastructure - Water</i>	<i>Reticulation</i>									
Planning and Development		Sewerage Network		B		<i>Infrastructure - Sanitation</i>	<i>Sewerage purification</i>									
Planning and Development		MIG Unit		B		<i>Other Assets</i>	<i>Other</i>									New
Water		Upgrading Bulk Water - Steynville		B		<i>Infrastructure - Water</i>	<i>Water purification</i>			8,362	5,716					
Executive and Council		Furniture & Equipment		G		<i>Other Assets</i>	<i>Furniture and other office equipment</i>									
Parent Capital expenditure	1											14,323	9,086	9,355		
Entities: <i>List all capital projects grouped by Entity</i>																
Entity A																
Water project A																
Entity B																
Electricity project B																
Entity Capital expenditure																
Total Capital expenditure																
										-	-	-	-	-		
										-	17,257	14,323	9,086	9,355		

Table 26: Capital budget detail (Support Table SA36)

Operating Revenue by Source and Operating Expenditure by Type

NC076 Thembelihle - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 1 - Executive and Council	Vote 2 - Budget & Treasury	Vote 3 - Corporate Services	Vote 4 - Community & Social Services	Vote 5 - Public Safety	Vote 6 - Planning & Development	Vote 7 - Road Transport	Vote 8 - Electricity	Vote 9 - Water	Vote 10 - Water Waste Management	Vote 11 - Waste Management	Total
R thousand	1												
Revenue By Source													
Property rates			3,578										3,578
Property rates - penalties & collection charges													-
Service charges - electricity revenue									12,184				12,184
Service charges - water revenue										5,684			5,684
Service charges - sanitation revenue											2,742		2,742
Service charges - refuse revenue												1,430	1,430
Service charges - other													-
Rental of facilities and equipment				267	58								325
Interest earned - external investments			333					1					333
Interest earned - outstanding debtors			107						117	189	147	20	580
Dividends received													-
Fines								2,571					2,571
Licences and permits				3				284					287
Agency services													-
Other revenue			360	563	1,356		31		29	20	7	1	2,368
Transfers recognised - operational		16,490	2,010		1,204		1,451		438	622	1,146	671	24,032
Gains on disposal of PPE				5,000									5,000
Total Revenue (excluding capital transfers and contributions)		16,490	6,388	5,832	2,618	-	1,482	2,855	12,768	6,515	4,042	2,122	61,114
Expenditure By Type													
Employee related costs		1,554	5,756	3,607	1,229		5,821	1,201	842	3,289	867	957	25,124
Remuneration of councillors		3,004											3,004
Debt impairment			4,012										4,012
Depreciation & asset impairment				1,120	390		2,262		1,987	1,113	510	400	7,782
Finance charges													-
Bulk purchases				14					11,746	373			12,133
Other materials	2	4		195	9		208	50	759	342	224	44	1,836
Contracted services			221										221
Transfers and grants		381							438	622	1,146	671	3,257
Other expenditure		1,191	3,550	759	221	35	1,668	394	183	853	249	203	9,306
Loss on disposal of PPE													-
Total Expenditure		6,131	13,542	5,696	1,849	35	9,959	1,645	15,955	6,593	2,995	2,275	66,675
Surplus/(Deficit)		10,359	(7,154)	137	770	(35)	(8,477)	1,210	(3,186)	(77)	1,047	(153)	(5,561)
Transfers recognised - capital			40				8,567			5,716			14,323
Contributions recognised - capital													-
Contributed assets													-
Surplus/(Deficit) after capital transfers & contributions		10,359	(7,114)	137	770	(35)	90	1,210	(3,186)	5,639	1,047	(153)	8,762

Table 27: Operating revenue by source and operating expenditure by type per vote (Supporting Table SA2)

Annexure A: Reviewed Budget Related Policies

- Rates Policy
- Tariff Policy
- Customer Care, Credit Control and Revenue Management Policy
- Indigent Policy
- Supply Chain Management Policy
- Unauthorised, irregular, fruitless and wasteful expenditure Policy
- Cash Management and Investment Policy
- Budget Virement Policy
- General Ledger Chart of Accounts Policy
- Asset Management Policy

(Adopted by council on 31 March 2016)

1. INTRODUCTION

- 1.1 The Local Government: Municipal Property Rates Act (2004) requires THEMBELIHLE MUNICIPALITY to develop and adopt a rates policy consistent with the Act on levying of rates on rateable property in the municipality.
- 1.2 In developing and adopting this rates policy, THEMBELIHLE MUNICIPALITY has sought to give effect to the sentiments expressed in the preamble of the Property Rates Act, namely that:

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;

There is a need to provide local government with access to a sufficient and buoyant source of revenue necessary to fulfil its developmental responsibilities;

Revenues derived from property rates represent a critical source of income for municipalities to achieve constitutional objectives, especially in areas neglected in the past because of racially discriminatory legislation and practices; and

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.

- 1.3 In applying its rates policy, the Council shall adhere to all requirements of the Property Rates Act, 2004 (Act no. 6 of 2004) including any regulations promulgated in terms of the Act.

2. DEFINITIONS

- 2.1 In this Policy, a word or expression derived from a word or expression defined in this subsection has a corresponding meaning unless the context indicates that another meaning is intended:

“agent”, in relation to the owner of a property, means a person appointed by the owner of the property—

- (a) to receive rental or other payments in respect of the property on behalf of the owner; or
- (b) to make payments in respect of the property on behalf of the owner;

“agricultural purpose”, in relation to the use of a property, excludes the use of a property for the purpose of eco-tourism or for the trading in or hunting of game;

“annually” means once every financial year;

“appeal board” means a valuation appeal board established in terms of section 56;

“assistant municipal valuer” means a person designated as an assistant municipal valuer in terms of section 35(1) or (2);

“category” —

(a) in relation to property, means a category of properties determined in terms of section; and

(b) in relation to owners of properties, means a category of owners determined in terms of section 15(2);

“data-collector” means a person designated as a data-collector in terms of section 36;

“date of valuation” means the date determined by a municipality in terms of section 31(1);

“district management area” means a part of a district municipality which in terms of section 6 of the Municipal Structures Act has no local municipality and is governed by that municipality alone;

“district municipality” means a municipality that has municipal executive and legislative authority in an area that includes more than one municipality, and which is described in section 155(1) of the Constitution as a category C municipality;

“effective date”—

(a) in relation to a valuation roll, means the date on which the valuation roll takes effect in terms of section 32(1); or

(b) in relation to a supplementary valuation roll, means the date on which a supplementary valuation roll takes effect in terms of section 78(2)(b);

“exclusion”, in relation to a municipality’s rating power, means a restriction of that power as provided for in section 17;

“exemption”, in relation to the payment of a rate, means an exemption granted by a municipality in terms of section 15;

“financial year” means the period starting from 1 July in a year to 30 June the next year;

“Income Tax Act” means the Income Tax Act, 1962 (Act No. 58 of 1962);

“land reform beneficiary”, in relation to a property, means a person who—

(a) acquired the property through—

(i) the Provision of Land and Assistance Act, 1993 (Act No. 126 of 1993); or

(ii) the Restitution of Land Rights Act, 1994 (Act No. 22 of 1994);

- (b) holds the property subject to the Communal Property Associations Act, 1996 (Act No. 28 of 1996); or
- (c) holds or acquires the property in terms of such other land tenure reform legislation as may pursuant to section 25(6) and (7) of the Constitution be enacted after this Act has taken effect;

“land tenure right” means an old order right or a new order right as defined in section 1 of the Communal Land Rights Act, 2004;

“local community”, in relation to a municipality—

- (a) means that body of persons comprising—
 - (i) the residents of the municipality;
 - (ii) the ratepayers of the municipality;
 - (iii) any civic organisations and non-governmental, private sector or labour organisations or bodies which are involved in local affairs within the municipality; and
 - (iv) 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 disadvantaged sections of such body of persons;

“local municipality” means a municipality that shares municipal executive and legislative authority in its area with a district municipality within whose area it falls, and which is described in section 155(1) of the Constitution as a category B municipality;

“market value”, in relation to a property, means the value of the property determined in accordance with section 46;

“MEC for local government” means the member of the Executive Council of a province who is responsible for local government in that province;

“Minister” means the Cabinet member responsible for local government;

“multiple purposes”, in relation to a property, means the use of a property for more than one purpose;

“municipal council” or **“council”** means a municipal council referred to in section 18 of the Municipal Structures Act;

“Municipal Finance Management Act” means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);

“municipality”—

- (a) as a corporate entity, means a municipality described in section 2 of the Municipal Systems Act; and
- (b) as a geographical area, means a municipal area demarcated in terms of the Local Government: Municipal Demarcation Act, 1998 (Act No. 27 of 1998);

the THEMBELIHLE MUNICIPALITY.

“municipal manager” means a person appointed in terms of section 82 of the Municipal Structures Act;

“Municipal Structures Act” means the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998);

“Municipal Systems Act” means the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000);

“municipal valuer” or **“valuer of a municipality”** means a person designated as a municipal valuer in terms of section 33(1);

“newly rateable property” means any rateable property on which property rates were not levied before the end of the financial year preceding the date on which this Act took effect, excluding—

- (a) a property which was incorrectly omitted from a valuation roll and for that reason was not rated before that date; and
- (b) a property identified by the Minister by notice in the *Gazette* where the phasing-in of a rate is not justified;

“occupier”, in relation to a property, means a person in actual occupation of a property, whether or not that person has a right to occupy the property;

“organ of state” means an organ of state as defined in section 239 of the Constitution;

“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;
- (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 purposes of this Act be regarded by a municipality 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 a municipality and is leased by it; or
- (viii) a buyer, in the case of a property that was sold by a municipality and of which possession was given to the buyer pending registration of ownership in the name of the buyer;

“permitted use”, in relation to a property, means the limited purposes for which the property may be used in terms of —

- (a) any restrictions imposed by —
 - (i) a condition of title;
 - (ii) a provision of a town planning or land use scheme; or
 - (iii) any legislation applicable to any specific property or properties; or
- (b) any alleviation of any such restrictions;

“person” includes an organ of state;

“prescribe” means prescribe by regulation in terms of section 83;

“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; or

(d) public service infrastructure;

“property register” means a register of properties referred to in section 23;

“protected area” means an area that is or has to be listed in the register referred to in section 10 of the Protected Areas Act;

“Protected Areas Act” means the National Environmental Management: Protected Areas Act, 2003;

“publicly controlled” means owned by or otherwise under the control of an organ of state, including —

- (a) a public entity listed in the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- (b) a municipality; or
- (c) a municipal entity as defined in the Municipal Systems 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, 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) breakwaters, sea walls, channels, basins, 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 lighthouses, 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 infrastructure 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;

“rateable property” means property on which a municipality may in terms of section 2 levy a rate, excluding property fully excluded from the levying of rates in terms of section 17;

“rebate”, in relation to a rate payable on a property, means a discount granted in terms of section 15 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 amount for which the property was valued and the rating of the property at that lower amount;

“register”—

(a) means to record in a register in terms of—

- (i) the Deeds Registries Act, 1937 (Act No. 47 of 1937); or
- (ii) the Mining Titles Registration Act, 1967 (Act No. 16 of 1967); and

(b) includes any other formal act in terms of any other legislation to record—

- (i) a right to use land for or in connection with mining purposes; or
- (ii) a land tenure right;

“residential property” means a property included in a valuation roll in terms of section 48 (2) (b) as residential;

“Sectional Titles Act” means the Sectional Titles Act, 1986 (Act No. 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;

“specified public benefit activity” means an 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;

“state trust 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 No. 22 of 1994);

“**this Act**” includes regulations made in terms of section 83.

3. ADOPTION AND CONTENTS OF RATES POLICY

3.1 The THEMBELIHLE MUNICIPALITY will adopt a policy on levying rates on rateable property in the THEMBELIHLE municipal area.

3.2 The rates policy shall:

treat persons liable for rates equitably;

determine the criteria to be applied by the municipality if it – levies

different categories of properties;

exempts a specific category of owners of properties, or the owners of a specific category of properties, from payment on their properties;

grants to a specific category of owners of properties, or to the owners of a specific category of properties, a rebate on or a reduction in the rate payable in respect of their properties; or

increases rates;

determine, or provide criteria for the determination of –

categories of properties for the purpose of levying different rates as contemplated in paragraph (b)(i); and

categories of owners of properties, or categories of properties, for the purpose of granting exemptions, rebates and reductions as contemplated in paragraph (b)(ii) or (iii);

determine how the municipality’s powers in terms of section 9(1) must be exercised in relation to properties used for multiple purposes;

identify and quantify in terms of cost to the municipality and any benefit to the local community— exemptions, rebates and reductions;

exclusions referred to in section 17(1)(a),(e),(g), (h) and (i) of the Act; and rates on properties that must be phased in, in terms of section 21 of the Act;

take into account the effect of rates on the poor and include appropriate measures to alleviate the rates burden on them;

take into account the effect of rates on organisations conducting specified public benefit activities and registered in terms of the Income Tax Act for tax reductions because of those activities, in the case of property owned and used by such organisations for those activities;

take into account the effect of rates on public service infrastructure;

allow the municipality to promote local, social and economic development; and

identify, on a basis as may be prescribed, all rateable properties in the municipality that are not

rated in terms of section 7(2)(a) of the Act .

3.3 Any exemptions, rebates or reductions referred to in subsection (3) and provided for in a rates policy adopted by a municipality must comply and be implemented in accordance with a national framework that may be prescribed after consultation with organised local government.

3.4 Council may not grant relief in respect of the payment of a rate –
to a category of owners of properties, or to the owners of a category of properties, other than by way of an exemption, a rebate or a reduction provided for in its rates policy and granted in terms of section 15 of the Act; or
to the owners of properties on an individual basis.

4. LEVYING OF RATES

4.1 Rates payable

The THEMBELIHLE MUNICIPALITY shall as part of each annual operating budget component 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.

Rates to be levied on all rateable property

THEMBELIHLE MUNICIPALITY may levy rates on all rateable property in its area. Section 7(1) of the Act does not--

- (a) oblige the municipality to levy rates on—
properties of which that municipality is the owner;

public service infrastructure owned by a municipal entity;

properties referred to in paragraph (b) of the definition of "property" in section 1 of the Act; or
properties in respect of which it is impossible or unreasonably difficult to establish a market value because of legally insecure tenure resulting from past racially discriminatory laws or practices; or

- (b) prevent a municipality from granting in terms of section 15 exemptions from, rebates on or reductions in rates levied in terms of subsection 4.1 of this policy.

Differential rates

(1) Subject to section 19 of the Act, a municipality may levy rates for different categories of rateable property, which may include categories determined according to the—
use of the property;
permitted use of the property; or
geographical area in which the property is situated.

(2) Categories of rateable property may include the following:
residential properties;
industrial properties;
business and commercial properties; farm properties used
for—
agricultural purposes;
other business and commercial purposes; residential purposes; or
purpose other than those specified in subparagraphs (i) to (iii); farm properties not used
for any purpose;
smallholdings used for— agricultural
purposes; residential purposes; industrial
purposes;
business and commercial purposes; or
purposes other than those specified in subparagraphs (i) to (iv); state-owned
properties;
municipal properties;
public service infrastructure;
privately owned towns serviced by the owner; formal and informal
settlements;
communal land as defined in section 1 of the Communal Land Rights Act, 2004; state trust land;
protected areas;
properties on which national monuments are proclaimed; properties owned by public benefit
organisations and used for any specific public benefit activities listed in Part 1 of the Ninth
Schedule to the Income Tax Act; or
properties used for multiple purposes. Properties used for
multiple purposes
A property used for multiple purposes will, for rates purposes, be assigned to a category

determined on an ad-hoc basis by the municipality, subject to section 9 of the Act.

Levying of rates on property in sectional title schemes

A rate on a property which is subject to a sectional title scheme will be levied on the body corporate for the current valuation roll or supplementary valuation roll. With the implementation of the new valuation roll, a rate on a property which is subject to a sectional title scheme will be levied on the individual sectional title units in the scheme and not on the property as a whole. This does not apply in respect of rates levied against a valuation roll or supplementary roll prepared before the effective date of the first valuation roll as prepared in terms of the Act. This process will be phased in over a period of four years counting from the date of implementation of the Property Rates Act 2004, (Act no. 6 of 2004).

Period for which rates may be levied

THEMBELIHLE MUNICIPALITY will levy the rate for a financial year. The levying of rates forms part of this municipality's annual budget process as set out in Chapter 4 of the Municipal Finance Management Act.

Exemptions, reductions and rebates

- (a) In imposing the rate in the rand for each annual operating budget component, the council shall grant the following exemptions, rebates and reductions to the categories of properties and categories of owners indicated below, but the council reserves the right to amend these exemptions, rebates and reductions if the circumstances of a particular budget so dictate.
- (b) In determining whether a property forms part of a particular category indicated below, the council shall have regard to the actual use to which the relevant property is put. In the case of vacant land not specifically included in any of the categories indicated below, the permitted use of the property shall determine into which category it falls.
- (c) Such exemptions, reductions and rebates must be indicated in the tariff and rate schedule approved by the council annually.

Exemptions

The following categories of owners of properties may be exempted from payment of a rate on their properties:

properties on which national monuments are situated, and where no business or commercial activities are conducted in respect of such monuments;

properties owned by public benefit (welfare/humanitarian) organisations and used to further the objectives of such organisations; or

- (iii) properties of which the Municipality is the owner;
- (iv) public service infrastructure owned by the Municipality;
- (v) properties in respect of which it is impossible or unreasonable difficult to establish a market value because of legally insecure tenure attributable to past racially discriminatory laws or practices;

Council may in terms of the Municipal Property Rates Act, 2004, identify other properties to be exempted from payment of a rate.

Reductions and rebates

Reductions and rebates on rates may be granted to the following categories of owners of properties:

indigent owners;

owners dependant on pensions or social grants for their livelihood; owners

temporarily without income;

owners of property situated within an area affected by—

- (i) a disaster within the meaning of the Disaster Management Act, 2002(Act No. 57 of 2002); or
 - (ii) any other serious adverse social or economic conditions;
- (e) owners of residential properties with a market value lower than an amount determined by council;

properties on which national monuments are situated, but where business or commercial activities are conducted in respect of such monuments;

agricultural properties, but the following criteria has to be applied by Council in respect of such rebates:

- (i) the extent of services provided by Council in respect of such properties;
- (ii) the contribution of agriculture to the local economy;
- (iii) the extent to which agriculture assists in meeting the service delivery and development obligations of the council; and
- (iv) the contribution of agriculture to the social and economic welfare of farm workers;

state-owned properties; or formal and informal settlements.

Other impermissible rates

- (a) Council may not levy a rate:

- (i) on the first 30% of the market value of public service infrastructure with effect from the implementation of the valuation roll compiled in terms of this Act;
 - (ii) on those parts of a special nature reserve, national park or nature reserve within the meaning of the Protected Areas Act, or of a botanical garden within the meaning of the National Environmental Management: Biodiversity Act, 2004, which are not developed or used for commercial, business, agricultural or residential purposes;
 - (iii) on a property registered in the name of and used primarily as a place of public worship by a religious community, including an official residence registered in the name of that community which is occupied by an office-bearer of that community who officiates at services at that place of worship with effect from the implementation of the valuation roll compiled in terms of this Act;
- (b) In addition to the foregoing, and as from 1 JULY 2015, the first R30 000 of the market value of all residential properties and of all properties used for multiple purposes, provided one or more components of such properties are used for residential purposes, is exempt from payment of rates in terms of Section 17(1)(h) of the Property Rates Act.
- (c) In respect of indigents' property rates, the rebate shall be 100% of the rates based on the rateable value up to R60 000 and 75% of the rates based on the rateable value above R60 000.

4.8 Reporting

- (a) The municipal manager must annually table in the Council:
- (i) a list of all exemptions, reductions and rebates granted by the municipality during the previous financial year; and
 - (ii) a statement reflecting the income, which the municipality has forgone during the previous financial year by way of such exemption, reductions and rebates.
- (b) All exemptions, reductions and rebates projected for a financial year must be reflected in the municipality's annual budget for that year as income on the revenue side and expenditure on the expenditure side.

4.9 Limits on annual increases of rates

Council shall, in imposing the rate for each financial year, revert to the requirements of Section

20 of the Act.

5. LIABILITY FOR RATES

Method and time of payment

THEMBELIHLE MUNICIPALITY shall recover rates on a monthly basis, calculated in 12 equal monthly instalments, payable on/or before due date as depicted on the monthly statement. Council can recover a rate annually, as may be agreed to with the owner of that property, and will be payable on or before 30 September of that current year.

Accounts to be furnished

5.2.1 THEMBELIHLE MUNICIPALITY shall furnish each person liable for the payment of a rate with a written account specifying—

- (a) the amount due for rates payable;
- (b) the date on or before which the amount is payable;
- (c) how the amount was calculated;
- (d) the market value of the property;
- (e) if the property is subject to any compulsory phasing-in discount in terms of section 21 of the Act, the amount of the discount.

5.2.2 An owner is liable for payment of a rate whether or not that person has received a written account. The furnishing of accounts for rates in terms of this section is subject to section 102 of the Municipal Systems Act.

Recovery of rates in arrears from tenants, occupiers and agents

5.3.1 If an amount due for rates levied in respect of a property is unpaid by the owner of the property after the date determined, council may recover the amount 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. An amount may only be recovered after council has served a written notice on the tenant or occupier.

5.3.2 The amount that council may recover from the tenant or occupier of the property is limited to the amount of the rent or other money due and payable, but not yet paid, by the tenant or occupier to the owner of the property. Any amount council recovers from the tenant or occupier of the property must be set off by the tenant or occupier against any money owned by the tenant or occupier to the owner.

5.3.3 The tenant or occupier of a property must, on request by council, furnish council with a written statement specifying all payments to be made by the tenant or occupier to the owner of the property for rent or other money payable on the property during a period

determined by council.

- 5.3.4 Council may, despite the Estate Agents Affairs Act, 1976 (Act No. 112 of 1976), recover the amount due for rates on a property in whole or in part from the agent of the owner, but only after council has served a written notice to this effect, on the agent.
- 5.3.5 The amount council can recover from the agent is limited to the amount of any rent or other money received by the agent on behalf of the owner, less any commission due to the agent.
- 5.3.6 The agent must, on request by council, furnish council with a written statement specifying all payments for rent on the property and any other money received by the agent on behalf of the owner during a period determined by council.

Amendment of rates

- (a) The policy will be phased in over a period of three (3) years and the municipality shall not distinguish between the differences in levying rates on the market value of land and improvements respectively in this period.
- (b) Where the rates levied on a particular property have been incorrectly determined, whether because of an error or omission on the part of the municipality or false information provided by the property owner concerned or a contravention of the permitted use to which the property concerned may be put, the rates payable shall be appropriately adjusted for the period extending from the date on which the error or omission is detected back to the date on which rates were first levied in terms of the current valuation roll. In addition, where the error occurred because of false information provided by the property owner or as a result of a contravention of the permitted use of the property concerned, interest on the unpaid portion of the adjusted rates payable shall be levied at the maximum rate permitted by prevailing legislation.

6. GENERAL VALUATION OF RATEABLE PROPERTY

6.1 Frequency of valuations

THEMBELIHLE MUNICIPALITY shall prepare a new valuation roll every 4 (four) years and supplementary valuation rolls at least every 12 (twelve) months.

Designation of municipal valuer

Council must, before the date of valuation, designate a person as municipal valuer. An open, competitive and transparent process in accordance with Chapter 11 of the Municipal Finance Management Act will be followed in appointing said valuer.

Valuation

Property must be valued in accordance with generally recognised valuation practices, methods and standards, and the provisions of the Act.

Sebata System

The Sebata computer program is in use at THEMBELIHLE MUNICIPALITY to assist in the valuation process. This computer program uses property data as it occurs on council's financial database. After data was collected during physical inspection of the properties and captured into the Sebata program, properties are electronically valued. Information applicable to management is now available. The valuation roll is then printed and available for public inspection. Notices are generated by the system for delivery to the property owners. After completion of the valuation process, the information is electronically transferred to council's financial database.

Interim valuation debits

When property is transferred to a new owner and a supplementary valuation is conducted at the same time, council shall hold the previous as well as the new owner, jointly and severally liable for the amount due in respect of the interim account.

Clearance certificate

- (a) A rates clearance certificate will be issued in terms of Section 118 of the Local Government: Municipal Systems Act, 2000, Act No. 32 of 2000, and will be valid till 30 June, following the date of application received.
- (b) If an amount liable for rates levied in respect of a property which formed part of a Municipal Housing Scheme, is unpaid by the owner and the property needs to be transferred, a rates clearance certificate will only be issued upon payment of the current account and after completion of an agreement for any municipal services in arrears, subject to Council's Credit Control and Debt Collecting Policy. Transfers affected may be one of the following:
 - (i) Transfer of a property from the THEMBELIHLE MUNICIPALITY to the new owner;
 - (ii) Transfer of a property from one spouse to the other;
 - (iii) Transfer of a property from the owner (parent) to a child.

7. BY-LAWS

7.1 The principle contained in this policy will be reflected in the various by-laws as promulgated and adjusted by Council from time to time.

TARIFF POLICY (Adopted by Council on March 2015)

1. INTRODUCTION AND LEGISLATIVE REQUIREMENTS

- 1.1 In terms of section 62 (1) of the Local Government: Municipal Finance Management Act (MFMA), Act no 56 of 2003, 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 that, inter alia, the municipality has and implements a tariff policy referred to in section 74 of the Local Government: Municipal Systems Act (MSA), Act no 32 of 2000 as amended.
- 1.2 In terms of section 74 of the Municipal Systems Act the municipal council hereby adopts a tariff policy on the levying of fees for municipal services provided by the municipality itself or by way of service delivery agreements.
- 1.3 This policy has been compiled in accordance with:-
- 1.3.1 The Constitution of the Republic of South Africa, Act no 108 of 1996 as amended;
- 1.3.2 Local Government: Municipal Systems Act (MSA), Act no 32 of 2000 as amended;
- 1.3.3 Local Government: Municipal Finance Management Act (MFMA), Act no 56 of 2003;
- 1.3.4 Local Government: Municipal Property Rates Act (MPRA), Act no 6 of 2004;
- 1.3.5 Thembelihle Municipality Property Rates Policy as reviewed annually.

2. DEFINITIONS AND ABBREVIATIONS

"Account" means an account rendered specifying charges for municipal services provided by the municipality, or any authorised and contracted service provider, and which account may include assessment rates levies.

"Accounting officer" means the municipal manager appointed in terms of Section 60 of the Municipal Finance Management Act.

"Annual budget" shall mean the budget approved by the municipal council for any particular financial year, and shall include any adjustments to such budget.

"Arrangement" means a written agreement entered into between the municipality and the customer where specific repayment parameters are agreed to. 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.

“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.

“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 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.

“Category” –

- (a) in relation to a property, means a category of properties determined in terms of section 8(2) of the Act;
- (b) in relation to the owners of property, means a category of owners determined in terms of section 15(2) of the Act;

“Chief financial officer” means a person designated in terms of section 80 (2) (a) of the Municipal Finance Management Act.

“Consumer price index” shall mean the CPIX as determined and gazetted from time to time by the Statistician General.

“Councillor” shall mean a member of the Council of the municipality.

“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.

“Electricity charges” means service charges in respect of the provision of electricity.

“Farm property or small holdings used for agricultural purpose” – means property that is used for the cultivation of soils for purposes of planting and gathering in of crops; forestry in the context of the planting or growing of trees in a managed and structured fashion; the rearing of livestock and game or the propagation and harvesting of fish, but excludes the use of a property for the purpose of eco-tourism; and in the respect of property on which game is reared, trade or hunted, it excludes any portion that is used for commercial or business purposes.

“Farm property not used for any purpose” means agricultural property which is not used for such purpose, regardless of whether such portion of such property has a dwelling on it which is used as a dwelling and must be regarded as residential property.

“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 applied for and has been declared indigent in terms of Council's Indigent Support Policy for the

provision of services from the municipality; and

(b) who makes application for indigent support in terms of Council's Indigent Support Policy on behalf of all members of his or her household;

"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.

"Indigent Support Policy" means the Indigent Support Policy adopted by the Council of the municipality.

"Integrated development plan" shall mean a plan formulated and approved as envisaged in Section 25 of the Municipal Systems Act 2000, as amended.

"Industrial property" – means property used for a branch of 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;

"Local community" or **"community"**, in relation to the municipality, shall mean that body of persons comprising the residents of the municipality, the ratepayers of the municipality, any civic organisations and non-governmental, private sector or labour organisations or bodies 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.

"Month" means one of twelve months of a calendar year.

"Municipality" or **"municipal area"** shall, where appropriate, mean the geographic area, determined in terms of the Local Government: Municipal Demarcation Act No. 27 of 1998 as the municipal area pertaining to the municipality.

"the municipality" means Thembelihle Local Municipality.

"Municipal council" or **"council"** shall mean the municipal council of Thembelihle Local Municipality as referred to in Section 157(1) of the Constitution.

"Municipal manager" shall mean the person appointed in terms of Section 82 of the Municipal Structures Act, 1998.

"Multiple purposes" in relation to a property, shall mean the use of a property for more than one purpose.

"Municipal service" has the meaning assigned to it in terms of Section 1 of the Municipal Systems Act.

"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 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.

"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 dead 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.

"Pensioner" shall be a domestic customer who have reached the age of 65 with proof of age by means of a certified copy of his/her identity document and approved as a pensioner by the Accounting Officer.

"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.

"Rate" shall mean a municipal rate on property as envisaged in Section 229 (1 (a) of the Constitution.

"Rateable property" shall mean property on which the municipality may in terms of Section 2 of the Municipal Property Rates Act 2004 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; and/or (c) fees for services provided either by the municipality or in terms of a service delivery agreement.

"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, 2004 on the amount of the rate payable on the property.

"Refuse charges" means service charges in respect of the collection and disposal of refuse.

"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.

“Residential property” furthermore means 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;

- (b) is a unit registered in terms of the Sectional Title Act 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 Act;
- (f) are retirement schemes and life right schemes used predominantly (60% or more) for residential purposes;

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;

“Sewerage charges” means service charges in respect of the provision of sewerage services.

“Small holding” means

- (a) all agricultural zoned land units situated within an urban region with an area of one to three hectares; or
- (b) any agricultural zoned land unit situated outside an urban region with an area of three hectares or less;

“State owned property” excludes any property included in the valuation roll under the category ‘residential property’ or ‘vacant land’, but includes any property that is under state control but is still registered in the name of the municipality;

“Tariff” means the scale of rates, taxes, duties, levies or other fees which may be imposed by the municipality in respect of immovable property or for municipal services provided.

“Tariff Policy” means a Tariff Policy adopted by the Council in terms of Section 74 of the Local Government: Municipal Systems Act 32 of 2000.

“Water charges” means service charges in respect of the provision of water.

3. PURPOSE OF THE TARIFF POLICY

- 3.1 Apart from meeting legislative requirements, this policy also emanates from the objectives determined in Council's anti-corruption policy.
- 3.2 The purpose of this tariff policy is to prescribe the accounting and administrative policies and procedures relating to the determining and levying tariffs by the Thembelihle Local Municipality.
- 3.3 The Municipality should perform the procedures set out in this policy to ensure the effective planning and management of tariffs. In setting its annual tariffs the council shall at all times take due cognisance of the tariffs applicable elsewhere in the economic region, and of the impact which its own tariffs may have on local economic development.

4. SCOPE OF APPLICATION

- 4.1 This policy applies to all tariffs charged within the defined boundaries of Thembelihle Local Municipality.

5. BASIC PRINCIPLES TO BE CONSIDERED IN DETERMINATION OF A TARIFF STRUCTURE

- 5.1 Service tariffs imposed by the local municipality shall be viewed as user charges and not as taxes, and therefore the ability 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).
- 5.2 The municipality shall ensure that its tariffs are uniformly and fairly applied throughout the municipal region.
- 5.3 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 modest surplus as determined in each annual budget. Such surplus shall be applied in relief of property rates or for the future capital expansion of the service concerned, or both.
- 5.4 The tariff which a particular customer or user pays shall therefore be directly related to the standard of service received and the quantity of the particular service used or consumed.
- 5.5 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.

- 5.6 In line with the principles embodied in the Constitution and in other legislation pertaining to local government, the municipality may differentiate between different categories of users and customers in regard to the tariffs which it levies. Such differentiation shall however at all times be reasonable and shall be fully disclosed in each annual budget.
- 5.7 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.
- 5.8 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.
- 5.9 The municipality also undertakes to render its services cost effectively in order to ensure the best possible cost of service delivery.
- 5.10 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.
- 5.11 In adopting what is fundamentally a two-part tariff structure, namely a fixed availability 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.
- 5.12 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 septic tanks.

6. FACTORS TO BE CONSIDERED IN THE DETERMINATION OF A TARIFF STRUCTURE

6.1 Financial Factors

- 6.1.1 The primary purpose of a tariff structure is to recover the actual costs of the rendering of a particular service to avoid cross subsidising of services.

6.1.2 In order to determine the tariffs which must be charged for the supply of the four major services, the municipality shall identify all the costs of operation of the undertakings concerned, including specifically the following:-

6.1.2.1 Cost of bulk purchases in the case of water and electricity.

6.1.2.2 Distribution costs.

6.1.2.3 Distribution losses in the case of electricity and water.

6.1.2.4 Depreciation expenses.

6.1.2.5 Maintenance of infrastructure and other fixed assets.

6.1.2.6 Cost of approved indigent relief measures and cross subsidising of low consumption.

6.1.2.7 Administration and service costs, including:-

- (a) service charges levied by other departments such as finance, human resources and legal services;
- (b) reasonable general overheads, such as the costs associated with the Office of the Municipal Manager;
- (c) adequate contributions to the provisions for bad debts and obsolescence of stock; and
- (d) 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).

6.1.2.8 The intended surplus to be generated for the financial year. Surplus to be applied:-

- (a) as an appropriation to capital reserves; and/or
- (b) generally in relief of rates.

6.2 Socio-economic factors

6.2.1 Although the determination of tariffs is in many instances politically orientated, it ought to be based on sound, transparent and objective principles at all times. In order to fully understand the influence of the socio-economic factors the various user categories and forms of subsidisation needs to be considered. Tariffs should also support business initiatives aimed at creating jobs or contribute to the economy of the area.

6.2.2 Users can be divided into the following categories:-

6.2.2.1 Users who are incapable to make any contribution towards the consumption of services and who are fully subsidised;

6.2.2.2 Users who can afford the cost of the services in total.

6.2.3 It is important to identify these categories and to plan the tariff structures accordingly. Subsidies currently derived from two sources namely:-

6.2.3.1 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.

6.2.3.2 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.

6.2.4 To make provision for subsidisation the tariff structure can be compiled as follow:-

6.2.4.1 Totally free services (within limits and guide lines);

6.2.4.2 Full tariff payable with a subsidy that is transferable from sources as mentioned above.

6.3 Minimum service levels

6.3.1 It is important that minimum service levels be determined in order to make an affordable tariff package available to all potential users.

6.4 Credit Control

6.4.1 It is not possible to successfully compile a tariff structure without consideration of the stipulations of an effective credit control system. Income is provided for in the budget as if a 100% payment level will be maintained. It is therefore important to continuously ensure that users indeed pay punctually. Non-payment has a direct effect in that provision for bad debt, in accordance with current payment levels, must be provided as expenditure in the budget.

6.4.2 However, it is also a fact that there are users 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 bad debt/ working capital in accordance with current payment levels.

6.5 Package of services

6.5.1 The accounts for rates and services must not be seen in isolation. It 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 profits be manipulated to determine the most economic package for the user with due allowance for future events in regard to a particular service.

6.6 Historical and future user patterns

6.6.1 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.

6.7 User groups

6.7.1 Users are traditionally divided into user groups as set out below:-

6.7.1.1 Domestic (Residential);

6.7.1.2 Businesses/ Commercial;

6.7.1.3 Industries/Bulk customers;

6.7.1.4 Farm properties (agricultural);

6.7.1.5 Accommodation establishments (guest houses);

6.7.1.6 Municipal consumption (departmental charges); and

6.7.1.7 Institutions that may be directly subsidised for example retirement homes, schools and hostels, sport organisations, etcetera.

6.7.1.8 Special arrangements for specific developments as may be determined by Council from time to time.

6.7.2 A continuous effort should be made to group together those users who have more or less the same access to a specific service.

7. FREE BASIC SERVICES

7.1 Free basic municipal services refer 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.

7.2 In terms of the South African Constitution all customers should have access to basic services. Currently, the free basic services provided to the domestic customers within the Thembelihle Local Municipality are as follows: -

7.2.1 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.

7.2.2 The general threshold for indigent support is restricted to qualifying households with a combined income amount per month less or equal than an amount determined by Council.

8. REDUCED CHARGES FOR PENSIONERS

Once a domestic customer has been approved as a pensioner, the full monthly account will be discounted by 10% on the condition that payment is made in full prior to or on the due date.

This 10% discount will be in addition to the early payment discount of 5% applicable to all users.

9. EARLY PAYMENT DISCOUNT

If payment is received and recorded in the Municipality's records as being paid in full on or before the 5th working day in the month following the statement date, a discount of 5% will be given on the current month's account.

10. TARIFF STRUCTURES FOR VARIOUS SERVICES

10.1 It is essential that a compromise be reached between the following needs with the determination of a tariff structure: -

10.1.1 The need to reflect costs as accurately as possible in order to achieve cost effectiveness;

10.1.2 The need to ensure equality and fairness between user groups;

10.1.3 The need for a practically implementable tariff;

10.1.4 The need to use appropriate metering and provisioning technology;

10.1.5 The need for an understandable tariff; and

10.1.6 The user's ability to pay.

10.2 Taking into consideration the abovementioned points the tariff structure of the following services are discussed:-

10.2.1 Electricity.

10.2.2 Water.

10.2.3 Refuse Removal.

10.2.4 Sewerage.

10.2.5 Property Rates.

10.3 Electricity

10.3.1 To calculate the tariff for electricity, the actual cost incurred in the supply of electricity to the community, has to be taken into consideration. The principle of basic levies as well as a per unit tariff for electricity is determined by the cost structure. This cost structure consists of the following components:-

10.3.1.1 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 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 as a monthly basic charge) in order to ensure that these costs are covered.

10.3.1.2 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.

10.3.1.3 Profit taking: The tariffs for these services are determined in such a way that a NETT trading surplus is realised. Any trading surplus is used to subsidise the tariffs of rate funded services.

10.3.2 The following tariff structures were basically used for the determination of tariffs:- 10.3.2.1 Inclining block

tariff (IBT) tariff structure where customers' consumption is divided into blocks and each subsequent block has a higher energy rate (c/kWh). The tariff structure has been set by NERSA in order to protect/ cross-subsidise low income domestic customers and to promote energy efficiency.

10.3.2.2 Two part tariff (consist of a basic monthly charge plus a variable charge related to metered kWh consumption):-

- Energy rate (c/kWh)
- Basic monthly charge (R/month).

10.3.2.3 Special tariff arrangements determined and approved by Council from time to time for specific developments and/or informal settlements and/or special circumstances.

10.3.3 An availability fee will be charged on properties not connected to the electricity network should it be available to that property. This fee aims to recoup capital and maintenance costs in respect of such properties. If the owner connects the service with the intention to improve the property the debit will be adjusted pro-rata from the date of the connection.

10.4 Water

10.4.1 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 cut consumption, an inclining block rate tariff structure with a basic fee is applied. In principle, 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.

10.4.2 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. Similar to electricity, this cost structure consists of the following components:-

10.4.2.1 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.

10.4.2.2 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.

10.4.2.3 Profit taking: The tariffs for these services are determined in such a way that a NETT trading surplus is realised. Any trading surplus is used to subsidise the tariffs of rate funded services.

10.4.3 The following tariff structures were basically used for the determination of tariffs:-

10.4.3.1 Two-leg tariff consisting of a basic charge and a consumption charge for users with conventional meters.

10.4.3.2 An availability fee will be charged to users and/or properties not connected to the water network, should it be available. This fee aims to recoup capital and maintenance costs of networks as well as certain fixed administrative costs in respect of such properties. If the owner connects and improve the property the debit will be adjusted pro-rata from the date of the connection.

10.4.3.3 Special tariff arrangements determined and approved by Council from time to time for specific developments and/or informal settlements.

10.4.3.4 Inclining block tariff (IBT) tariff structure where customer's consumption is divided into blocks and each subsequent block has a higher consumption rate (c/kl). The tariff structure has been set by Council in order to protect/ cross-subsidise low income domestic customers and to promote water consumption efficiency.

10.5 Refuse Removal

10.5.1 Refuse removal is an economic service and tariff calculations should be based on the actual cost incurred in delivering the service.

10.5.2 A customer who chooses to do his/her own refuse removal will still be liable for paying the applicable refuse tariff.

10.5.3 The tariff levied by Thembelihle Local Municipality is based on the category of property as determined in the valuation roll.

10.5.4 The following tariff structures were basically used for the determination of tariffs:- 10.5.4.1 Residential (domestic customers) – maximum of one removal per week (black bag system).

10.5.4.2 Accommodation Establishments – maximum of one removal per week (black bag system).

10.5.4.3 Business/ Commercial/ Industrial – maximum of one removal per week.

10.5.4.4 Government/Banking Institutions - maximum of one removal per week.

10.5.4.5 Schools/Hotels - maximum of one removal per week.

10.5.4.6 Homes for the Aged – maximum of one removal per week.

10.5.4.7 Additional removals – More than the maximum removals as per 8.5.4.1 - 8.5.4.6.
10.5.4.8 Special tariff arrangements determined and approved by Council from time to time for specific developments and/or informal settlements.

10.5.4.9 Garden refuse removals – maximum of one removal per week.

10.6 Sewerage

10.6.1 Sewer service is an economic service and tariff calculations should be based on the actual cost incurred in delivering the service.

10.6.2 The following tariff structures were basically used for the determination of tariffs:-

10.6.2.1 The tariff levied for waterborne sewerage systems is based on the type of user as determined by the Municipality.

10.6.2.2 The tariff levied for the bucket system will consist of a basic charge. 10.6.2.3 Customers who are not connected to the waterborne sewerage network but who can reasonably be connected shall pay an availability tariff.

10.6.2.4 Special tariff arrangements determined and approved by Council from time to time for specific developments and/or informal settlements.

10.7 Property Rates

10.7.1 The rate levied by the municipality will be a cent amount in the Rand based on the market value of the property.

10.7.2 In terms of the Municipal Property Rates Act, 2004 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.

10.7.3 In terms of section 17 (1) (e) of the Municipal Finance Management Act the municipality's property rates policy must be reviewed on an annual basis and the reviewed policy tabled to Council for approval as part of the budget process.

11. 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:-

- a. Classification of customer categories.
- b. Permissible tariff structure options are determined at a national level and distributors are obliged to apply these structures to obtain uniformity.
- c. All tariff structures and tariffs must be approved by NERSA prior to application thereof by a distributor.

11.1 Residential Customers

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 with 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.

11.1.1 *Customers with Conventional Meters*

11.1.1.1 Customers with conventional meters are billed as follow:-

- (a) An availability charge is payable on all properties, where a connection to the electricity network is possible, but not in use.
- (b) Two part tariff:
 - i. Fixed monthly charge (R/month).
 - ii. 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

11.1.2 Pre-paid Customers

11.1.2.1 Pre-paid users, if applicable, are charged at 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

11.1.2.2 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.

11.1.2.3 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 consumers to 20A single phase.

11.2 Commercial/ Business Customers/ Accommodation Establishments

This tariff covers the supply of electricity to shops, office buildings, hotels, accommodation establishments, clubs, industrial undertakings, Builder's supplies or similar premises with circuit breaker sizes not in excess of 63A single phase or 100A three phase.

Should customers require supplies in excess hereof, the Non-standard tariff will be applicable.

11.2.1 Customers with Conventional Meters

11.2.1.1 Customers with conventional meters are billed as follow:-

- (a) An availability charge is payable on all properties, where a connection to the electricity network is possible, but not in use.
- (b) Two part tariff:
 - i. Fixed monthly charge (R/month).
 - ii. Energy rate (c/kWh). The energy rate is charged at a single rate tariff per unit based on the number of kWh consumed.

11.2.2 Pre-paid Customers

11.2.2.1 Pre-paid users, if applicable, are charged at a single rate tariff per unit based on the number of kWh purchased.

11.2.2.2 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 or the blocking of purchases will be introduced.

11.3 Non-standard Customers

11.3.1 The Non-standard 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.

11.3.2 These customers are billed as follow:-

(a) An availability non-standard charge is payable on all properties, where a connection to the electricity network is possible, but not in use.

(b) Two part tariff:

i. Fixed Non-standard monthly charge (R/month).

ii. Non-standard 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

11.4 Special Arrangements

11.4.1 Other tariffs may be applicable which has been determined by the Manager: Technical Services or Council by special agreement with specific clients. This will only be considered when special circumstances prevail.

11.5 Departmental

11.5.1 The respective Commercial and Bulk Supply tariffs as per Item No's 9.2 and 9.3 above will be applicable to all municipal buildings, pump stations, waste water works, water treatment works, etc.

11.6 Electricity sundry tariffs

11.6.1 All other electricity related services offered by the Council are charged at a tariff as determined by the Council annually during the budget process.

12. WATER TARIFF POLICY

12.1 Domestic /Commercial /Business /Accommodation Establishments

12.1.1 Customers are billed as follow:-

12.1.1.1 All users receive 6kl of water free every month, if approved by Council on an annual basis.

12.1.1.2 An availability charge is payable on all properties, where a connection to the water reticulation network is possible, but not in use.

12.1.1.3 A basic charge is payable on all properties that are connected to the water network, regardless of whether any water is used.

12.1.1.4 Registered Indigents receive their subsidy on the basic levy for water every month, as determined by Council on an annual basis.

12.1.1.5 Registered Indigents receive an amount of water fully subsidised every month, as determined by Council on an annual basis.

12.1.1.6 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:-

(a) 1 to 6 kl

(b) 7 to 15 kl

(c) 16 to 25 kl

(d) > 25 kl

12.2 Businesses and Industries

12.2.1 Customers are billed as follow:-

12.2.1.1 An availability charge is payable on all properties, where a connection to the water reticulation network is possible, but not in use.

12.2.1.2 A basic charge is payable on all properties that are connected to the water network, regardless of whether any water is used.

12.2.1.3 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:-

(a) 1 to 60kl

(b) 61 kl and above

12.3 All other Customers

12.3.1 All other customers are billed as follow:-

12.3.1.1 An availability charge is payable on all properties, where a connection to the water reticulation network is possible, but not in use.

12.3.1.2 A basic charge is payable on all properties that are connected to the water network, regardless of whether any water is used.

12.3.1.3 Customers are billed for consumption at a fixed tariff per kilolitre based on the number of kilolitres consumed.

12.4 Special Arrangements

12.4.1 Where two or more dwellings/ flats/ offices are feeding from one main connection to a property, the customers are billed as follow:-

12.4.1.1 A basic charge is payable on all properties that are connected to the water network, regardless of whether any water is used.

12.4.1.2 Customers are billed for consumption based on the amount of water used by way of a step tariff per kilolitre usage as per 10.1.1.6.

12.5 Water Restrictions

12.5.1 The availability of bulk water resources will be monitored throughout the year by Council.

12.5.2 When so required, Council will take a resolution to implement water restrictions.

12.5.3 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).

12.6 Water Sundry Tariffs

12.6.1 All other water related services offered by the Council are charged at a tariff as determined by the Council annually during the budget process.

13. REFUSE TARIFF POLICY

13.1 Refuse Removal Tariffs

13.1.1 The tariff levied by Thembelihle Local Municipality is based on the category of property as determined in the valuation roll.

13.1.2 The Council has determined the following categories for refuse removal:-

13.1.2.1 Residential (domestic customers) – maximum of one removal per week (black bag system).

13.1.2.2 Accommodation Establishments – maximum of one removal per week (black bag system).

13.1.2.3 Business/ Commercial/ Industrial – maximum of one removal per week.

13.1.2.4 Government/Banking Institutions - maximum of one removal per week.

13.1.2.5 Schools/Hotels - maximum of one removal per week.

13.1.2.6 Homes for the Aged – maximum of one removal per week.

13.1.2.7 Additional removals – More than the maximum removals as per 8.5.4.1 - 8.5.4.6.

13.1.2.8 Special tariff arrangements determined and approved by Council from time to time for specific developments and/or informal settlements.

13.1.2.9 Garden refuse removals – maximum of one removal per week.

13.1.2.10 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 will qualify for a reduced tariff as determined by Council on an annual basis.

13.1.3 Registered Indigents receive their refuse removal service subsidised every month, as determined by Council on an annual basis.

13.2 Refuse Removal Sundry Tariffs

13.2.1 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.

14. SEWERAGE TARIFF POLICY

14.1 Sewerage Systems (both waterborne and bucket systems)

14.1.1 The following tariff structures were basically used for the determination of tariffs:-

14.1.1.1 The tariff levied for waterborne sewerage systems is based on the type of user as determined by the Municipality.

14.1.1.2 The tariff levied for the bucket system will consist of a basic charge.

14.1.1.3 Customers who are not connected to the waterborne sewerage network but who can reasonably be connected shall pay an availability tariff.

14.1.1.4 Special tariff arrangements determined and approved by Council from time to time for specific developments and/or informal settlements.

14.1.2 Registered Indigents receive their basic levy for sewerage service subsidised every month, as determined by Council on an annual basis.

14.2 Special Arrangements

14.2.1 Where two or more dwellings/ flats/ offices are feeding from one main connection to a property, the customers are billed as follow:-

14.2.1.1 A basic charge is payable on all properties that are connected to the sewerage network based on the size of the smallest water connection (20mm).

14.3 Sewerage sundry tariffs

14.3.1 All other sewerage related services offered by the Council are charged at a tariff as determined by the Council annually during the budget process.

15. PROPERTY TAX POLICY

15.1 Property Tax Tariffs

15.1.1 Property rates are levied as determined by Council from time to time and is covered in the Property Rates Policy and Bylaw of the Thembelihle Municipality.

15.1.2 Any property that is under state control but is still registered in the name of the municipality shall be liable for property tax as provided for in the Property Tax Policy and Credit Control Policy and By-Law of the municipality;

15.2 Property Tax Sundry Tariffs

13.2.1 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.

16. SUNDRY TARIFFS

16.1 A variety of sundry tariffs are applied to recoup costs of sundry services to the public. All such tariffs are based on cost of supply, but individual tariffs may be set at:-

16.1.1 Subsidised levels;

16.1.2 Levels reflecting actual cost; or

16.1.3 Levels producing profits.

16.2 The level at which the Council sets a sundry service tariff, takes into account factors such as:-

16.2.1 Affordability;

16.2.2 Socio-economic circumstances;

16.2.3 Utilisation of amenities and resources;

16.2.4 National and regional agreements and provisions; and

16.2.5 Any other factors influencing such decisions.

16.3 Sundry tariffs and structures will be revised at least once a year, during the annual budgeting process.

16.4 The Mayor or a Councillor may motivate in writing to the Accounting Officer to reduce a Sundry Tariff under warranted and in exceptional instances to either reduce the Sundry Tariff or to levy no tariff at all. The Accounting Officer will then consider and take a decision on the matter. It must be borne in mind that where direct costs such as overtime are involved, an amount not lower than the additional direct costs should be considered.

17. IMPLEMENTATION AND REVIEW OF THIS POLICY

17.1 This policy shall be implemented once approved by Council. All future tariff charges must be considered in accordance with this policy.

17.2 In terms of section 17(1)(e) of the Municipal Finance Management Act this policy must be reviewed on annual basis and the reviewed policy tabled to Council for approval as part of the budget process.

CUSTOMER CARE, CREDIT CONTROL AND REVENUE MANAGEMENT POLICY (Adopted by Council on 31 March 2016)

1. Definitions

For the purposes of this policy, unless the context otherwise indicates –

“**account holder**” means any person who is due to receive a municipal account, which includes a user of a pre-paid electricity or water;

“**annual budget**” means the budget approved by the municipal council for any particular financial year, and includes any adjustments to such budget;

“**applicant**” means a person who applies for the supply of municipal services;

“**arrears**” means any amount that the consumer and or owner was billed for and which was not paid in full on the account payment due date and is therefore regarded as outstanding the day following the account payment due date;

“**billing**” means invoicing on a municipal account to an account holder of an amount or amounts payable for rates, metered services, other municipal charges, levies, fees, fines, taxes, or any other amount or amounts payable arising from any other liability or obligation;

“**consumer**” means the occupier of any premises to which the municipality has agreed to supply or is actually supplying municipal services, or if there is no occupier, then any person who has entered into a service agreement with the municipality for the supply of municipal services to such premises, or, if there be no such person, then the owner of the premises, and “**domestic consumer**” or “**domestic user**” of municipal services means the person or household to which municipal services are rendered in respect of residential property;

“**consumer price index**” means the consumer price index (CPIX) as determined and gazetted by the South Bureau of Statistics;

“**Council**” means the Council of the Thembelihle Municipality (or any service provider to the municipality);

“**credit control**” means all the functions relating to the collection of revenue;

“**customer management**” means the focusing on the account holder’s needs in a responsive and proactive way to encourage payment and thereby limiting the need for enforcement;

“**customer service centre**” means and serves as –

- (a) an office where an applicant may apply for services and enter into a service agreement with the municipality;
- (b) an office where an account holder may settle an account or may make pre-payment for services;
- (c) a credit screening point where the credit assessment of an applicant can be processed; or

(d) an office where an account holder may query or verify accounts and metered consumption, and may communicate grievances, inquiries, recommendations and other relevant issues to the municipality and from where the response from the municipality can be conveyed to the account holder;

“**due date**” means the date specified as such on a municipal account despatched from the offices of the responsible officer for any charges payable and which is the last day allowed for the payment of such charges;

“**interest**” means an amount calculated at a rate determined by the municipality on a municipal account in arrears;

“**land reform beneficiary**”, in relation to a property, means a person who –

(a) acquired the property through the provision of the Land and Assistance Act, 1993 (Act 126 of 1993);

(b) acquired the property through the provision of the Restitution of Land Rights Act, 1994 (Act 22 of 1994);

(c) holds the property subject to the Communal Property Associations Act, 1996 (Act 29 of 1996); or

(d) holds or acquires the property in terms of such other land tenure reform legislation as may be enacted;

“**local community**” or “**community**”, in relation to the municipality, means that body of persons comprising the residents of the municipality, the ratepayers of the municipality, any civic, non- governmental, private sector or labour organisations or bodies 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; “**market value**” in relation to a property means the value of the property as determined in accordance with section 46 of the Property Rates Act, 2004 (Act 6 of 2004);

“**minor tariffs**” means all tariffs, charges, fees, rentals or fines levied or imposed by the municipality in respect of services, other than major services, supplied, and includes services incidental to the provision of the major services, but does not include tariffs for major services; “**month**” means one of 12 months of a calendar year;

“**municipal account**” means an account rendered on which is billed an amount or amounts payable to the municipality for rates, metered services, other municipal charges, levies, fees, fines, interest, taxes or any other amount or amounts payable arising from any other liability or obligation;

“**municipal entity**” means –

(a) a company, co-operative, trust, fund or any other corporate entity established in terms of any applicable national or provincial legislation, and which operates under the ownership or control of one or more municipalities; or

(b) a service utility;

“**municipality**” means the Municipality of Thembelihle, and includes any political structure, political office bearer, Councillor, duly authorised agent thereof or any employee thereof acting in connection with this by-law by virtue

of a power vested in the municipality and delegated or sub-delegated to such political structure, political office bearer, municipality or, agent or employee; “**municipal manager**” means the person appointed in terms of section 82 of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998);

“**municipal property**” includes a property owned by a municipal entity;

“**multiple purposes**”, in relation to a property, means the use of a property for more than one purpose;

“**municipal services**” means those metered services and other municipal services for which payment is required by the municipality;

“**municipal tariff**” means a tariff for services which the municipality sets for the provision of a service to the local community, such as a tariff set for major services or a minor tariff, and includes a surcharge on such service;

“**occupier**” means any person who occupies any premises or part thereof without regard to the title under which the person occupies, and includes –

- (a) any person in actual occupation of those premises;
- (b) any person legally entitled to occupy those premises;
- (c) in the case of those premises being subdivided and let to lodgers or various tenants, the person receiving the rent payable by such lodgers or tenants whether on the person’s own account or as agent for any person entitled thereto or interested therein;
- (d) any person having the charge or management of those premises, and includes the agent of any such person when the person is absent from the Republic of South Africa or his or her whereabouts are unknown; and
- (e) the owner of those premises;

“**officer**” means an employee of the municipality or any other person who is specifically authorised thereto by the municipality to perform any act, function or duty in terms of, or exercise any power under this policy;

“**organ of state**” means an organ of state as defined in section 239 of the Constitution; “**owner**”, in relation to

–

- (a) a property referred to in paragraph (a) of the definition of “property”, means a person in whose name ownership of the property is registered;
- (b) a right referred to in paragraph (b) of the definition of “property”, means a person in whose name the right is registered;
- (c) 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; and
- (d) 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”,

however, the municipality may, for the purposes of the Property Rates Act, 2004 (Act 6 of 2004), regard as the owner of a property –

- (i)) in the case of a property in a trust, but excluding state trust land, a trustee;
- (ii) in the case of a property in a deceased estate, an executor or administrator;
- (iii) he case of a property in an insolvent estate or in liquidation, a trustee or liquidator;
- (iv) in the case of a property in the estate of a person under judicial management, a judicial manager;
- (v)) in the case of a property in the estate of a person under curatorship, a curator;
- (vi) in the case of a property that is subject to a usufruct or other personal servitude, a person in whose name a usufruct or other personal servitude is registered;
- (vii) in the case of a property that is registered in the name of the municipality and is leased by it, a lessee; and
- (viii) in the case of a property sold by the municipality and of which possession was given to the buyer pending registration of ownership in the name of such buyer, a buyer;

“permitted use”, in relation to a property, means the limited purposes for which the property may be used in terms of any restrictions imposed by a condition of title, a provision of the municipality’s town planning or land use scheme, or any legislation applicable to any specific property or properties, or any alleviation of any such restrictions;

“person” includes a legal person and an organ of state;

“preferred customer” means a person who may be granted special concessions by the municipality;

“premises” means any piece of land, the external surface boundaries of which are delineated on –

- (a) a general plan or diagram registered in terms of Land Survey, Act of 1927 (Act 9 of 1927), or in terms of the Deeds Registry, Act of 1937 (Act 47 of 1937); or
- (b) a sectional plan registered in terms of the Sectional Titles Act, 1986 (Act 93 of 1986), which is situated within the area of jurisdiction of the municipality;
- (c) and includes any other land and any building or structure above or below the surface of any land;

“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 the person, but 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, such as a “land reform beneficiary”; and
- (d) public service infrastructure;

“publicly controlled” means owned by or otherwise under the control of an organ of state, including a public entity listed in the Public Finance Management Act, 1999 (Act 1 of 1999), a municipality, or a municipal entity;

“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, water supply reservoirs, water treatment plants or water pumps forming part of a water or sewer scheme servicing the public;
- (c) power stations, power sub-stations 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 fuel forming part of the scheme for transporting such fuels;
- (e) railway lines forming part of a national railway system;
- (f) communication towers, masts, exchanges and lines forming part of a communication system serving the public;
- (g) runways or aprons at national or provincial airports;
- (h) breakwaters, seawalls, channels, basins, 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 lighthouses, 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 infrastructure as may be prescribed by law; and
- (j) rights of way, easements or servitudes in connection with infrastructure mentioned in paragraphs (a) to (i);

“rate” means a municipal rate on property as envisaged in section 229(1)(a) of the Constitution; **“rateable property”** means property on which the municipality may in terms of section 2 of the Property Rates Act, 2004, levy a rate, but excludes property fully excluded from the levying of rates in terms of section 17 of that Act, but includes any rights registered against such property, with the exception of a mortgage bond;

“ratepayer” means a person who is liable to the municipality for the payment of rates on property in the municipality, any other tax, duty or levy imposed by the municipality, or fees for services provided either by the municipality or in terms of a service delivery agreement, or a combination of the above;

“rebate”, in relation to a rate payable on a property, means a discount granted in terms of section 15 of the Property Rates Act, 2004 on the amount of the rate payable on the property;

“residential property” means a property included in the valuation roll as residential in terms of section 48(2)(b) of the Property Rates Act, 2004;

“revenue” means all monies due to the municipality and to which the municipality has the right to exact and to enforce payment of, irrespective of the reason for or the origin of its factuality; **“sectional title scheme”** means a scheme as defined in section 1 of the Sectional Titles Act, 1986 (Act 95 of 1986);

“sectional title unit” means a unit as defined in section 1 of the Sectional Titles Act, 1986 (Act 95 of 1986);

“state trust land” means land owned by the state and held in trust for persons communally inhabiting the land in terms of a traditional system of land tenure, over which land tenure rights have been registered or granted, or which is earmarked for disposal in terms of the Restitution of Land Rights, 1994 (Act 22 of 1994);

“tampering” means any unauthorised interference with the municipality’s supply, seals and metering equipment and “tamper” has a corresponding meaning;

“target” means realistic targets which may be set by the municipality ; and

“tariffs for major services” means tariffs set for the supply and consumption or usage of major services;

“unreliable customer” includes an account holder, who according to his or her payment record fails to settle his or her municipal account by the due date or who is in arrears with payments due to council or who tampers or interferes with metering equipment, seals or the supply of municipal services.

CHAPTER 1

CUSTOMER CARE PRINCIPLES, OBJECTIVES, IMPLEMENTATION, DIFFERENTIATION AND APPLICATION OF POLICY

2. Customer care principles, and objectives

- (1) The municipality aims –
 - (a) to move progressively towards the social and economic upliftment of the community in harmony with its natural environment;
 - (b) to provide basic services that are affordable to all its people, and specifically to the poor and disadvantaged, provided that, where applicable, service fees, rates, metered services, other municipal charges, levies, fees, fines, interest, taxes or any other amount or amounts payable, arising from any other liability or obligation, are paid for;
 - (c) to engage the active participation of the community in the municipality’s affairs, in particular in planning, service delivery and performance management;
 - (d) to provide efficient, effective and transparent administration that conforms to constitutional principles;
 - (e) to ensure that the municipality is financially and economically viable; and
 - (f) to create a harmonious relationship between the municipality and the community through the acknowledgement of reciprocal rights and duties.

- (2) The municipality by this policy, within the scope and spirit of the Constitution, the Local Government Municipal Systems Act, 2000 (Act 32 of 2000), and the Property Rates Act, 2004 (Act 6 of 2004) and any amendments thereto, gives effect to the principles underlying and expressed in these Acts, and therefore designs, regulates on and implements –
- (a) a customer care and management system which has as purpose –
 - (i) to create a positive and reciprocal relationship between the municipality and an account holder;
 - (ii) to establish mechanisms for an account holder to give feedback to the municipality regarding the quality of the services and the performance of the municipality;
 - (iii) to ensure that reasonable steps are taken to inform an account holder of the costs involved in service provision, the reasons for payment of service fees, and the manner in which monies raised from the services provided, are utilised;
 - (iv) to ensure, where the consumption of services has to be measured, that reasonable steps are taken to measure the consumption by individual account holders of services through accurate and verifiable metering systems;
 - (v) to ensure that an account holder receives regular and accurate accounts that indicate the basis for calculating the amounts due;
 - (vi) to provide accessible mechanisms for an account holder to query or verify a municipal account and metered consumption and appeal procedures which allow the account holder to receive prompt redress for inaccurate accounts;
 - (vii) to provide accessible mechanisms for dealing with complaints from an account holder, together with prompt replies and corrective action by the municipality, and to provide mechanisms to monitor the response time and efficiency of the municipal's actions; and
 - (viii) to provide for accessible pay points and other mechanisms for settling an account or for making pre-payments for services.
 - (b) credit control and debt collection mechanisms and procedures which aim to ensure, subject to the Act and other legislation, that all money that is due and payable, from whatever source or cause, to the municipality, is collected; and
 - (c) structures for tariffs and rates.

APPLICATION OF POLICY

This policy shall only apply to money due and payable to the Council for -

- (a) Rates;
- (b) Fees, surcharges on fees, charges and tariffs in respect of municipal services, such as –

- (i) The provision of water;
- (ii) Refuse removal;
- (iii) Sewerage;
- (iv) The removal and purification of sewerage;
- (v) Electricity consumption;
- (vi) Interest which has accrued or will accrue in respect of money due and payable to the Council;
- (vii) 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; and
- (c) All sundry charges for ad hoc services rendered by the municipality

3.2 This policy shall also apply to municipal services provided through pre-paid meters.

3. RESPONSIBILITY/ACCOUNTABILITY FOR CREDIT CONTROL AND DEBT COLLECTION

3.1 Municipal Manager responsible officer

The Municipal Manager –

- (a) is responsible to the Council for the implementation and enforcement of the provisions of this policy;
- (b) must, for the purposes of paragraph (a) take the necessary steps to implement and enforce the provisions of this policy;
- (c) is accountable to the Council for the agreed performance targets as approved by the Council, and for these purposes must –
 - (i) report to the Council on matters relating to this policy, including but not limited to – (aa) the effectiveness of administrative mechanisms, resources processes and procedures to collect money that is due and payable to the municipality;
 - (bb) billing information, including the number of account holders, accruals, cash-flow, and customer management;
 - (cc) the satisfaction levels of account holders regarding services rendered; and (dd) the effectiveness of the municipality's indigence relief measures; and

- (ii) at regular intervals meet with municipal officials with the aim of submitting a joint recommendation on the policy to the Council;
- (iii) where necessary, propose steps to the Council with the aim of improving the efficiency of the credit control and debt collection mechanisms, processes and procedures;
- (iv) where necessary, propose to the Council actions and adjustments to correct deviations;
- (v) establish effective communication channels between the municipality and account holders with the aim of keeping account holders abreast of all decisions by the municipality that may affect them;
- (vi) establish customer service centres which are located in such communities as determined by the municipality;
- (vii) identify, appoint, and enter into agreements with suitable business concerns, institutions, organizations, establishments or para-statal institutions to serve as agencies for the purposes of this policy;
- (viii) convey to account holders information relating to the costs involved in service provision, the reasons for payment of service fees, and the manner in which monies raised from the services are utilised, and may where necessary, employ the services of local media to convey such information;
- (ix) expedite the processing of complaints or inquiries received from an account holder and must ensure that an account holder receives a response within a time determined by the municipality and must monitor the response time and efficiency in these instances;
- (x) in line with the latest technological and electronic advances, endeavour to make 24- hour electronic inquiry and payment facilities available to account holders;
- (xi) encourage and bear on account holders, where needed, to settle outstanding accounts within the ambit of this policy; and
- (xii) with the consent of an account holder, enter into an agreement with the account holder's employer to deduct from the salary or wages of the account holder –
 - (aa) any outstanding amounts as may be agreed; or
 - (cc) such regular monthly amounts as may be agreed, and may provide special incentives for employers to enter into such agreements, and employees to consent to such agreements.

3.2 The responsibilities of the Council are to -

- (a) Approve a budget consistent with the needs of communities, ratepayers and residents.
- (b) Impose rates and taxes and to determine service charges, fees and penalties to finance the budget.
- (c) Facilitate sufficient funds to give access to basic services for the poor.

- (d) Provide for a bad debt dispensation, in line with the payment record of the community, ratepayers and residents, as reflected in the financial statements of the municipality.
- (e) Set an improvement target for debt collection, in line with acceptable accounting ratios and the ability of the Implementing Authority.
- (f) Approve a reporting framework for credit control and debt collection.
- (g) Consider and approve policies and by-laws to give effect to the Council's policies.
- (h) Monitor the performance of the Mayor (Supervising Authority) regarding credit control and debt collection.
- (b) Revise the budget should Council's targets for credit control and debt collection not be met.
- (c) Take disciplinary and/or legal action against councillors, officials and agents who do not execute council policies and by-laws, or act improperly in terms of such policies.
- (k) Approve a panel of attorneys that will act for Council in all legal matters relating to debt collection.
- (l) Delegate the required authorities to monitor and execute the credit control and debt collection policy to the Mayor and Municipal Manager and Service Provider respectively.
- (m) Provide sufficient capacity in the Municipality's Financial Department for credit control and debt collection, or, alternatively to appoint a Service Provider, or debt collection agent.
- (n) Assist the Municipal Manager in the execution of his duties, if and when required.
- (o) Provide funds for the training of staff.

3.3 The responsibilities of the Mayor are to -

- (a) Ensure that Council's budget, cash flow and targets for debt collection are met and executed in terms of the policy and relevant by-laws.
- (b) Monitor the performance of the Municipal Manager in implementing the policy and by-laws.
- (c) Review and evaluate the policy and by-laws in order to improve the efficiency of Council's credit control and debt collection procedures, mechanisms and processes.
- (d) Report to Council.

3.4 The responsibilities of communities, ratepayers and residents are -

- (a) To fulfil certain responsibilities, as brought about by the privilege and/or right to use and

enjoy public facilities and municipal services.

- (b) To pay service fees, rates on property and other taxes, levies and duties imposed by the municipality.
- (c) To observe the mechanisms and processes of the municipality in exercising their rights.
- (d) To allow municipal officials reasonable access to their property to execute municipal functions at a time that is agreeable by the consumer and municipal officials.
- (e) To comply with the by-laws and other legislation of the municipality.
- (f) To refrain from tampering with municipal services and property.

3.5 The responsibilities of ward councillors are -

- (a) To hold regular ward meetings.
- (b) To adhere to and convey council policies to residents and ratepayers.
- (c) To adhere to the Code of Conduct for Councillors.
- (d) To act in terms of roles and functions as approved by Council.

4. Differentiation between customers and exemption

- (1) In accordance with the principles embodied in the Constitution and the provisions of sections 6 and 8 of the Property Rates Act, 2004, and sections 74(3) and 75 of the Local Government: Municipal Systems Act, 2000, the municipality differentiates between different categories of users and consumers in regard to the tariffs which it levies, categories of ratepayers, account holders, customers, debtors, taxes, services, service standards and other matters, however, such differentiation must at all times be reasonable, and must be fully disclosed in each annual budget.
- (2) The municipality may, in writing, exempt an account holder, category of account holders, or other persons from complying with a provision of this policy, subject to any conditions it may impose, if the application or operation of that provision would be unreasonable, however the municipality or its authorised agent may not grant exemption from any section of this policy that may result in –
 - (a) the wastage or excessive consumption of water or electricity;
 - (b) the evasion or avoidance of water or electricity restrictions;
 - (c) significant negative effects on public health, safety or the environment;
 - (d) the non-payment for services;
 - (e) the installation of pipes and fittings which are not acceptable in terms of the municipality's prescribed standard; or

- (f) any Act, or any regulation made under it, not being complied with.
- (3) The municipality or its authorised agent may at any time after giving written notice of at least 30 days, withdraw any exemption given under subsection (2).

CHAPTER 2

SUPPLY OF MUNICIPAL SERVICES

Part 1

Application for supply and service agreements, credit screening, deposits, billing and payment, and termination of service agreements, agents attorneys and other collection agents, debtors other than consumer debtors.

5. Application for supply of municipal services, service agreements, credit control and encouragement to pay arrear accounts

- (1) Any application for any supply of services to any premises must be made at the municipal offices at least four working days prior to the service being required and must comply with the conditions determined by the Municipal Manager or his or her nominated officer .
- (2) After the commencement of this policy and subject to the provisions of section 31, only the owner of a property or his or her duly authorised agent on his or her behalf may apply for municipal services to be supplied to a property.
- (3) No services shall be supplied unless and until application has been made by the owner and a service agreement in the format prescribed by the municipality has been entered into and a deposit provided for in section 7 has been paid.
- (4) An application for a supply for a period of less than one year is regarded as an application for a temporary supply.
- (5) The following information must be included in the application form and disclosed by the applicant:
 - (i) Full name of applicant;
 - (ii) Postal address and fixed abode;
 - (iii) Identity number and a photo-copy of both husband and wife, and if a tenant also copies of the identity document of the owner is compulsory;
 - (iv) Marital status;
 - (v) Three recent references;
 - (vi) Vehicle registration number if any;
 - (vii) Name, telephone number and address of next of kin not residing with applicant;

- (viii) Applicant's home, work and cellular phone numbers;
 - (ix) If a tenant, the owner or representative must sign the application form for approval of the services to be connected;
 - (x) A service deposit paid in advance on request and before the services can be connected; the municipal manager or his/her nominated officer can arrange that the deposit be paid of in two installments
 - (xi) The application forms must be completed in such a manner that it serves as an agreement with the Council of which a copy must be handed to the applicant;
 - (xii) The application forms must be filed for ease of future reference;
 - (xiii) If the applicant cannot read or write he/she should be assisted with the completion of the form and the agreement explained;
 - (xiv) A paragraph must be inserted whereby the owner will be held responsible for the debt if not paid by the tenant;
 - (xv) Previous address.
- (6) No Council member or official of the Municipality may be in arrears to the Municipality for rates and service charges for a period longer than 3 months. The Municipality may, after consultation with the specific Councillor or official, deduct any outstanding amounts from the Council member's allowance or official's salary after this period.
- (7) Upon application for services the following should be obtained from the applicant:-
- (i) photocopies of identity documents of both husband and wife and if the applicant is a tenant, copies of the owner's identity document are compulsory;
 - (ii) names and addresses of next of kin;
 - (iii) motor registration numbers;
 - (iv) the owner or representative of the owner has to sign the application form for approval of the services to be connected;
 - (v) the previous address should be stated for reference.
- (8) Where a service agreement with the municipality has been entered into by the consumer, water and electricity will be disconnected until such time as a service agreement has been signed and the applicable deposit paid;
- (9) All other business and industrial deposits will be reviewed annually during the month of September each year;

- (10) Where electricity and/or water supply have been disconnected erroneously a written apology will be dispatched within seven working days;
- (11) Where consumers fail to pay their water and electricity accounts by the due date, the following actions should be taken:-
- (i) Final notices may be delivered or posted after the due date, and the final notice will contain a notice that the client may arrange to pay the outstanding balance off in terms of the Credit Control Policy;
 - (ii) An Acknowledgement of Debt Agreement must be completed with all arrangements for paying off arrear amounts. Copies must be handed to the client and filed on the Debt Agreement file;
 - (iii) The Acknowledgement of Debt must be signed within 48 hours after the receipt of the final notice;
 - (iv) Debit orders must be completed for the monthly payment of the agreed amount or at least the current amount, as far as possible. If the arrangement is dishonored the full balance will immediately become payable, except in merit cases;
 - (v) Extension for the payment of arrears, together with the current accounts, should not exceed 36 months with first payment within 30 days of the date of agreement;
 - (vi) No interest will be charged on the arrear amount of such an agreement;
 - (vii) Only consumers with positive proof of identity or an authorized agent with a Power of Attorney will be allowed to complete an "Acknowledgement of Debt;"
 - (viii) When cheques are returned "Refer to Drawer" where an arrangement has been made, the full balance will immediately become payable. Electricity and/or water supply to such consumer will be disconnected until the full amount is paid in cash or per bank guaranteed cheque, except in merit cases;
 - (ix) No consumers will be allowed to enter into a second agreement if the first agreement was dishonored, except in special merit cases;
 - (x) Merit cases, where special circumstances prevail, must be treated individually and could, amongst others, include the following categories:-
 - (a) Unemployed persons;
 - (b) Deceased estates;
 - (c) Liquidated companies or CC's;
 - (d) Private persons under administration;
 - (e) Outstanding enquiries on accounts for example, unallocated payments, water leaks, journals, incorrect levies, etc.;
 - (f) Pensioners;
 - (g) Any other cases not mentioned which may be regarded as merit cases due to circumstances

approved by the Accounting Officer/Chief Financial Officer.

- (xi) Extension for payments of arrears in respect of merit cases should not exceed 60 months (5 years) or any other period in the discretion of the Chief Financial Officer.
- (xii) With the first payment within 30 days of the date of the agreement.
 - (a) Only the Chief Financial Officer or the Manager: Financial Services may make extension and these cases must be supported by documentary proof. Previous payment records will be taken into consideration when a decision with regard to extensions is to be made.
- (xiii) When disconnections of electricity and/or water supply take place due to non payment, the consumer's deposit will be adjusted to the current minimum;
- (xiv) When services are illegally restored, criminal action will be taken if possible and an administrative penalty as per the budget minor tariffs shall be levied;
- (xv) Where water and electricity accounts remain outstanding or unpaid for more than 2 months, the account will be handed over to Debt Collectors for collection and/or legal action to the Attorneys and will be listed at the Information Trust Corporation. These clients will have to make further arrangements at the Attorney and/or Debt Collectors, for the arrears account. The current monthly accounts must be paid directly to the Municipality.
- (xvi) After a debtor has been handed over for collection, the case will not be withdrawn unless there was a mistake or oversight on the part of the municipality.
- (xvii) Where a property is provided with a pre-paid electricity and/or water meter and being in arrears, the municipality has the option to either refuse sales, disconnect services or allocate 20% of the purchases of electricity towards the arrears;
- (xviii) Where consumers fail to pay their accounts in respect of assessment rates, refuse, sewerage and sundry charges and availability charges, the following action should be taken:-
 - (a) To recover the outstanding debts in respect of annual levies, a 14 days notice must be served on the debtor during October each year informing the debtor that it is noted that he/she has not paid the accounts and reminding him/her of the due date the account is payable i.e. end of September;
 - (b) A final demand be served on the debtor early during October of each year informing him/her that he/she has 7 days to pay the account after which he/she will be handed over to the Attorneys for collection and that his/her name will be forwarded to the Information Trust Corporation for listing;
 - (c) The same notification procedures must be followed as applicable to other services for arrangements for paying off arrears;
 - (d) If a consumer is in arrears and an Acknowledgement of Debt Agreement has been signed and the household income does not exceed R2 520.00 per month, and the Debt Agreement

is honoured, the levying of interest will be stopped to allow the consumer to eliminate the outstanding debt within 36 months or within a shorter period, as agreed by the consumer.

- (e) Where assessment rates, refuse, sewerage and sundry charges and availability charges remain outstanding or unpaid for more than 2 months, the account will be handed over to Debt Collectors for collection and/or legal action to the Attorneys and will be listed at the Information Trust Corporation. These clients will have to make further arrangements at the Attorney and/or Debt Collectors, for the arrears account. The current monthly accounts must be paid directly to the Municipality.
 - (f) After a debtor has been handed over for collection, the case will not be withdrawn unless there was a mistake or oversight on the part of the municipality.
 - (g) Where a property is provided with a pre-paid electricity and/or water meter and being in arrears, the municipality has the option to either refuse sales, disconnect services or allocate 20% of the purchases of electricity towards the arrears.
- (xix) When a customer has made a formal arrangement with the Municipality to pay off arrears over a specific period of time and then not honor this agreement, the Accounting Officer/Chief Financial Officer may take a decision that will force the account holder to have a Pre-paid electricity meter installed at the account holder's cost. This decision must be communicated to the account holder in writing giving him/her the opportunity to either settle the account in full or have the pre-paid meter installed. The Accounting Officer/Chief Financial Officer may agree that the costs involved in installing the pre-paid electricity meter be paid off interest free over a period not exceeding 12 months.

5.1 Agents, Attorneys and other collection agents

Municipal Manager may, when a debtor is in arrears, commence legal process against that debtor, which process could involve final demands, disconnections, restrictions, summonses, judgments, garnishee orders and as a last resort sales in execution of property.

Municipal Manager will exercise strict control over this process, to ensure accuracy and legality within it, and will require regular reports on progress from outside parties, be they attorneys or any other collection agents appointed by council.

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Council will establish procedures and codes of conduct where external service providers have been appointed to collect outstanding debtors.

Garnishee orders, in the case of employed debtors, are preferred to sales in execution, but both are part of Council's system of debt collection procedures.

All steps in the credit control procedure will be recorded for Council's records and for the information of the debtor.

Individual debtor accounts are protected and are not the subject of public information. However Council may release debtor information to credit bureaus.

Council may consider the cost effectiveness of the legal process, and will receive reports on relevant matters.

Council may consider the use of agents as service providers and innovative debt collection methods and products. Cost effectiveness, the willingness of agents to work under appropriate codes of conduct and the success of such agents and products will be part of the agreement Council might conclude with such agents or service providers; and will be closely monitored by Council

Appropriate measures will be taken to inform consumers what the responsibilities of service providers will be regarding customer care, credit control and debt collection.

5.2 Debtors other than consumer debtors

Amounts due to the Council for any services rendered, other than services rendered to consumer debtors, shall be due and payable when the service is rendered, and –

- (a) Outstanding amounts shall bear interest; and
- (b) Legal action shall be instigated on all amounts outstanding after ninety (90) days.

6. Credit screening

- (1) The municipality may require of an applicant to submit information and documentary proof so as to enable the municipality to bring its records up to date and to assess the creditworthiness of the applicant, and the municipality reserves the right to call for an affidavit.
- (2) For the purposes of determining the creditworthiness of an account holder the municipality may make use of the service of a credit bureau, or any other agency or means as the Municipal Manager or his or her nominated officer may determine.

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7. Deposits

- (1) On approval of the application and before the service is made available, the municipality may require the applicant –
 - (a) to deposit for municipal services with the municipality a sum of money equal to the estimated tariff or charge for an average month's services as determined by the municipality, excluding the cost of a service rendered by means of a pre-payment device used by the municipality;
 - (b) to agree to special conditions regarding payment of the municipal account, and monies so deposited with the municipality serve as security and working capital;
 - (c) if a guarantee provided is revoked or matures, the account holder shall supply the municipality with a cash deposit failing which the provision of services shall be terminated and or restricted.
- (2) The Municipal Manager or his or her nominated officer reserves the right to review the sum of money deposited or the amount for which additional security is required.
- (3) Subject to subsection (5), an amount deposited with the municipality in terms of subsections (1) and (2) shall not be regarded as being in payment or part payment of an account due for services rendered.
- (4) The Municipal Manager or his or her nominated officer may, in respect of preferred customers, consider relaxation of the conditions pertaining to deposits as set out in subsections (1) and (2).
- (5) On termination of the supply of services, the amount of such deposit, as determined by the municipality, less any payments due to the municipality, must be refunded to an account holder.
- (6) No interest shall be payable by the municipality on the amount of a deposit held by the municipality in terms of this section.
- (7) A deposit held by the municipality will be forfeited in the event an account holder does not claim the deposit within 12 months from date of termination of services.

8. Billing and payment

- (1) The account holder must pay all amounts due to the municipality as reflected in the municipal account, and the onus is on the account holder to verify the accuracy of such account.
- (2) An account holder must pay for metered services, and must pay the rates, other municipal charges, levies, fees, fines, interest, taxes or any other liability or obligation from the date of origin of such municipal charges until the written termination of the services.
- (3) An account holder –
 - (a) has one account number and must be rendered one account, on which the due date for settlement of the total amount owing is reflected, subject to the provisions of subsection (14); and
 - (b) must be rendered an account monthly in cycles of approximately 30 days.

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- (4) Payment must be received on or before the close of business on the date as stipulated on the account. If payment is received and recorded in the Municipality's records as being paid in full on or before the 5th working day in the month following the statement date, a discount of 5% will be given on the current month's account.
- (5) Payment made via any of the service providers appointed by the municipality to receive payments on its behalf, should be made at least four working days before the due date to enable the payment to be processed, and interest accrues should the municipality receive payment after the due date as per the account.
- (6) Where the account holder effects payment of an account via a service provider four working days or more before the due date and such service provider fails to furnish the municipality with the relevant payment details, such service provider may be held liable for all charges incurred by the municipality to recover an arrear amount erroneously reflected on the account of the account holder, as well as for interest charges.
- (7) The municipality may estimate the quantity of metered services supplied in respect of a period or periods within the interval between actual successive readings of the meters, and may render an account to an account holder for the quantity of metered services so estimated.
- (8) If an account holder is dissatisfied with an account rendered for metered services supplied by the municipality, such account holder may, prior to the due date stipulated therein object to the account, setting out reasons for such dissatisfaction.
- (9) Should any dispute arise as to the amount owing by an account holder, and subject to the provisions of section 102 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000), the account holder must notwithstanding such dispute proceed to make regular payments by the due date based on the calculation of the average municipal account for the preceding three months prior to the arising of the dispute and taking into account interest as well as the annual amendments of tariffs of the municipality.
- (10) An error or omission in any account or failure to render an account does not relieve the account holder of the obligation to pay by the due date.
- (11) If an account holder uses water, refuse removal services, sanitation services or electricity for a category of use other than that for which it is supplied by the municipality and is in consequence not charged for water refuse removal services, sanitation services or electricity so used, or is charged for the water, refuse removal services, sanitation services or electricity at a rate lower than that at which the account holder should be charged, the account holder is liable for the amount due to the municipality in accordance with the prescribed charges in respect of –
 - (a) the quantity of water or electricity the refuse removal services and sanitation services which the account holder has used and for which the account holder has not been charged; or
 - (b) the difference between the cost of the water or electricity used by the account holder at the rate at which the account holder has been charged and the cost of the water or electricity at the rate at

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which the account holder should have been charged.

- (12) An account holder is not entitled to a reduction of the amount payable for metered services which are lost due to a default in the meter, until such time as the provisions of section 14(8)(c) have been met.
- (13) The municipality may –
 - (a) consolidate any separate accounts of an account holder liable for payment to the Municipality;
 - (b) credit any payment by an account holder against any debt of that account holder; and
 - (c) implement any of the debt collection and credit control measures provided for in this policy in relation to any arrears on any account of such a person.
- (14) The owner of property may enter into an agreement with the municipality in terms of which payment for rates is made annually, in which case payment must be made on or before the date determined by the municipality.
- (15) Monthly accounts shall be rendered to consumers for the amount due and payable, at the address last recorded with the municipality.
- (16) Accounts shall –
 - (a) show –
 - (i) the consumption or estimated consumption or assumed consumption as determined for the measuring or consumption period;
 - (ii) the measuring or consumption period;
 - (iii) the applicable tariff;
 - (iv) the amount due in terms of the actual, estimated or assumed consumption;
 - (v) the amount due and payable for any other service rendered by the Municipality;
 - (vi) the amount in arrears, if any;
 - (vii) the interest payable on arrears, if any;
 - (viii) the final date for payment;
 - (ix) the methods, places or approved agents where payment may be made;
- (17) In the event an account holder relocates to another premise, the account holder must pay all outstanding service charges and rates and taxes, if rates and taxes are in arrears, before a service agreement is entered with the consumer at the other premises

9. Termination of service agreement

- (1) Termination of the service agreement must be in writing to the other party of the intention to do so.
- (2) Where a property is sold, an owner may terminate a service agreement by giving the municipality not less than four working days' notice in writing.
- (3) The municipality may, by notice in writing of not less than 14 working days, advise an account holder

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of the termination of the agreement for a supply of municipal services if –

- (a) the account holder has not consumed any water or electricity during the preceding six months, or has vacated the property and has not made satisfactory arrangements for the continuation of the agreement;
- (b) the account holder has committed a breach of this policy and has failed to rectify such breach; or
- (c) the municipality cannot continue to supply the account holder with municipal services, as in terms of an arrangement with another authority supplying municipal services such authority must in future supply municipal services to the account holder.

10. Cost for termination of municipal services

Where any municipal service is terminated as a result of non-compliance with these policies and/or by-laws by the person liable for the payments, the Council shall be entitled to levy and recover such costs as per council's tariff policy, as determined by the Council from time to time

Part 2

Non-payment of municipal accounts

11. Arrangements for payments

- (1) Should an account holder, before any of the steps have been taken in terms of section 12, not be able to pay the municipal account in full, the account holder may approach the municipality with the aim of making short-term arrangements to settle the account.
- (2) Should an account holder, after any of the steps have been taken in terms of section 12, experience difficulties in paying the municipal account, the account holder may approach the municipality with the aim of making arrangements to settle the account, and the account holder must enter into a written agreement with the municipality to repay to the municipality the outstanding and due amount under the conditions and on a basis determined by the Municipal Manager, or his or her nominated officer.
- (3) The written agreement has to be signed on behalf of the municipality by a duly authorised officer.
- (4) Only a consumer with positive proof of identity and address and authorised by the owner of the property in writing, shall be allowed to enter into an agreement for the payment of arrears in instalments.
- (5) The amount due and payable by a consumer constitutes a consolidated debt, and any payment made by a consumer of an amount less than the total amount due, shall be allocated in reduction of the consolidated debt –
 - (a) towards payment of the current account;
 - (b) towards payment of arrears;

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- (c) towards payment of interest; and
 - (d) towards costs incurred in taking relevant action to collect amounts due and payable.
- (6) In the instance where arrangements for payment have been made the municipality may –
 - (a) review the deposit;
 - (b) require of an account holder to pay by means of a stop order or debit order;
 - (c) require of an account holder to convert to a pre-paid metering system;
 - (d) require any other form of security, including personal suretyship by the directors or members of a company, closed corporation, trust or body corporate, or;
 - (e) waive the interest on the arrear amount.
- (7) A consumer may be required to complete a debit order for the payment of arrears.
- (8) No agreement for the payment of arrears shall be longer than 36 months, unless the circumstances referred to in subsection (9) prevail.
- (9) The Municipality may, on an individual basis, allow a longer period than 36 months for the payment of arrears if special circumstances prevail, that in the opinion of the Municipality, warrants such an extension and which the consumer reasonably could not prevent or avoid, and documentary proof of such special circumstances must be furnished by the consumer on request by the Municipality.
- (10) The Municipality may, in exercising its discretion under subsection (5), have regard to a consumer's –
 - (b) credit record;
 - (c) consumption;
 - (d) level of service;
 - (e) previous breaches of agreements for the payment of arrears in instalments (if any); and
 - (f) any other relevant factors.
- (11) A copy of the agreement shall, on request, be made available by the Municipality to the consumer.
- (12) If a consumer fails to comply with an agreement for the payment of arrears in instalments, the total of all outstanding amounts, including the arrears, any interest thereon, administration fees, costs incurred in taking relevant action, and penalties, including payment of a higher deposit, will immediately be due and payable, without further notice or correspondence.
- (13) If a consumer fails to comply with an agreement for the payment of arrears in instalments entered into after receipt of a discontinuation notice, access to services may be discontinued without further notice or correspondence in addition to any other actions taken against or that may be taken against such a consumer.
- (14) No consumer shall be allowed to enter into an agreement for the payment of arrears in instalments where that consumer failed to honour a previous agreement for the payment of arrears in instalments, entered into after the receipt of a discontinuation notice.
- (15) If a consumer owes the municipality more than R5 000.00 for a period in excess of 150 days, the

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Accounting Officer may after negotiations with the consumer write off 50% of the arrear amount that is in excess of 150 days.

12. Interest and penalties on overdue municipal accounts

- (1) The municipality may, by resolution of its determined number of members, charge or recover interest and penalties at a determined interest rate in respect of any arrear amounts due and payable to the municipality.
- (2) Irrespective of the reason for non-payment, interest accrues if an account is unpaid.
- (3) Interest is calculated monthly according to the approved interest rate as determined in the annual budget, and a portion of a month is regarded as a month.
- (4) Interest or penalties are payable if payment is not received at an office of the municipality at close of business on the due date or if deposited by direct bank deposit at least two days prior to at the close of business on the due date.
- (5) In an effort to encourage payment no interest will be payable on the arrear amount when a consumer makes arrangements for payment of an arrear account.
- (6) Penalties of 10% on the current month's account will be charged on all services accounts that are in arrears and due to the municipality.

13. Debt collection mechanisms

- (1) Where appropriate, the Municipality must at all times attempt to advise an account holder of an impending disconnection, or restriction of a supply, and the following mechanisms may be applied should an account holder fail to settle a municipal account by the due date:
 - (a) delivering or mailing of a final demand and explaining to the account holder the status of the account and the consequences of not paying or concluding an arrangement;
 - (b) informing the account holder verbally, in writing, telephonically, or by electronic means of the overdue amount and the impending disconnection or restriction of services;
 - (c) disconnecting or restricting the supply of municipal services to the premises and the serving of a disconnection or restriction notice on the account holder; or
 - (d) debiting the municipal account of the account holder with all relevant fees or penalties approved by the municipality.
- (2) Where the metered supply had been disconnected or restricted, and should the account holder still fail to pay the account, the premises may be revisited at regular intervals to ensure that the metered supply remains disconnected or restricted, and if it is found that the supply which had been disconnected or restricted previously has been restored –
 - (a) the municipality has the right to take whatever action is required in terms of the Council's Tariff

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Policy, and the account holder is responsible for the relevant fees or charges or damages caused;

- (b) the municipality may refuse to supply services for a period determined by the municipality ;
 - (c) in the instance of the use of a pre-paid meter, the municipality may cease further vending of pre-paid services; and
 - (d) levy an administrative penalty as provided for in the budget.
- (3) Where a duly authorised officer of the municipality has visited the premises for the purpose of disconnecting or restricting the supply and was obstructed or prevented from effecting such disconnection or restriction, an amount equal to the prescribed fee for a reconnection becomes payable for each visit necessary for the purpose of such disconnection or restriction, subject to a maximum of two such visits during which disconnection or restriction could not be effected.
- (4) The municipality may use any one or more of the following mechanisms to secure full payment of any amounts owing to it:
- (a) Restricting or denying the sale of pre-paid services to an account holder, or disconnecting any pre-paid metering system of an account holder, who is in arrears with other services;
 - (b) requiring of the account holder to convert to another metering system;
 - (c) allocating a portion of any pre-paid payment to other debts;
 - (d) releasing debtor information to a credit bureau;
 - (e) publishing a list of account holders who remain in default;
 - (f) withholding payment of a grand-in-aid and subject to the provisions of section 33, excluding the account holder from the bid process;
 - (g) withholding payment on contracts for settlement of the municipal account;
 - (h) reviewing and altering the conditions of the service agreement;
 - (i) instituting legal proceedings for the recovery of the debt;
 - (j) classifying the account holder as an unreliable customer;
 - (k) using the services of external debt collection specialists or agencies;
 - (l) insisting on conversion to pre-paid metering at the cost of the account holder; or
 - (m) employing any other methods authorised by the municipality from time to time to recover arrear amounts.
- (5) The cost of collection, where applicable, is to the account holder's account.
- (6) Subject to the provisions of sections 28 and 29 of the Property Rates Act, 2004 (Act 6 of 2004), the right to deny, restrict, disconnect or terminate services due to the non-payment for any rates, metered services, other municipal charges, levies, fees, fines, interest, taxes or any other amount or amounts payable arising from any other liability or obligation prevails notwithstanding the fact that –
- (a) payment was intended for any specific service; or
 - (b) the person who entered into a service agreement for supply of services

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with the municipality and the owner are different entities or persons, as the case may be.

14. Agents, Attorneys and other collection agents

Municipal Manager may, when a debtor is in arrears, commence legal process against that debtor, which process could involve final demands, disconnections, restrictions, summonses, judgments, garnishee orders and as a last resort sales in execution of property.

Municipal Manager will exercise strict control over this process, to ensure accuracy and legality within it, and will require regular reports on progress from outside parties, be they attorneys or any other collection agents appointed by council.

Council will establish procedures and codes of conduct where external service providers have been appointed to collect outstanding debtors.

Garnishee orders, in the case of employed debtors, are preferred to sales in execution, but both are part of Council's system of debt collection procedures.

All steps in the credit control procedure will be recorded for Council's records and for the information of the debtor.

Individual debtor accounts are protected and are not the subject of public information. However Council may release debtor information to credit bureaus.

Council may consider the cost effectiveness of the legal process, and will receive reports on relevant matters.

Council may consider the use of agents as service providers and innovative debt collection methods and products. Cost effectiveness, the willingness of agents to work under appropriate codes of conduct and the success of such agents and products will be part of the agreement Council might conclude with such agents or service providers; and will be closely monitored by Council

Appropriate measures will be taken to inform consumers what the responsibilities of service providers will be regarding customer care, credit control and debt collection.

15. Debtors other than consumer debtors

Amounts due to the Council for any services rendered, other than services rendered to consumer debtors, shall be due and payable when the service is rendered, and—

- (c) Outstanding amounts shall bear interest; and
- (d) Legal action shall be instigated on all amounts outstanding after ninety (90) days.

Part 3

Metering equipment and metering of services

16. General provisions

- (1) The municipality may introduce various metering equipment and may encourage an account holder to convert to a system which is preferred by the municipality when there are benefits for the municipality.
- (2) After commencement of this policy, and where possible and applicable, pre-paid meters must preferably be installed for all new connections.

17. Metering equipment and measuring of consumption

- (1) The municipality must, 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 metered services.
- (2) The municipality reserves the right to meter the supply to a block of shops, flats, tenement- houses and similar buildings for the building as a whole, or for an individual unit, or for a group of units.
- (3) Where any building referred to in subsection (2) is metered by the municipality as a whole -
 - (a) the owner may, at own cost, provide and install appropriate sub-metering equipment for each shop, flat and tenement; or
 - (b) the municipality may require the installation, at the account holder's expense, of a meter for each unit of any premises in separate occupation for the purpose of determining the quantity of metered services supplied to each such unit.
- (4) Where the water or electricity used by consumers is charged at different tariff rates, the consumption must be metered separately for each rate.
- (5) Where sub-metering equipment is installed, accommodation separate from the municipality's metering equipment must be provided where appropriate.
- (6) Except in the case of pre-payment meters, the quantity of metered services used by a consumer during any metering period is ascertained by reading the appropriate meter or meters supplied and installed by the municipality at the beginning and end of such metering period, except where the metering equipment is found to be defective.
- (7) For the purpose of calculating the amount due and payable for the quantity of metered services consumed, the same amount of metered services is deemed to be consumed during every period of 24

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hours between readings.

- (8) The following apply to the accuracy of metering:
- (a) A meter is conclusively presumed to be registering accurately if its error, when tested in the manner prescribed in subsection (13), is found to be within the limits of error as provided for in the applicable standard specifications;
 - (b) the municipality has the right to test its metering equipment, and if it is established by test or otherwise that such metering equipment is defective, the Municipality must –
 - (i) in case of a credit meter, adjust the account rendered; or
 - (ii) in the case of prepayment meters:
 - (aa) render an account where the meter has been under-registering; or (bb) issue a free token where the meter has been over-registering; and
 - (c) the consumer is entitled to have the metering equipment tested by the municipality on payment of the prescribed fee, and if the metering equipment is found not to comply with the system accuracy requirements as provided for in the applicable standard specifications, an adjustment in accordance with the provisions of paragraph (b) and subsection (7) must be made and the aforesaid fee must be refunded.
- (9) No alterations, repairs, additions or connections of any description may be made on the supply side of the point of metering unless specifically approved in writing by the Municipal Manager or a duly authorised officer of the municipality.
- (10) Prior to the municipality making any upward adjustment to an account in terms of subsection (8)(b), the municipality must –
- (a) notify the consumer in writing of the monetary value of the adjustment to be made and the reasons therefore;
 - (b) in such notification provide sufficient particulars to enable the consumer to submit representations thereon; and
 - (c) call upon the consumer in such notice to present it with reasons in writing, if any, within 21 days or such longer period as the municipality may permit, why the account should not be adjusted as notified, and should the consumer fail to provide any representation during the period the municipality is entitled to adjust the account as notified in paragraph (a).
- (11) The Municipality must consider any representation provided by the consumer in terms of subsection (10) and must, if satisfied that a case has been made out therefore, adjust the account appropriately.
- (12) If the Municipal Manager or a duly authorised officer of the municipality decides, after having considered the representation made by the consumer, that such representation does not establish a case warranting an amendment to the monetary value established in terms of subsection (15), the municipality is entitled to adjust the account as notified in terms of subsection (10)(a), and the consumer has the right

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to appeal the decision of the official in terms of section 62 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000).

- (13) Meters are tested in the manner provided for in the applicable standard specifications.
- (14) When an adjustment is made to the consumption registered on a meter in terms of subsection (8)(b) or (8)(c), such adjustment is based either on the percentage error of the meter as determined by the test referred to in subsection (13), or upon a calculation by the Municipality from consumption data in its possession, and where applicable, due allowance must be made, where possible, for seasonal or other variations which may affect consumption.
- (15) When an adjustment is made as contemplated in subsection (14), the adjustment may not exceed a period of six months preceding the date on which the metering equipment was found to be inaccurate, however the application of this subsection 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.
- (16) The municipality may dispense with the use of a meter in case of –
 - (a) an automatic sprinkler fire installation; and
 - (b) special circumstances at the Engineer's discretion.
- (17) The municipality may by notice –
 - (a) prohibit or restrict the consumption of metered services –
 - (i) for specified or non-specified purposes;
 - (ii) during specified hours of the day or on specified days or otherwise than during specified hours of the day or on specified days; and
 - (iii) in a specified or non-specified manner; and
 - (b) determine and impose –
 - (i) limits on the quantity of metered services which may be consumed over a specified period;
 - (ii) charges additional to those prescribed in respect of the supply of metered services in excess of a limit contemplated in subparagraph (i); and
 - (iii) a general surcharge on the prescribed charges in respect of the supply of metered services; and
 - (c) impose restrictions or prohibitions on the use or manner of use or disposition of an appliance by means of which metered services is used or consumed, or on the connection of such appliance.
- (18) The municipality may limit the application of the provisions of a notice contemplated by subsection (17) to specified areas and classes of account holders, premises and activities,

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and may provide for the Municipality to permit deviations and exemptions from, and the relaxation of any of the provisions on such grounds as he or she may deem fit.

- (19) To ensure compliance with a notice published in terms of subsection (17), the municipality may take, or by written notice require an account holder at the account holder's expense to take such measures, including the installation of measuring devices and devices for restricting the flow of metered services as may be necessary
- (20) In addition to the person by whose act or omission a contravention of or failure to comply with the terms of a notice published in terms of subsection (17) is actually committed, an account holder in respect of the premises to which metered services are supplied is presumed also to have committed the contravention or to have so failed to comply, unless evidence is adduced that the account holder had taken all reasonable steps to prevent such a contravention or failure to comply by any other person, however, the fact that the account holder issued instructions to the other person shall not of itself be accepted as sufficient proof that the account holder took all such reasonable steps.
- (21) The provisions of this section also apply in respect of metered services supplied directly by the municipality to account holders outside its area of jurisdiction, notwithstanding anything to the contrary in the conditions governing such supply, unless otherwise specified in the notice published in terms of subsection (17).
- (22) If such action is necessary as a matter of urgency to prevent waste of metered services, refuse or sewerage, damage to property, danger to life, or pollution of water, the municipality may –
 - (a) without prior notice disconnect the supply of metered services to any premises; and
 - (b) enter upon such premises and do such emergency work, at the account holder's expense, as he or she may deem necessary, and in addition by written notice require the account holder to do within a specified period such further work as the municipality may deem necessary.
- (23) Before any metered or pre-paid metered supplies which have been disconnected or restricted for non-payment is restored, an account holder must pay all fees and charges as determined by the municipality.
- (24) The municipality may, at the written request of an account holder and on the dates requested by the account holder –
 - (a) disconnect the supply of metered services to the account holder's premises; and
 - (b) restore the supply, and the account holder must before the metered services is restored pay the prescribed charge for the disconnection and restoration of his or her supply of metered services.
- (25) After disconnection for non-payment of an account or a contravention of any provision of this policy, the prescribed fees must be paid before reconnection is made.
- (26) The following apply to the reading of credit meters:

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- (a) Unless otherwise prescribed, credit meters are normally read at intervals of approximately one month and the fixed or minimum charges due in terms of the tariff are assessed accordingly and the municipality is not obliged to effect any adjustments to such charges;
 - (b) if for any reason the credit meter cannot be read, the municipality may render an estimated account, and estimated consumption must be adjusted in a subsequent account in accordance with the consumption actually consumed;
 - (c) when an account holder vacates a property and a final reading of the meter is not possible, an estimation of the consumption may be made and the final account rendered accordingly;
 - (d) if a special reading of the meter is desired by a consumer, this may be obtained upon payment of the prescribed fee; and
 - (e) if any calculating, reading or metering error is discovered in respect of any account rendered to a consumer –
 - (i) the error must be corrected in subsequent accounts;
 - (ii) any such correction applies only in respect of accounts for a period of six months preceding the date on which the error in the accounts was discovered,
 - (iii) the correction is based on the actual tariffs applicable during the period; and
 - (iv) the application of this section does not prevent a consumer from claiming back overpayment for any longer period where the consumer is able to prove the claim in the normal legal process.
- (27) The following apply to prepayment metering:
- (a) No refund of the amount tendered for the purchase of electricity or water credit is given at the point of sale after initiation of the process by which the prepayment meter token is produced;
 - (b) copies of previously issued tokens for the transfer of credit to the prepayment meter may be issued at the request of the consumer;
 - (c) when an account holder vacates any premises where a prepayment meter is installed, no refund for the credit remaining in the meter is made to the owner by the municipality;
 - (d) the municipality is not liable for the reinstatement of credit in a prepayment meter lost due to tampering with, or the incorrect use or the abuse of, prepayment meters or tokens;
 - (e) where an account holder is indebted to the municipality for any rates, metered services, other municipal charges, levies, fees, fines, interest, taxes or any other amount or amounts payable arising from any other liability or obligation, the municipality may deduct a percentage from the amount tendered to offset the amount owing to the municipality; and
 - (f) the municipality may appoint vendors for the sale of credit for prepayment meters and does not guarantee the continued operation of any vendor.

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18 Resale of water or electricity

- (1) No account holder who is supplied with metered services in terms of this policy may sell or supply water or electricity, supplied to the account holder's premises under an agreement with the municipality, to any other person or persons for such use upon any premises other than those in respect of which such agreement is made, or permit or suffer such resale or supply to be made, unless provision has been made therefore in a special agreement or unless prior permission from the municipality to do so has been obtained.
- (2) If the municipality grants the permission referred to in subsection (1), it may stipulate the maximum price at which the water or electricity may be sold and impose such other conditions as it may deem fit.
- (3) Permission referred to in subsection (1) may be withdrawn at any time.
- (4) Where water or electricity is resold for use on the same premises, such resale must be in accordance with the tariff and subject to such conditions as the municipality may decide.

Part 4

Indigence relief measures

19. Requirements for indigence relief and credit given

- (1) The requirements for indigence relief and credit given are covered by the Council's Indigent Policy.

20. Provision for indigent debtors that is consistent with its rates and tariff policies and any other national policy on indigents

- (a) Provision for indigent debtors according to municipal tariff policy and any national policy.
- (b) Outline process within policy for indigent consumer to understand that the rates and tariff policy of municipality will be applicable on them when free basic services limit is exceeded.

Realistic targets consistent with –

(a) GRAP and collection ratios

Policy should be aligned to GRAP and collection ratios which should be a realistic target according to capacity.

(b) The estimates of income set in the budget is less an acceptable provision for bad debts

Set estimate income based on the average of at least the past three financial years then make provision for bad debt based on the above average.

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Bad debt should only be written off only after all prescripts within the credit control policy have been adhered to and implemented fully.

CHAPTER 3

21. TARIFFS

The General principles of, and the Calculation of, the following tariffs are covered in the Council's Tariff Policy:

- Electricity
- Water
- Refuse removal
- Sewerage
- Minor tariffs

CHAPTER 4

22. RATES

All details with regards Council's Rates and Taxes are covered in Council's Rates Policy.

CHAPTER 5

ENFORCEMENT

23. Municipality's powers to restrict or disconnect supply of services

The municipality may, over and above the provisions of any other provisions in this policy restrict or disconnect the supply of water and electricity, or discontinue any other service to any premises if -

- (a) an administration order is granted in terms of section 74 of the Magistrates Court Act, 1944 (Act 37 of 1944), in respect of an account holder;
- (b) an account holder of any service fails to comply with a condition of supply imposed by the municipality;
- (c) an account holder obstructs the efficient supply of electricity, water or any other municipal services to another account holder;
- (d) an account holder supplies such municipal services to any person who is not entitled thereto or permits such service to continue;
- (e) an account holder causes a situation which is dangerous or a contravention of relevant legislation; or
- (f) an account holder is placed under provisional registration, liquidation or judicial management, or commits an act of insolvency in terms of the Insolvency Act, 1936 (Act 24 of 1936).

24. Tampering, unauthorised connections and reconnections, and

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improper use

- (1) The municipality reserves the right to monitor the service network for signs of tampering or irregularities.
- (2) No person may in any manner or for any reason whatsoever tamper or interfere with any meter or metering equipment or service connection or service protective device or supply mains or any other equipment of the municipality.
- (3) Where prima facie evidence exists of an account holder or any person having contravened subsection (2), the municipality has the right to disconnect the supply immediately and without prior notice to the account holder, and the account holder is liable for all fees and charges levied by the Municipality for such disconnection plus penalty as provided for in the annual budget.
- (4) Where an account holder or any person has contravened subsection (2) and such contravention has resulted in the meter recording less than the true consumption, the municipality has the right to recover from the account holder the full cost of his or her estimated consumption and the cost of repair or replacement of damaged metering devices.

25. Clearance certificate

To effect the transfer of any immovable property from one registered owner to another, the Registrar of Deeds requires a clearance certificate. The certificate is obtainable from the municipal manager or a duly authorised officer of the municipality, upon payment of the prescribed fee and subject to the conditions of section 118 of the Municipal Systems Act, 2000 (Act 32 of 2000) being met. The municipality may issue a rates clearance, valid for 90 days after the rates is paid for 90 days in advance. Application for clearance certificates has to be done by the buyers legal representative.

26. Bids and grants-in-aid

- (1) Each bid submitted to the municipality must be accompanied by a certificate from the municipality stating that the proposed supplier is not indebted to the municipality for any arrear amount reflected on the municipal account.
- (2) Should a proposed supplier be so indebted, the municipality may disallow the bid.
- (3) The municipality may only consider a bid once the proposed supplier has made satisfactory arrangements to pay the outstanding amount by means of instalments, or has settled all arrear amounts in full.
- (4) The municipal manager or a duly authorised officer of the municipality must in the condition of contract, provide for the deduction from moneys owed to the supplier in order to settle any outstanding amount.
- (5) Payment of any grants-in-aid approved by the municipality may be withheld pending payment of any outstanding municipal account, or pending an agreement between the

municipality and the receiver of a grant-in-aid in which satisfactory arrangements have been made regarding the settlement of the outstanding municipal account.

27. Power of council to recover costs

- (1) Where a bank dishonours any payment made to the municipality, the municipality may levy and recover all related costs and any administration fees against an account of the defaulting account holder and may disconnect or restrict the supplies to the premises of such account holder.
- (2) All legal costs, including attorney-and-client costs incurred in the recovery of amounts in arrears and payable in terms of the Magistrates Court Act, 1944 (Act 32 of 1944), must be levied against the arrears account of the account holder.
- (3) For any action taken in demanding payment from an account holder or reminding an account holder by means of telephone, fax, electronic mail, letter or otherwise that payments are due, a fee will be levied against the municipal account of the account holder in terms of the municipality's tariff provisions.

28. Prima facie evidence

A certificate reflecting the amount due and payable to the municipality, signed by the municipal manager or a duly authorised officer of the municipality, is upon mere production thereof prima facie evidence of the indebtedness of the person mentioned in it.

29. Abandonment and writing off of bad debts, and full and final settlement of account

- (1) Before terminating the debt collection procedure in any individual instance, the municipal manager must –
 - (a) ensure that all debt collection mechanisms as provided for in section 12 have been utilised where reasonable;
 - (b) maintain an audit trail; and
 - (c) document the reasons for terminating the debt collection procedure, including the cost of enforcement and necessary financial adjustments.
 - (e) any account balance between –R10 and +R10 can be written off once a month on approval by the Chief Financial Officer.

Writing off bad debts

Any debt written off must -

- (d) Only be written off after all reasonable steps, within reason and without culminating in further irrecoverable costs for the council, have been taken to recover the debt, in accordance with this policy, and the Council has convinced itself that:
 - (i) Recovery of the debt would be uneconomical;
 - (ii) Recovery would cause undue hardship to the debtor or his/her dependants; and
 - (iii) It would be an advantage to the Municipality to effect a settlement of its claim or to waive the claim.

- (f) Be disclosed in the annual financial statements, indicating the policy in terms of which the debt was written off.

FULL AND FINAL SETTLEMENT

- (2) The municipal manager or a duly authorised officer of the municipality may consider an offer for full and final settlement, and must, if in the interests of the municipality, in writing consent to the acceptance of a lesser amount as full and final settlement of the amount due and payable.
- (3) Where the exact amount due and payable to the municipality has not been paid in full, any lesser amount tendered to and accepted by any the municipality employee, except the municipal manager or the municipal manager's delegate, shall not be deemed to be in full and final settlement of such an amount.

30. Power of entry and inspection

- (1) A duly authorised representative of the municipality may for any reason related to the implementation or enforcement of this policy at all reasonable times or in emergency at any time, enter premises, request information and carry out such inspection as deemed necessary, and may for purposes of installing or repairing any meter or service connection for reticulation disconnect, stop or restrict the provision of any service.
- (2) If the municipality considers it necessary for work to be performed to enable an officer to perform a function referred to in subsection (1) properly and effectively, it may –

- (a) by written notice require an account holder to do, at own expense, specified work within a specified period; or
 - (b) if the situation is a matter of urgency, without prior notice do such work or cause it to be done at the expense of the account holder.
- (3) If the work referred to in subsection (2) 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, the municipality must bear the expense connected therewith together with that of restoring the premises to their former condition.

31. Authentication and service of orders, notices and other documents

- (1) An order, notice or other document requiring authentication by the municipality must be signed by the municipal manager or by a duly authorised officer of the municipality, such authority being conferred by resolution of the municipality or by a by-law or regulation, and when issued by the municipality in terms of this policy is deemed to be duly issued if it is signed by an officer authorised by the municipality.
- (2) Any notice or other document that is served on a person by a duly authorised officer of the municipality in terms of this policy, is regarded as having been served –
 - (a) when it has been delivered to that person personally;
 - (b) when it has been left at that person's place of residence or business in the Republic with a person apparently over the age of 16 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);
 - (e) if that person's address and agent or representative in the Republic is unknown, when it has been placed in a conspicuous place on the property or premises, if any, to which it relates;
 - (f) in the event of a body corporate, when it has been delivered at the registered office of the business premises of such body corporate to a person apparently over the age of 16 years; or

- (g) when it has been delivered, at the request of a person, to that person's electronic mail address.
- (3) When any notice or other document has to be served on the owner, an account holder or holder of any property or right in any property, it is sufficient if that person is described in the notice or other document as the owner, account holder or holder of the property or right in question, and it is not necessary to name that person.
- (4) Service of a copy is deemed to be service of the original.
- (5) Any legal process is effectively and sufficiently served on the municipality when it is delivered to the municipal manager or a person in attendance at the municipal manager's office.

32. Matters prescribed by regulation 104 of MSA

- (a) The identification of municipal services provided by the municipality or other services providers to users of services where the use of the services by the user can reasonably be determined, measured or estimated per quantity used or per frequency of such use;
- (b) The determination, measurement or estimate of the use by each user of each service so identified;
- (c) User agreements, and deposits and bank guarantees for the provision of municipal services;
- (d) The rendering of accounts to ratepayers and users and the particulars to be continued in the accounts;
- (e) The action that may be taken by municipalities and services providers to secure payments of accounts that are in arrears, including -
 - The seizure of property;
 - The attachment of rent payable on property; and
 - The extension of liability to a director, a trustee or a member if the debtor is a company, a trust or a close corporation;
- (f) The development and implementation of an indigent policy;
- (g) Any other matter that may facilitate –
 - Effective and efficient systems of credit control and debt

33. DELEGATIONS OF RESPONSIBILITIES BY MUNICIPAL MANAGER

The municipal manager may delegate any of his/her powers to any employee or official of the municipality and to any board member of the municipal entity subject to applicable legislation.

CHAPTER 6 MISCELLANEOUS PROVISIONS

34. Right of appeal

- (1) A person whose rights are affected by a decision of a municipal officer may appeal against that decision by giving written notice of the appeal and reasons to the municipal manager within 21 days of the date of the notification of the decision.
- (2) The Municipal Manager must promptly submit the appeal to the appropriate appeal authority mentioned in subsection (4).
- (3) The appeal authority must consider the appeal and confirm, vary or revoke the decision, but no such variation or revocation of a decision may detract from any rights that may have accrued as a result of the decision.
- (4) When the appeal is against a decision taken by –
 - (a) a staff member other than the municipal manager, the municipal manager is the appeal authority;
 - (b) the municipal manager, the Mayor is the appeal authority; or
 - (c) a political structure or political officer bearer or a the councillor, a committee of councillors who were not involved in the decision and appointed by the municipality for this purpose is the appeal authority.
- (5) An appeal authority must commence with an appeal within six weeks and decide the appeal within a reasonable time.

35. Offences and penalties

A person is guilty of an offence and liable upon conviction to a period not exceeding six months of community service or a fine or a combination of the aforementioned if he or she—

- (a) fails to give access required by an officer in terms of section 37;
- (b) obstructs or hinders an officer in the exercise of his or her powers or the performance of functions or duties under this policy;
- (c) uses or interferes with the municipality equipment for consumption of services supplied;
- (d) fails or refuses to give the municipality or an officer such information as the municipality or the officer may reasonably require for the purpose of exercising powers or functions under this policy, or gives the municipality or the officer false or misleading information knowing it to be false or misleading;
- (e) fails to comply with the terms of a notice served upon him or her in terms of this policy; or
- (f) tampers or breaks any seal on a meter or on any equipment belonging to the municipality, or for any reason determined by the municipal manager causes a meter not to register the services used properly, and the person shall furthermore be charged for usage of electricity or water, as the case may be.

36. Transitional provision

- (1) A person who has been the owner of property within the Municipality before the commencement of this policy must within a period determined by the municipality, after the commencement of this policy, enter into a new service agreement with the municipality in terms of which such owner undertakes to be solely responsible for any municipal charges relating to each of such owner's properties failing which the supply of services to the property may be discontinued or restricted.
- (2) A lessee of a premises who consumes services provided by the Municipality before the commencement of this policy must within a period determined by the municipality, after the commencement of this policy, enter into a new service agreement with the municipality in terms of which such lessee undertakes to be solely responsible for any municipal charges relating to each of such properties leased, failing which the supply of services to the property may be discontinued or restricted.

37. Short title and commencement

This Policy may be cited as the Thembelihle Municipality Customer Care, Credit Control and Revenue Management Policy, and commences on the date of approval and or



INDIGENT POLICY

(Adopted by council on 31 March 2016)

DEFINITIONS

For the purpose of this policy, unless the context indicates otherwise, any word or expression to which a meaning has been attached in the Act shall bear the same meaning and means:-

“Indigent” This is a household which, due to a number of factors as set out in par. 4, is not financially capable of paying for the delivery of Basic Services – including poor households.

“Household” This includes all persons who are jointly living on a stand or site on a permanent basis and who receive water and/or electricity and/or other services from the Municipality

“authorised representative” the person or instance legally appointed by the Council to act or to fulfil a duty on its behalf

“basic service” The amount or level of any municipal service that is necessary to ensure human dignity and a reasonable quality of life and which, if not provided, could endanger public health or safety of the environment and for the purposes of this Policy are restricted to electricity, refuse, sewerage and water services. It is also to be understood that the national norms will be used as guidelines for the determination of the amount/level of the services;

“Chief Financial Officer” An officer of the Municipality appointed as the Head of the Finance Department and includes any person:-

a) acting in such position; and

b) to whom the Chief Financial Officer has delegated a power, function or duty in respect of such a delegated power, function or duty;

“Child Headed Household” This is a household where no adults are living and where the household is headed by a school-going child;

“Council” or “municipal council” A municipal council referred to in section 18 of the Local Government: Municipal Structures Act, 1998 (Act No 117 of 1998) and for purposes of this policy, the municipal council of the Municipality of Thembelihle;

“customer” Any occupier of any property to which the has agreed to supply services or already supplies services to, or if there is no occupier, then the owner of the property;

“defaulter” A person who owes money to the municipality in respect of a municipal account after the due date for payment has expired;

“interest” A levy with the same legal priority as service fees and calculated on all amounts in arrears in respect of assessment rates and service levies at a standard rate as determined by the Municipality.

“Municipality” The institution that is responsible for the collection of funds and the provision of services to the customers of Thembelihle;

“municipal account” or “billing” The proper and formal notification by means of a statement of account, to persons liable for monies levied and indicating the net accumulated balance of the account, specifying charges levied by the Municipality, or any authorised and contracted service provider, in the format of, but not limited to

“the Act” The Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000) as amended from time to time

2 OBJECTIVES OF POLICY

2.1 The objectives of this Policy are to:-

2.1.1 Provide a framework within which the Municipality can exercise its executive and legislative authority with regard to the implementation of financial aid to indigent and poor households in respect of their municipal account;

2.1.2 Determine the criteria for qualification of indigent and poor households;

2.1.3 Ensure that the criteria is applied correctly and fairly to all applicants;

2.1.4 Allow the Municipality to conduct in loco visits to the premises of applicants to verify the actual status of the household ;

2.1.5 Allow the Municipality to maintain and publish the register of names and addresses of account holders receiving subsidies.

3 PRINCIPLES OF POLICY

3.1 The administrative integrity of the Municipality must be maintained at all costs. The democratically elected councillors are responsible for making of policy, while it is the responsibility of the Municipal Manager to ensure the execution of this policy;

- 3.2 All applicants must complete an official application form, which is to be submitted together with the supporting documents as specified in this policy;
- 3.3 Application forms, agreements and documents relating to this Policy must be available in Afrikaans and English. Officials designated to control and manage these documents must be able to explain the contents thereof in the three languages of the Northern Cape;
- 3.4 The customer is entitled to an efficient, effective and reasonable response to appeals, and should suffer no disadvantage during the processing of a reasonable appeal.

4 CRITERIA FOR INDIGENT HOUSEHOLDS

- 4.1 To qualify as an indigent household, a household must comply with the following criteria:-
- 4.1.1 A household which has a verified total household gross monthly income of less than R3 900.00 per month (when the household income is calculated, any children pensions received must be excluded when calculating the household income). A Child Headed household (i.e. a household where no income-earning adult is staying and where the household is headed by a school-going child) will automatically qualify for the subsidies provided for in this policy.
- 4.1.2 State pensioners living together will be classified as indigent and shall qualify for 100% subsidy subject to the completion of the relevant documentation.
- 4.1.3 Must be a permanent resident of Thembelihle.
- 4.1.4 Must be a South African citizen.
- 4.1.5 Indigent households will be required to change from credit metering for electricity consumption to a pre-paid metering system which conversion costs will be funded from the equitable share, subject to the availability of funds.
- 4.1.6 The municipality will not grant indigent support to any applicant who:
- Owns more than one property whether inside or outside the municipal area;

- Is letting, renting out or leasing his/her property to someone and derives an income from the renting letting or leasing.

4.1.7 Must agree that the supply of water to the particular premises can be restricted by means of a flow control washer, or any other means as the Council may determine from time to time.

5 SUBSIDY

The subsidies below will be funded from the “equitable share” contribution received from National Treasury. The subsidies will only be granted to qualifying households to the extent that the abovementioned funds are available for allocation. The subsidy amount allocated will be calculated and rounded off to the nearest lower R1, and will be paid into the consumer’s municipal account every month and be indicated as such on the account.

5.1 Indigent households will receive the following per month as qualified above:

A subsidy of:

- 100% of the basic levy for electricity/pre-paid for one service point per month;
- 75% of deposit payable for an electricity connection when a new account is opened or when an account is transferred to a new client;
- 100% of the basic levy for water per month;
- 75% of deposit payable for a water connection when a new account is opened or when an account is transferred to a new client;
- 100% of basic levy for refuse removal per month;
- 100% of basic levy for sewerage per month;

- In respect of water usage, a 100% subsidy up to 6 kl per household per month will apply; however, if consumption exceeds 6 kl per metering period (month) the consumer will be charged at normal tariffs for actual consumption on the quantity exceeding 6 kl.
- In respect of electricity usage, a 100% subsidy up to 50 kWh per household per month will apply; however, if consumption exceeds 50 kWh per metering period (month), the consumer will be charged at normal tariffs for actual consumption on the quantity exceeding 50 kWh.

5.2 Indigent households who are living on un-serviced erven will receive the following per month as qualified above:

A subsidy to the same value of 50 kWh electricity consisting of paraffin, matches and candles

- 5.3 In the event that the indigent support per month does not cover the full monthly billed service account, the applicant shall be liable to pay the excess, failing which the subsidy will be discontinued and services will be cut and or restricted.

6 APPLICATION FOR A SUBSIDY

- 6.1 The account holder must apply in person at a customer care office of the Municipality on the prescribed application form.

- 6.2 The following items must accompany the application:-

- 6.2.1 The latest municipal account of the household;

- 6.2.2 Proof of the account holder's identity;

- 6.2.3 Proof of income of the account holder (e.g. a letter from his/her employer, salary slip/envelope, pension card, unemployment insurance fund (UIF) card, or a certificate to confirm registration as a job-seeker);

- 6.2.4 Proof of medical condition when requiring additional water and electricity.

Should the account holder be unable to apply in person, due to medical reasons, his/her application may be certified by a commissioner of oaths, preacher/pastor of church or a community worker. The applicant must complete the sworn statement that forms part of the application form. Failure to do so will render the application invalid.

- 6.2.5 The applicant must fill out and sign an application form and provide the information required on the form.

- 6.2.6 All recipients of indigent support shall be required to re-apply for subsidy once a year. Such applications shall reach the Chief Financial Officer at least six months before the beginning of a financial year;

6.2.7 All applications for indigent support shall be screened by the respective Ward Councillor or Proportional Representative Councillor or the Mayor for any irregularities and shall sign all applications having passed the criteria.

6.2.8 A Councillor may not approve any applications, but make a recommendation to the Accounting Officer/CFO for approval for indigent support.

7 PUBLICATION OF NAMES OF QUALIFYING APPLICANTS

The applicant must grant permission for the Municipality to publish his/her name and address on a list of account holders receiving subsidies in terms of this policy. Any person may inspect or scrutinize the list at a Customer Care Office and inform/notify the Municipality of any person who, according to their true circumstances, should not be in receipt of a subsidy as envisaged in this policy.

8 FALSE INFORMATION

8.1 An applicant for indigent support will be required to submit a sworn affidavit certifying that the information supplied are true and correct.

8.2 A person who provides false information will be disqualified and be refused further participation in the subsidy scheme. In addition, he/she will be held liable for the immediate re-payment of any subsidies already granted and legal action, civil or criminal may be instituted against the guilty party(-ies).

9 LOCAL AUDIT (VERIFICATION)

9.1 The Municipality reserves the right to send officials and/or representatives of the Municipality to the household or site of the applicant(s) at any reasonable time, with the aim of carrying out a local verification of the accuracy of the information provided by the applicant(s). Such audit will be conducted on a continuous basis.

9.2 Failure by a beneficiary of indigent support to allow officials of the municipality access to the premises and information will result in the disqualification of the beneficiary from indigent support.

10 DURATION OF SUBSIDY

- 10.1 Indigent support will be granted on a monthly basis, **except** where the beneficiary's circumstances have changed to the extent that he/she no longer qualifies or when the budgeted amount has been depleted.
- 10.2 If the municipality obtains information that indicates that the circumstances of the applicant have changed to such an extent that he/she no longer qualifies for the subsidy, the Municipality reserves the right to suspend the subsidy. If any of the criteria, as set out in this policy, is not complied with any more, there is an onus on the recipient of the subsidy to notify the Municipality within **seven (7) days** after such criteria is no longer complied with. If a recipient cannot write, a designated official must be informed in person.

11 CURRENT AMOUNTS IN ARREARS

- 11.1 Applicants, whose municipal accounts show arrear amounts at the time of the application for a subsidy, will have to make arrangements with the Municipality for paying off the amounts in arrears.
- 11.2 Assistance may be considered for arrears for indigent households subject to the availability of funds.

12 REGISTER

The Municipality will complete a register of households that qualify as "indigent". The register will be continually updated and reconciled with the relevant subsidy account in the general ledger on a monthly basis.

SUPPLY CHAIN MANAGEMENT POLICY (Adopted by Council on 31 March 2016)

Definitions

1. 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 Accounting Officer referred to in section 60 of the Municipal Finance Management Act, No. 56 of 2003, and include a person acting as the accounting officer.

“accredited” means goods / services that are officially recognized, are generally accepted or having a guaranteed quality.

“Accredited Agent” means a provider who is authorized to deliver certain goods / services and can be trading in a specific area, however, an accredited agent is not a sole provider.

“black people”; is as generic term which means Africans, Coloureds and Indians as defined in the Broad-Based Black Empowerment Act (No. 53 of 2003); **“competitive bid”** means a bid in terms of a competitive bidding process; **“Council”**; means the Council of Thembelihle Local Municipality;

“emergency procurement” emergency cases are cases where immediate action is necessary in order to avoid dangerous or risky situation (life threatening) or misery such as floods or fires.

“exceptional / urgent cases” exceptional cases are cases where early delivery is of critical importance and the invitation of competitive bids is either impossible or impractical. However a lack of proper planning should not be constituted as an urgent case subject to the approval of the Accounting Officer. The nature of the urgency and the details of the justifiable procurement must be recorded. **“Exempted Micro Enterprise”** [EME's] Enterprises with an annual total revenue of R5 million or less [all taxes included] for goods and services. Sector charters have been developed for the Tourism and Construction industry where thresholds of Rand 2.5 million and Rand 1.5 million respectively have been established.

“final award”, in relation to bids or quotations submitted for a contract, means the final decision on which bid or quote to accept;

“formal written price quotation” means quotations referred to in paragraph 12

(1) (c) of this Policy;

“Fruitless expenditure” - expenditure made in vain and could have been avoided if reasonable care taken;

“in the service of the state” means to be –

- (a) a member of –
 - (i) any municipal council;
 - (ii) any provincial legislature; or
 - (iii) the National Assembly or the National Council of Provinces;
- (b) a member of the board of directors of any municipal entity;
- (c) an official of any municipality or municipal entity;
- (d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);
- (e) a member of the accounting authority of any national or provincial public entity; or
- (f) an employee of Parliament or a provincial legislature;

“Irregular expenditure” - expenditure incurred that is not in accordance with a requirement of a SCM policy of the municipality or by-laws giving effect to such a policy/e.g. Unsolicited bids

“long term contract” means a contract with a duration period exceeding one year;

“list of accredited prospective providers” means the list of accredited prospective providers which the municipality must keep in terms of paragraph 14 of this policy;

“municipality” means the Thembelihle Local Municipality.

“municipal entity” has the meaning assigned to it by section 1 of the Municipal Systems Act, 2000.

“other applicable legislation” means any other legislation applicable to municipal supply chain management, including –

- (a) the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000);

(b) the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003); and

(c) the Construction Industry Development Board Act, 2000 (Act No.38 of 2000);

“senior manager” means an executive director appointed in terms of section 56 of the Municipal Systems Act, 2000 or an acting executive director appointed by the Accounting Officer.

“sole provider” means provider of specialized or exclusive goods / services who has a sole distribution / patent / manufacturing rights and copyrights. **“Transversal contract”**

means a contract arranged for more than one department/municipality or for more than one level of government eg. National and Provincial Government.

“Treasury guidelines” means any guidelines on supply chain management issued by the Minister in terms of section 168 of the Act;

“the Act” means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);

“the Regulations” means the Local Government: Municipal Finance Management Act, 2003, Municipal Supply Chain Management Regulations published by Government Notice 868 of 2005;

“written or verbal quotations” means quotations referred to in paragraph 12(1)

(b) of this Policy.

CHAPTER 1

IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT POLICY

Supply chain management policy

2. (1) All officials and other role players in the supply chain management system of the municipality must implement this Policy in a way that –
- (a) gives effect to –
 - (i) section 217 of the Constitution; and
 - (ii) Part 1 of Chapter 11 and other applicable provisions of the Act;
 - (b) is fair, equitable, transparent, competitive and cost effective;
 - (c) complies with –
 - (i) the Regulations; and
 - (ii) any minimum norms and standards that may be prescribed in terms of section 168 of the Act;
 - (d) is consistent with other applicable legislation;
 - Broad Based Black Economic Empowerment Act [B-BBEEA]
 - Corruption Act, 1998 – anti-corruption measures and practices;
 - Competition Law and Regulations
 - Promotion of Administrative Justice Act, 2000
 - National Archives of South Africa Act, 1996
 - National Small Business Act
 - Construction Industry Development Board Act, 2000 [Act no 38 of 2000].
 - (e) does not undermine the objective for uniformity in supply chain management systems between organs of state in all spheres; and
 - (f) is consistent with national economic policy concerning the promotion of investments and doing business with the public sector.
- (2) This Policy applies when the municipality –
- (a) procures goods or services;
 - (b) disposes goods no longer needed;
 - (c) selects contractors to provide assistance in the provision of municipal services otherwise than in circumstances where Chapter 8 of the Municipal Systems Act applies;

(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.

(4) Presently the Municipality of Thembelihle experiences a shortage of skills and lack of capacity. It will thus not be possible to implement a fully fledged SCM unit. However, the municipality will assign specific tasks regarding SCM to place existing staff in the municipality. Those officials will all be issued with a clear job description, code of conduct and financial declarations. All aspects regarding SCM will be assigned to the present staff. As soon as the financial and staff capacity of the municipality increases, the present situation will be revised and every endeavor will be made to establish a fully fledged SCM unit in the near future.

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.

(2) If the accounting officer submits proposed amendments to the Council that differs from the model policy issued by the National Treasury, the accounting officer must –

- (a) ensure that such proposed amendments comply with the Regulations; and
- (b) report any deviation from the model policy to the National Treasury and the relevant provincial treasury.

(3) When amending this supply chain management policy the need for uniformity in supply chain practices, procedures and forms between organs of

state in all spheres, particularly to promote accessibility of supply chain management systems for small businesses must be taken into account.

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 –
 - (i) Chapter 8 or 10 of the Act; and
 - (ii) 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.
- (2) Sections 79 and 106 of the Act apply to the sub delegation of powers and duties delegated to an accounting officer in terms of subparagraph (1).
- (3) The accounting officer may not subdelegate any supply chain management powers or duties to a person who is not an official of Municipality or to a committee which is not exclusively composed of officials of the Municipality;
- (4) This paragraph may not be read as permitting an official to whom the power to make final awards has been delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in paragraph 26 of this Policy.

Sub delegations

- 5.** (1) The accounting officer may in terms of section 79 or 106 of the Municipal Finance Management Act, and sections 4 and 5 of the SCM

Regulations as well as the Delegation Register; sub-delegate any supply chain management powers and duties, including those delegated to the accounting officer in terms of this Policy, but any such subdelegation must be consistent with subparagraph (2) of this paragraph and paragraph (4) of this Policy.

- (2) The power to make a final award –
- (a) above R10 million (VAT included) may not be sub-delegated by the accounting officer;
 - (b) above R2 million (VAT included), but not exceeding R10 million (VAT included), may be sub-delegated but only to –
 - (i) the chief financial officer;
 - (ii) a senior manager; or
 - (iii) a bid adjudication committee of which the chief financial officer or a senior manager is a member; or
 - (c) not exceeding R2 million (VAT included) may be sub-delegated but only to –
 - (i) the chief financial officer;
 - (ii) a senior manager;
 - (iii) a manager directly accountable to the chief financial officer or a senior manager; or
 - (iv) a bid adjudication committee.

(3) An official or bid adjudication committee to which the power to make final awards has been sub-delegated in accordance with subparagraph (2) must within five days of the end of each month submit to the official referred to in subparagraph (4) a written report containing particulars of each final award made by such official or committee during that month, including–

- (a) the amount of the award;
- (b) the name of the person to whom the award was made; and
- (c) the reason why the award was made to that person.

- (4) A written report referred to in subparagraph (3) must be submitted –
- (a) to the accounting officer, in the case of an award by –

- (i) the chief financial officer;
 - (ii) a senior manager; or
 - (iii) a bid adjudication committee of which the chief financial officer or a senior manager is a member; or
- (b) to the chief financial officer or the senior manager responsible for the relevant bid, in the case of an award by –
- (i) a manager referred to in subparagraph (2) (c) (iii); or
 - (ii) a bid adjudication committee of which the chief financial officer or a senior manager is not a member.
- (5) Subparagraphs (3) and (4) of this policy do not apply to procurements out of petty cash.
- (6) This paragraph may not be interpreted as permitting an official to whom the power to make final awards has been sub-delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in paragraph 26 of this Policy.
- (7) No supply chain management decision-making powers may be delegated to an advisor or consultant.

Oversight role of council

- 6.** (1) The Council reserves its right to maintain oversight over the implementation of this Policy.
- (2) For the purposes of such oversight the accounting officer must –
- (a) (i) within 30 days of the end of each financial year, submit a report on the implementation of this Policy and the supply chain management policy of any municipal entity under the sole or shared control of the municipality, to the council of the municipality; and
 - (ii) whenever there are serious and material problems in the implementation of this Policy, immediately submit a report to the council,

(3) The accounting officer must, within 10 days of the end of each quarter, submit a report on the implementation of the supply chain management policy to the Mayor.

(4) The reports must be made public in accordance with section 21A of the Municipal Systems Act.

Supply chain management unit

7. (1) A supply chain management unit is hereby established to implement this Policy.

(2) The supply chain management unit operates under the direct supervision of the chief financial officer or an official to whom this duty has been delegated in terms of section 82 of the Act.

i) As stated before a fully fledged SCM unit and all functions regarding SCM will be assigned to present employed staff. This staff will handle these tasks additionally to their present tasks. Clear job descriptions will be issued regarding SCM functions, code of conduct, financial declarations, delegations, etc will also be issued. The municipality will establish a fully fledged SCM unit as soon as the capacity of the municipality increases to such an extent to justify such steps.

Training of supply chain management officials

1. The Accounting Officer and all other officials of the municipality involved in the implementation of the SCM Policy must meet the prescribed competency levels in terms of the National Treasury Regulations.
2. The municipality must provide opportunities and resources for training of officials preferred to meet the relevant prescribed supply chain management competency levels.
3. That National and Provincial Treasury or any other accredited body may assist the municipality in the training of officials in meeting the relevant prescribed supply chain management competency levels.

CHAPTER 2

SUPPLY CHAIN MANAGEMENT SYSTEM

Format of supply chain management system

- 9.** This Policy provides systems for –
- (i) demand management;
 - (ii) acquisition management;
 - (iii) logistics management;
 - (iv) asset disposal management;
 - (v) risk management; and
 - (vi) performance management.
 - (vii) asset management

Part 1: Demand management

System of demand management

- 10.** (1) The accounting officer must establish and implement an appropriate demand management system in order to ensure that the resources required by the municipality support its operational commitments and its strategic goals outlined in the Integrated Development Plan.
- (2) The demand management system must –
- (a) include timely planning and management processes to ensure that all goods and services required by the municipality are quantified, budgeted for and timely and effectively delivered at the right locations and at the critical delivery dates, and are of the appropriate quality and quantity at a fair cost;
 - (b) take into account any benefits of economies of scale that may be derived in the case of acquisitions of a repetitive nature; and
 - (c) provide for the compilation of the required specifications to ensure that its needs are met.
 - (d) To undertake appropriate industry analysis and research to ensure that innovations and technological benefits are maximized.

- (e) The municipality must compile a Procurement Plan containing all planned procurement for the financial year in respect of the procurement of goods, services and infrastructure projects which exceed R 200 000 [all applicable taxes included] per case as described in the Supply Chain Management Guide for Accounting Officers. The procurement plan must be finalized on the 1 July every year. The relevant information should preferably be furnished in the format contained in the Procurement Plan Template enclosed as Annexure A.
- (f) Also refer to National Treasury MFMA Circular 62.

Part 2: Acquisition management

System of acquisition management

- 11.** (1) The accounting officer must implement the system of acquisition management set out in this Part in order to ensure –
- (a) that goods and services are procured by the municipality in accordance with authorised processes only;
 - (b) that expenditure on goods and services is incurred in terms of an approved budget in terms of section 15 of the Act;
 - (c) that the threshold values for the different procurement processes are complied with;
 - (d) that bid documentation, evaluation and adjudication criteria, and general conditions of a contract, are as per National and Provincial prescripts [SCM Practice note 2, Explanatory notes: Revised quotation / bid forms]
 - (e) that the preference point system used in accordance with the Revised Preferential Procurement Policy Regulations of 7 December 2011 [utilizing B-BBEE status level verification certificates to claim preference points.
 - (f) that any Treasury guidelines on acquisition management are properly taken into account.
 - (g) Verification of bids in excess of R10 million

Prior to advertisement:

Verification by the CFO

The senior manager responsible for a vote must submit to the CFO:

- proof that budgetary provision exists for the procurement of the goods/services and / or infrastructure projects;

- any ancillary budgetary implications related to the bid;
- any multi -year budgetary implications;

Prior to the award of a bid

Contracts above the value of R 10 million [all applicable taxes included] may only be awarded to the preferred bidder after the CFO has verified in writing that budgetary provision exists for the acquisition of the goods, infrastructure projects and /or services and that it is consistent with the Integrated Development Plan.

(h) Publication of awards in respect of advertised competitive bids [above the threshold value of R 200 000]

The following information on the successful bids must be placed on the municipal website:

- Contract numbers and description of goods, services or infrastructure projects;
- Names of the successful bidders and the B-BBEE level of contribution claimed;
- Brand names and dates for completion of contracts.

(l) Functionality

Adhere to the revised guidelines when functionality is included as a criterion in the evaluation of bids [National Treasury note issued in September 2010].

- Clear indication must be given in bid documents if bids will be evaluated on functionality.
- Evaluation criteria must be objective.
- The weight of each criterion, applicable values and the minimum qualifying score [for each bid on its own merit] must be indicated in the bid documents.
- Bidders failing to achieve the qualifying score for functionality must be disqualified.
- Bidders achieving the minimum qualifying score must be evaluated further in terms of points for price and B-BBEE status level contribution

Pre –evaluation

- After closure of the bid pre-evaluation is done to ensure all bidders comply with the prescribed minimum norms and standards, NO TECHNICAL

EVALUATION IS DONE AT THIS POINT.

- Bidders are then invited to prepare for a functionality presentation in line with the criteria set out in the bid document on a specific date and provided with a time slot.

Appointment of a functionality committee

- The functionality committee is an ad-hoc committee appointed per bid.
- It should consist out of a cross functional team
- To be included as well:
 - o A SCM Practitioner;
 - o The end-user;
 - o Technical experts;
 - o Members of the Bid Evaluation- and Adjudication committees;
 - o CFO or a person with knowledge of the available budget from the CFO's office;
 - o Any other official deemed to be relevant;
 - o Provincial SCM official.
- Each member will complete a score sheet per bidder.
- The totals to be calculated by SCM, an average calculated and only the bidders who scored the minimum qualifying score will be evaluated further.
- Prior to the functionality committee meeting the end-user and the technical experts can sit with all the appointed committee members and peruse each bidder's proposal and draw-up a list of questions for clarification. Each member can add his / her own questions and during the presentations clarify or verify the information presented with relevant questions.

NOTE: There cannot be two [2] technical evaluation processes, only one done by a duly appointed functionality committee.

- Functionality evaluation forms part of the formal evaluation processes and is open for legal scrutiny and challenges –therefore it is a formal once off process with proper procedures and score sheets to be completed per committee member for each bidder, duly signed off by the relevant committee member.
- Score sheets form part of a bid and year-end audit by the Auditor –

General.

- Not following proper processes may lead to expenditure been classified as irregular by the Auditor-General's office.

(2) When procuring goods or services contemplated in section 110(2) of the Act, the accounting officer must make public the fact that such goods or services are procured otherwise than through the municipality's supply chain management system, including -

- (a) the kind of goods or services; and
- (b) the name of the supplier.

Range of procurement processes

12. (1) Goods and services may only be procured by way of -

- (a) petty cash purchases, up to a transaction value of R2 000 per case (VAT included);
- (b) written or verbal quotations for procurements of a transaction value over R2 000 up to R10 000 (VAT included);
- (c) formal written price quotations for procurements of a transaction value over R10 000 up to R200 000 (VAT included); and
- (d) a competitive bidding process for -
 - (i) procurements above a transaction value of R200 000 (VAT included); and
 - (ii) the procurement of long term contracts.

(2) The accounting officer may, in writing-

- (a) lower, but not increase, the different threshold values specified in subparagraph (1); or
- (b) direct that -
 - (i) written or verbal quotations be obtained for any specific procurement of a transaction value lower than R2 000;
 - (ii) formal written price quotations be obtained for any specific procurement of a transaction value lower than R10 000; or
 - (iii) a competitive bidding process be followed for any specific procurement of a transaction value lower than R200 000.

(3) Goods or services may not deliberately be split into parts or items of a lesser value merely to avoid complying with the requirements of the policy.

When determining transaction values, a requirement for goods or services consisting of different parts or items must as far as possible be treated and dealt with as a single transaction.

General preconditions for consideration of written quotations or bids

13. A written quotation or bid may not be considered unless the provider who submitted the quotation or bid –

- (a) has furnished that provider’s –
 - (i) full name;
 - (ii) identification number or company or other registration number; and
 - (iii) tax reference number and VAT registration number, if any; and
 - (iv) original valid tax clearance certificate from the South African Revenue Services.
 - (v) check in respect of the recommended bidder whether municipal rates and taxes and municipal service charges are not in arrears for more than three [3] months; Bids/ quotations should only be awarded to suppliers who are not in arrears with their municipal rates and taxes. If the suppliers are not resident in this municipality, but offer their services from any other municipality, the same applies. It should be established if they are not in arrears in their own municipality.
 - (vi) requirements for construction and engineering related bids should be awarded according to CIDB regulations;
 - (vii) The CIDB Act requires that all projects need to be registered with the CIDB;
 - (viii) Before an award is done to a contractor, the contractor’s CIDB grading must be confirmed with the CIDB website;
 - (ix) The CIDB grading designation is as follows:

Grading designation	Less than or equal to
1	R 200 000
2	R 650 000

3	R	2 000 000
4	R	4 000 000
5	R	6 500 000
6	R	13 000 000
7	R	40 000 000
8	R	130 000 000
9		No Limit

- (b) has indicated –
- (i) whether he or she is in the service of the state, or has been in the service of the state in the previous twelve months;
 - (ii) if the provider is not a natural person, whether any of its directors, managers, principal shareholders or stakeholder is in the service of the state, or has been in the service of the state in the previous twelve months; or
 - (iii) 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.

Lists of accredited prospective providers

- 14.** (1) The accounting officer must –
- (a) keep a list of accredited prospective providers of goods and services that must be used for the procurement requirements through written or verbal quotations and formal written price quotations; and
 - (b) at least once a year through newspapers commonly circulating locally, the website and any other appropriate ways, invite prospective providers of goods or services to apply for evaluation and listing as accredited prospective providers;
 - (c) specify the listing criteria for accredited prospective providers; and
 - (i) physical trading address
 - (ii) ownership
 - (iii) goods/services provide a valid updated tax clearance certificate from SARS.
 - (iv) reference of services provided
 - (v) municipal accounts up to date

- (d) In cases where there are not enough local suppliers, the municipality will also consult the District Municipality and utilize their database to identify more potential suppliers.
- (e) disallow the listing of any prospective provider whose name appears on the National Treasury's database as a person prohibited from doing business with the public sector.

(2) The list must be updated at least quarterly to include any additional prospective providers and any new commodities or types of services. Prospective providers must be allowed to submit applications for listing at any time.

(3) The list must be compiled per commodity and per type of service.

Petty cash purchases

15. The conditions for the procurement of goods by means of petty cash purchases referred to in paragraph 12 (1) (a) of this Policy, are as follows –

- (a) the approval of petty cash purchases must be pre-approved by the Accounting Officer, who may delegate this authority in writing to the CFO or a departmental head;
- (b) documentary prove must be submitted within 2 working days for all purchases made; and
- (b) a monthly reconciliation report from the CFO/each manager must be provided to the Accounting Officer, including –
 - (i) the total amount of petty cash purchases for that month; and
 - (ii) receipts and appropriate documents for each purchase.

Written or verbal quotations

16. The procedures for the procurement of goods or services through written or verbal quotations are as follows:

- (a) quotations must be obtained from at least **two different providers** whose names appear on the list of accredited prospective providers of the municipality;
- (b) where no suitable accredited service providers are available from the list, quotations may be obtained from other possible providers not on the list, provided that such service providers meet the listing criteria set out in paragraph 14(1) (b) and (c) of this policy.
- (c) quotations **may** be approved on a rotation basis on the condition that the lowest

quotation is still chosen.

- (d) to the extent feasible, providers must be requested to submit such quotations in writing;
- (e) if it is not possible to obtain at least three quotations, the reasons must be recorded and reported quarterly to the accounting officer or another official designated by the accounting officer. In such cases the municipality needs to investigate the possibility to utilize the database of the District municipality; and
- (f) the accounting officer must record the names of the potential providers requested to provide such quotations with their quoted prices; and
- (g) if a quotation was submitted verbally, the order may be placed only against written confirmation by the selected provider.

Note: In cases where it is not possible to obtain 2 quotations, the municipality will consult the database from the district municipality or from surrounding municipalities to enhance transparency.

- (h) The municipality will investigate and utilize various other options to advertise bids/quotations viz. community boards, the library, public buildings, police station, etc. This is to ensure that the municipality tried to obtain at least three quotations.
- (i) In cases where there are only a few suppliers for certain goods / services (such as vehicle repairs) the municipality will use these suppliers on a rotation basis, in order to give everybody a chance. This practice will only be utilized in exceptional cases. As soon as more suppliers become available, such goods / services will be provided via the database.
- (j) The municipality deviate from the required 3 quotations, due to the geographical location.

Formal written price quotations

17. (1) The conditions for the procurement of goods or services through formal written price quotations, are as follows:

- (a) quotations must be obtained in writing from at least three different providers whose names appear on the list of accredited prospective providers of the municipality. If it is not possible to obtain three quotations, the municipality should investigate to utilize the database of the district municipality.
- (b) quotations may be obtained from providers who are not listed, provided that such

providers meet the listing criteria set out in paragraph 14(1) (b) and (c) of this Policy. These suppliers should then be listed before final payments of the supplier are effected.

- (c) if it is not possible to obtain at least three quotations, the reasons must be recorded and reported quarterly to the accounting officer or another official designated by the accounting officer. All efforts should be made to increase the supplier base (regular advertising to register suppliers to utilize the database of the district municipality).
- (d) the Head SCM must record the names of the potential providers and their written quotations.

(2) A designated official referred to in subparagraph (1) (c) must within three days of the end of each month report to the chief financial officer on any approvals given during that month by that official in terms of that subparagraph.

Procedures for procuring goods or services through written or verbal quotations and formal written price quotations

18. The procedure for the procurement of goods or services through written or verbal quotations or formal written price quotations, is as follows:

- (a) when using the list of accredited prospective providers the accounting officer must promote ongoing competition amongst providers by inviting providers to submit quotations on a rotation basis;
- (b) all requirements in excess of R30 000 (VAT included) that are to be procured by means of formal written price quotations must, in addition to the requirements of paragraph 17, be advertised for at least seven days on the website and an official notice board of the municipality.

The revised PPPFA prescripts are applicable, e.g. Point system and Status level verification certificates [score cards] must be applied in the adjudication process. Please refer to paragraph 19 [3] for more detail.

- (c) offers received must be evaluated on a comparative basis taking into account unconditional discounts;
- (d) the accounting officer or chief financial officer must on a monthly basis be notified in writing of all written or verbal quotations and formal written price quotations accepted by an official acting in terms of a subdelegation;
- (e) offers below R30 000 (VAT included) must be awarded based on compliance to specifications and conditions of contract, ability and capability to deliver the goods and

services and lowest price;

- (f) acceptable offers, which are subject to the preference points system (PPPFA and associated regulations), must be awarded to the bidder who's offer is according to specifications, has the ability to deliver and is compliant with all the other requirements and scored the highest points.
- (g) Minimum requirements for proper record keeping must be complied with.

Competitive bids

19. (1) Goods or services above a transaction value of R200 000 (VAT included) and long term contracts may only be procured through a competitive bidding process, subject to paragraph 11(2) of this Policy.

(2) No requirement for goods or services above an estimated transaction value of R200 000 (VAT included), may deliberately be split into parts or items of lesser value merely for the sake of procuring the goods or services otherwise than through a competitive bidding process.

(3) The 80 / 20 principle is applicable; 80 points for price and 20 points for B-BBEE status level verification certificates. The 20 points will be standard as follows;

B-BBEE Status Level of Contributor	Number of points [80 / 20]	Number of points [90/10]
1	20	10
2	18	9
3	16	8
4	12	5
5	8	4
6	6	3
7	4	2
8	2	1
Non-compliant contributor	0	0

The points scored for price must be added to the points scored for B-BBEE status level of contribution to obtain the bidder's total points scored out of 100.

A bid must not be disqualified from the bidding process if the bidder does not submit a certificate substantiating the B-BBEE status level of contributor or is a non-compliant contributor. Such a bidder will score 0 out of a maximum of 10 or 20 points for B-BBEE status.

PLEASE NOTE: [a] The 80/20 point system is applicable from R30 000 [all taxes included] up to R1million [all taxes included]

[b] The 90/10 point system is applicable to bids invited exceeding R 1million [all taxes included]

This should not be interpreted that quotations can be invited for up to R 1million. The threshold for the invitation of quotations did not change and it is still at R200 000.

(4).The specification committee will make proposal if functionality

points

need to be used and the evaluation committee will approve a variation in the point system for a specific bid.

(5).For construction procurements, the CIDB Act and Regulations are to be used for quotations/bids.

Process for competitive bidding

The procedures for the following stages of a competitive bidding process are as follows:

- (a) Compilation of bidding documentation as detailed in paragraph 21;
- (b) Public invitation of bids as detailed in paragraph 22;
- (c) Site meetings or briefing sessions as detailed in paragraph 22;
- (d) Handling of bids submitted in response to public invitation as detailed in paragraph 23;
- (e) Evaluation of bids as detailed in paragraph 28;
- (f) Award of contracts as detailed in paragraph 29;
- (g) Administration of contracts
 - (i) After approval of a bid, the accounting officer and the bidder must enter into a written agreement.

[h] Sub-contracting

A bidder must not be awarded the points claimed for B-BBEE status level contribution if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the contract value to any other enterprise that does not qualify for at least the same number of points that the bidder qualifies for, unless the intended sub-contractor is an EME that has the capacity to execute the sub-contract.

A contractor is not allowed to sub-contract more than 25% of the contract value to another enterprise that does not have an equal or higher B-BBEE status level, unless the intended sub-contractor is an EME. That has the capacity and ability to execute the sub-contract.

[i] Evaluation of bids that scored equal points

In the event that two or more bids have scored equal total, the successful bid must be the one that scored the highest points for B-BBEE.

If two or more bids have equal points, including equal preference points for B-BBEE, the successful bid must be the one scoring the highest points for functionality, if functionality is part of the evaluation process.

In the event that two or more bids are equal in all respects, the award must be decided by drawing lots.

[j] Cancellation and re-invitation of bids In the application of the 80/20 point system, if **all** bids received exceed R1 million, the bid must be cancelled. If one or more of the acceptable bid[s] received are within the R 1 million threshold, all bids received must be evaluated on the 80/20 preference point system.

In the application of the 90/10 preference point system, if all bids received are equal or below R1million, the bid must be cancelled. If one or more of the acceptable bid[s] received, are above the R1million threshold, all bids received must be evaluated on the 90/10 preference point system.

If a bid was cancelled as indicated above, the correct preference point system must be stipulated in the bid documents of the re-invited bid.

[k] Awarding of contracts

A contract must be awarded to the bidder who scored the highest total number of points in terms of the preference point system. Points scored must be rounded off to the nearest 2 decimal places.

In exceptional circumstances a contract may, on reasonable and justifiable grounds be awarded to a bidder that did not score the highest number of points. The reasons for such a decision must be approved and recorded for audit purposes and must be defensible in a court of law.

[l] Sale and letting of assets

The Preferential Procurement Regulations, 2011, are not applicable to the sale and letting of assets.

In instances where assets are sold or leased, by means of a bidding process, the bid must be awarded to the bidder with the highest price

(m) Proper record keeping

- (i) Original / legal copies of written contracts agreements should be kept in a secure place for reference purposes.

Bid documentation for competitive bids

20. The criteria to which bid documentation for a competitive bidding process must comply, must –

(a) take into account –

- (i) the general conditions of contract and any special conditions of contract, if specified;
- (ii) any Treasury guidelines on bid documentation; and
- (iii) the requirements of the Construction Industry Development Board, in the case of a bid relating to construction, upgrading or refurbishment of buildings or infrastructure;

- (b) include the preference points system to be used , goals as contemplated in the Preferential Procurement Regulations and evaluation and adjudication criteria, including any criteria required by other applicable legislation;
- (c) compel bidders to declare any conflict of interest they may have in the transaction for which the bid is submitted;
- (d) if the value of the transaction is expected to exceed R10 million (VAT included), require bidders to furnish–
 - (i) if the bidder is required by law to prepare annual financial statements for auditing, their audited annual financial statements – (aa) for the past three years; or
 - (bb) since their establishment if established during the past three years;
 - (ii) a certificate signed by the bidder certifying that the bidder has no undisputed commitments for municipal services towards a municipality or other service provider in respect of which payment is overdue for more than 30 days;
 - (iii) particulars of any contracts awarded to the bidder by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract;
 - (iv) statement indicating whether any portion of the goods or services are expected to be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality or municipal entity is expected to be transferred out of the Republic; and
- (e) stipulate that disputes must be settled by means of mutual consultation, mediation (with or without legal representation), or, when unsuccessful, in a South African court of law.
- (f) The Accounting Officer reserves the right to stipulate such a dispute to be settled utilizing a court of law within the Thembelihle Local Municipality boundaries or as close as possible to the municipal boundaries.

Public invitation for competitive bids

- 21.** (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 subparagraph (2) of this policy;
- (ii) a statement that bids may only be submitted on the bid documentation provided by the municipality; and
- (iii) date, time and venue of any proposed site meetings or briefing sessions.

(2) The accounting officer may determine a closure date for the submission of bids which is less than the 30 or 14 days requirement, but only if such shorter period can be justified on the grounds of urgency or emergency or any exceptional case where it is impractical or impossible to follow the official procurement process.

(3) Bids submitted must be sealed and the envelope must contain the bid number and closing date.

Procedure for handling, opening and recording of bids

22. The procedures for the handling, opening and recording of bids, are as follows:

(a) Bids–

- (i) must be opened only in public;
- (ii) must be opened at the same time and as soon as possible after the period for the submission of bids has expired; and
- (iii) received after the closing time should be recorded, but not be considered and returned unopened immediately.

- (b) Any bidder or member of the public has the right to request that the names of the bidders who submitted bids in time must be read out and only for construction bids, also each bidder's total bidding price must be read out as well.
- (c) No information, except the provisions in subparagraph (b), relating to the bid should be disclosed to bidders or other persons until the successful bidder is notified of the award; and
- (d) The accounting officer must –
 - (i) record in a register all bids received in time;
 - (ii) make the register available for public inspection; and
 - (iii) publish the entries in the register and the bid results on the website.

Negotiations with preferred bidders

23. (1) The accounting officer may negotiate the final terms of a contract with bidders identified through a competitive bidding process as preferred bidders, provided that such negotiation –

- (a) does not allow any preferred bidder a second or unfair opportunity;
- (b) is not to the detriment of any other bidder; and
- (c) does not lead to a higher price than the bid as submitted.

(2) Minutes of such negotiations must be kept for record purposes.

Two-stage bidding process

24. (1) A two-stage bidding process is allowed for –

- (a) large complex projects;
- (b) projects where it may be undesirable to prepare complete detailed technical specifications; or
- (c) long term projects with a duration period exceeding three years.

(2) In the first stage technical proposals on conceptual design or performance specifications should be invited, subject to technical as well as commercial clarifications and adjustments.

(3) In the second stage final technical proposals and priced bids should be invited.

Committee system for competitive bids

25. (1) A committee system for competitive bids is hereby established, consisting of the following committees for each 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;

(2) The accounting officer appoints the members of each committee, taking into account section 117 of the Act; and

(3) A neutral or independent observer, appointed by the accounting officer, must attend or oversee a committee when this is appropriate for ensuring fairness and promoting transparency processes. Such an observer must ensure that there is no conflict of interest and should not participate in any government procurement processes.

(4) The committee system must be consistent with –

- (a) paragraph 27, 28 and 29 of this Policy; and
- (b) any other applicable legislation.

(5) The accounting officer may apply the committee system to formal written price quotations.

Bid specification committees

26. (1) A bid specification committee must compile the specifications for each procurement of goods or services by the municipality.

(2) Specifications –

- (a) must be drafted in an unbiased manner to allow all potential suppliers to offer their goods or services;
- (b) must take account of any accepted standards such as those issued by Standards South Africa, the International Standards Organisation, or an authority accredited or recognized by the South African National Accreditation System with which the equipment or material or workmanship should comply;
- (c) must, where possible, be described in terms of performance required rather than in terms of descriptive characteristics for design;
- (d) may not create trade barriers in contract requirements in the forms of specifications, plans, drawings, designs, testing and test methods, packaging, marking or labeling of conformity certification;

- (e) may not make reference to any particular trade mark, name, patent, design, type, specific origin or producer unless there is no other sufficiently precise or intelligible way of describing the characteristics of the work, in which case such reference must be accompanied by the word “equivalent”;
- (f) must indicate each specific goal for which points may be awarded in terms of the points system set out in the Preferential Procurement Regulations 2001; and
- (g) must be approved by the accounting officer prior to publication of the invitation for bids in terms of paragraph 22 of this Policy or may be delegated to the Specification Committee.

(3) A bid specification committee must be composed of one or more officials of the municipality, preferably the manager responsible for the function involved, and may, when appropriate, include external specialist advisors.

(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.

Bid evaluation committees

27. (1) A bid evaluation committee must –

- (a) evaluate bids in accordance with –
 - (i) the specifications for a specific procurement; and
 - (ii) the points system set out in terms of paragraph 27(2)(f).
 - (b) evaluate each bidder’s ability to execute the contract;
 - (c) check in respect of the recommended bidder whether municipal rates and taxes and municipal service charges are not in arrears, and;
 - (d) submit to the adjudication committee a report and recommendations regarding the award of the bid or any other related matter.
- (2) A bid evaluation committee must as far as possible be composed of -
- (a) officials from departments requiring the goods or services; and
 - (b) at least one supply chain management practitioner of the municipality.

Bid adjudication committees

- (28) (1) A bid adjudication committee must –
- (a) consider the report and recommendations of the bid evaluation committee; and
 - (b) either –
 - (i) depending on its delegations, make a final award or a recommendation to the accounting officer to make the final award; or
 - (ii) make another recommendation to the accounting officer how to proceed with the relevant procurement.
- (2) A bid adjudication committee is appointed for two years and must consist of at least four senior managers of the municipality which must include –
- (a) the chief financial officer or, if the chief financial officer is not available, another manager in the budget and treasury office reporting directly to the chief financial officer and designated by the chief financial officer; and
 - (b) at least one senior supply chain management practitioner who is an official of the municipality and any other 3 senior managers.
 - (c) a technical expert in the relevant field who is an official and who requests the goods / services must be co-opted any way. Outside technical experts can also be co-opted , they must leave the meeting after advice has been given. Only standing committee members can be involved in final deliberation and recommendations or final approval.
- (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.
- (4) 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.
- (5) (a) If the bid adjudication committee decides to award a bid other than the one recommended by the bid evaluation committee, the bid adjudication committee must prior to awarding the bid –

- (i) check in respect of the preferred bidder whether that bidder's municipal rates and taxes and municipal service charges are not in arrears, and;
 - (ii) notify the accounting officer.
- (b) The accounting officer may –
 - (i) after due consideration of the reasons for the deviation, ratify or reject the decision of the bid adjudication committee referred to in paragraph (a); and
 - (ii) if the decision of the bid adjudication committee is rejected, refer the decision of the adjudication committee back to that committee for reconsideration.
- (6) 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.
- (7) The accounting officer must comply with section 114 of the Act within 10 working days.
- (8) For the purposes of continuity and not to delay meetings the Accounting Officer may also appoint any official to temporarily replace members that are absent from meetings due to illness, leave, etc. The Accounting Officer may also decide whether or not such an official will have the same powers as committee members.

Procurement of banking services

- (29) (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.
- (2) The process for procuring a contract for banking services must commence at least nine months before the end of an existing contract.
- (3) The closure date for the submission of bids may not be less than 60 days from the date on which the advertisement is placed in a newspaper in terms of paragraph 22(1). Bids must be restricted to banks registered in terms of the Banks Act, 1990 (Act No. 94 of 1990).

Procurement of IT related goods or services

- (30) (1) The accounting officer may request the State Information Technology Agency (SITA) to assist with the acquisition of IT related goods or services through a competitive

bidding process.

(2) Both parties must enter into a written agreement to regulate the services rendered by, and the payments to be made to, SITA.

(3) The accounting officer must notify SITA together with a motivation of the IT needs if –

(a) the transaction value of IT related goods or services required in any financial year will the transaction value of a contract to be procured whether for one or more years exceeds R50 million (VAT included).

(4) If SITA comments on the submission and the 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 relevant provincial treasury and the Auditor General.

(b) exceed R50 million (VAT included);

Procurement of goods and services under contracts secured by other organs of state

- (31) (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.
- (2) Subparagraphs (1)(c) and (d) do not apply if –
- (a) a municipal entity procures goods or services through a contract secured by its parent municipality; or
 - (b) a municipality procures goods or services through a contract secured by a municipal entity of which it is the parent municipality.

Procurement of goods necessitating special safety arrangements

- (32) (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.

(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 officers. Proudly SA Campaign

- (33) The municipality supports the Proudly SA Campaign to the extent that, all things being equal, refer to the Preferential Procurement Policy Framework Act and Regulations, preference is given to procuring local goods and services from:
- Firstly – suppliers and businesses within the municipality or district;
 - Secondly – suppliers and businesses within the relevant province;
 - Thirdly – suppliers and businesses within the Republic.

Appointment of consultants

- (34) (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.

- (2) Consultancy services must be procured through competitive bids if
- (a) the value of the contract exceeds R200 000 (VAT included); or
 - (b) the duration period of the contract exceeds one year.
- (3) In addition to any requirements prescribed by this policy for competitive bids, bidders must furnish particulars of –
- (a) all consultancy services provided to an organ of state in the last five years; and
 - (b) any similar consultancy services provided to an organ of state in the last five years.

(4) The accounting officer must ensure that copyright in any document produced, and the patent rights or ownership in any plant, machinery, thing, system or process designed or devised, by a consultant in the course of the consultancy service is vested in the municipality.

Deviation from, and ratification of minor breaches of, procurement processes

- 3.4 (1) The accounting officer may –
- (a) dispense with the official procurement processes established by this Policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only –
 - (i) in an emergency;
 - (ii) if such goods or services are produced or available from a single provider only;
 - (iii) for the acquisition of special works of art or historical objects where specifications are difficult to compile;
 - (iv) acquisition of animals for zoos and/or nature and game reserves; or
 - (v) in any other exceptional case where it is impractical or impossible to follow the official procurement processes; and
 - (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.

(2) The accounting officer must record the reasons for any deviations in terms of subparagraphs (1)(a) and (b) of this policy and report them to the next meeting of the council and include as a note to the annual financial statements.

- (3) Subparagraph (2) does not apply to the procurement of goods and services

contemplated in paragraph 11(2) of this policy.

If an accredited agent must be used to perform maintenance services for equipment or vehicles as part of its guarantee or warranty or to obtain genuine parts, a list of such procurement must be supplied monthly to the Accounting Officer for information purposes. Type of service, cost and reason for using one supplier only, must be stated. Management of expansion or variation of orders against the original contract

1. Contracts may be expanded or varied by not more than 20% for construction related goods, services and /or infrastructure projects and 15% for all other goods and/or services of the original value of the contract. Furthermore, anything beyond the above mentioned thresholds must be reported to council. Any expansion or variation in excess of these thresholds must be dealt with in terms of the provisions of Section 116 (3) of the MFMA which will be regarded as an amendment of the contract.
2. The contents of this paragraph are not applicable to transversal contracts, facilitated by the relevant treasuries on behalf of municipalities and specific term contracts. The latter refers to orders placed as and when commodities are required and at the time of awarding contracts, the required quantities were unknown.

Local Content

4 The Preferential Procurement Regulations, 2011 pertaining to the Preferential Procurement Policy Framework Act, Act No 5 OF 2000 which came into effect on 7 December 2011 make provision for the dti to designate sectors in line with national development and industrial policies for local production. To this end the dti has designated and determined the stipulated minimum thresholds for the following sectors:

- | | |
|------------------------|-----------------|
| - Bus Sector | 70 - 80 % |
| - Pylons | 100 % |
| - Rolling Stock | 55 – 80 % |
| - Textiles | 100% |
| - Processed Vegetables | 80 % |
| - Set Top Boxes | 30 % |
| - Furniture Products | from 65 to 100% |

Note: Other designated sectors may be added by dti in future.

When inviting bids/quotations where local content is applicable, municipalities must indicate this in the bid advertisement. The MBD 6.2, SABS Specification

5 SATS 1286:2011, and dti Guidance on the calculations of local content [available on dti's official website <http://www.thedti.gov.za>] should also be included in the bid documents/quotations.

The supplier has to proof that the product he offers does indeed comply with the stipulated thresholds. In order to do this there are three annexures which the supplier has to fill in and submit together with the bid document/quotation. These forms are also available on the dti Guidance on the calculations of Local content. It is advisable that municipalities attach the Guidance document to the bid documents/quotations in order to assist the suppliers to fill in the bid documents.

A two stage evaluation process may be followed

-First stage: calculate if the bidder adheres to the local content percentage requirement

-Second stage: Only the bidders who comply with the local content percentage requirement will be evaluated further.

Unsolicited bids

6 (1) In accordance with section 113 of the Act there is no obligation to consider unsolicited bids received outside a normal bidding process.

(2) The accounting officer may decide in terms of section 113(2) of the Act to consider an unsolicited bid, only if –

- (a) the product or service offered in terms of the bid is a demonstrably or proven unique innovative concept;
- (b) the product or service will be exceptionally beneficial to, or have exceptional cost advantages;
- (c) the person who made the bid is the sole provider of the product or service; and
- (d) the reasons for not going through the normal bidding processes are found to be sound by the accounting officer.

(3) If the accounting officer decides to consider an unsolicited bid that complies with subparagraph (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.

(4) The accounting officer must submit all written comments received pursuant to subparagraph (3), including any responses from the unsolicited bidder, to the National Treasury and the relevant provincial treasury for comment.

(5) The adjudication committee must consider the unsolicited bid and may award the bid or make a recommendation to the accounting officer, depending on its delegations.

(6) A meeting of the adjudication committee to consider an unsolicited bid must be open to the public.

(7) When considering the matter, the adjudication committee must take into account –

(a) any comments submitted by the public; and

(b) any written comments and recommendations of the National Treasury or the relevant provincial treasury.

(8) If any recommendations of the National Treasury or provincial treasury are rejected or not followed, the accounting officer must submit to the Auditor General, the relevant provincial treasury and the National Treasury the reasons for rejecting or not following those recommendations.

(9) Such submission must be made within seven days after the decision on the award of the unsolicited bid is taken, but no contract committing the municipality to the bid may be entered into or signed within 30 days of the submission.

Combating of abuse of supply chain management system

(1) The accounting officer must–

(a) take all reasonable steps to prevent abuse of the supply chain management system;

(b) investigate any allegations against an official or other role player of fraud, corruption, favouritism, unfair or irregular practices or failure to comply with this Policy, and when

justified –

- (i) take appropriate steps against such official or other role player; or
 - (ii) report any alleged criminal conduct to the South African Police Service;
- (c) check the National Treasury's database prior to awarding any contract to ensure that no recommended bidder, or any of its directors, is listed as a person prohibited from doing business with the public sector;
- (d) reject any bid from a bidder–
 - (i) if any municipal rates and taxes or municipal service charges owed by that bidder or any of its directors to the **municipality** or to any other municipality or municipal entity, are in arrears for more than 3 months or
 - (ii) who during the last five years has failed to perform satisfactorily on a previous contract with the municipality or any other organ of state after written notice was given to that bidder that performance was unsatisfactory;
- (e) reject a recommendation for the award of a contract if the recommended bidder, or any of its directors, has committed a corrupt or fraudulent act in competing for the particular contract;
- (f) cancel a contract awarded to a person if –
 - (i) the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract; or
 - (ii) an official or other role player committed any corrupt or fraudulent act during the bidding process or the execution of the contract that benefited that person; and
- (g) reject the bid of any bidder if that bidder or any of its directors –
 - (i) has abused the supply chain management system of the municipality or has committed any improper conduct in relation to such system;
 - (ii) has been convicted for fraud or corruption during the past five years;
 - (iii) has willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - (iv) has been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).

(2) The accounting officer must inform the National Treasury and relevant provincial treasury in writing of any actions taken in terms of subparagraphs (1)(b)(ii), (e) or (f) of this policy.

Part 3: Logistics, Disposal, Risk and Performance Management

Logistics management

- 7 The accounting officer must establish and implement an effective system of logistics management, which must include -
- (a) the monitoring of spending patterns on types or classes of goods and services incorporating, where practical, the coding of items to ensure that each item has a unique number;
 - (b) the setting of inventory levels that includes minimum and maximum levels and lead times wherever goods are placed in stock;
 - (c) the placing of manual or electronic orders for all acquisitions other than those from petty cash;
 - (d) before payment is approved, certification by the responsible officer that the goods and services are received or rendered on time and is in accordance with the order, the general conditions of contract and specifications where applicable and that the price charged is as quoted in terms of a contract;
 - (e) appropriate standards of internal control and warehouse management to ensure that goods placed in stores are secure and only used for the purpose for which they were purchased;
 - (f) regular checking to ensure that all assets including official vehicles are properly managed, appropriately maintained and only used for official purposes; and
 - (g) monitoring and review of the supply vendor performance to ensure compliance with specifications and contract conditions for particular goods or services.
 - (h) the maintenance and administration of term contracts is co-managed with acquisition management for general goods / services.

Disposal management

- 8 (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, are as follows:
- (i) Council to approve items for and process to be followed for the disposal of any asset
- (2) Assets may be disposed of by –
- (i) transferring the asset to another organ of state in terms of a provision of the Act enabling the transfer of assets;
 - (ii) transferring the asset to another organ of state at market related value or, when appropriate, free of charge;

- (iii) selling the asset; or
- (iv) destroying the asset.

(3) The accounting officer must ensure that –

- (a) immovable property is sold only at market related prices except when the public interest or the plight of the poor demands otherwise in accordance with section 14 of the MFMA;
- (b) movable assets are sold either by way of written price quotations, a competitive bidding process, auction or at market related prices, whichever is the most advantageous;
- (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.

Risk management

9 (1) SCM will develop its own risk management strategy that will be aligned with the organizations generic policy and updated annually.

(2) Risk management must include –

- (a) the identification of risks on a case-by-case basis;
- (b) the allocation of risks to the party best suited to manage such risks;
- (c) acceptance of the cost of the risk where the cost of transferring the risk is greater than that of retaining it;
- (d) the management of risks in a pro-active manner and the provision of adequate cover for residual risks; and
- (e) the assignment of relative risks to the contracting parties through clear and unambiguous contract documentation.

Performance management

- 10 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.

Part 4: Other matters

Prohibition on awards to persons whose tax matters are not in order

- 11 (1) No award above R15 000 may be made in terms of this Policy to a person whose tax matters have not been declared by the South African Revenue Service to be in order.
- (2) Before making an award to a person the accounting officer must first check with SARS whether that person's tax matters are in order.
- (3) If SARS does not respond within 7 days such person's tax matters may for purposes of subparagraph (1) be presumed to be in order.

Prohibition on awards to persons in the service of the state

- 12 Irrespective of the procurement process followed, no award may be made to a person in terms of this Policy –
- (a) who is in the service of the state;
 - (b) if that person is not a natural person, of which any director, manager, principal shareholder or stakeholder is a person in the service of the state; or
 - (c) a person who is an advisor or consultant contracted with the municipality.

Awards to close family members of persons in the service of the state

- 13 The accounting officer must ensure that the notes to the annual financial statements disclose particulars of any award of more than R2000 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.

Ethical standards

14 (1) A code of ethical standards as set out in subparagraph (2) is hereby established for officials and other role players in the supply chain management system of the 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.

(2) An official or other role player involved in the implementation of this Policy –

- (a) must treat all providers and potential providers equitably;
 - (b) may not use his or her position for private gain or to improperly benefit another person;
 - (c) may not accept any reward, gift, favour, hospitality or other benefit directly or indirectly, including to any close family member, partner or associate of that person, of a value more than R350;
 - (d) notwithstanding subparagraph (2) (c), must declare to the accounting officer details of any reward, gift, favour, hospitality or other benefit promised, offered or granted to that person or to any close family member, partner or associate of that person;
 - (e) must declare to the accounting officer details of any private or business interest which that person, or any close family member, partner or associate, may have in any proposed procurement or disposal process of, or in any award of a contract by, the municipality;
 - (f) must immediately withdraw from participating in any manner whatsoever in a procurement or disposal process or in the award of a contract in which that person, or any close family member, partner or associate, has any private or business interest;
 - (g) must be scrupulous in his or her use of property belonging to the municipality;
 - (h) must assist the accounting officer in combating fraud, corruption, favouritism and unfair and irregular practices in the supply chain management system; and
 - (i) must report to the accounting officer any alleged irregular conduct in the supply chain management system which that person may become aware of, including –
 - (i) any alleged fraud, corruption, favouritism or unfair conduct;
 - (ii) any alleged contravention of paragraph 47(1) of this Policy; or
 - (iii) any alleged breach of this code of ethical standards.
- (3) Declarations in terms of subparagraphs (2)(d) and (e) –
- (a) must be recorded in a register which the accounting officer must keep for this purpose;

(b) by the accounting officer must be made to the mayor of the municipality who must ensure that such declarations are recorded in the register.

(4) The National Treasury's code of conduct must also be taken into account by supply chain management practitioners and other role players involved in supply chain management.

(5) A breach of the code of ethics must be dealt with as follows -

- (a) in the case of an employee, in terms of the disciplinary procedures of the municipality envisaged in section 67(1)(h) of the Municipal Systems Act;
- (b) in the case a role player who is not an employee, through other appropriate means in recognition of the severity of the breach.
- (c) In all cases, financial misconduct must be dealt with in terms of chapter 15 of the Act.

Inducements, rewards, gifts and favours to municipalities, officials and other role players

15 (1) No person who is a provider or prospective provider of goods or services, or a recipient or prospective recipient of goods disposed or to be disposed of may either directly or through a representative or intermediary promise, offer or grant –

- (a) any inducement or reward to the municipality for or in connection with the award of a contract; or
- (b) any reward, gift, favour or hospitality to –
 - (i) any official; or
 - (ii) any other role player involved in the implementation of this Policy.

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.

(c) Subparagraph (1) does not apply to gifts less than R350 in value.

Sponsorships

16 The accounting officer must promptly disclose to the National Treasury and the relevant provincial treasury any sponsorship promised, offered or granted, whether directly or

through a representative or intermediary, by any person who is

- (a) a provider or prospective provider of goods or services; or
- (b) a recipient or prospective recipient of goods disposed or to be disposed.

Objections and complaints

17 Persons aggrieved by decisions or actions taken in the implementation of this supply chain management system, may lodge within 14 days of the decision or action, a written objection or complaint against the decision or action.

Resolution of disputes, objections, complaints and queries

18 (1) The accounting officer must appoint an independent and impartial person, not directly involved in the supply chain management processes –

- (a) to assist in the resolution of disputes between the municipality and other persons regarding -
 - (i) any decisions or actions taken in the implementation of the supply chain management system; or
 - (ii) any matter arising from a contract awarded in the course of the supply chain management system; or
- (b) to deal with objections, complaints or queries regarding any such decisions or actions or any matters arising from such contract.

(2) The accounting officer, or another official designated by the accounting officer, is responsible for assisting the appointed person to perform his or her functions effectively.

- (3) The person appointed must –
 - (a) strive to resolve promptly all disputes, objections, complaints or queries received; and
 - (b) submit monthly reports to the accounting officer on all disputes, objections, complaints or queries received, attended to or resolved.

(4) A dispute, objection, complaint or query may be referred to the relevant provincial treasury if –

- (a) the dispute, objection, complaint or query is not resolved within 60 days; or
 - (b) no response is forthcoming within 60 days.
- (5) If the provincial treasury does not or cannot resolve the matter, the dispute,

objection, complaint or query may be referred to the National Treasury for resolution.

(6) This paragraph must not be read as affecting a person's rights to approach a court at any time.

Contracts providing for compensation based on turnover

19 If a service provider acts on behalf of a municipality to provide any service or act as a collector of fees, service charges or taxes and the compensation payable to the service provider is fixed as an agreed percentage of turnover for the service or the amount collected, the contract between the service provider and the municipality must stipulate –

- (a) a cap on the compensation payable to the service provider; and
- (d) that such compensation must be performance based.

PART 3. EFFECTIVE CASH MANAGEMENT

3.1 Cash Collection

All monies due to the municipality must be collected as soon as possible, either on or immediately after due date, and banked on a daily basis.

The respective responsibilities of the chief financial officer and other heads of departments in this regard is defined in a code of financial practice approved by the municipal manager and the chief financial officer, and this code of practice is attached as Annexure II to this policy.

The unremitting support of and commitment to the municipality's credit control policy, both by the council and the municipality's officials, is an integral part of proper cash collections, and by approving the present

POLICY ON UNAUTHORIZED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE AND THE ENFORCEMENT OF PROPER FINANCIAL MANAGEMENT THROUGH DISCIPLINARY AND CRIMINAL PROCEEDINGS

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Introduction

Municipalities are organs of state within the local sphere of government that collect monies from the public in the form of rates, taxes, levies, surcharges, duties and service charges, receive grants from national and provincial government and borrow for capital expenditure or bridging finance for short term purposes. These resources are appropriated by Council for the purpose of fulfilling its powers and functions, primarily to deliver services, in accordance with their mandate as set out in sections 151, 153 and 156 of the Constitution.

In terms of section 4(2) (a) of the Municipal Systems Act (MSA) the council has a duty to use the resources of the municipality in the best interest of the local community. This duty is extended to individual councillors through the Code of Conduct for Councillors which states that a councillor must:

- i. “perform the functions of office in good faith, honestly and in a transparent manner, and
- ii. at all times act in the best interests of the community and in such a way that the credibility and integrity of the municipality are not compromised.”

In terms of section 62 of the Municipal Finance Management Act No. 56 of 2003 (herein referred to as “the Act”), the accounting officer is responsible for managing the financial affairs of the municipality and he/she must, for this purpose, inter alia:

- (a) take all reasonable steps to ensure that:
 - unauthorised; and
 - irregular; and
 - fruitless and wasteful expenditure; and
 - other losses are prevented; and
- (b) ensure that disciplinary or, when appropriate, criminal proceedings are instituted against any official of the municipality who has allegedly committed an act of financial misconduct or an offence in terms of Chapter 15 of the Act.

This policy is aimed at providing the accounting officer with an overview of legislation pertaining to unauthorised, irregular, fruitless and wasteful expenditure and the recovery of same where applicable.

2. Restriction on the incurring of expenditure

Section 15 of the Act provides that a municipality may, except where otherwise provided therein, incur expenditure only -

- a) in terms of a budget approved by the council or by a provincial or the national executive following an intervention in terms of section 139 of the Constitution and also an annual budget as revised by an adjustments budget in terms of section 28 of the Act; and
- b) within the limits of the amounts appropriated for the different votes in an approved budget.

3. Withdrawal of money from a municipal bank

In terms of section 11(3) of the Act, money may be withdrawn from a bank account of the municipality without appropriation (without further budget approval) in terms of an approved budget for the following purposes:

- a) to defray expenditure authorised in terms of section 26 (4) which provides that, until a budget for the municipality is approved, funds for the requirements of the municipality may, with the approval of the MEC for local government, be withdrawn from the municipality's bank accounts subject to certain conditions and restrictions;
- b) to defray unforeseeable and unavoidable expenditure authorized by the mayor in emergency or other exceptional circumstances in terms of section 29 (1) of the Act and the council's applicable policy;
- c) in the case of a bank account opened in terms of section 12 of the Act for relief, charitable and trust purposes, to make payments from such account but only by or on the written authority of the accounting officer acting in accordance with decisions of the council and for the purposes for which, and subject to any conditions on which, the fund was established or the money in the fund was donated;
- d) to pay over to a person or organ of state money received by the municipality on behalf of that person or organ of state, including money collected by the municipality on behalf of that person or organ of state by agreement or any insurance or other payments received by the municipality for that person or organ of state;
- e) to refund money incorrectly paid into a bank account;
- f) to refund guarantees, sureties and security deposits;
- g) for cash management and investment purposes in accordance with the cash and investment policies of the municipality;
- h) to defray increased expenditure in terms of section 31 of the Act which relates to the shifting of funds between multi-year appropriations;
- i) for such other purposes prescribed under the Act.

4. Defining concepts

“Unauthorised expenditure” is incurred by the 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 of money made to the municipality by the national government from revenue raised nationally contrary to the condition(s) of such allocation or an allocation of

- money to a municipality in terms of a provincial budget;
- f) a grant by the municipality otherwise than in accordance with the Act.

Essentially, “unauthorised expenditure” includes overspending on the total amount of the budget, overspending on a vote, the incurring of expenditure unrelated to a vote and the incurring of expenditure for a purpose other than the approved purpose.

It should be noted that “unauthorised expenditure” excludes “irregular” expenditure. Unauthorised expenditure 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, municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No. 56 of 2003). 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.

With reference to MFMA section 1(b) – a municipality’s operational and capital budgets are divided into ‘votes’ which represent those components of the budget that have amounts appropriated for the financial year, for different departments or functional areas. The Municipal Budget and Reporting Regulations (MBRR) prescribe the structure and formats of municipal budgets, including votes, in Tables A1 to A10. Votes are informed by Table A3 (Budgeted Financial Performance: revenues and expenditure by municipal vote) and Table A5 (Budgeted Capital Expenditure by vote, standard classification and funding). Budget Table A4 (Budgeted Financial Performance: revenue and expenditure) by implication is approved by the council and as such must also be taken into consideration when determining unauthorised expenditure. In other words, when considering unauthorised expenditure from an operating budget both Table A3 and A4 (read in conjunction with the supporting table SA1) of the MBRR would have to be considered. Overspending must also be determined in relation to each of the votes on both the operational budget and the capital budget. Where Council has approved a virement policy that allows the accounting officer to make limited shifts of funds between votes, must also be taken into account.

With reference to MFMA section 1(c) – funds appropriated in a vote for a department may not be used for purposes unrelated to the functions of that department. In other words, an accounting officer or other official may not use funds allocated to one department for purposes of another department or for purposes that are not provided for in the budget. Where a Council has approved a virement policy, shifts made in accordance with that policy may be allowed, and must be taken into account when reviewing such expenditure.

With reference to MFMA section 1(d) – in addition to appropriating funds for a department’s vote, the Council may also appropriate funds for a specific purpose within a department’s vote, for example, for specific training initiatives or a capital project. Funds that have been designated for a specific purpose or project may not be used for any other purpose.

With reference to MFMA section 1(e) – the items referred to in the definition of ‘allocation’ are national and provincial conditional grants to a municipality and other ‘conditional’ allocations to the municipality from another municipality or another organ of state. Any use of conditional grant funds for a purpose other than that specified in the relevant conditional grant framework is classified as unauthorised expenditure. With

reference to MFMA section 1(f) – section 67 of the MFMA regulates the transfer of municipal funds to organizations and bodies outside government. In terms of this section, a municipality may only provide grants to organizations and NOT individuals. Therefore any grant to an individual is unauthorised expenditure, unless it is in terms of the municipality’s indigent policy or bursary scheme.

Therefore, valid expenditure decisions can only be made by council in terms of a budget or an adjustments budget. It follows that only the council may authorise instances of unauthorised expenditure and council must do so through an adjustment budget. This principle is further reiterated in section 32(2)(a)(i) of the MFMA read with regulation 25 of the MBRR which states that unauthorised expenditure must be authorised by the municipality in an adjustments budget that is approved by the municipal council. This is the rationale for the provisions in regulation 23(6) of the MBRR which provides the legal framework for the authorisation of unauthorised expenditure.

“Expenditures that are NOT classified as unauthorised expenditure”

Given the definition of unauthorised expenditure, the following are examples of expenditures that are NOT unauthorised expenditure:

- a) Any over-collection on the revenue side of the budget as this is not an expenditure; and
- b) Any expenditure incurred in respect of:
 - (i) any of the transactions mentioned in section 11(1)(a) to (j) of the MFMA;
 - (ii) re-allocation of funds and the use of such funds in accordance with a council approved virement policy;
 - (iii) overspending of an amount allocated by standard classification on the main budget Table A2 (Budgeted Financial Performance: revenue and expenditure by standard classification), as long as it does not result in overspending of a ‘vote’ on the main budget Table A3 (Budgeted Financial Performance: revenue and expenditure by municipal vote) and Table A4 (Budgeted Financial Performance: revenue and expenditure (read in conjunction with supporting Table SA1) of the MBRR; and
 - (iv) overspending of an amount allocated by standard classification on the main budget Table A5 (Budgeted Capital Expenditure by vote, standard classification and funding) of the MBRR so long as it does not result in overspending of a ‘vote’ on the main budget Table A5.

“Unauthorised expenditure on non-cash items”

Such expenditure relates to debt impairment, depreciation, asset impairment, transfers and grants as appropriated in Table A4 (Budgeted Statement of Financial Performance: revenue and expenditure) of the MBRR.

Although these expenditures are considered non-cash items as there is no transaction with any service provider or supplier, an under provision during the budget compilation process is a material misstatement of the surplus or deficit position of the municipality. This could be the result of poor budgeting or financial

management, or unknown events that gave rise to the asset and debt impairment after the adoption of the budget. In this regard Table A4 (Budgeted Statement of Financial Performance: revenue and expenditure) must be read in conjunction with supporting Table SA1 of the MBRR.

“Unforeseen and unavoidable expenditure”

Unforeseen and unavoidable expenditure is discussed in section 29 of the MFMA and reads as follows:

- a) The mayor of a municipality may in emergency or other exceptional circumstances authorise unforeseeable and unavoidable expenditure for which no provision was made in an approved budget.
- b) Any such expenditure—
 - i. must be in accordance with any framework that may be prescribed;
 - ii. may not exceed a prescribed percentage of the approved annual budget;
 - iii. must be reported by the mayor to the municipal council at its next meeting; and
 - iv. must be appropriated in an adjustments budget.
- c) If such adjustments budget is not passed within 60 days after the expenditure was incurred, the expenditure is unauthorised and section 32 applies.

The framework referred to in section 29(2)(a) of the MFMA is prescribed in chapter 5 of the MBRR, and contained in regulation 71 and 72. The following shall apply:

- i. the amount the mayor authorised as unforeseen and unavoidable expenditure exceeds the monetary limits set in regulation 72 of the MBRR, the amount in excess of the limit is unauthorised;
- ii. the reason for the mayor authorising the unforeseen and unavoidable expenditure does not fall within the ambit of regulation 71(1) of the MBRR, the expenditure is unauthorised;
- iii. the reason for the mayor not authorising the unforeseen and unavoidable expenditure falls outside the ambit of regulation 71(2) of the MBRR, the expenditure is unauthorised; and
- iv. the council does not appropriate the expenditure in an adjustments budget that is passed within 60 days after the expenditure was incurred, the expenditure is unauthorised.

“Irregular expenditure” occurs in the following circumstances:

- a) Where the expenditure concerned is incurred by the municipality or a municipal entity in contravention of, or that is not in accordance with, a requirement of the Act, and which has not been condoned in terms of section 170 thereof. In terms of section 170 of the Act, National Treasury may, on good grounds, approve a departure from a treasury regulation or from any

condition imposed in terms of the Act. Non-compliance with a regulation made in terms of section 168 or with a condition imposed by the National Treasury in terms of the Act may, on good grounds shown, also be condoned by the National Treasury.

- b) Expenditure incurred by the municipality or a municipal entity in contravention of, or that is not in accordance with, a requirement of the Municipal Systems Act, and which has not been condoned in terms of that Act;
- c) Expenditure incurred by the municipality in contravention of, or that is not in accordance with, a requirement of the Public Office-Bearers Act, 1998 (Act No. 20 of 1998); or
- d) Expenditure incurred by the 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".

The accounting officer may, in terms of section 36(1)(b) of the Municipal Supply Chain Management Regulations, 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. The accounting officer must record the reasons for any deviations and report them to the next meeting of the council or board of directors in the case of a municipal entity, and include same as a note to the annual financial statements.

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No. 56 of 2003), the Municipal Systems Act (Act No. 32 of 2000), the Remuneration of Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the municipality'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.

A "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.

"Overspending" occurs in the following circumstances:

- a) where the operational or capital expenditure incurred by the municipality during a financial year exceeds the total amount appropriated in that year's budget for operational or capital expenditure, as the case may be;
- b) in relation to a vote, in the event of expenditure exceeding the amount appropriated for that vote; or
- c) where expenditure pending the approval of the budget of the municipality exceeds the amount permissible in terms of section 26(5) of the Act. In terms of this sub-section, funds withdrawn from a municipality's bank accounts in terms of sub-section (4) may be used only to defray current and capital expenditure in connection with votes for which funds were appropriated in the approved

budget for the previous financial year and any withdrawal may not, during any month, exceed eight per cent of the total amount appropriated in that approved budget for current expenditure, which percentage must be scaled down proportionately if revenue flows are not at least at the same level as the previous financial year and exceed the amount actually available.

“Fruitless and wasteful expenditure”

The Act defines “fruitless and wasteful expenditure” as expenditure that was made in vain and would have been avoided had reasonable care been exercised. 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.

5. Recovery of unauthorised, irregular, fruitless and wasteful expenditure

Section 32 (2) of the Act provides that the municipality must recover unauthorised, irregular or fruitless and wasteful expenditure from the person liable for that expenditure unless that expenditure is:

- a) in the case of unauthorised expenditure, authorised in an adjustments budget or certified by the 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.

6. Role of council committee

In terms of section 74 the Municipal Budget and Reporting Regulations contained in Government Notice 393 of 17 April, 2009, a council committee appointed to investigate the recoverability or otherwise of any unauthorised, irregular or fruitless and wasteful expenditure must consider—

- a) the measures already taken to recover such expenditure;
- b) the cost of the measures already taken to recover such expenditure;
- c) the estimated cost and likely benefit of further measures that can be taken to recover such expenditure; and
- d) submit a motivation explaining its recommendation to the council for a final decision.

The municipal manager must provide the committee concerned with such information it may require for the purpose of conducting a proper investigation.

The aforesaid committee may only comprise councillors and should not include political office bearers of the municipality. At least 3 councillors are required to constitute a committee.

It should be noted that the council is required by resolution to certify that the expenditure concerned is considered irrecoverable and that it should be written off. This power may not be delegated by the council.

An audit committee established in terms of section 166 of the Act is not precluded from assisting the appointed committee with its deliberations.

7. Writing off of unauthorised, irregular, fruitless and wasteful expenditure is no excuse in criminal and disciplinary proceedings

In terms of section 32 (5) of the Act, the writing off of any unauthorised, irregular or fruitless and wasteful expenditure as irrecoverable, is no excuse in criminal or disciplinary proceedings against a person charged with the commission of an offence or a breach of the Act relating to such unauthorised, irregular or fruitless and wasteful expenditure.

8. Liability of political office bearers for unauthorised expenditure

Without limiting liability in terms of the common law or other legislation, a political office-bearer of the municipality is, in terms of section 32(1)(a) of the Act, liable for unauthorised expenditure if that office-bearer either knowingly or after having been advised by the accounting officer that the expenditure concerned is likely to result in unauthorised expenditure, instructed an official of the municipality to incur such expenditure.

The Act defines a “political office-bearer” as the speaker, mayor or a member of the executive committee of a municipality elected, designated or appointed in terms of a specific provision of the Municipal Structures Act, 1998.

9. Liability for unauthorised expenditure deliberately or negligently incurred

Section 32 (1) (b) (c) and (d) of the Act provides that, without limiting liability in terms of the common law or other legislation:

- a) the accounting officer is liable for unauthorised expenditure deliberately or negligently incurred by him or her, subject to section 32 (3). The accounting officer accordingly incurs liability for unauthorised expenditure deliberately or negligently incurred unless he /she informs the council or the mayor, as the case may be, in writing that a decision which has been taken, if implemented, is likely to result in unauthorised expenditure;
- b) any political office-bearer or official of the municipality who deliberately (intentionally) or negligently (failed to take adequate care) committed, made or authorised an irregular expenditure, is liable for that expenditure; or
- c) any political office-bearer or official of the municipality who deliberately or negligently made or authorised a fruitless and wasteful expenditure is liable for

that expenditure.

An “official” of the municipality has a wider meaning than an employee or staff member of the municipality and includes -

- a) an employee of a municipality;
- b) a person seconded to the municipality to work as a member of the staff of the municipality; or
- c) a person contracted by a municipality to work as a member of the staff of the municipality otherwise than as an employee.

10. Reporting of unauthorised, irregular or fruitless and wasteful expenditure

Section 32 (4) of the Act requires the accounting officer to promptly inform the mayor, the MEC for local government and the Auditor-General, in writing, of -

- a) any unauthorised, irregular or fruitless and wasteful expenditure incurred by the municipality;
- b) whether any person is responsible or under investigation for such unauthorised, irregular or fruitless and wasteful expenditure; and
- c) the steps that have been taken -
 - i. to recover or rectify such expenditure; and
 - ii. to prevent a recurrence of such expenditure.

11. Reporting of irregular expenditure, theft and fraud

Section 32 (6) of the Act obliges the accounting officer to report to the South African Police Service all cases of alleged -

- a) irregular expenditure that constitute a criminal offence; and
- b) theft and fraud that occurred in the municipality.

The council must, in terms of section 32(7) of the Act and through the mayor, take all reasonable steps to ensure that all cases of irregular expenditure incurred as a result of a criminal offence, theft and fraud are reported to the South African Police Service if -

- a) the charge is against the accounting officer; or
- b) the accounting officer failed to comply with section 32(6) (referred to above) of the Act.

12. Remuneration of councillors and irregular expenditure

Section 167 (1) of the Act provides that a municipality may remunerate its political office-bearers (speaker/mayor) and members of its political structures (councillors), but only -

- a) within the framework of the Remuneration of 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.

Section 167(2) of the Act provides that 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 sub-section (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 concerned; and
- b) may not write-off any expenditure incurred by the municipality in paying or giving that remuneration. It should be noted that the Government Notice increasing the upper limits of the salary and allowances of councillors normally contains the following preamble:

“The salary and allowances of a member of a municipal council is determined by that municipal council by resolution of a supporting vote of a municipality of its members, in consultation with the member of the Executive Council responsible for local government in the province concerned, having regard to the upper limits as set out hereunder, the financial year of municipal councils, and the affordability of municipal councils to pay within the different levels of remuneration of councillors”.

For purposes of implementing this Government Notice, “in consultation with” means that municipalities will require the concurrence of the member of the Executive Council responsible for local government in the province concerned.”

The above preamble has the effect that irregular expenditure will occur in the event of councillor salaries and allowances being increased prior to the consideration of a report thereon by the council on such adjustment, budgetary provision, affordability and the adoption of the required resolution. Irregular expenditure will also occur in the event of existing salaries and allowances being increased without prior consultation with the MEC for local government in the province.

It should further be noted that the municipality is obliged to.

CASH MANAGEMENT AND INVESTMENT POLICY

Adoption of cash management and investment policies

1. The cash management and investment policy to be established by a municipality in terms of section 13 (2) of the Act, must be –
 - a. adopted by the council of the municipality; and
 - b. consistent with these regulations.
2. The board of directors of a municipal entity must adopt an cash management and investment policy for the entity consistent with these regulations.
3. All investments made by a municipal entity, or by an investment manager on behalf of a municipality or entity, must be in accordance with the cash management and investment policy of the municipality or entity and these regulations.

The following policy has been adopted by the Council of Thembelihle Municipality on 29 May 2015.

PART 1. LEGAL COMPLIANCE

The municipality shall at all times manage its banking arrangements and investments and conduct its cash management policy in compliance with the provisions of and any further prescriptions made by the Minister of Finance in terms of the Municipal Finance Management Act No. 56 of 2003.

A paraphrase of the provisions of this Act is attached as Annexure I to this policy.

PART 2. OBJECTIVE OF INVESTMENT POLICY

The council of the municipality is the trustee of the public revenues, which it collects, and it therefore has an obligation to the community to ensure that the municipality's cash resources are managed effectively and efficiently.

The council therefore has a responsibility to invest these public revenues knowledgeably and judiciously, and must be able to account fully to the community in regard to such investments.

The investment policy of the municipality is therefore aimed at gaining the optimal return on investments, without incurring undue risks, during those periods when cash revenues are not needed for capital or operational purposes. The effectiveness of the investment policy is dependent on the accuracy of the municipality's cash management programme, which must identify the amounts surplus to the municipality's needs, as well as the time when and period for which such revenues are surplus.

PART 3. EFFECTIVE CASH MANAGEMENT

3.2 Cash Collection

All monies due to the municipality must be collected as soon as possible, either on or immediately after due date, and banked on a daily basis.

The respective responsibilities of the chief financial officer and other heads of departments in this regard is defined in a code of financial practice approved by the municipal manager and the chief financial officer, and this code of practice is attached as Annexure II to this policy.

The unremitting support of and commitment to the municipality's credit control policy, both by the council and the municipality's officials, is an integral part of proper cash collections, and by approving the present policy the council pledges itself to such support and commitment.

3.3 Payments to Creditors

The chief financial officer shall ensure that all tenders and quotations invited by and contracts entered into by the municipality stipulate payment terms favorable to the municipality, that is, payment to fall due not sooner than the conclusion of the month following the month in which a particular service is rendered to or goods are received by the municipality. This rule shall be departed from only where there are financial incentives for the municipality to effect earlier payment, and any such departure shall be approved by the chief financial officer before any payment is made. (Delegated by Accounting Officer to CFO.)

In the case of small, micro and medium enterprises, where such a policy may cause financial hardship to the contractor, payment may be effected at the conclusion of the month during which the service is rendered or within fourteen days of the date of such service being rendered, whichever is the later. Any such early payment shall be approved by the chief financial officer before any payment is made. (Delegated by Accounting Officer to CFO.)

Notwithstanding the foregoing policy directives, the chief financial officer shall make full use of any extended terms of payment offered by suppliers and not settle any accounts earlier than such extended due date, except if the chief financial officer determines that there are financial incentives for the municipality to do so. (Delegated by Accounting Officer to CFO.)

The chief financial officer shall not ordinarily process payments, for accounts received, more than once in each calendar month, such processing to take place on or about the end of the month concerned. Wherever possible, payments shall be effected by means of electronic transfers rather than by cheques. (Delegated by Accounting Officer to CFO.)

Special payments to creditors shall only be made with the express approval of the chief financial officer, who shall be satisfied that there are compelling reasons for making such payments prior to the normal month end processing. (Delegated by Accounting Officer to CFO.)

3.4 Management of Inventory

Each head of department shall ensure that such department's inventory levels do not exceed normal operational requirements in the case of items which are not readily available from suppliers, and emergency requirements in the case of items which are readily available from suppliers.

Each head of department shall periodically review the levels of inventory held, and shall ensure that any surplus items be made available to the chief financial officer for sale at a public auction or by other means of disposal, as provided for in the municipality's supply chain management policy.

3.5 Cash Management Programme

The chief financial officer shall prepare an annual estimate of the municipality's cash flows divided into calendar months, and shall update this estimate on a monthly basis. The estimate shall indicate when and for what periods and amounts surplus revenues may be invested, when and for what amounts investments will have to be liquidated, and when – if applicable – either long-term or short-term debt must be incurred. Heads of departments shall in this regard furnish the chief financial officer with all such information as is required, timeously and in the format indicated.

The chief financial officer shall report to the Municipal Manager and Mayor, as the case may be, on a monthly basis and to every ordinary council meeting the cash flow estimate or revised estimate for such month or reporting period respectively, together with the actual cash flows for the month or period concerned, and cumulatively to date, as well as the estimates or revised estimates of the cash flows for the remaining months of the financial year, aggregated into quarters where appropriate. The cash flow estimates shall be divided into calendar months, and in reporting the chief financial officer shall provide comments or explanations in regard to any significant cash flow deviation in any calendar month forming part of such report. Such report shall also indicate any movements in respect of the municipality's investments, together with appropriate details of the investments concerned.

PART 4. INVESTMENT ETHICS

The chief financial officer shall be responsible for investing the surplus revenues of the municipality, and shall manage such investments in consultation with the Municipal Manager, as

the case may be, and in compliance with any policy directives formulated by the council and prescriptions made by the Minister of Finance.

In making such investments the chief financial officer, shall at all times have only the best considerations of the municipality in mind, and, except for the outcome of the consultation process with the Municipal Manager, as the case may be, shall not accede to any influence by or interference from councilors, investment agents or institutions or any other outside parties.

Neither the chief financial officer nor the Municipal Manager, Mayor or councilors or any officials, as the case may be, may accept any gift, other than an item having such negligible value that it cannot possibly be construed as anything other than a token of goodwill by the donor, from any investment agent or institution or any party with which the municipality has made or may potentially make an investment.

PART 5. INVESTMENT PRINCIPLES

5.1 Limiting Exposure

Where large sums of money are available for investment the chief financial officer shall ensure that they are invested with more than one institution, wherever practicable, in order to limit the risk exposure of the municipality. The chief financial officer shall further ensure that, as far as it is practically and legally possible, the municipality's investments are so distributed that more than one investment category is covered (that is, call, money market and fixed deposits).

5.2 Risk and Return

Although the objective of the chief financial officer in making investments on behalf of the municipality shall always be to obtain the best interest rate on offer, this consideration must be tempered by the degree of risk involved in regard to both the financial institution and the investment instrument concerned. No investment shall be made with an institution where the degree of risk is perceived to be higher than the average risk associated with investment institutions. Deposits shall be made only with registered deposit-taking institutions (see 5.4 below).

5.3 Payment of Commission

Every financial institution with which the municipality makes an investment must issue a certificate to the chief financial officer in regard to such investment, stating that such financial institution has not paid and will not pay any commission and has not and will not grant any other benefit to any party for obtaining such investment.

5.4 Call Deposits and Fixed Deposits

Before making any call or fixed deposits, the chief financial officer, shall obtain quotations from at least two financial institutions.

Given the volatility of the money market, the chief financial officer, shall, whenever necessary, request quotations telephonically, and shall record in an appropriate

register the name of the institution, the name of the person contacted, and the relevant terms and rates offered by such institution, as well as any other information which may be relevant (for example, whether the interest is payable monthly or only on maturity, and so forth).

Once the best investment terms have been identified, written confirmation of the telephonic quotation must be immediately obtained (by facsimile, e-mail or any other expedient means).

Any monies paid over to the investing institution in terms of the agreed investment (other than monies paid over in terms of part 7 below) shall be paid over only to such institution itself and not to any agent or third party. Once the investment has been made, the chief financial officer shall ensure that the municipality receives a properly documented receipt or certificate for such investment, issued by the institution concerned in the name of the municipality.

5.5 Restriction on Tenure of Investments

No investment with a tenure exceeding twelve months shall be made without the prior approval of the Municipal Manager, as the case may be.

5.6 Permitted investments

A municipality or municipal entity 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 national or internationally recognized credit rating agency;
- c. deposits with banks registered in terms of the Banks Act, 1990 (Act No. 94 of 1990);
- d. deposits with the Public Investment Commissioners as contemplated by the Public Investment Commissioners Act, 1984 (Act No. 45 of 1984);
- e. deposits with the Corporation for Public Deposits as contemplated by the Corporation for Public Deposits Act, 1984 (Act No. 46 of 1984);
- f. banker's acceptance certificates or negotiable certificates of deposit of bank registered in terms of the Banks Act, 1990;
- g. guaranteed endowment policies with the intention of establishing a sinking fund;
- h. repurchase agreements with banks registered in terms of the Banks Act, 1990;
- i. municipal bonds issued by a municipality; and
- j. any other investment type as the Minister identify by regulation in terms of section 168 of the Act, in consultation with the Financial Services Board.

5.7 Investment denominated in foreign currencies prohibited

A municipality or municipal entity 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.

PART 6. CONTROL OVER INVESTMENTS

The chief financial officer shall ensure that proper records are kept of all investments made by the municipality. Such records shall indicate the date on which the investment is made, the institution with which the monies are invested, the amount of the investment, the interest rate applicable, and the maturity date. If the investment is liquidated at a date other than the maturity date, such date shall be indicated.

The chief financial officer shall ensure that all interest and capital properly due to the municipality are timeously received, and shall take appropriate steps or cause such appropriate steps to be taken if interest or capital is not fully or timeously received.

The chief financial officer shall ensure that all investment documents and certificates are properly secured in a fireproof safe with segregated control over the access to such safe, or are otherwise lodged for safekeeping with the municipality's bankers or attorneys.

PART 7. OTHER EXTERNAL INVESTMENTS

From time to time it may be in the best interests of the municipality to make longer-term investments in secure stock issued by the national government, Eskom or any other reputable parastatal or institution, or by another reputable municipality. In such cases the chief financial officer, must be guided by the best rates of interest pertaining to the specific type of investment, which the municipality requires, and to the best and most secure instrument available at the time.

No investment with a tenure exceeding twelve months shall be made without the prior approval of the Municipal Manager, and without guidance having been sought from the municipality's bankers or other credible investment advisers on the security and financial implications of the investment concerned.

PART 8. BANKING ARRANGEMENTS

The Municipal Manager is responsible for the management of the municipality's bank accounts, but may delegate this function to the chief financial officer. The Municipal Manager and chief financial officer are authorized at all times to sign cheques and any other documentation associated with the management of such accounts. The municipal manager, in consultation with the chief financial officer, is authorized to appoint four or more additional signatories in respect of such accounts, and to amend such appointments from time to time. The list of current signatories shall be reported to the mayor and council, as the case may be, on a yearly basis, as part of the report dealing with the municipality's investments.

In compliance with the requirements of good governance, the municipal manager shall open a bank account for ordinary operating purposes, and shall further maintain a separate account for each of the following: the administration of the external finance fund and of the asset financing

reserve (if these accounts are legally permissible). One or more separate accounts shall also be maintained for the following: capital receipts in the form of grants, donations or contributions from whatever source; trust funds; and the municipality's self-insurance reserve (if legally permissible). In determining the number of additional accounts to be maintained, the municipal manager, in consultation with the chief financial officer, shall have regard to the likely number of transactions affecting each of the accounts referred to. Unless there are compelling reasons to do otherwise, and the council expressly so directs, all the municipality's bank accounts shall be maintained with the same banking institution to ensure pooling of balances for purposes of determining the interest payable to the municipality.

The municipal manager shall invite tenders for the placing of the municipality's bank accounts within six months after the election of each new council, such new banking arrangements to take effect from the first day of the ensuing financial year. However, such tenders may be invited at any earlier stage, if the municipal manager, in consultation with the chief financial officer, is of the opinion that the services offered by the municipality's current bankers are materially defective, or not cost-effective, and the council, as the case may be, agrees to the invitation of such tenders.

PART 9. RAISING OF DEBT

The municipal manager is responsible for the raising of debt, but may delegate this function to the chief financial officer, who shall then manage this responsibility in consultation with the municipal manager. All debt shall be raised in strict compliance with the requirements of the Municipal Finance Management Act 2003, and only with the prior approval of the council.

Long-term debt shall be raised only to the extent that such debt is provided for as a source of necessary finance in the capital component of the approved annual budget or adjustments budget.

Short-term debt shall be raised only when it is unavoidable to do so in terms of cash requirements, whether for the capital or operating budgets or to settle any other obligations, and provided the need for such short-term debt, both as to extent and duration, is clearly indicated in the cash flow estimates prepared by the chief financial officer. Short-term debt shall be raised only to anticipate a certain long-term debt agreement or a certain inflow of operating revenues.

PART 10. INVESTMENTS FOR THE REDEMPTION OF LONG-TERM LIABILITIES

In managing the municipality's investments, the chief financial officer shall ensure that, whenever a long-term (non-annuity) loan is raised by the municipality, an amount is invested at least annually equal to the principal sum divided by the period of the loan. Such investment shall be made against the bank account maintained for the external finance fund, and shall be accumulated and used only for the redemption of such loan on due date. The making of such investment shall be approved by the council at the time that the loan itself is approved. If the loan raised is not a fixed term loan, but an annuity loan, the chief financial officer shall

ensure that sufficient resources are available in the account maintained for the external finance fund to repay the principal amounts due in respect of such loan on the respective due dates.

PART 11. INTEREST ON INVESTMENTS

The interest accrued on all the municipality's investments shall, in compliance with the requirements of generally accepted municipal accounting practice, be recorded in the first instance in the municipality's operating account as ordinary operating revenues, and shall thereafter be appropriated, at the end of each month, to the fund or account in respect of which such investment was made.

In the case of the external finance fund, the chief financial officer may reduce the amount which must be annually invested to redeem any particular loan by the amount of interest so accrued.

If the accrual of interest to the external finance fund, unutilized capital receipts and trust funds results in a surplus standing to the account of any such funds, that is, an amount surplus to the resources required in respect of such funds or accounts, such surplus amount shall be credited by the chief financial officer to the appropriation account and expropriated to the asset financing reserve.

PART 12. ANNEXURE I: PARAPHRASE OF REQUIREMENTS OF MUNICIPAL FINANCE MANAGEMENT ACT NO 56 OF 2003

Note: In terms of Section 60(2) of the Municipal Systems Act No. 32 of 2000 the council may delegate the authority to take decisions on making investments on behalf of the municipality only to the executive mayor, executive committee or chief financial officer. The foregoing policy is based on the assumption that such authority has been delegated to the chief financial officer. The chief financial officer shall at all times manage the investments in compliance with the provisions of and any further prescriptions made by the Minister of Finance in terms of the Municipal Finance Management Act No 56 of 2003.

SECTION 7: OPENING OF BANK ACCOUNTS

Every municipality must open and maintain at least one bank account. This bank account must be in the name of the municipality, and all monies received by the municipality must be paid into this bank account or accounts, promptly and in accordance with any requirements that may be prescribed.

A municipality may not open a bank account:

- otherwise than in the name of the municipality;
- abroad; or
- with an institution not registered as a bank in terms of the Banks Act 1990.

Money may be withdrawn from the municipality's bank account only in accordance with the requirements of Section 11 of the present Act.

SECTION 8: PRIMARY BANK ACCOUNT

Every municipality must have a primary bank account, and if the municipality has only one bank account that account is its primary bank account. If the municipality has more than one bank account, it must designate one of those bank accounts as its primary bank account.

The following must be paid into the municipality's primary account:

- all allocations to the municipality;
- all income received by the municipality on its investments;
- all income received by the municipality in connection with its interest in any municipal entity;
- all money collected by a municipal entity or other external mechanism on behalf of the municipality, and;
- any other monies as may be prescribed.

The accounting officer of the municipality must submit to the national treasury, the provincial treasury and the Auditor-General, in writing, the name of the bank where the primary bank account of the municipality is held, and the type and number of the account. If the municipality wants to change its primary bank account, it may do so only after the accounting officer has informed the national treasury and the Auditor-General, in writing, at least 30 days before making such change.

SECTION 9: BANK ACCOUNT DETAILS TO BE SUBMITTED TO PROVINCIAL TREASURIES AND AUDITOR-GENERAL

The accounting officer of the municipality must submit to the provincial treasury and to the Auditor-General, in writing, within 90 days after the municipality has opened a new bank account, the name of the bank where the account has been opened, and the type and number of the account; and annually, before the start of each financial year, the name of each bank where the municipality holds a bank account, and the type and number of each account.

SECTION 10: CONTROL OF MUNICIPAL BANK ACCOUNTS

The accounting officer of the municipality must administer the entire municipality's bank accounts, is accountable to the municipal council for the municipality's bank accounts, and must enforce compliance with Sections 7, 8 and 11 of the present Act.

The accounting officer may delegate the duties referred to above only to the municipality's chief financial officer.

SECTION 11: WITHDRAWALS FROM MUNICIPAL BANK ACCOUNTS

Only the accounting officer or the chief financial officer of the municipality (presumably where this power has been appropriately delegated), or any other senior financial official of the municipality acting on the written authority of the accounting officer, may withdraw money or authorize the withdrawal of money from any of the municipality's bank accounts. Such withdrawals may be made only to:

- defray expenditure appropriated in terms of an approved budget;
- defray expenditure authorized in terms of Section 26(4) (this Section deals with situations in which the budget was not timeously approved, and the province has been compelled to intervene);
- defray unforeseeable and unavoidable expenditure authorized in terms of Section 29(1);
- in the case of a bank account opened in terms of Section 12, make payments from the account in accordance with Section 12(4);
- pay over to a person or organ of state money received by the municipality on behalf of such person or organ of state, including money collected by the municipality on behalf of such person or organ of state by agreement, or any insurance or other payments received by the municipality for such person or organ of state;
- refund money incorrectly paid into a bank account;
- refund guarantees, sureties and security deposits;
- make investments for cash management purposes in accordance with Section 13; defray increased expenditure in terms of Section 31; or
- for such other purposes as may be prescribed.

(Note that Section 11(1) does not expressly provide for the withdrawal of monies to pay creditors, where the relevant obligations arose in terms of the previous budget; to repay loans; or to repay consumer deposits).

Any authorization to a senior financial official to withdraw money or to authorize the withdrawal of money from a bank account must be in accordance with the framework as may be prescribed. The accounting officer may not authorize any official other than the chief financial

officer to withdraw money or to authorize the withdrawal of money from the municipality's primary bank account if the municipality has a primary bank account which is separate from its other bank accounts.

The accounting officer must, within 30 days after the end of each quarter, table in the council a consolidated report of all withdrawals made other than withdrawals to defray expenditure appropriated in terms of the approved budget, and submit a copy of the report to the relevant provincial treasury and the Auditor-General.

SECTION 12: RELIEF, CHARITABLE, TRUST OR OTHER FUNDS

No political structure or office bearer of the municipality may set up a relief, charitable, trust or other fund of whatever description, except in the name of the municipality. Only the municipal manager may be the accounting officer of any such fund.

A municipality may open a separate bank account in the name of the municipality for the purpose of such relief, charitable, trust or other fund. Money received by the municipality for the purpose of such fund must be paid into the bank account of the municipality, or if a separate bank account has been opened for such fund, into that account.

Money in a separate account opened for such fund may be withdrawn from the account without appropriation in terms of the approved budget, but only by or on the written authority of the accounting officer, acting in accordance with decisions of the council, and for the purposes for which, and subject to any conditions on which, the fund was established or the money in the fund was donated.

SECTION 13: CASH MANAGEMENT AND INVESTMENTS

The Minister, acting with the concurrence of the cabinet member responsible for local government, may prescribe a framework within which municipalities must conduct their cash management and investments, and invest money not immediately required.

A municipality must establish an appropriate and effective cash management and investment policy in accordance with any framework that may be so prescribed.

A bank where the municipality at the end of the financial year holds a bank account, or held a bank account at any time during such financial year, must, within 30 days after the end of such financial year, notify the Auditor-General, in writing, of such bank account, indicating the type and number of the account, and the opening and closing balances of that account in that financial year. The bank must also promptly disclose any information regarding the account when so requested by the national treasury or the Auditor-General.

A bank, insurance company or other financial institution which the end of the financial year holds, or at any time during the financial year held, an investment for the municipality, must, within 30 days after the end of that financial year, notify the Auditor-General, in writing, of that investment, including the opening and closing balances of that investment in that financial year.

Such institution must also promptly disclose any information regarding the investment when so requested by the national treasury or the Auditor-General.

SECTION 17: CONTENTS OF ANNUAL BUDGETS AND SUPPORTING DOCUMENTS

The following documents must accompany each tabled draft annual budget (inter alia):

- a projection of cash flows for the budget year by revenue source, divided into calendar months
- Particulars of the municipality's investments.

SECTION 22: PUBLICATION OF ANNUAL BUDGETS

The accounting officer must make public, immediately after a draft annual budget is tabled, the budget itself and all the prescribed supporting documents, and invite comments from the local community in connection with such budget (and documents).

SECTION 36: NATIONAL AND PROVINCIAL ALLOCATIONS TO MUNICIPALITIES

In order to provide predictability and certainty about the sources and levels of intergovernmental funding for municipalities, the accounting officer of a national or provincial department and the accounting authority of a national or provincial public entity responsible for the transfer of any proposed allocations to a municipality, must by no later than 20 January of each year notify the national treasury or the relevant provincial treasury as may be appropriate, of all proposed allocations and the projected amounts of those allocations to be transferred to each municipality during each of the next 3 financial years.

The Minister or the MEC responsible for finance in the province must, when tabling the national annual budget in the national assembly or the provincial annual budget in the provincial legislature, make public particulars of any allocations due to each municipality in terms of that budget, including the amount to be transferred to the municipality during each of the next 3 financial years.

SECTION 37: PROMOTION OF CO-OPERATIVE GOVERNMENT BY MUNICIPALITIES

In order to enable municipalities to include allocations from other municipalities in their budgets and to plan effectively for the spending of such allocations, the accounting officer of every municipality responsible for the transfer of any allocation to another municipality, must, by no later than 120 days before the start of its budget year, notify the receiving municipality of the projected amount of any allocation proposed to be transferred to that municipality during each of the next 3 financial years.

SECTION 45: SHORT-TERM DEBT

The municipality may incur short-term debt only in accordance with and subject to the provisions of the present Act, and only when necessary to bridge shortfalls within a financial year during which the debt is incurred, in expectation of specific and realistic income to be received within that financial year; or to bridge capital needs within a financial year, to be repaid from specific funds to be received from enforceable allocations or long-term debt commitments.

The council may approve a short-term debt transaction individually, or may approve an agreement with a lender for a short-term credit facility to be accessed as and when required, including a line of credit or bank overdraft facility, provided that the credit limit must be specified in the resolution of the council; the terms of the agreement, including the credit limit, may be changed only by a resolution of the council; and if the council approves a credit facility limited to emergency use, the accounting officer must notify the council in writing as soon as practicable of the amount, duration and cost of any debt incurred in terms of such a credit facility, as well as the options available for repaying such debt.

The municipality must pay off short-term debt within the financial year in which it was incurred, and may not renew or refinance short-term debt, whether its own debt or that of any municipal entity, where such renewal or refinancing will have the effect of extending the short-term debt into a new financial year.

SECTION 46: LONG-TERM DEBT

A municipality may incur long-term debt only in accordance with and subject to any applicable provisions of the present Act, and only for the purpose of capital expenditure on property, plant or equipment to be used for the purpose of achieving the objects of local government as set out in Section 152 of the Constitution; or refinancing existing long-term debt subject to the requirements of Section 46(5).

SECTION 47: CONDITIONS APPLYING TO BOTH SHORT-TERM AND LONG-TERM DEBT

The municipality may incur debt only if the debt is denominated in rand and is not indexed to, or affected by, fluctuations in the value of the rand against any foreign currency.

SECTION 64: REVENUE MANAGEMENT (EXCERPTS)

The accounting officer of the municipality is responsible for the management of the revenue of the municipality.

The accounting officer, must, among other things, take all reasonable steps to ensure that all money received is promptly deposited in accordance with the requirements of the present Act into the municipality's primary and other bank accounts.

The accounting officer must also ensure that all revenue received by the municipality, including revenue received by any collecting agent on its behalf, is reconciled on at least a weekly basis.

The accounting officer must take all reasonable steps to ensure that any funds collected by the municipality on behalf of another organ of state are transferred to that organ of state at least on a weekly basis, and that such funds are not used for purposes of the municipality.

SECTION 65: EXPENDITURE MANAGEMENT (EXCERPTS)

The accounting officer of the municipality is responsible for the management of the expenditure of the municipality.

The accounting officer must take all reasonable steps to ensure, among other things, that payments made by the municipality are made direct to the person to whom they are due, unless agreed otherwise for reasons as may be prescribed, and either electronically or by way of non-transferable cheques, provided that cash payments and payments by way of cash cheques may be made for exceptional reasons only, and only up to a prescribed limit.

The accounting officer must also ensure that all money owing by the municipality is paid within 30 days of receiving the relevant invoice or statement, unless prescribed otherwise for certain categories of expenditure.

The accounting officer must further ensure that the municipality's available working capital is managed effectively and economically in terms of the prescribed cash management and investment framework.

PART 13: ANNEXURE II: CODE OF PRACTICE IN REGARD TO PAYMENTS, REVENUE COLLECTION AND STORES

1. STORES ADMINISTRATION

The chief financial officer shall be responsible for the proper administration of all stores. If sub-stores are established under the control of any head of department, such head of department shall be similarly responsible for the proper administration of such sub-store, and in doing so shall comply with the stock level policies as determined from time to time by the chief financial officer, acting in consultation with the head of department concerned. No sub-store may be established without the prior written consent of the chief financial officer.

2. CONTRACTS: MANAGEMENT OF

Within such general buying and related procedures as the chief financial officer shall from time to time determine, and further within the confines of any relevant

legislation and of such rules and procedures as may be determined by the council, as the case may be:

- all buying contracts shall be administered by the chief financial officer, and all payments relating to such contracts shall be authorized by the chief financial officer or the head of department concerned; and
- all other contracts, including building, engineering and other civil contracts shall be administered by the head of department concerned, and all payments relating to such contracts shall be authorized by such head of department in accordance with the provisions of Section 3 below. The head of department concerned shall ensure that all payment certificates in regard to contracts are properly examined and are correct in all respects - before being submitted to the chief financial officer for payment.

3. PAYMENTS

- 3.1 All payments, other than petty cash disbursements, shall be made through the municipality's bank account(s).
- 3.2 The chief financial officer shall draw all cheques on this account, and shall, in consultation with the municipal manager and with due regard to the council's policy on banking and investments, determine the rules and procedures relating to the signing of cheques, and from time to time jointly with the municipal manager decide on appropriate signatories.
- 3.3 All requests for payments of whatever nature shall be submitted on payment vouchers, the format of which shall be determined by the chief financial officer. Such vouchers shall be authorized in terms of such rules and procedures as are determined from time to time by the chief financial officer.
- 3.4 The maximum amount and nature of petty disbursements, where not covered by the general buying procedures referred to in Section 2, shall be generally determined from time to time by the chief financial officer. No cash float shall be operated without the authority of the chief financial officer, who may prescribe such procedures relevant to the management of such float as are considered necessary.
- 3.5 The chief financial officer shall be responsible for the payment of all salaries and remuneration benefits to employees and councilors, and for the determination of the payment system to be used.

4. REVENUE AND CASH COLLECTION

- 4.1 Every head of department shall be responsible for the collection of all moneys falling within the ambit and area of his or her designated functions.
- 4.2 The chief financial officer shall ensure that all revenues are properly accounted for.

4.3 The collection of all arrear revenues and the control of arrear accounts shall be co-ordinated by the chief financial officer in terms of any policies determined by the council. If it is clear that any revenues are not recovered or likely to be recovered after the necessary steps have been taken, the chief financial officer shall report the matter adequately and timeously to the accounting officer and council.

4.4 The chief financial officer shall ensure that adequate provision is maintained to cover the writing off of irrecoverable revenues, having due regard to the council's policy on rates and tariffs.

5. BANKING OF RECEIPTS

5.1 Guidelines and procedures for the banking of cheques and other receipts shall, if necessary, be determined from time to time by the chief financial officer.

Where applicable, every head of department shall ensure that all revenues are banked daily with the municipality's banker(s), or less frequently if so

PRINCIPLES AND POLICY ON BUDGET VIREMENTS

(Adopted by council on 31 March 2016)

PRINCIPLES AND POLICY ON BUDGET VIREMENTS

1. DEFINITIONS

1. **“Accounting officer”** The municipal manager of a municipality is the accounting officer of the municipality in terms of section 60 of the MFMA
2. **“Approved budget”** means an annual budget approved by a municipal council.
3. **“Budget-related policy”** means a policy of a municipality affecting or affected by the annual budget of the municipality
4. **“Chief financial officer”** means a person designated in terms of the MFMA who performs such budgeting, and other duties as may in terms of section 79 of the MFMA be delegated by the accounting officer to the chief financial officer.
5. **“Capital Budget”** This is the estimated amount for capital items in a given fiscal period. Capital items are fixed assets such as facilities and equipment, the cost of which is normally written off over a number of fiscal periods
6. **“Council”** means the council of a municipality referred to in section 18 of the Municipal Structures Act.
7. **“Financial year”** means a 12-month year ending on 30 June.
8. **“Line Item”** an appropriation that is itemized on a separate line in a budget adopted with the idea of greater control over expenditures **[See annexure “B” for current item structure]**
9. **“Operating Budget”** The Town's financial plan, which outlines proposed expenditures for the coming financial year and estimates the revenue used to finance them.
10. **“Ring Fenced”** an exclusive combination of line items grouped for specific purposes for instance salaries and wages.
11. **“Service delivery and budget implementation plan”** means a detailed plan approved by the mayor of a municipality in terms of section 53(1) (c) (ii) for implementing the municipality's delivery of municipal services and its annual budget.

12. **“Virement”** is the process of transferring an approved budget allocation from one operating line item or capital project to another, with the approval of the relevant Manager. To enable budget managers to amend budgets in the light of experience or to reflect anticipated changes.
13. **“Vote”** means one of the main segments into which a budget of a municipality is divided for the appropriation of funds 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. **[See annexure “A” for current Vote structure]**

2. **ABBREVIATIONS**

CFO – Chief Financial Officer

IDP – Integrated Development Plan

MFMA – Municipal Finance

Management Act No. 56 of 2003

SDBIP - Service delivery and budget

implementation plan **CM** – Council

Minute/s

3. **OBJECTIVE OF THE POLICY**

To allow limited flexibility in the use of budgeted funds to enable management to act on occasions such as disasters, unforeseen expenditure or savings, etc. as they arise to accelerate service delivery in a financially responsible manner.

4. **VIREMENT CLARIFICATION**

Virement is the process of transferring budgeted funds from one line item number to another, with the approval of the relevant Manager and CFO, to enable budget managers to amend budgets in the light of experience or to reflect anticipated changes. (Section 28 (2) (c) MFMA)

5. **FINANCIAL RESPONSIBILITIES**

Strict budgetary control must be maintained throughout the financial year in order that potential overspends and/or income under-recovery within individual vote departments are identified at the earliest possible opportunity. (Section 100 MFMA)

The Chief Financial Officer has a statutory duty to ensure that adequate policies and procedures are in place to ensure an effective system of

financial control. The budget virement process is one of these controls.
(Section 27(4) MFMA)

It is the responsibility of each manager or head of a department or activity to which funds are allotted, to plan and conduct assigned operations so as not to expend more funds than budgeted. In addition, they have the responsibility to identify and report any irregular or fruitless and wasteful expenditure in terms of the MFMA sections 78 and 102.

6. VIREMENT RESTRICTIONS

- (a) No funds may be viremented between votes (GFS Classifications) without approval of both vote holders and the Chief Financial Officer.
- (b) Virements may not exceed a maximum of 7.50 % of the total approved operating expenditure budget
 - c. 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. (section 19 and 21 MFMA)
 - d. Virements resulting in adjustments to the approved SDBIP need to be submitted with an adjustments budget to the Council with altered outputs and measurements for approval. (MFMA Circular 13 page 3 paragraph 3)
 - e. No virement may commit the Municipality to increase recurrent expenditure, which commits the Council's resources in the following financial year, without the prior approval of the Council (e.g. expenditure such as entering into agreements into lease or rental agreements such as vehicles, photo copiers or fax machines).
 - f. No virement may be made where it would result in over expenditure. (section 32 MFMA)
 - g. No virement shall add to the establishment of the Municipality without the approval of Municipal Manager.
 - h. If the virement relates to an increase in the work force establishment, then the Council's existing recruitment policies and procedures will apply.

- i. Virements may not be made in respect of ring-fenced allocations.
- j. Budget may not be transferred from Interdepartmental costs, Capital financing, Depreciation, Contributions, Grant Expenditure and Income Foregone.
- k. Budget may only be transferred from Salaries if approved by the CFO.
- l. Virements in capital budget allocations are only permitted within specified action plans and not across funding sources and must in addition have comparable asset lifespan classifications.
- m. No virements are permitted in the first three months or the final month of the financial year without the express agreement of the CFO.

No virement proposal shall affect amounts to be paid to another Department without the agreement of the Manager of that Department, as recorded on the signed virement form. (Section 15 MFMA)

- o. Virement amounts may not be rolled over to subsequent years, or create expectations on following budgets. (Section 30 MFMA)
- p. An approved virement does not give expenditure authority and all expenditure resulting from approved virements must still be subject to the procurement/supply chain management policy of Council as periodically reviewed.
- q. Virements may not be made between Expenditure and Income.

7. VIREMENT PROCEDURE (SEE APPENDIX C ATTACHED)

- a. All virement proposals must be completed on the appropriate documentation and forwarded to the Chief Financial Officer for checking, approval and implementation.
- b. All virements must be signed by the Vote holder (per department) and the Manager within which the vote is allocated. (Section 79 MFMA)
- c. A virement form must be completed for all Budget Transfers.
- d. All Virements require the approval of the Chief Financial Officer. (Section 79

MFMA)

- e. Must include changes to the SDBIP.
- f. All documentation must be in order and approved before any expenditure can be committed or incurred. (Section 79 MFMA)
- g. The Municipal Manager will report to the Mayor on a quarterly basis on those virements that have taken place during that quarter.

APPENDIX A

DEPARTMENTS, GFS CLASSIFICATIONS AND VOTE HOLDERS

VOTE	GFS CLASSIFICATION	DEPARTMENT	VOTE	SUPPORT VOTE HOLDER
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Executive and Council	Executive and Council	Council General	Mayor	Municipal
		Municipal	Municipal	Municipal

Finance	Finance and Admin	Finance	CFO	CFO
	Interns	Finance	CFO	CFO

Corporate Services	Corporate Services	Administration	MANAGER:: Corporate Services	MANAGER:: Corporate Services
		Fixed property &	MANAGER:: Corporate	Manager: Corporate
	Community and Social Services	Library	MANAGER:: Corporate	MANAGER:: Corporate
		Community Facilities	MANAGER:: Corporate	MANAGER:: Corporate
	Public Safety	Disaster Management	MANAGER:: Corporate	MANAGER:: Corporate
	Planning and Development	IDP	MANAGER:: Corporate	MANAGER:: Corporate
		LED	MANAGER:: Corporate	MANAGER:: Corporate
	Road Transport	Traffic	MANAGER:: Corporate	MANAGER:: Corporate

Technical Services	Support Services	PMU	MANAGER:: Technical	MANAGER:: Technical
	Electricity	Electricity	MANAGER:: Technical	MANAGER:: Technical
	Water	Water	MANAGER:: Technical	MANAGER:: Technical
	Water Waste Management	Water Waste Management	MANAGER:: Technical	MANAGER:: Technical
	Waste Management	Waste Management	MANAGER:: Technical	MANAGER:: Technical

Item	APPENDIX B			
	Description	Comment	Virement	Virement
			From	To
	EMPLOYEE RELATED COSTS			
	BARGAINING COUNCIL	Expenditure	Yes	No
	BONUS	Expenditure	Yes	No
	ENTERTAINMENT ALLOWANCE	Expenditure	Yes	No
	HOUSING SUBSIDY	Expenditure	Yes	No
	IRP5 RECONCILIATION	Expenditure	Yes	No
	LEAVE GRATUITY	Expenditure	Yes	No
	LIFE ASSURANCE	Expenditure	Yes	No
	LONG SERVICE AWARD: ACTUARIAL GAINS/LOSSES	Expenditure	Yes	No
	LONG SERVICE AWARD: BENEFIT	Expenditure	Yes	No
	LONG SERVICE AWARD: INTEREST	Expenditure	Yes	No
	LONG TERM SERVICE	Expenditure	Yes	No
	LONG TERM SERVICE AWARD: COS	Expenditure	Yes	No
	MEDICAL AID FUND	Expenditure	Yes	No
	MEDICAL AID LIABILITY	Expenditure	Yes	No
	MEDICAL AID LIABILITY: ACTUARIAL GAINS/LOSSES	Expenditure	Yes	No
	MEDICAL AID LIABILITY: BENEFIT PA	Expenditure	Yes	No
	MEDICAL AID LIABILITY: INTEREST	Expenditure	Yes	No
	OVERTIME	Expenditure	Yes	No
	PENSION FUND	Expenditure	Yes	No
	POST RETIREMENT BENEFITS PAID	Expenditure	Yes	No
	PROVISION OF STAFF LEAVE	Expenditure	Yes	No
	SALARIES	Expenditure	Yes	No
	SALE OF LEAVE	Expenditure	Yes	No
	TELEPHONE ALLOWANCE	Expenditure	Yes	No
	TRAVELLING ALLOWANCE	Expenditure	Yes	No
	UIF	Expenditure	Yes	No
	WATERWORKS ALLOWANCE	Expenditure	Yes	No
	REMUNERATION OF COUNCILLORS			
	COUNCILLOR ALLOWANCE	Expenditure	Yes	No
	MEDICAL AID FUND	Expenditure	Yes	No
	PENSION FUND	Expenditure	Yes	No
	TELEPHONE ALLOWANCE	Expenditure	Yes	No
	TRAVELLING ALLOWANCE	Expenditure	Yes	No
	BAD DEBTS			
	BAD DEBTS	Expenditure	No	No
	DEPRECIATION			
	DEPRECIATION	Expenditure	No	No
	REPAIRS & MAINTENANCE			
	BUILDINGS	Expenditure	Yes	Yes
	CHEMICALS	Expenditure	Yes	Yes
	GENERAL MAINTENANCE	Expenditure	Yes	Yes
	INTEREST PAID LANDFILL SITE	Expenditure	Yes	Yes
	MAINTENANCE BUILDINGS	Expenditure	Yes	Yes
	MAINTENANCE CEMETARY	Expenditure	Yes	Yes
	MAINTENANCE COMMONAGE/AIRFIELD	Expenditure	Yes	Yes
	MAINTENANCE CONSUMER CONNECTION	Expenditure	Yes	Yes
	MAINTENANCE GENERAL EQUIPMENT	Expenditure	Yes	Yes
	MAINTENANCE NETWORK/PUMPS/DAMS	Expenditure	Yes	Yes
	MAINTENANCE STREET LIGHTING	Expenditure	Yes	Yes
	MAINTENANCE STREETS/ROADS	Expenditure	Yes	Yes

	MAINTENANCE VEHICLES	Expenditure	Yes	Yes
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VIREMENT POLICY (Adopted by Council on 29 xxx)				
	TOOL/ACCESSORY MAINTENANCE	Expenditure	Yes	Yes
	WATER PURIFICATION	Expenditure	Yes	Yes
	FINANCE COSTS			
	DBSA LOAN ELECTRIFICATION	Expenditure	No	No
	DBSA LOAN VEHICLE FLEET	Expenditure	No	No
	DBSA LOANS	Expenditure	No	No
	FINANCE CHARGES DBSA	Expenditure	No	No
	INTEREST	Expenditure	Yes	Yes
	INTEREST BANK ACCOUNT	Expenditure	Yes	Yes
	REDEMPTION	Expenditure	No	No
	BULK PURCHASES			
	BULK WATER PURCHASE	Expenditure	Yes	Yes
	ESKOM BULK PURCHASE	Expenditure	Yes	Yes
	FREE BASIC ELECTRICITY	Expenditure	Yes	Yes
	CONTRACTED SERVICES			
	CONTRACTED SERVICES	Expenditure	Yes	Yes
	GRANTS & SUBSIDIES PAID –			
	ALL GRANTS AND SUBSIDIES PAID	Expenditure	No	No
	GENERAL EXPENSES			
	ADVERTISEMENT COSTS	Expenditure	Yes	Yes
	ASSURANCE	Expenditure	Yes	Yes
	AUDITORS COSTS	Expenditure	Yes	Yes
	BANK COSTS	Expenditure	Yes	Yes
	CASH SHORTAGES	Expenditure	Yes	Yes
	CHEMICALS	Expenditure	Yes	Yes
	CONSULTANT FEES	Expenditure	Yes	Yes
	CONTRIBUTION DISTRICT	Expenditure	Yes	Yes
	COUNCIL AND WARD ACTIVITIES	Expenditure	Yes	Yes
	DONATIONS	Expenditure	Yes	Yes
	DROUGHT RELIEVE WATER	Expenditure	Yes	Yes
	DUMPING SITE	Expenditure	Yes	Yes
	ENTERTAINMENT COSTS	Expenditure	Yes	Yes
	EQUIPMENT	Expenditure	Yes	Yes
	ESKOM MUNICIPAL PURCHASE	Expenditure	Yes	Yes
	FUEL AND OIL	Expenditure	Yes	Yes
	FUNERAL UNKNOWN/POVERTY	Expenditure	Yes	Yes
	GRAVE YARD COSTS	Expenditure	Yes	Yes
	HEALTH WORKERS	Expenditure	Yes	Yes
	HERALD, SKILLS DEVELOPMENT	Expenditure	Yes	Yes
	HIV/AIDS	Expenditure	Yes	Yes
	INDIGENT SUPPORT	Expenditure	Yes	Yes
	INSURANCE PAYBACK	Expenditure	Yes	Yes
	INTERIM VALUATION COSTS	Expenditure	Yes	Yes
	LABOURERS	Expenditure	Yes	Yes
	LEGAL COSTS	Expenditure	Yes	Yes
	LIBRARY PROJECTS	Expenditure	Yes	Yes
	LOST BOOKS/MAGAZINES	Expenditure	Yes	Yes
	MAYORAL ACTIVITIES	Expenditure	Yes	Yes
	MEMBER FEES SALGA	Expenditure	Yes	Yes

MOTOR REGISTRATION	Expenditure	Yes	Yes
MOTOR VEHICLE REGISTRATION	Expenditure	Yes	Yes
MUNICIPAL SERVICES	Expenditure	Yes	Yes
NATIS (VEHICLE REGISTRATION)	Expenditure	Yes	Yes
NETWORK	Expenditure	Yes	Yes
NEW BOOKS	Expenditure	Yes	Yes
O & M (DWA EXP)	Expenditure	Yes	Yes
OFFICE EXPENDITURE	Expenditure	Yes	Yes

APPENDIX C

VIREMENT APPLICATION FORM

REQUESTED BY:

REQUEST DIRECTED TO: The Chief Financial Officer

DATE:

FINANCIAL YEAR: 2 02 0

PLEASE EFFECT VIREMENT AS FOLLOWS:

FROM VOTE NUMBER:

FROM VOTE DESCRIPTION:

TO VOTE NUMBER:

TO VOTE DESCRIPTION:

AMOUNT:

▯

AMOUNT IN WORDS:

REASON OF VIREMENT:

.....
.....
.....
.....
.....

MANAGER REQUESTING VIREMENT MUST

QUESTIONS

1. Are the above votes within your directorate?

If no, obtain the approval of the relevant Executive Director

NAME AND SIGNATURE:

DATE:

2. Has the total virement on the above votes exceeded the limit as disclosed in paragraph 6b of the Virement Policy Y N
3. Will the above virement cater to the approved outcomes/ output of the IDP or adjust service delivery targets, as set in the SDBIP, downwards? Y N
4. Is the virement required to increase recurrent expenditure, such as leases? Y
5. Will the virement affect the following line items and categories of expenditure:
- Employment Costs Category Y N
 - Departmental Charges Y N
 - Charge out Allocations Y N
 - Grant Expenditure Y N
 - Income Category Y N

I hereby declare that I fully understand the contents of the Virement Policy and request that the above virement be approved.

MANAGER: (signature)

NAME IN FULL:

 (print name)

DATE:

APPROVED BY CHIEF FINANCIAL OFFICER:

..... NAME IN FULL:

 (print name)

DATE:

CAPTURED BY:

..... (signature)

DATE:

CHECKED BY:

GENERAL LEDGER CHART OF ACCOUNTS MAINTENANCE POLICY

(Adopted by council on 31 March 2016)

1. Introduction

A current and accurate Chart of Accounts is an integral part of the accounting systems of the municipality.

This Chart of Accounts is generally consistent with the definitions and procedures presented in the GRAP (General Recognize Accounting Practices) Requirement as well as the General Financial Statistics (GFS Classification) and various budget reform processes as aligned by National Treasury

2. Table of Contents

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3	Policy Statement
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6	Policy Procedures
7	Forms
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	General Ledger Chart of Accounts Maintenance Form
	Organisational layout of the Operational Income and Expenditure
	Main Revenue by Source and Expenditure by Type with detail descriptions
	GRAP Structure of the Main Ledger

3. Policy Statement

Any requested modifications (additions, deletions or changes) to the general ledger chart of accounts must be submitted to the Chief Financial Officer via the General Ledger Chart of Accounts Maintenance Form and accompanied by a statement justifying the business reason for the change.

4. Purpose of the Policy

The general ledger is the primary information repository for the Municipality's business activities and financial condition. Accordingly, the general ledger's financial encoding structure and values (its "chart of accounts") must be maintained accurately to maintain the integrity of the Municipality's financial reporting.

5. Who needs to know this Policy

The finance staff and departmental heads of the Municipality

6. Policy Procedures

In order to maintain accurately the general ledger chart of accounts, only Financial System Support (FSS) located in the office of the Manager: Treasury Services or the Database administrator personnel, if applicable, are authorized to perform production system chart of accounts maintenance or modifications (additions, deletions and changes). (See the Administrator and Security Policy for more detail on security controls over the system.

All requested modifications to the chart of accounts must be submitted to FSS via a signed General Ledger Chart of Accounts Maintenance Form. For detailed instructions on completed the form see Steps for Requesting Changes to the Municipality's Chart of Accounts. All requests also must be accompanied by a statement justifying the business reason for the modification. When additions to the chart of accounts are requested, departments are expected to consider and request deletion of segment values that formerly supported the business operation for which new values are being created.

No chart of account modifications will be considered by the Chief Financial Officer without approval by the Municipality's Budget Office or the Manager: Treasury Services, as appropriate. The appropriate Budget Office must approve modifications to the chart of accounts segments for the Vote, Cost

Centers and Main Ledger. The Chief Financial Officer must approve modifications to the chart of account segments for *Account, Class and Function*. In addition, all Budget Office

approved chart of accounts changes must be reviewed and approved by the Chief Financial Officer prior to processing by FSS.

Approved request forms must be submitted to the Budget Office to the attention of the Manager: Treasury Services. All change requests should be submitted at least two weeks prior to initial usage of the account.

All approved chart of accounts modification requests will be processed within one week from the time they are received by FSS. FSS will notify the appropriate Budget Manager, and other interested departments when modifications have been completed.

FSS and Chief Financial Officer periodically will review chart of accounts segment values for dormant values and notify the Budget Manager of the need to request removal of dormant values from those available for usage.

7. Forms

See Annexure A: General Ledger Chart of Accounts Maintenance Form

8. Chart of Accounts

8.1 Income and Expenditure

See Annexure B: Organisational layout of the Operational Income and Expenditure of the system

8.2 Main Ledger

See Annexure C: Ledger Layout of the Main ledger according to the GRAP structure of the Municipality

8.3 NT Reports

See Annexure D: Linking of votes to the NT structure for easy linking of cost centers in future.

ANNEXURE A

**General Ledger Chart of Accounts Maintenance Form -
explanatory form**

The following page describes how to create a new description!

LE108: LEDGER DESCRIPTIONS

Type: *A drop down menu where the user must choose the desired type of vote to be created / change e.g. [Income and Expenditure Sub-Votes]; [Balance Sheet Sub-Votes]; [Allocation Sub-Votes]; [Main Votes].*

**Master Code for this Sub, Allocation, Main Vote
Description**

Type: [xxxx] *This will be filled in depending on what has been chosen under the Type e.g. A; B; C; M*

Vote Code: [0000] *This will be created according to the Municipality's chart of accounts structure*

Descriptions

English [_ _ _ _ _]

Afrikaans [_ _ _ _ _]

Controls

Debit/Credit *Dropdown menu to choose the correct category*
e.g. "Debit (+) Asset and Expenditure or Credit
(-) Liability and Income".

Income /Liability sub-vote? tick in the box

Vat Indicator *Dropdown menu to choose the correct category*
e.g. "Not vatable; Vat Optional; Vat compulsory.

IMFO Expenditure/Asset Groups *Dropdown menu to choose the*
correct category according
to the chart of accounts

NT I&E Expend Group *Dropdown menu to choose the*
correct category according
to the chart of accounts

NB! DO INDEX-REBUILD ON VOTE WHEN CHANGED)

% Cash-flow Indicate required %

Global Expenditure % Indicate required %

Mark VALID access

Please tick the following boxes where the ledger must be accessible from the sub systems.

Consbill

Ledger [

] Payroll []

Stores

Asset Register

Finance Register

Costing

Job / Allocation Choose from the dropdown menu e.g. Jobs; Allocations; None

Re-Allocate Expenditure? Tick if applicable

Suppress Print? Tick for yes

Auto Block Over-expenditure? Tick for yes

Capital Expenditure? Tick for yes.

ANNEXURE A

**General Ledger Chart of Accounts
Maintenance Form**

Type

(Main Votes; Income and
Expenditure Sub-Votes;
Balance Sheet Votes;
Allocation Sub-Votes

Master Code for this Sub, Allocation, Main Vote Description

Type A = Income and Expenditure Sub-Votes; B = Balance Sheet Sub votes; C = Allocation sub votes; M = Main votes

Vote Code [] to be created according to chart of accounts

Descriptions

English [_ _ _ _ _]

Afrikaans [_ _ _ _ _]

Controls

Debit/Credit [Debit(+)Asset or Expenditure] or [Credit(-)
Liability or Income]

Income / Liability sub-vote? [_]

Vat Indicator [Vat compulsory] or [Vat Optional] or [Non-
Vatable]

GRAP Expend/Asset Group [_ _ _ _] according to chart of accounts

NT Expend/Asset Group [_ _ _ _] according to chart of accounts

% Cash-flow [_ _ _]

Global Expenditure % [_ _ _]

Mark VALID access

Consbill Ledger Payroll Stores
 Asset Register Finance Register Costing
Job / Allocation? [Job] or [Allocation] or [None]

Re-allocate Expenditure
Suppress print? Auto
Block Overexpend? Capital
Expenditure?

ANNEXURE B

Organisational layout of the Operational Income and Expenditure

New cost centers must be created according to the cart of accounts to ensure continuity and compliance with the NT requirements and MFMA circulars.

With reference to MFMA Circular

10 The VOTE:

Section 1 of the MFMA defines a “**VOTE**” as:

- a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and
- b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned

The term “vote” is used to divide the budget into segments and the council then approves the budget according to these votes via resolution. The definition requires votes to be at the departmental or functional level. The reason for this is that municipalities are organized around departments, which in most instances tend to be linked to specific functions. Senior managers head such departments / functions, which makes it easier for the “vote” of a department to be used to facilitate greater accountability for service delivery and budget implementation over the performance of senior managers, in accordance with their annual performance agreements. For effective accountability, senior managers form part of top management and report directly to the municipal manager (Section 77 of the MFMA).

Definition of “Vote” in terms of departments or functions

The first point to note is that the department needs to be defined in terms of one or more broad functions (e.g. electricity, water and sanitation, etc.). To facilitate comparisons, functions in government must be related to an international classification system like the Government Finance Statistics (GFS) system. GFS functions provide a reasonably high level grouping of related service delivery activities for local government, and it is important that whatever organisational structure a municipality has, it can relate them to GFS sub-functions to the extent this is possible.

High Level “Votes”

The Budget is the mechanism to execute the strategic plan, and must not be confused with a management plan. It must provide high-level strategic objectives for both councilors and the community, and shift the focus towards outputs and outcomes. Previous municipal budget formats have been at the level of every detailed line item allocations, focusing only on inputs, and hence were neither strategic nor transparent.

The new format of the budget focuses on outputs, and is meant to be a reasonable high level strategic document while the service delivery and budget implementation plan (SDBIP) is a more detailed management plan. By requiring the “vote” to be at a high level (department and functional area), the MFMA enables councilors to focus on policy and strategy while providing the mechanisms to hold management accountable for service delivery and budget implementation.

The level of the “vote” for the purposes of the MFMA should therefore be arranged around GFS functions and sub-functions, and aligned to senior managers. Note that this in most instances does not require organisational changes, although will be aligned to group easier.

Each GFS function is a “vote” and must have associated with it appropriate breakdowns or sub-functions for operating expenditure, capital expenditure and revenue.

One of the key reforms required by the MFMA is to link **measurable performance objectives** to each “vote”, to ensure that municipalities are accountable to the community for service delivery as well as expenditure and revenue (See Circular No 13 on the SDBIP). Such measurable performance objectives must also be broken down into specific objectives for sub-functions, to be published in the budget or SDBIP, and incorporated into the performance agreements of all managers in that municipality.

The following page indicates how each GFS function (e.g. electricity) is broken up into sub-functions (e.g. electricity distribution, electricity generation and street lightning) where applicable. The GFS sun-

functions are the fundamental basic elements that ideally should not be split up between different departments. Note that it is possible to create even smaller basic elements like GFS sub-sub functions, so that electricity distribution itself can be broken down further.

1. VOTE STRUCTURE

The following HIGH Level summaries must be compiled for budget and reporting purposes:

- A. Executive and Council
- B. Finance and Administration
- C. Corporate Services
- D. Community Services
- E. Technical Services

A breakdown by Vote of every high level summary

MAIN VOTE NUMBER

VOTE

(a) Executive and Council

	Council Administration	
(i)	Council General	0001
(ii)	Mayor Office	0003
(iii)	Speaker Support Office	0005
(iv)	Executive Committee	0007
(v)	Chief Whip	0009
(vi)	Ward Councillors	0011
	Municipal Manager	
(vii)	Municipal Manager Admin	0101

(b) Budget and Treasury Office

	Financial Management	
(i)	Budget & Treasury	0201
(ii)	Interns	0203
(iii)	Donations & Relief Allowance	0205
	Expenditure Management	
(iv)	Expenditure & Supply Chain Management	0211
(v)	Payroll Section	0213
(vi)	Asset Management	0215
	Revenue Management	
(vii)	Revenue & Debt Services	0221
(viii)	Assessment Rates	0230

(c) Corporate Services

Corporate Services

(i)	Corporate Services	0301
(ii)	Fixed Property Services	0303

Property Services

(iii)	Support Services	0311
(iv)	LED / IDP	0313
(v)	Youth	0315

(d) Community Services

Community Services

(vi)	Community Services	0401
(vii)	Library	0403
(i)	Cemeteries	0405

Sport and Recreation

(ii)	Sport & Recreation	0411
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Public Safety

iii)	Licencing & Traffic	0431
(iv)	Disaster Management	0433

(e) Technical & Engineering Services

Technical Services

(i)	Technical Services Admin	0501
(ii)	Special Funds	0503
(iii)	Project Management Unit	0505

Roads

(iv)	Roads	0520
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Electricity Services

(v)	Electricity Services	0530
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Water Services

(vi)	Water Services	0540
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Waste Water Management

(vii)	Sewerage Services	0550
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Waste Management

(viii)	Refuse Services	0560
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ANNEXURE C

2. Main Revenue by Source and Expenditure by Type with detail descriptions

REVENUE BY SOURCE

SUB-VOTE

A. Property Rates	0200
B. Revenue Foregone	0251
C. Property Rates – penalties & collection charges	0300
D. Service charges – Electricity revenue	0401
E. Service charges – Water revenue	0421
F. Service charges – Sanitation revenue	0441
G. Service charges – Refuse revenue	0461
H. Service Charges – Other	0481
I. Rental of facilities and equipment	0700
J. Interest earned – external investments	0800
K. Interest earned – outstanding debtors	1000
L. Dividends received	1100
M. Royalties Received	1151
N. Fines	1300
O. Licenses and permits	1400
P. Agency services	1500
Q. Government Grants & Subsidies: Operational	1600
R. Public Contribution & Donations	1640
S. Government Grants & Subsidies: Capital	1650
T. Other revenue	1700
U. Other Gains on Disposal of Asset	1900
V. Gains on disposal of PPE	1920
W. Profit on sale of Investment Property	1940

EXPENDITURE BY TYPE

A. Employee related costs: Remuneration	3000
B. Employee related costs: Social contribution	3100
C. Remuneration of councilors	3400
D. Impairment Losses	3500
E. Collection Cost	3600
F. Depreciation & asset impairment	3700

G. Repairs and Maintenance	3800
H. Interest Paid	3900
I. Bulk purchases	4100
J. Contracted services	4200
K. Grants and Subsidies Paid: Operational	4300
L. Free Basic Services	4321
M. Grants and Subsidies Paid: Conditional	4351
N. General expenditure	4400
O. Other losses on Continued Operations	4800
P. Loss on disposal of Assets	4820
Q. Inter Departmental Transfers	5000
R. Contributions to Funds and Reserves (Surplus) / Deficit	6000
S. Interest Allocated to Funds & Reserves	6500
T. Assets Obtained from Grants & Subsidies	6510
U. Expenditure Incurred from Funds & Reserves	6520
V. Disposed Assets from Grants & Subsidies	6530
W. Offsetting of Depreciation	6540
TOTAL APPROPRIATIONS	
NETT SURPLUS/DEFICIT	
ASSET DISPOSAL ACCOUNT	
X. Disposal of Assets	6550
Y. Disposal of Agricultural Assets	6570

ANNEXURE D

3. GRAP structure of the main ledger

CHART OF ACCOUNTS – MAIN LEDGER

The chart of accounts for the main ledger is created in such a way to enable the user to create votes in the correct area, as well as the correct linking to the Statement of Financial Position and Cash-Flow.

If the user follows this guideline, the municipality will be in a position to print balanced monthly financial statements (excluding final journals) to ensure full NT compliance reporting.

The votes are created in the sequence of main vote, balance sub vote, and allocation vote.

Main Vote	Description	Sub Vote	Description	Allocation Vote	Description
NET ASSETS					
6000	STATUTORY RESERVES	6000	Revaluation Reserve	6001 6002 6004 6006 6008 6010 6011 6012	Balance at the Beginning of Additions Transfers Write-offs Sales and Disposals Transfers to Asset Held For Sale Decreases GRAP Adjustments
6101	ACCUMULATED SURPLUS/DEFICIT	6101	Capital Replacement Reserve	6101 6102 6104 6106 6108	Balance at the beginning of year Contributions received Cash utilized/expenditure Income earned Income received
		6103	Capitalisation Reserve	6101 6103 6105 6107 6109 6111	Balance at the beginning of year Receipts/Additions Used to finance assets Transf. to income IRO disposals Transf. to income IRO deprec. Repayment/Refund of Grant

Main Vote	Description	Sub Vote	Description	Allocation Vote	Description
				6115	GRAP adjustments
		6105	Donations & Public Contributions	6101 6103 6105 6107 6109 6111 6115	Balance at the beginning of year Receipts/Additions Used to finance assets Transf. to income IRO disposals Transf. to income IRO deprec. Repayment/Refund of Grant GRAP adjustments
		6107	Government Grant Reserve	6101 6103 6105 6107 6109 6111 6115	Balance at the beginning of year Receipts/Additions Used to finance assets Transf. to income IRO disposals Transf. to income IRO deprec. Repayment/Refund of Grant GRAP adjustments
		6109	Self-Insurance Reserve	6101 6102 6104 6106 6108	Balance at the beginning of year Contributions received Cash utilized/expenditure Income earned Income received
		6111	Unappropriated Surplus/Accumulated Deficit	6101 6121 6123 6125 6127 6129 6131 6133 6135 6137 6139	Balance at the beginning of year Nett Surplus for the year Transfers to / from CRR Transfers to / from Insurance Res Transfers to / from HDF Transfers to Offset Depreciation Grants utilised to obtained PPE Donations / Contributed PPE Prior Year Adjustments Changes in Accounting Policies GRAP Adjustments
		6121	Unappropriated Housing Reserve	6101 6102 6104 6106 6108	Balance at the beginning of year Contributions received Cash utilized/expenditure Income earned Income received
LIABILITIES					
NON-CURRENT LIABILITIES					
7001	Long-Term Liabilities	7001	Local Registered Stock: (List 01)	7001 7003 7005 7007 7009 7011	Balance at the Beginning of Received during year Redeemed during year Capitalize during year Transfers during year Written-off during year
		7021	Annuity Loans (List 01)	7001 7003 7005 7007 7009 7011	Balance at the Beginning of Received during year Redeemed during year Capitalize during year Transfers during year Written-off during year
		7040	Lease Liabilities (List 01)	7001 7003 7005 7007 7009 7011	Balance at the Beginning of Received during year Redeemed during year Capitalize during year Transfers during year Written-off during year

Main Vote	Description	Sub Vote	Description	Allocation Vote	Description
		7060	Government Loans (List 01)	7001 7003 7005 7007 7009 7011	Balance at the Beginning of Received during year Redeemed during year Capitalize during year Transfers during year Written-off during year
		7070	Other Loans (List 01)	7001 7003 7005 7007 7009 7011	Balance at the Beginning of Received during year Redeemed during year Capitalize during year Transfers during year Written-off during year
			Short-Term Por TRF to Current Liabilities		
		7091	ST.Por-CL: Local Registered Stock	7001 7002	Balance at the Beginning Transactions for the Year
		7092	ST.Por-CL: Annuity Loans	7001 7002	Balance at the Beginning Transactions for the Year
		7093	ST.Por-CL: Lease Liability	7001 7002	Balance at the Beginning Transactions for the Year
		7094	ST.Por-CL: Government Loans	7001 7002	Balance at the Beginning Transactions for the Year
		7095	ST.Por-CL: Other Loans	7001 7002	Balance at the Beginning Transactions for the Year
7101	POST RETIREMENT MEDICAL AID BENEFITS LIABILITY	7101	Provision for Post Retirement Benefits	7101 7103 7105 7107 7109	Balance at the Beginning of Contributions Received Expenditure Incurred Increase due to Discounting Transfers T/F Current Provision
7111	NON-CURRENT PROVISIONS	7111	Provision for Cleaning of Illegal Dumping	7101 7103 7105 7107 7109	Balance at the Beginning of Contributions Received Expenditure Incurred Increase due to Discounting Transfers T/F Current Provision
		7112	Provision for Cleaning of Alien Vegetation	7101 7103 7105 7107 7109	Balance at the Beginning of Contributions Received Expenditure Incurred Increase due to Discounting Transfers T/F Current Provision
		7113	Provision for Long-Term Services	7101 7103 7105 7107 7109	Balance at the Beginning of Contributions Received Expenditure Incurred Increase due to Discounting Transfers T/F Current Provision
		7114	Provision for Rehabilitation of Land-Fill Sites	7101 7103 7105 7107 7109	Balance at the Beginning of Contributions Received Expenditure Incurred Increase due to Discounting Transfers T/F Current Provision
LIABILITIES					
CURRENT LIABILITIES					
7201	CONSUMER DEPOSITS	7201	Electricity & Water	7201 7203 7205	Balance at the Beginning Receipts Funds Refunded
7203	PROVISIONS	7203	Performance Bonus	7201 7202 7204	Balance at the Beginning of Contributions received Expenditure Incurred

Main Vote	Description	Sub Vote	Description	Allocation Vote	Description
		7204	Staff Leave	7201 7202 7204	Balance at the Beginning of Contributions Received Expenditure Incurred
		CURRENT PORTION OF NON-CURRENT PROVISIONS			
		7205	Current Portion of Illegal Dumping	7201 7202 7204 7206	Balance at the Beginning of Contributions Received Expenditure Incurred Transfer Ex Non-Current Reserves
		7206	Current Portion of Alien Vegetation	7201 7202 7204 7206	Balance at the Beginning of Contributions Received Expenditure Incurred Transfer Ex Non-Current Reserves
		7207	Current Portion of Long-term Service	7201 7202 7204 7206	Balance at the Beginning of Contributions Received Expenditure Incurred Transfer Ex Non-Current Reserves
		7208	Current Portion of Land-Fill Sites	7201 7202 7204 7206	Balance at the Beginning of Contributions Received Expenditure Incurred Transfer Ex Non-Current Reserves
		7209	Current Portion of Post-Retirement Benefits	7201 7202 7204 7206	Balance at the Beginning of Contributions Received Expenditure Incurred Transfer Ex Non-Current Reserves
7210	CREDITORS Exchange Services	7211	Trade Creditors: Outstanding	7201 7203 7205	Balance at the Beginning Purchases Repayment
		7221	Payments Received in Advance	7211 7213	Debtors Service
7210	RETENTION ACCOUNT	7231	Retention account (List 001)	7201 7202 7204 7207	Balance at the Beginning Receipts Funds Utilised Funds Refunded
7300	SUNDRY DEPOSITS	7301	Sundries	7301 7303 7305 7307	Balance at the Beginning Receipts Funds Utilised Funds Refunded
		7303	Tender	7301 7303 7305 7307	Balance at the Beginning Receipts Funds Utilised Funds Refunded
		7305	Rental	7301 7303 7305 7307	Balance at the Beginning Receipts Funds Utilised Funds Refunded
		7311	Library	7301 7303 7305 7307	Balance at the Beginning Receipts Funds Utilised Funds Refunded
		7313	Flowers & Plants	7301 7303 7305 7307	Balance at the Beginning Receipts Funds Utilised Funds Refunded
		7315	Builders	7301 7303 7305	Balance at the Beginning Receipts Funds Utilised

Main Vote	Description	Sub Vote	Description	Allocation Vote	Description
				7307	Funds Refunded
		7317	Other	7301 7303 7305 7307	Balance at the Beginning Receipts Funds Utilised Funds Refunded
7330	OTHER CREDITORS	7331	M/Vehicle Reg – See Suspense Accounts		
		7333	Unclaimed Moneys	7301 7303 7305 7307	Balance at the Beginning Receipts Funds Utilised Funds Refunded
		7339	SUSPENSE ACCOUNTS	7309	Transfer from Suspense Accounts
7401	Unspent Conditional Grants	7401	Finance Management Grant	7401 7403 7405 7407 7409	Balance at the Beginning Received during Year Interest for Year T/Fer to Rev-Cond. Met: Opex T/Fer to Rev-Cond. Met: Capex
		7405	National Treasury	7401 7403 7405 7407 7409	Balance at the Beginning Received during Year Interest for Year T/Fer to Rev-Cond. Met: Opex T/Fer to Rev-Cond. Met: Capex
		7411	Municipal Infrastructure Grant (MIG)	7401 7403 7405 7407 7409	Balance at the Beginning Received during Year Interest for Year T/Fer to Rev-Cond. Met: Opex T/Fer to Rev-Cond. Met: Capex
		7421	Municipal Systems Improvement Grant (MSIG)	7401 7403 7405 7407 7409	Balance at the Beginning Received during Year Interest for Year T/Fer to Rev-Cond. Met: Opex T/Fer to Rev-Cond. Met: Capex
		7425	Dept of Arts & Culture	7401 7403 7405 7407 7409	Balance at the Beginning Received during Year Interest for Year T/Fer to Rev-Cond. Met: Opex T/Fer to Rev-Cond. Met: Capex
		7431	Dept of Mineral & Energy	7401 7403 7405 7407 7409	Balance at the Beginning Received during Year Interest for Year T/Fer to Rev-Cond. Met: Opex T/Fer to Rev-Cond. Met: Capex
		7433	Dept of Provincial & Local Government	7401 7403 7405 7407 7409	Balance at the Beginning Received during Year Interest for Year T/Fer to Rev-Cond. Met: Opex T/Fer to Rev-Cond. Met: Capex
		7435	DPLG: Public Transport	7401 7403 7405 7407 7409	Balance at the Beginning Received during Year Interest for Year T/Fer to Rev-Cond. Met: Opex T/Fer to Rev-Cond. Met: Capex
		7437	DPLG: Other	7401 7403 7405 7407	Balance at the Beginning Received during Year Interest for Year T/Fer to Rev-Cond. Met: Opex

Main Vote	Description	Sub Vote	Description	Allocation Vote	Description
				7409	T/Fer to Rev-Cond. Met: Capex
		7441	Dept of Public Works	7401 7403 7405 7407 7409	Balance at the Beginning Received during Year Interest for Year T/Fer to Rev-Cond. Met: Opex T/Fer to Rev-Cond. Met: Capex
		7445	Dept of Sport & Recreation	7401 7403 7405 7407 7409	Balance at the Beginning Received during Year Interest for Year T/Fer to Rev-Cond. Met: Opex T/Fer to Rev-Cond. Met: Capex
		7451	Dept of Transport	7401 7403 7405 7407 7409	Balance at the Beginning Received during Year Interest for Year T/Fer to Rev-Cond. Met: Opex T/Fer to Rev-Cond. Met: Capex
		7454	SETA: LED Learnership	7401 7403 7405 7407 7409	Balance at the Beginning Received during Year Interest for Year T/Fer to Rev-Cond. Met: Opex T/Fer to Rev-Cond. Met: Capex
		7455	Prov. Dept of Agriculture	7401 7403 7405 7407 7409	Balance at the Beginning Received during Year Interest for Year T/Fer to Rev-Cond. Met: Opex T/Fer to Rev-Cond. Met: Capex
		7461	Prov. Dept of Environmental Affairs	7401 7403 7405 7407 7409	Balance at the Beginning Received during Year Interest for Year T/Fer to Rev-Cond. Met: Opex T/Fer to Rev-Cond. Met: Capex
		7471	Prov. Dept of Local Government & Housing	7401 7403 7405 7407 7409	Balance at the Beginning Received during Year Interest for Year T/Fer to Rev-Cond. Met: Opex T/Fer to Rev-Cond. Met: Capex
		7481	Prov. Dept of Transport & Public Works	7401 7403 7405 7407 7409	Balance at the Beginning Received during Year Interest for Year T/Fer to Rev-Cond. Met: Opex T/Fer to Rev-Cond. Met: Capex
		7485	Local District Municipality	7401 7403 7405 7407 7409	Balance at the Beginning Received during Year Interest for Year T/Fer to Rev-Cond. Met: Opex T/Fer to Rev-Cond. Met: Capex
		7491	Other Government	7401 7403 7405 7407 7409	Balance at the Beginning Received during Year Interest for Year T/Fer to Rev-Cond. Met: Opex T/Fer to Rev-Cond. Met: Capex
		7492	Other: DBSA	7401 7403 7405 7407 7409	Balance at the Beginning Received during Year Interest for Year T/Fer to Rev-Cond. Met: Opex T/Fer to Rev-Cond. Met: Capex

Main Vote	Description	Sub Vote	Description	Allocation Vote	Description
		7495	Public Contributions	7401 7403 7405 7407 7409	Balance at the Beginning Received during Year Interest for Year T/Fer to Rev-Cond. Met: Opex T/Fer to Rev-Cond. Met: Capex
7501	VAT CONTROL ACCOUNT	7501	VAT: Debtors Control Account	7501 7503	Balance at the Beginning Transactions for Year
		7503	VAT: Output Vote (Debtors)	7501 7503	Balance at the Beginning Transactions for Year
		7505	VAT: Input (Creditors)	7501 7503	Balance at the Beginning Transactions for Year
		7507	VAT: Output VAT Paid (Debtors)	7501 7503	Balance at the Beginning Transactions for Year
		7509	VAT: Input Paid (Creditors)	7501 7503	Balance at the Beginning Transactions for Year
		7511	VAT: Creditors Control Account	7501 7503	Balance at the Beginning Transactions for Year
		7513	VAT: Paid to SARS	7501 7503	Balance at the Beginning Transactions for Year
		7515	VAT: Stores Purchases	7501 7503	Balance at the Beginning Transactions for Year
		7517	VAT: Bad Debts	7501 7503	Balance at the Beginning Transactions for Year
7531	SHORT TERM LOANS	7531	Call Bond	7531 7533 7535 7537 7538 7539	Balance at the Beginning Received during Year Redeemed during Year Capitalized during Year Transferred during Year Written-off during Year
		7535	Other	7531 7533 7535 7537 7538 7539	Balance at the Beginning Received during Year Redeemed during Year Capitalized during Year Transferred during Year Written-off during Year
7541	OPERATING LEASE LIABILITY	7541	Operating Lease Liability	7541 7543 7545	Balance at Beginning of the Year Lease Expenditure Recorded (Straight-Line) Lease Expenditure Effected (Actual)
7581	Short-Term Portion of Long-Term Liabilities	7581	S T Portion T/Fer from Deferred Revenue	7581 7583	Balance at Beginning Transactions for the Year
		7583	S T Portion T/Fer From L T Liabilities	7581 7583	Balance at Beginning Transactions for the Year

ASSETS					
NON-CURRENT ASSETS					
PROPERTY PLANT AND EQUIPMENT					
8001	PROPERTY, PLANT AND EQUIPMENT	8001	Land and Buildings	8001 8003	Balance at the Beginning Additions
Main Vote	Description	Sub Vote	Description	Allocation Vote	Description
				8005 8006 8007 8009 8011 8013	Transfers Borrowing Costs Capitalized Write-Offs Sales and Disposals Transfers to Other Components Transfer to Assets Held-for-Sale
		8002 8003 8004 8005 8006 8007	Infrastructure Assets Community Assets Heritage Assets Housing Assets Leased Assets Other Assets	Same as above	Same as above
8003	PPE: COST OF WORK IN PROGRESS	8001	Land and Buildings	8001 8003 8005	Balance at the Beginning Additions Transfers
		8002 8003 8004 8005 8006 8007	Infrastructure Assets Community Assets Heritage Assets Housing Assets Leased Assets Other Assets	Same as above	Same as above
8005	PPE: REVALUATION	8001	Land and Buildings	8001 8003 8005 8007 8009 8011 8013 8015	Balance at the Beginning Additions Transfers Write-Offs Sales and Disposals Transfers to Other Components Transfer to Assets Held-for-Sale Decreases
		8003 8004 8005 8006 8007	Community Assets Heritage Assets Housing Assets Leased Assets Other Assets	above	
8006	PPE: ACCUMULATED DEPRECIATION	8001	Land and Buildings	8001 8003 8005 8007 8009 8011 8013	Balance at the Beginning Additions Transfers Write-Offs Sales and Disposals Transfers to Other Components Transfer to Assets Held-for-Sale
		8002 8003 8004 8005 8006 8007	Infrastructure Assets Community Assets Heritage Assets Housing Assets Leased Assets Other Assets	Same as above	Same as above

Main Vote	Description	Sub Vote	Description	Allocation Vote	Description
8007	PPE: DEPRECIATION ON VALUATION	8001	Land and Buildings	8001 8003 8005 8007 8009 8011 8013	Balance at the Beginning Additions Transfers Write-Offs Sales and Disposals Transfers to Other Components Transfer to Assets Held-for-Sale
		8002 8003 8004 8005 8006 8007	Infrastructure Assets Community Assets Heritage Assets Housing Assets Leased Assets Other Assets	Same as above	Same as above
8008	PPE: ACCUMULATED IMPAIRMENT	8001	Land and Buildings	8001 8003 8005 8007 8009 8011 8013 8016	Balance at the Beginning Additions Transfers Write-Offs Sales and Disposals Transfers to Other Components Transfer to Assets Held-for-Sale Reversals
		8002 8003 8004 8005 8006 8007	Infrastructure Assets Community Assets Heritage Assets Housing Assets Leased Assets Other Assets	Same as above	Same as above
8011	INVESTMENT PROPERTY	8011	Historical Cost	8001 8003 8005 8007 8009 8011 8013 8015	Balance at the Beginning Additions Transfers Write-Offs Sales and Disposals Transfers to Other Components Transfer to Assets Held-for-Sale Reversals
		8012 8013 8014 8015	Accumulated Revaluation Accumulated Depreciation – Cost Accumulated Depreciation – Valuation Accumulated Impairment	Same as above	Same as above
8013	INTANGIBLE ASSETS	8011	Historical Cost	8001 8003 8005 8007 8009 8011 8013 8015	Balance at the Beginning Additions Transfers Write-Offs Sales and Disposals Transfers to Other Components Transfer to Assets Held-for-Sale Reversals

Main Vote	Description	Sub Vote	Description	Allocation Vote	Description
		8012 8013	Accumulated Revaluation Accumulated Depreciation – Cost	Same as above	Same as above
		8014	Accumulated Depreciation – Valuation		
		8015	Accumulated Impairment		
8018	AGRICULTURAL ASSETS	8018	At Fair Value	8001 8003 8005 8007 8009 8011 8013 8015	Balance at the Beginning Additions Transfers Write-Offs Sales and Disposals Transfers to Other Components Transfer to Assets Held-for-Sale Adjustments made to Fair Value
8020	LONG-TERM INVESTMENTS	8021-8060	List Investments by type	8021 8023 8025 8027 8029	Balance at the beginning Invested during Year Interest Capitalised during year Sold/Withdrawal during Year Transferred during Year
		8061-8080	Unlisted Investment by type	Same as above	Same as above
		8081-8099	Financial Instruments		
8101	SHORT TERM PORTION TO CURRENT ASSETS	8101	Listed Investments	8101 8103	Balance at the Beginning Transactions for Year
		8102	Unlisted Investments	8101 8103	Balance at the Beginning Transactions for Year
		8103	Financial Instruments	8101 8103	Balance at the Beginning Transactions for Year
8121	INVESTMENT IN ASSOCIATES	8121	INVESTMENT IN ASSOCIATES	8021 8023 8025 8027 8029	Balance at the Beginning Invested during the Year Interest Capitalized during year Sold/Withdrawn during year Transferred during year
8131	FINANCE LEASE RECEIVABLES	8131	Lease Agreements	8131 8133 8135	Balance at the beginning New Agreements during the year Redeemed during the year
		8133	Prov. Impairment: Lease Receivables	8131 8132 8134 8136 8138	Balance at the beginning Impairment Recognised/Provided Impairment Reversed Bad Debts written off Bad Debts Recovered
		8135	Short-term Portion TRF to current Assets	8131 8137	Balance at the beginning Transactions for the year
		8202	Housing Projects	8201 8203 8205	Balance at the beginning Capitalized during year Redeemed during year
		8221	Sale of Erven Loans	8201 8203 8205	Balance at the beginning Capitalized during year Redeemed during year
		8261	Sundry Loans	8201 8203 8205	Balance at the beginning Capitalized during year Redeemed during year

Main Vote	Description	Sub Vote	Description	Allocation Vote	Description
		8291	Provision for Impairment: Long-Term Debtors	8201 8202 8204 8206 8208	Balance at the beginning Impairment recognized/provided Impairment reversed Bad debts written off Bad debts recovered
CURRENT ASSETS					
9001	INVENTORY	9001	Consumables Stores	9001 9003 9005	Balance at the beginning Purchases Issues
		9002	Stock Control: 2000	9001 9003 9005	Balance at the beginning Purchases Issues
		9004	Stock Control: 4000	9001 9003 9005	Balance at the beginning Purchases Issues
		9008	Stock Control: 8000	9001 9003 9005	Balance at the beginning Purchases Issues
		9009	Stock Control: 9000	9001 9003 9005	Balance at the beginning Purchases Issues
		9012	Water	9001 9003 9005	Balance at the beginning Purchases Issues
9021	ASSETS CLASSIFIED AS HELD-FOR-SALE	9021	Property Held-for-sale	9021 9023	Balance at the beginning Transactions for the year
		9041	Other Assets held-for-sale	9021 9023	Balance at the beginning Transactions for the year
		9051	Liabilities associated with A.H.4.S	9021 9023	Balance at the beginning Transactions for the year
9100	CONSUMER DEBTORS Trade Receivables from Exchange and Non-Exchange Transactions	9101	Assessment Rates	9101 9103	Balance at Beginning of year Transactions for the year
		9102	Electricity	Same as above	Same as above
		9103	Refuse	Same as above	Same as above
		9104	Sewerage	0061	
		9105	Water	0062	
		9106	Miscellaneous Vatable		
		9107	Miscellaneous Not Vatable	0063	
		9108	VAT		
		9109	New Property Rates		
9121	SUNDRY SERVICES	9121	Sundry Debtors	9101 9103	Balance at the beginning Transactions for the year
		9151	Study Loans	9101 9103	Balance at the beginning Transactions for the year
		9181	Other Services	9101 9103	Balance at the beginning Transactions for the year

Main Vote	Description	Sub Vote	Description	Allocation Vote	Description
9191	PROVISION FOR IMPAIRMENT: CONSUMER DEBTORS	9181	Assessment Rates	9101 9102 9104 9106 9108	Balance at the beginning Impairment recognized/provided Impairment reversed Bad Debts written off Bad Debts recovered
		9182	Electricity	9101 9102 9104 9106 9108	Balance at the beginning Impairment recognized/provided Impairment reversed Bad Debts written off Bad Debts recovered
		9183	Refuse	9101 9102 9104 9106 9108	Balance at the beginning Impairment recognized/provided Impairment reversed Bad Debts written off Bad Debts recovered
		9184	Sewerage	9101 9102 9104 9106 9108	Balance at the beginning Impairment recognized/provided Impairment reversed Bad Debts written off Bad Debts recovered
		9185	Water	9101 9102 9104 9106 9108	Balance at the beginning Impairment recognized/provided Impairment reversed Bad Debts written off Bad Debts recovered
		9186	VAT	9101 9102 9104 9106 9108	Balance at the beginning Impairment recognized/provided Impairment reversed Bad Debts written off Bad Debts recovered
		9187	Loans	9101 9102 9104 9106 9108	Balance at the beginning Impairment recognized/provided Impairment reversed Bad Debts written off Bad Debts recovered
		9188	Sundries (no VAT)	9101 9102 9104 9106 9108	Balance at the beginning Impairment recognized/provided Impairment reversed Bad Debts written off Bad Debts recovered
		9189	Sundries	9101 9102 9104 9106 9108	Balance at the beginning Impairment recognized/provided Impairment reversed Bad Debts written off Bad Debts recovered
		9190	Pre-Paid Electricity	9101 9102 9104 9106 9108	Balance at the beginning Impairment recognized/provided Impairment reversed Bad Debts written off Bad Debts recovered
		9191	Housing Rentals	9101 9102 9104 9106 9108	Balance at the beginning Impairment recognized/provided Impairment reversed Bad Debts written off Bad Debts recovered

Main Vote	Description	Sub Vote	Description	Allocation Vote	Description
		9192	Sundry Services	9101 9102 9104 9106 9108	Balance at the beginning Impairment recognized/provided Impairment reversed Bad Debts written off Bad Debts recovered
9201	OTHER DEBTORS	9201 9205 9211 9231 9241 9261 9264 9291 9292 9293 9297	Payments made in advance Capital projects Government Subsidy claims Staff advances Sundry Deposits Sundry Debtors Debtors from Suspense acc Fruitless & Wasteful Exp. Irregular expenditure Unauthorized Expenditure Prov. for Bad Debts Sundries	9201 9203 0801-0899 9201 9202 9204 9206 9208	Balance at the beginning Transactions for the year If you need to create a listing under any other debtor type, use this range in stead of 9201 & 9203 Balance at the beginning Impairment recognized/provided Impairment reversed Bad Debts written off Bad Debts recovered
9301	SHORT TERM INVESTMENT DEPOSITS	9301-9340 9341-9380 9381	List of Call Deposits Notice Deposits S.T Portion of L.T Investments	9301 9303 9305 9307 9309 9301 9303 9305 9307 9309 9301 9302	Balance at the beginning Invest during the year Interest Capitalised during year Sold/Withdrawal during the year Transferred during year Balance at the beginning Invest during the year Interest Capitalised during year Sold/Withdrawal during the year Transferred during year Balance at the beginning Transactions for the year
9401	BANK BALANCES AND CASH	9401 9402 9411-9450 9411	Primary Bank Account Cash Bank Account Cash Floats and Advances Petty Cash	9401 9402 9403 9404 9405 9406 9407 9408 9409 9411 9412 9413 9414 9415 9401 9410	Balance at the beginning Cash Suspense: Normal Cash Suspense: Bank Deposits Cash Suspense: Post Office Cash Suspense: Easy Pay Cash Suspense: RD Cheques Cash Suspense: ACB Payments Cash Suspense: Cheque Finals Cash Suspense: All Transfers Balance at the beginning Income during the year Expenditure during the year Transferred during the year VAT Transfers during the year List floats per pay-point, can also be used for petty-cash Balance at the beginning Transactions for the year

Main Vote	Description	Sub Vote	Description	Allocation Vote	Description
		9451	List all floats and petty cash	Same as above	Same as above
		9452	Other Cash Equivalents Cash Equiv: Revenue Stamps Cash Equiv: Other	9401 9410 9401 9410	Balance at the beginning Transactions for the year Balance at the beginning Transactions for the year
9461	S.T PORTION OF L.T. RECEIVABLES	9461	S.T. Portion from L.T Debtors	9461 9463	Balance at the beginning Transactions for the year
		9463	S.T Portion from L.T Finance Leases	9461 9463	Balance at the beginning Transactions for the year

SUSPENSE ACCOUNTS

9501	Salary Controls	9511 to 9560	Listing of all salary control accounts needed	0000	
9503	Debtors Controls	9561 to 9580	Listing of all debtor control accounts needed	0000	
9505	Unclaimed Deposits	9581 to 9590	Listing of all unclaimed deposits needed	0000	
9507	Sundry Controls	9591 to 9600	Listing of all sundry controls needed	0000	
9509	Recoverable Work	9601 to 9630	Listing of all recoverable work needed	0000	
9511	Provision Year End Creditors	9631 to 9640	Listing of all Provision for Year-end Creditors needed	0000	
9513	Current Year Controls	9641 to 9650	Listing of all Current Year controls needed	0000	
9515	Sale of Erven	9651 to 9660	Listing of all Sale of Erven Controls needed	0000	
9521	Insurance Claims	2801 – 3000	Listing of all Insurance Claims needed	0000	
9523	Retention Control Account	3001 – 3999	Listing of all Retention Controls needed	0000	
9531	Summary of Suspense Accounts	9691	Transfer of Sundry Debtors to Other Debtors	0000	
		9693	Transfer of Sundry Creditors to Other Creditors	0000	

Provision is made for Capital projects under C001, if the municipal run out of space due to the nature of the capital budget, some of these funding sources that are not in use by the municipality, can be deleted, to make space available for other projects. You also may use alpha/numerical numbers if needed, just try to keep the ranges.

CAPITAL PROJECTS

C001	Council General (The Capital votes is the same ranges as the normal votes, but only starts with a “C” to indicate it’s Capital.				
C001 – C485	Listing of all Capital Projects by Vote and Section	The sub vote ranges indicates the different funding sources, e.g. Capital from own revenue starts with A701, National Projects starts with N701, Provincial Projects starts with P701 and Other Grants starts with M701.		The last four digits indicate the projects. Project ranges are as follows: Projects funded from revenue: 1001 – 2000 Projects funded from COGTA: C001 - C999 Projects funded from DBSA: B001 - B999 Projects funded from DPLG&H: P001 - P999 Projects funded from EPWP: E001 - E999 Projects funded from FMG: F001 - F999 Projects funded from MIG: M001 – M999 Projects funded from MSIG: S001 – S999 Projects funded from District Grants: D001 – D999 Projects funded from DWAF: W001 – W999	The project ranges is not fixed and can be amended according to the municipalities needs.

Main Vote	Description	Sub Vote	Description	Allocation Vote	Description
			<u>INFRASTRUCTURE</u>		
		N701	IN: Roads, Pavements & Bridges		
		N702	IN: Stormwater		
		N703	IN: Elec. Generation		
		N704	IN: Elec. Transmission, Retic		
		N705	IN: Elec. Street Lighting		
		N706	IN: Water, Dams & Reservoirs		
		N707	IN: Water Purification		
		N708	IN: Water Reticulation		
		N709	IN: Sanitation Reticulation		
		N710	IN: Sanitation Sewer Purification		
		N711	IN: Other Waste Management		
		N712	IN: Other Transportation		
		N713	IN: Other GAS		
		N714	IN: Other		
			<u>COMMUNITY</u>		
		N730	CO: Parks & Gardens		
		N731	CO: Sportfields & Stadiums		
		N732	CO: Swimming Pools		
		N733	CO: Community Halls		
		N734	CO: Libraries		
		N735	CO: Recreation Facilities		
		N736	CO: Fire, Safety & Emergency		
		N737	CO: Security & Policing		
		N738	CO: Buses		
		N739	CO: Clinics		
		N740	CO: Museums & Art Galeries		
		N741	CO: Cemeteries		
		N742	CO: Social Renting Housing		
		N743	CO: Other		
			<u>HERITAGE ASSETS</u>		
		N750	HE: Buildings		
		N751	HE: Other		
			<u>INVESTMENT PROPERTY</u>		
		N755	IN PROP: Housing Develop		
		N756	IN PROP: Other		
			<u>OTHER ASSETS</u>		
		N760	OA: General Vehicles		
		N761	OA: Specialized Vehicles		
		N762	OA: Plant & Equipment		
		N763	OA: Computers – Hardware/Eq		
		N764	OA: Furniture & Office Equip		
		N765	OA: Abattoirs		
		N766	OA: Markets		
		N767	OA: Civil, Land & Building		
		N768	OA: Other Buildings		
		N769	OA: Other Land		
		N770	OA: Surplus Asset(Invest,Inve		
		N771	OA:Other		
			<u>AGRICULTURAL ASSETS</u>		
		N775	AG: List Sub Class		
			<u>BIOLOGICAL ASSETS</u>		
		N776	BA: List Sub Class		
			<u>INTANGIBLE ASSETS</u>		
		N777	IT: Computers – Software, Pro		
		N778	IT: Other		
			<u>SPECIALISED VEHICLES</u>		

Main Vote	Description	Sub Vote	Description	Allocation Vote	Description
		N790 N791 N792 N793	SV: Refuse SV: Fire SV: Conservancy SV: Ambulances		
9900	EXTERNAL FINANCING FUND EFF-CONTROL ACCOUNTS	9901	Interest Control Account	9901 9903 9905 9907	Balance at the Beginning Interest Received during year Interest Paid during year Interest Charged to Services
		9903	Advances to Services	9901 9903 9905 9907	Balance at the Beginning Interest Received during year Interest Paid during year Interest Charged to Services
		9905	Adv. from EFF:Rates	9911 9913 9915 9917 9919	Balance at the Beginning of Received during the Year Redeemed During the Year Capitalized During the Year Transferred During the Year
		9906	Adv. from EFF: Electricity	9911 9913 9915 9917 9919	Balance at the Beginning of Received during the Year Redeemed During the Year Capitalized During the Year Transferred During the Year
		9907	Adv. from EFF: Water	9911 9913 9915 9917 9919	Balance at the Beginning of Received during the Year Redeemed During the Year Capitalized During the Year Transferred During the Year
		9908	Adv. from EFF: Sewerage	9911 9913 9915 9917 9919	Balance at the Beginning of Received during the Year Redeemed During the Year Capitalized During the Year Transferred During the Year
		9909	Adv. from EFF: Housing	9911 9913 9915 9917 9919	Balance at the Beginning of Received during the Year Redeemed During the Year Capitalized During the Year Transferred During the Year
		9910	Adv. from EFF: Cleansing	9911 9913 9915 9917 9919	Balance at the Beginning of Received during the Year Redeemed During the Year Capitalized During the Year Transferred During the Year

ASSET MANAGEMENT POLICY

(Adopted by council on 31 March 2016)

1. INTRODUCTION

1.1 AIM OF THIS DOCUMENT

This document is provided to assist management and employees of THEMBELIHLE Municipality to implement and maintain consistent, effective and efficient fixed asset management principles.

The objective of this document is aimed at:

- Safeguarding the fixed assets of the THEMBELIHLE Municipality to ensure effective use of existing resources
- Emphasizing a culture of accountability over fixed assets owned by the THEMBELIHLE Municipality.
- Ensuring that effective controls are communicated to management and staff through clear and comprehensive written documentation.
- Providing a formal set of procedures to ensure that the THEMBELIHLE Municipality's fixed asset policies are achieved and are in compliance with the Municipal Finance Management Act (MFMA) and National Treasury, IMFO and Accounting Standards Board directions, instructions, principals and guidelines.

This manual supercedes/replaces all previously issued fixed asset management policies and/or procedures and/or instructions and should be read together with the provisions of Section 63 of the MFMA.

1.2 DEPARTURES FROM FORMAL POLICIES AND PROCEDURES

1.2.1 Any departures from the approved policies and procedures stated in this manual will require the prior written approval of the Chief Financial Officer.

1.2.2 Failure to comply with the prescribed policies and procedures will result in the institution of disciplinary procedures in terms of the Human Resource policies & procedures.

1.3 CHANGES TO FIXED ASSET MANAGEMENT POLICY AND/OR PROCEDURE MANUALS

1.3.1 All changes made to either the Fixed Asset Management Policies or Procedures must be processed timeously and communicated via the proper channels of communication to all asset holders.

1.3.2 The following steps will apply for the control and management of changes to the Fixed Asset Management Policy or Procedure Manuals:

1.3.2.1 The Chief Financial Officer is appointed as custodian of the Fixed Asset Register and Fixed Asset Management Policy and Procedure manuals. The custodian is ultimately responsible for the control of the Fixed Asset Management Policies and Procedures.

1.3.2.2 All recommended changes or requests for changes are recorded on the change request form that will detail the suggested changes together with reasons for such change.

1.3.2.3 The change request form is authorized by the relevant Departmental Head. The authorized change request form is forwarded to the custodian.

- 1.3.2.4** The custodian circulates the change request between Heads of Departments for comments for a defined period. All comments are forwarded back to the custodian.
- 1.3.2.5** The Chief Financial Officer submits the proposal to the Municipal Manager for Council's approval in the case of changes to the Fixed Asset Management Policies or final approval in the case of changes to the Fixed Asset Management Procedures.
- 1.3.2.6** Changes in policies will be effective within one week after final approval has been received.
- 1.3.2.7** The custodian is ultimately responsible for applying the changes and finalizing the Fixed Asset Management Policy and Procedure manuals. The new document is made available in its entirety within one week after final approval has been received with clear indications of the changes.
- 1.3.2.8** It remains the responsibility of all employees to keep themselves familiarized with the Fixed Asset Management Policies and Procedures.
- 1.3.2.9** Failure to apply the changes in the Fixed Asset Management Policies or Procedures from the date of implementation will result in the institution of disciplinary procedures in terms of the human resource policies & procedures.

1.4 DELEGATION OF AUTHORITY

- 1.4.1** Full responsibility for internal control over fixed assets within a department rests with the relevant Head of Department, who must ensure that appropriate and adequate arrangements exist to safeguard all fixed assets and that the Asset Management Policies and Procedures are complied with and that the records are maintained in as complete and accurate form as possible.
- 1.4.2** Head(s) of Department(s) must ensure that all movements of fixed assets or other related changes, i.e. purchases, transfers, disposals, losses, impairments, upgrades, be communicated to the custodian in the manner prescribed in the Fixed Asset Management Procedure manual.
- 1.4.3** Head(s) of Department(s) must ensure that the inventory listing of fixed assets under control of asset holders is a true reflection of the assets under the asset holder's control. Regular independent checks should be conducted by the Head(s) of Department(s) or their delegates. Assistance and advice on internal control procedures can be obtained from the custodian of the fixed asset register or the appointed representative.

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CHAPTER 1: DEFINITIONS

Assets are resources controlled by an entity as a result of past events and from which future economic benefits or service potential are expected to flow to the entity. (GRAP 1)

A **fixed asset** is defined in GRAP 17 as a tangible item of property, plant or equipment held by the Municipality for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and which is expected to be used during more than one reporting period (financial year).

A fixed asset is thus an asset, either movable or immovable, under the control of the Municipality, and from which the Municipality reasonably expects to derive economic benefits, or reasonably expects to use in service delivery, over a period extending beyond one financial year.

To be recognized as a fixed asset, an asset must also meet the criteria referred to in Chapters 13, 14 and 15 below.

An asset held under a finance lease, shall be recognized as a fixed asset, as the Municipality has control over such an asset even though it does not own the asset.

The definitions regarding fixed assets as prescribed in the applicable accounting standards are the accepted definitions and are to be applied in the management, control and reporting on fixed assets.

Other definitions:

Carrying Amount	The amount at which an asset is included in the statements or financial position after deducting any accumulated depreciation and any impairment losses thereon.
Cost	The amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition and/or construction.
Fair Value	The amount for which an asset could be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction.
GRAP	Standards of Generally Recognized Accounting Practice
MFMA	Refers to the Local Government: Municipal Finance Management Act
CFO	Chief Financial Officer
MM	Municipal Manager
HOD	Head(s) of Department(s)

Municipality

THEMBELIHLE Municipality

PPE

Property, Plant & Equipment

CHAPTER 2: RESPONSIBILITIES

Municipal Manager (MM)

As accounting officer of the Municipality, the MM shall be the principal custodian of all the Municipality's fixed assets, and shall be responsible for ensuring that the Fixed Asset Management Policy and Procedures are scrupulously applied and adhered to.

Chief Financial Officer (CFO)

The CFO shall be the fixed asset registrar of the Municipality, and shall ensure that a complete, accurate and up-to-date electronic Fixed Asset Register (FAR) is maintained.

No amendments, deletions or additions to the FAR shall be made other than by the CFO or by an official acting under the written instruction of the CFO.

Verify assets in possession of the Municipality annually during the course of the financial year. Report all losses to council where applicable.

Head of Department: Human Resources

The HOD Human Resources shall ensure that no monies are paid out on termination of services without receiving the asset resignation form, signed off by the relevant Head(s) of Department(s).

All Head(s) of Department(s) (HOD) / End Users

HOD shall ensure:

- That all officials adhere to the approved Asset management Policies and procedures.
- That an employee with delegated authority has been nominated to implement and maintain physical control over assets in his/her Department. The CFO has to be notified who this responsible person is. Although authority has been delegated, the responsibility to ensure adequate physical control over each asset remains with the HOD.
- That the assets are properly maintained in accordance with their respective asset maintenance policies.
- That assets and/or inventory items are not used for private gain.
- That all assets and attractive items are reflected in the FAR.
- That the CFO is notified of any changes in the status of an asset under the HOD's control. This must be done in the prescribed form(s) and timetable(s).
- That on termination of services by an official, all relevant assets (portable and attractive items) are collected and an asset resignation form is been issued.

CHAPTER 3: FORMAT OF FIXED ASSET REGISTER (FAR)

The FAR shall be maintained in the format determined by the CFO, which format shall comply with the requirements of GRAP and any other accounting requirements which may be prescribed.

The FAR shall reflect (as minimum) the following information:

- a brief but meaningful description of each asset
- the date on which the asset was acquired or brought into use
- the location of the asset
- the department(s) or vote(s) within which the assets will be used
- the title deed number, in the case of fixed property
- the stand number, in the case of fixed property
- where applicable, the identification number, as determined in compliance with Chapter 10 below
- the original cost, or the revalued amount determined in compliance with Chapter 25 below, or the fair value if no costs are available
- the (last) revaluation date of the fixed assets subject to revaluation
- the revalued value of such fixed assets
- who did the (last) revaluation
- accumulated depreciation to date
- the depreciation charge for the current financial year
- the carrying value of the asset
- the method and rate of depreciation
- impairment losses incurred during the financial year (and the reversal of such losses, where applicable)
- the source of financing
- the current insurance arrangements
- whether the asset is required to perform basic municipal services
- the date on which the asset is disposed of
- the disposal price
- the date on which the asset is retired from use, if not disposed of.

All HODs under whose control any fixed asset falls shall provide the CFO in writing with any information required to compile the FAR, and shall advise the CFO in writing, within 24 hours of any material change which may occur in respect of such information.

A fixed asset shall be capitalized, that is, recorded in the FAR, 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 capitalized as a fixed asset.

A fixed asset shall remain in the FAR for as long as it is in physical existence. The fact that a fixed asset has been fully depreciated shall not in itself be a reason for writing-off such an asset.

CHAPTER 4: CLASSIFICATION OF FIXED ASSETS

In compliance with the requirements of the National Treasury, the CFO shall ensure that all fixed assets are classified under the following headings in the FAR and HOD shall in writing provide the CFO with such information or assistance as is required to compile a proper classification:

PROPERTY, PLANT AND EQUIPMENT

- land (developed and undeveloped)
- buildings (dwellings and non residential dwellings)
- infrastructure assets (assets which are part of a network of similar assets)
- capital / infrastructure work in progress
- other machinery and equipment
- heritage assets (cultural significant resources)
- biological or cultivated assets
- investment property
- intangible assets
- Other assets (ordinary operational resources)

The CFO shall adhere to the classifications indicated in the annexure on fixed asset lives (see Chapter 32 below), and in the case of a fixed asset not appearing in the annexure shall use the classification applicable to the asset most closely comparable to the asset in question.

CHAPTER 5: INVESTMENT PROPERTY

Investment assets shall be accounted for in terms of GRAP 16 and shall not be classified as PPE for purposes of preparing the Municipality's statement of financial position.

Investment assets shall comprise land or buildings (or parts of buildings) or both held by the Municipality, as owner or as lessee under a finance lease, to earn rental revenues or for capital appreciation or both.

Investment assets shall be recorded in the FAR in the same manner as other fixed assets, but a separate section of the FAR shall be maintained for this purpose.

Investment assets shall not be depreciated, but shall be annually valued on balance sheet date to determine their fair (market) value. Investment assets shall be recorded in the balance sheet at such fair value. Adjustments to the previous year's recorded fair value shall be accounted for as either gains (revenues) or losses (expenses) in the accounting records of the department or service controlling the assets concerned.

An expert valuator shall be engaged by the municipality to undertake such valuations.

If the Council resolves to construct or develop a property for future use as an investment property, such property shall in every respect be accounted for as an ordinary fixed asset until it is ready for its intended use – where after it shall be reclassified as an investment asset.

CHAPTER 6: FIXED ASSETS TREATED AS INVENTORY

Any land or buildings owned or acquired by the Municipality with the intention of selling such property in the ordinary course of business, or any land or buildings owned or acquired by the Municipality with the intention of developing such property for the purpose of selling it in the ordinary course of business, shall be accounted for as inventory, and not included in either PPE or Investment Property in the Municipality's statement of position.

Such inventories shall, however, be recorded in the FAR in the same manner as other fixed assets, but a separate section of the FAR shall be maintained for this purpose.

CHAPTER 7: RECOGNITION OF HERITAGE ASSETS IN THE FIXED ASSET REGISTER

If no original costs or fair values are available in the case of one or more or all heritage assets, the CFO may, if it is believed that the determination of a fair value for the assets in question will be a laborious or expensive undertaking, record such asset or assets in the FAR without an indication of the costs or fair value concerned.

For balance sheet purposes, the existence of such heritage assets shall be disclosed by means of an appropriate note.

CHAPTER 8: RECOGNITION OF DONATED ASSETS

Where a fixed asset is donated to the Municipality, or a fixed asset is acquired by means of an exchange of assets between the Municipality and one or more other parties, the asset concerned shall be recorded in the FAR at its fair value, as determined by the CFO.

CHAPTER 9: SAFEKEEPING OF ASSETS

Every HOD shall be directly responsible for the physical safekeeping of any fixed asset controlled or used by the department in question.

In exercising this responsibility, every HOD shall adhere to any written directives issued by the CFO to the department in question, or generally to all departments, in regard to the control of or safekeeping of the Municipality's fixed assets.

CHAPTER 10: IDENTIFICATION OF FIXED ASSETS

The MM shall ensure that the Municipality maintains a fixed asset identification system which shall be operated in conjunction with its electronic FAR.

The identification system shall be determined by the MM, acting in consultation with the CFO and other HOD, and shall comply with any legal prescriptions, as well as any recommendations of the Auditor-General as indicated in the Municipality's audit report(s), and shall be decided upon within the context of the Municipality's budgetary and human resources.

Every HOD shall ensure that asset identification system approved by the municipality is scrupulously applied in respect of all fixed assets controlled or used by the department in question

CHAPTER 11: PROCEDURE IN CASE OF LOSS, THEFT, DESTRUCTION, OR IMPAIRMENT OF FIXED ASSETS

Every HOD shall ensure that any incident of loss, theft, destruction, or material impairment of any fixed asset controlled or used by the department in question is promptly reported in writing to the CFO, to the internal auditor, and – in cases of suspected theft or malicious damage – also to the South African Police Service.

CHAPTER 12: CAPITALISATION CRITERIA: MATERIAL VALUE

No item with an initial cost or fair value of less than R1 000 (one thousand rand per item/group) shall be recognized as a fixed asset. If the item has a cost or fair value lower than this capitalization benchmark, it shall be treated as an ordinary operating expense.

Every HOD shall, however, ensure that any item with a value in excess of R1000 (one thousand rand), and with an estimated useful life of more than one year, shall be reported to the CFO who shall decide whether the portability and attractiveness of the item by its very nature, render it to theft or misplacing and whether it is sufficiently portable to allow removal and if the need exists for the item to be controlled and therefore be included in the FAR as a non-capital item and identified and controlled in the manner as prescribed in Chapter 11. Every HOD shall ensure that the existence of items referred to in this Chapter and which the CFO decided not to include in the Fixed Asset Register shall be recorded on an asset stock sheet controlled by himself or a person delegated to the task, and verified from time to time, and at least once in every financial year, and any amendments which are made to such asset stock sheet pursuant to such stock verifications shall be retained for audit purposes.

CHAPTER 13: CAPITALISATION CRITERIA: INTANGIBLE ITEMS

No intangible item shall be recognised as a fixed asset, except that the CFO, acting in strict compliance with the criteria set out in GRAP 102 (dealing with research and development expenses) may recommend to the Council that specific development costs be recognised as fixed assets.

CHAPTER 14: CAPITALISATION CRITERIA: REINSTATEMENT, MAINTENANCE AND OTHER EXPENSES

Only expenses incurred in the enhancement of a fixed asset (in the form of improved or increased services or benefits flowing from the use of such asset) or in the material extension of the useful operating life of a fixed asset shall be capitalized.

Expenses incurred in the maintenance or reinstatement of a fixed asset shall be considered as operating expenses incurred in ensuring that the useful operating life of the asset concerned is attained, and shall not be capitalized, irrespective of the quantum of the expenses concerned.

Expenses which are reasonably ancillary to the bringing into operation of a fixed asset may be capitalized as part of such fixed asset. Such expenses may include but need not be limited to import duties, forward cover costs, transportation costs, installation, assembly and communication costs.

CHAPTER 15: MAINTENANCE PLANS

Every HOD shall ensure that a maintenance plan in respect of every new infrastructure asset with a value of R100 000 (one hundred thousand rand) or more is promptly prepared and submitted to the Council for approval.

If so directed by the MM, the maintenance plan shall be submitted to the Council prior to any approval being granted for the acquisition or construction of the infrastructure asset concerned.

The HOD controlling or using the infrastructure asset in question, shall annually report to the Council, not later than in July, of the extent to which the relevant maintenance plan has been complied with, and of the likely effect which any non-compliance may have on the useful operating life of the asset concerned. These plans must also form part of the IDP & SDBiP.

CHAPTER 16: DEFERRED MAINTENANCE

If there is material variation between the actual maintenance expenses incurred and the expenses reasonably envisaged in the approved maintenance plan for any infrastructure asset (see part 16 above), the CFO shall disclose the extent of and possible implications of such deferred maintenance

in an appropriate note to the financial statements. Such note shall also indicate any plans which the Council has approved in order to redress such deferral of the maintenance requirements concerned.

If no such plans have been formulated or are likely to be implemented, the CFO shall re-determine the useful operating life of the fixed asset in question, if necessary in consultation with the HOD controlling or using such asset, and shall recalculate the annual depreciation expenses accordingly.

CHAPTER 17: GENERAL MAINTENANCE OF FIXED ASSETS

Every HOD shall be directly responsible for ensuring that all assets (other than infrastructure assets which are dealt with in part 16 and part 17 above) are properly maintained and in a manner which will ensure that such assets attain their useful operating lives.

CHAPTER 18: DEPRECIATION OF FIXED ASSETS

All fixed assets, except land and heritage assets, shall be depreciated – or amortised in the case of intangible assets.

Depreciation may be defined as the monetary quantification of the extent to which a fixed asset is used or consumed in the provision of economic benefits or the delivery of services.

Depreciation shall generally take the form of an expense both calculated and debited on a annual basis against the appropriate line item in the department or vote in which the asset is used or consumed.

However, depreciation shall initially be calculated from the day following the day in which a fixed asset is acquired or – in the case of construction works and plant and machinery – the day following the day in which the fixed asset is brought into use, until the end of the calendar month concerned. Thereafter, deprecation charges shall be calculated annually.

Each HOD, acting in consultation with the CFO, shall ensure that reasonable budgetary provision is made annually for the depreciation of all applicable fixed assets controlled or used by the department in question or expected to be so controlled or used during the ensuing financial year.

The procedures to be followed in accounting and budgeting for the amortization of intangible assets shall be identical to those applying to the depreciation of other fixed assets.

CHAPTER 19: RATE OF DEPRECIATION

The CFO shall assign a useful operating life to each depreciable asset recorded on the Municipality's FAR. In determining such a useful life the CFO shall adhere to the useful lives set out in the annexure to this document (see Chapter 33 below).

In the case of a fixed asset which is not listed in this annexure, the CFO shall determine a useful operating life, if necessary in consultation with the HOD who shall control or use the fixed asset in question, and shall be guided in determining such useful life by the likely pattern in which the asset's economic benefits or service potential will be consumed.

CHAPTER 20: METHOD OF DEPRECIATION

Except in those cases specifically identified in Chapter 23 below, the CFO shall depreciate all depreciable assets on the straight-line method of depreciation over the assigned useful operating life of the asset in question.

CHAPTER 21: AMENDMENT OF ASSET LIVES AND DIMINUTION IN THE VALUE OF FIXED ASSETS

Only the CFO may amend the useful operating life assigned to any fixed asset, and when any material amendment occurs the CFO shall inform the Council of such amendment.

The CFO shall amend the useful operating life assigned to any fixed asset if it becomes known that such asset has been materially impaired or improperly maintained to such an extent that its useful operating life will not be attained, or any other event has occurred which materially affects the pattern in which the asset's economic benefits or service potential will be consumed.

If the value of a fixed asset has been diminished to such an extent that it has no or a negligible further useful operating life or value such fixed asset shall be fully depreciated in the financial year in which such diminution in value occurs.

Similarly, if a fixed asset has been lost, stolen or damaged beyond repair, it shall be fully depreciated in the financial year in which such event occurs, and if the fixed asset has physically ceased to exist, it shall be written off the FAR.

In all the foregoing instances, the additional depreciation expenses shall be debited to the department or vote controlling or using the fixed asset in question.

If any of the foregoing events arises in the case of a normally non-depreciable fixed asset, and such fixed asset has been capitalised at a value other than a purely nominal value, such fixed asset shall be partially or fully depreciated, as the case may be, as though it were an ordinary depreciable asset, and the department or vote controlling or using the fixed asset in question shall bear the full depreciation expenses concerned.

CHAPTER 22: ALTERNATIVE METHODS OF DEPRECIATION IN SPECIFIC INSTANCES

The CFO may employ the sum-of-units method of depreciation in the case of fixed assets which are physically wasted in providing economic benefits or delivering services.

The CFO shall only employ this method of depreciation if the HOD controlling or using the fixed asset in question gives a written undertaking to the MM to provide:

- estimates of statistical information required by the CFO to prepare estimates of depreciation expenses for each financial year; and
- Actual statistical information, for each financial year.

The HOD concerned shall moreover undertake to provide such statistical information at the specific times stipulated by the CFO.

Where the CFO decides to employ the sum-of-units method of depreciation, and the requirements set out in the preceding paragraph have been adhered to, the CFO shall inform the Council of the decision in question.

CHAPTER 23 CREATION OF NON-DISTRIBUTABLE RESERVES FOR FUTURE DEPRECIATION

The CFO shall ensure that in respect of all fixed assets financed from the Municipality's Asset Financing Reserve, or from Grants or Subsidies or Contributions received from other spheres of government or from the public at large, as well as in respect of fixed assets donated to the Municipality, a non-distributable reserve for future depreciation is created equal in value to the capitalised value of each fixed asset in question.

The CFO shall thereafter ensure that in the case of depreciable fixed assets an amount equal to the monthly depreciation expenses of the fixed asset concerned is transferred annually from such non-distributable reserve to the Municipality's appropriation account. Where there is a difference between the budgeted monthly depreciation expenses and the actual total depreciation expenses for each financial year, the CFO shall appropriately adjust the aggregate transfer from the non-distributable reserve for the year concerned.

CHAPTER 24: CARRYING VALUES OF FIXED ASSETS

All fixed assets shall be carried in the FAR, and appropriately recorded in the annual financial statements, at their original cost less any accumulated depreciation.

The only exception to this rule shall be Heritage Assets in respect of which no value is recorded in the fixed asset register (see Chapter 7 above).

CHAPTER 25: REVALUATION OF FIXED ASSETS

The Municipality uses the original cost less accumulated depreciation and any impairment losses to disclose their fixed assets. The revaluation of fixed assets is therefore not applicable.

CHAPTER 26: VERIFICATION OF FIXED ASSETS

The CFO shall at least once during every financial year undertake a comprehensive verification of all fixed assets controlled or used by the Municipality.

The results of such verification will be reported to every HOD who shall promptly and fully report in writing to the CFO in the format determined by the CFO on all the fixed assets not verified during such fixed asset verification.

Asset verifications shall be undertaken and completed as closely as possible to the end of each financial year and the resultant report shall be submitted to the MM / Council by not later than 31 August of the year in question.

CHAPTER 27: ALIENATION OF FIXED ASSETS

In compliance with the principles and prescriptions of the MFMA, the transfer of ownership of any fixed asset shall be fair, equitable, transparent, competitive and consistent with the Municipality's supply chain management policy.

Every HOD shall report in writing to the CFO on 31 October and 30 April of each financial year on all fixed assets controlled or used by the department concerned which such HOD wishes to alienate by public auction or public tender. The CFO shall thereafter consolidate the requests received from the various departments, and shall promptly report such consolidated information to the MM recommending the process of alienation to be adopted.

The MM will decide on the alienation of any fixed asset with a carrying value less than R1,000.00 (one thousand rand) and will inform the appropriate HOD of any alienation of any fixed assets that have not been approved clearly stating the reasons for such disapproval..

The Council shall ensure that the alienation of any fixed asset with a carrying value equal to or in excess of R1,000.00 (one thousand rand) takes place in compliance with Section 14 of the Municipal Finance Management Act, 2004 (see Chapter 33 below).

Once the fixed assets are alienated, the CFO shall arrange for the appropriate updating of the FAR.

If the proceeds of the alienation are less than the carrying value recorded in the FAR, such difference shall be recognised as a loss in the income statement of the department or vote concerned. If the proceeds of the alienation, on the other hand, are more than the carrying value of the fixed asset concerned, the difference shall be recognised as a gain in the income statement of the department or vote concerned.

All gains realised on the alienation of fixed assets shall be appropriated annually to the Municipality's Asset Financing Reserve (except in the cases outlined below), and all losses on the alienation of fixed assets shall remain as expenses on the income statement of the department or vote concerned. If, however, both gains and losses arise in any one financial year in respect of the alienation of the fixed assets of any department or vote, only the net gain (if any) on the alienation of such fixed assets shall be appropriated.

Transfer of fixed assets to other municipalities, municipal entities (whether or not under the municipality's sole or partial control) or other organs of state shall take place in accordance with the above procedures, except that the process of alienation shall be by private treaty.

CHAPTER 28: OTHER WRITE-OFFS OF FIXED ASSETS

A fixed asset, even though fully depreciated shall be written off only on the recommendation of the HOD controlling or using the asset concerned, and with the approval of the Council.

Every HOD shall report to the CFO on 31 October and 30 April of each financial year on any fixed assets which such HOD wishes to have written off, stating in full the reason for such recommendation. The CFO shall consolidate all such reports, and shall promptly submit a recommendation to the MM and/or Council (depending on the carrying value) on the fixed assets to be written off.

The only reasons for writing off fixed assets, other than the alienation of such fixed assets, shall be the loss, theft, and destruction or material impairment of the fixed asset in question.

In every instance where a not fully depreciated fixed asset is written off, the CFO shall immediately debit to such department or vote, as additional depreciation expenses, the full carrying value of the asset concerned (see also Chapter 21).

CHAPTER 29: REPLACEMENT NORMS

Every HOD shall report to the CFO on 31 December of each financial year on any fixed assets which such HOD wishes to replace, stating in full the reason for such recommendation. The CFO shall consolidate all such reports, and shall promptly submit a recommendation to the Council on the fixed assets to be written off.

The only reasons for replacement off fixed assets, other than the alienation of such fixed assets, shall be the loss, theft, and destruction or material impairment of the fixed asset in question. This Chapter provides for the replacement of motor vehicles, furniture and fittings, computer equipment, and any other appropriate operational items as well as for the replacement of fixed

assets which are required for service delivery but which have become uneconomical to maintain or have become outdated in terms of available technology.

CHAPTER 30: INSURANCE OF FIXED ASSETS

The MM shall ensure that all movable fixed assets are insured at least against fire and theft, and that all Municipal Buildings are insured at least against fire and allied perils.

The CFO shall annually determine the premiums payable by the departments or votes after having received a list of the fixed assets and insurable values of all relevant fixed assets from the HOD concerned.

The MM shall recommend to the Council, after consulting with the CFO, the basis of the insurance to be applied to each type of fixed asset: either the carrying value or the replacement value of the fixed assets concerned. Such recommendation shall take due cognisance of the budgetary resources of the Municipality.

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.

CHAPTER 31: BIOLOGICAL ASSETS

Accounting for biological assets shall take place in accordance with the requirements of GRAP 101.

The CFO, in consultation with the HOD concerned, shall ensure that all biological assets, such as livestock and crops, are valued at 30 June each year at fair value less estimated point-of-sales costs. Such valuation shall be undertaken by a recognised valuator in the line of the biological assets concerned. Any losses on such valuation shall be debited to the department or vote concerned as an operating expense, and any increase in the valuation shall be credited to the department or vote concerned as operating revenue.

If any biological asset is lost, stolen or destroyed, the matter – if material – shall be reported in writing by the HOD concerned in exactly the same manner as though the asset were an ordinary fixed asset.

Records of the details of biological assets shall be kept in a separate section of the FAR or in a separate accounting record altogether and such details shall reflect the information which the CFO, in consultation with the HOD concerned and the internal auditor, deems necessary for accounting and control purposes.

The CFO shall annually insure the Municipality's biological assets, in consultation with the HOD concerned, provided the Council considers such insurance desirable and affordable.

CHAPTER 32: SELF-CONSTRUCTED ASSETS

General

Self-constructed assets relate to all assets constructed by the municipality itself or another party on instructions from the municipality.

Policy

All assets that can be classified as assets and that are constructed by the municipality should be recorded in the asset register and depreciated over its estimated useful life for that category of asset. Work in progress shall be flagged (indicated) as such in the asset register until such time that the facility is completed. Depreciation will commence when the construction of the asset is finalised and the asset is in the condition necessary for it to operate in the manner intended by management.

CHAPTER 33: COMPONENT APPROACH

The component approach is a GRAP-supported approach where complex assets are split into separate depreciable parts for recording. The key considerations in determining what should become a separately depreciable part (component) are:

- Significant cost; and
- Considerable difference in useful life

CHAPTER 34: ASSET VALUATION

If the value of a part of the asset is significant (i.e. material) compared to the value of the asset as a whole and/or has a useful life that is considerably different to the useful life of the asset as a whole, it should be recognised as a separately depreciable part (component).

The costs of newly or recently acquired capital assets are easily determined from transactional records like invoices. For some older municipal capital assets, the transactional records may not exist or the identification of the assets themselves may not be possible from documentation available. In these instances the municipality should use the fair value measurement principles to determine a deemed cost for these assets at initial recognition.

Fair value assumes an active and liquid market that produces current quoted prices for a specific asset. The majority of municipal assets are specialised structures for which such a market does not exist. A municipality will therefore need to use other methods to estimate the cost and accumulated depreciation of those assets.

CHAPTER 35: REHABILITATION/ENHANCEMENTS/RENEWALS OF CAPITAL ASSETS

Expenditure to rehabilitate, enhance or renew an existing capital asset (including separately depreciable parts) can be recognised as capital if:

- that expenditure satisfies the recognition criteria;
- that expenditure is enhancing the service provision of that capital asset beyond its original expectation (i.e. not maintenance) and either that expenditure:
 - increases the useful life of that capital asset (beyond its original life);
 - increases that capital asset capacity (beyond its original capacity);
 - increases the performance of the capital asset (beyond the original performance);
 - increases the functionality of that capital asset;
 - reduces the future ownership costs of that capital asset significantly; or
 - increases the size of the asset or changes its shape.

The following points are important to note:

- Approval through the budget process for these improvements may require a business case.
- It must be probable that the expenditure will lead to the level of benefits expected.
- The expenditure to restore the functionality of the capital asset to its original level is a maintenance/refurbishment expense and not a capital expense. Maintenance/ refurbishment will not be capitalised to the capital asset.

The rehabilitated or renewed separately depreciable part will be derecognised and the replacement will be recognised. Where the separately identifiable asset is rehabilitated or renewed, the amount incurred will be added to the carrying value of the asset.

Renewals have the same meaning and treatment as rehabilitation/enhancements and are different from refurbishment, which is seen as maintenance.

CHAPTER 36: IMPAIRMENT LOSSES

Impairment is 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. The following serve as examples of impairment indicators:

- Significant decline in market value;
- Carrying amount of an asset far exceeds the recoverable amount or market value;
- There is evidence of obsolescence (or physical damage);
- The deterioration of economic performance of the asset concerned; and
- 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 (such as through inadequate maintenance).

The impairment amount is calculated as the difference between the carrying value and the recoverable service value. The recoverable service value is the higher of the asset's value in use or its net selling price. Where the recoverable service amount is less than the carrying amount, the carrying amount should be reduced to the recoverable service amount by way of an impairment loss. The impairment loss should be recognised as an expense when incurred unless the asset is carried at re-valued amount.

If the asset is carried at a re-valued amount the impairment should be recorded as a decrease in the revaluation reserve. Where immovable property, plant and equipment surveys are conducted, the recoverable service value is determined using the depreciated replacement costs method by assessing the remaining useful life.

CHAPTER 37: LEASED ASSETS

A lease is an agreement whereby the lesser conveys to the lessee, in return for a payment or series of payments, the right to use an asset for an agreed period of time. 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 or may not eventually

be transferred. Where the risks and rewards of ownership of an asset are substantially transferred, the lease is regarded as a finance lease and is recognised as a Capital asset.

- Where there is no substantial transfer of risks and rewards of ownership, the lease is considered an Operating Lease and payments are expensed in the income statement on a systematic basis.

Where an asset is leased it is necessary to record the details in an appropriate register. Additional details, which should also be recorded, include:

- lease start and completion dates;
- first-instalment date;
- asset-fair value;
- implicit interest rate; and
- lease payments.

Leases have a built-in interest cost which should be considered when evaluating whether to lease or buy (cash) an asset. Information in the register should be reviewed annually to confirm that the decision remains the most economical one.

The Advantages Of Leasing Include:

- increased flexibility to change 'asset solutions' (with an operating lease);
- reduced need for large capital outlays; and
- isolation from short -term fluctuations in market supply and values.

Disadvantages Can Include:

- penalty clauses for the early termination of leases;
- higher implicit interest costs in leases compared to cost of funds available to the municipality; and
- dependence on the market to supply assets leading to long-term exposure to market risk.

CHAPTER 38: ASSET LIFE CYCLE

The asset life-cycle is a key concept underpinning asset management. An asset life-cycle covers all phases of an asset's life starting with planning, through its acquisition, operation, maintenance and eventual disposal. Management of these phases should be aligned to the municipality's planning, budgeting, monitoring and reporting processes. In summary the phases are as follows:

- a) The planning phase deals with the planning for service delivery that drives the need for assets. This phase will include input into the IDP, budget and asset management plans. Various acquisition options should be considered during this phase.
- b) The acquisition phase deals with the purchase, construction or manufacture of new assets.
- c) The operation and maintenance phase deals with the operation of the assets, maintenance/refurbishment, enhancement/rehabilitation, depreciation and impairment. This phase includes activities of a capital and current nature.

d) The disposal phase deals with the timing of and disposal of the assets including the disposal costs and specific requirements for the assets, e.g. dismantling costs, medical equipment legal requirements, etc.

An asset's life-cycle is determined by its useful life to the municipality. This useful life is often shorter than its economic life. For example, a municipality may decide (as part of its asset management policy) to dispose of traffic police cars after five years because they have become too costly to maintain through extensive usage. However, such cars may continue to operate in another environment for many years.

CHAPTER 39: FIXED ASSET CATEGORIES & LIVES

(In brackets the estimated useful life in years in each case).

LAND

Developed Land	(N/A)
Undeveloped Land	(N/A)

BUILDINGS

Dwellings

Caravan Parks	(10)
Children's Homes	(30)
Homes for the Aged	(30)
Hostels	(30)
Mobile Homes	(10)
Places of Safety	(30)
Residences (personnel) including garages and parking	(30)
Recreational / (Holiday) accommodation	(30)

Non-Residential Dwellings

Bus Terminals	(30)
Bus Shelters	(15)
Civic Theatres	(30)
Clinic and Community Health Facilities	(30)
Community Centres and Public Entertainment Buildings	(30)
Driver and Testing Centres	(30)
Industrial Buildings	(30)
Laboratories	(30)
Museum and Art Galleries	(30)
Office Buildings (inclusive of air conditioning system)	(30)
Public Parking	(30)
Police Station and associated buildings	(30)
Railway and associated buildings	(30)
Stadiums	(30)
Taxi Ranks	(15)
Sport and Recreational facilities (fields, clubhouses, etc)	(15)
Non-Residential Perimeter Protection	(15)
Ablution / Public Facilities	(30)
Carports	(15)
Workshop / Stores	(30)
Market / Shops	(30)

INFRASTRUCTURE ASSETS

Electricity

Cooling towers	(30)
Mains	(20)
Meters Pre-Paid	(20)
Meters Credit	(25)
Electricity Supply / Reticulation	(30)
Transformers	(50)

Lines Underground	(45)
Lines Overhead	(30)
Cables	(45)
Substation Switchgear	(30)
Substation Equipment Outdoors	(30)
Substation Equipment GIS	(30)
Substation Equipment Indoors	(40)
Electrical Panels	(5)
Electrical Telemetry	(15)
Electricity Perimeter Protection	(15)
Structure for Electrical Purposes	(30)
Public Lighting	(10)

Roads

Bridges Vehicle Concrete	(80)
Bridges Vehicle Steel	(50)
Bridges Pedestrian Concrete	(80)
Bridges Pedestrian Steel	(50)
Bridges Railway Concrete	(80)
Bridges Railway Steel	(50)
Bridges Reinforced Retaining Walls Earth	(15)
Bridges Reinforced Retaining Walls Concrete	(30)
Bridges Expansion and Construction Joints	(20)
Storm Water Culverts Concrete	(60)
Storm Water Drains Earthworks	(100)
Storm Water Drains Concrete Lining	(50)
Storm Water Stop Banks	(50)

Storm Water Pipes	(50)
Roads Kerbs and Channels	(50)
Roads Municipal Tar Layer	(50)
Roads Municipal Tar Surface	(20)
Roads Municipal Concrete Layer	(50)
Roads Municipal Concrete Surface	(30)
Roads Municipal Gravel Surface	(10)
Roads National Tar Layer	(50)
Roads National Tar Surface	(20)
Roads National Concrete Layer	(50)
Roads National Concrete Surface	(30)
Roads National Gravel Surface	(10)
Roads Provincial Tar Layer	(50)
Roads Provincial Tar Surface	(20)
Roads Provincial Concrete Layer	(50)
Roads Provincial Concrete Surface	(30)
Roads Provincial Gravel Surface	(10)
Roads Crash Barriers	(30)
Roads Retaining Walls	(60)
Roads Pedestrian Footpaths	(30)
Roads Street Lighting	(40)
Roads Traffic Islands	(50)
Roads Traffic Lights	(20)
Roads Traffic Signs	(15)
Roads Paved Layer	(50)
Roads Paved Surface	(10)

Water

Dams Structure Concrete	(100)
Dams Structure Earth	(50)
Dams Electrical & Mechanical	(40)
Water Meters	(20)

Stand Pipes	(20)
Water Metalwork (ladders, handrails, weirs)	(30)
Pump Stations Structure	(55)
Pump Stations Electrical	(40)
Pump Stations Mechanical	(40)
Pump Stations Perimeter Protection	(25)
Reservoirs Structure	(50)
Reservoirs Electrical	(40)
Reservoirs Mechanical	(40)
Reservoirs Perimeter Protection	(25)
Water Supply / Reticulation	(50)
Underground Chambers Valves	(25)
Underground Chambers Meters	(20)
Underground Chambers Transition	(15)
Underground Chambers Other	(10)
Water Purification Works Structure	(55)
Water Purification Works Electrical	(40)
Water Purification Works Mechanical	(40)
Water Purification Works Perimeter Protection	(25)
Water Purification Works Meters	(15)
Water Telemetry	(15)

Sewerage

Bulk Pipelines Rising Mains	(50)
Bulk Pipelines Gravity Mains	(50)
Sewer Pump Stations Structure	(55)
Sewer Pump Stations Electrical	(40)
Sewer Pump Stations Mechanical	(40)
Sewer Pump Stations Perimeter Protection	(25)

Sewer Pump Stations Metalwork	(30)
Sewers / Reticulation	(60)
Water Purification Works Structure	(55)
Water Purification Works Electrical	(40)
Water Purification Works Mechanical	(40)
Water Purification Works Perimeter Protection	(25)
Water Purification Works Meters	(15)

Solid Waste Disposal

Collection Vehicles	(10)
Collection Containers / Bins	(15)
Transfer Stations and Processing Facilities Structure	(55)
Transfer Stations and Processing Facilities Electrical	(40)
Transfer Stations and Processing Facilities Mechanical	(40)
Transfer Stations and Processing Facilities Perimeter Protection	(25)
Landfill Site Earthmoving and Compact Equipment	(15)
Landfill Site Preparation	(N/A)
Landfill Site Structure	(55)
Landfill Site Weighbridge	(40)
Landfill Site Perimeter Protection	(25)

Railways

Railway Power Supply Units	(30)
Railway Sidings	(30)
Railway Tracks	(20)
Railway Signalling System	(20)
Railway Shunting Yards	(30)
Railway Perimeter Protection	(25)

Cemeteries

Cemeteries	(30)
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CAPITAL / INFRASTRUCTURE WORK IN PROGRESS**OTHER MACHINERY AND EQUIPMENT****Machinery and Equipment**

Audiovisual Equipment	(10)
Building Air Conditioning Systems	(5)
Cellular Phones (over R5, 000)	(2)
Cellular Routers	(3)
Domestic Equipment (non kitchen appliances)	(5) Power
Distribution Equipment (Generators / Compressors)	(7)
Emergency / Rescue Equipment	(10)
Farm / Agricultural Equipment	(15)
Fire Fighting Equipment	(5)
Gardening Equipment	(4)
Irrigation Equipment	(15)
Kitchen Appliances	(10)
Laboratory Equipment	(7)
Laundry Equipment and Industrial Sewing Machines	(15)
Learning / Training Support and Library Material	(10)
Machines for Metallurgy	(10)
Machines for Quarrying	(10)
Machines for Textile Production	(15)
Medical and Allied Equipment	(10)
Musical Instruments	(15)
Photographic Equipment	(7)
Pumps, Plumbing, Purification and Sanitation Equipment	(10) Radio
Equipment	(7)
Road Construction and Maintenance Machinery and Equipment	(15)
Saddles and other Tack	(7)

Security Equipment / Systems – Fixed	(5)
Security Equipment / Systems – Moveable	(5)
Sport and Recreational Equipment	(10)
Survey Equipment	(7)
Telecommunications Equipment	(5)
Tents, Flags and Accessories	(10)
Woodworking Machinery and Equipment	(10)
Workshop Equipment and loose tools – Fixed	(10)
Workshop Equipment and loose tools – Movables	(5)

Furniture and Office Equipment

Advertising Boards	(5)
Air Conditioners (individual fixed and portable)	(5)
Cutlery and Crockery	(10)
Domestic and Hostel furniture	(15)
Linen and Soft Furnishing	(10)
Office Equipment (including fax machines)	(7)
Office Furniture	(7)
Paintings, Sculptures and Ornaments	(10)

Computer Equipment

Computer Hardware including operating systems	(5)
Computer Networks	(10)

Transport Assets

Busses	(15)
Cycles	(7)
Emergency Vehicles	(10)
Mobile Clinic	(15)
Motor Vehicles (Sedan, Hatch and LDV)	(7)

Railway Rolling Stock	(15)
Trailers and accessories	(10)
Trucks	(7)
Watercraft	(10)

HERRITAGE ASSETS

Land of Historic or Specific Significance	(N/A)
Culturally Significant Building	(N/A)
National Monuments	(N/A)
National Parks / Reserves	(N/A)
Paintings	(N/A)
Sculptures	(N/A)
Municipal Jewelry	(N/A)
Works of Art	(N/A)
Other antiques or collections	(N/A)

BIOLOGICAL OR CULTIVATED ASSETS

THEMBELIHLE INTANGIBLE ASSETS

CHAPTER 40: PARAPHRASE OF SECTION 14 OF THE MUNICIPAL FINANCE MANAGEMENT ACT 2003

The Municipality may not alienate any capital asset required to provide a minimum level of basic municipal services, unless the provisions of the Act is followed.

The Municipality may alienate any other capital asset, but provided

- the Council, in a meeting open to the public, has first determined that the asset is not required to provide a minimum level of basic municipal services, and

The Council has considered the fair market value of the asset and the economic and community value to be received in.

Annexure B: Newly Developed Budget Related Policies

- Overtime Management Policy
- Recruitment and Selection Policy
- Borrowing Policy
- Funding and Reserves Policy
- Long Term Financial Plan Policy
- Infrastructure Investments and Capital Projects Policy

OVERTIME MANAGEMENT POLICY

(Adopted by council on 31 March 2016)

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1. DEFINITIONS

- 1.1 “**BCOE**” means the Basic Conditions of Employment Act No 75 of 1997
- 1.2 “**Thembelihle Municipality**” means a Municipal Council referred to in Section 157(1) of the Constitution.
- 1.3 “**Heads of Departments**” shall mean the Managers directly accountable to the Municipal Manager in terms of Local Government Municipal Systems Act 32 of 2000.
- 1.4 “**Supervisors**” means a person who supervises his/her subordinates in terms of the TASK job Evaluation System.
- 1.5 “**Employees**” all persons in the employment of the Municipality whether full/part-time.
- 1.6 “**Earning Threshold**” refers to the earning threshold determined by Minister of Labour in terms of Section 6(3) of the Basis Conditions of employment Act 75 of 1997, as amended.
- 1.7 “**Earning**” means gross pay before deductions.
- 1.8 “**Emergency work**” refers to work that must be done without delay because of circumstances for which the employer could not reasonably have been expected to make provision and which cannot be performed by employees during their ordinary hours of work. Emergency work excludes the performance routine maintenance work outside normal working hours.
- 1.9 “**Overtime**” means the time that an employee works during a day or a week in excess of ordinary hours of work (8 hours) including Saturdays, Sundays and Public Holidays.
- 1.10 “**Essential Services**” means a service the interruption of which can endanger the life, personal safety or health of the whole or any part of the population.
- 1.11 “**Remuneration**” means compensation in money or time off for overtime worked.
- 1.12 “**SALGBC**” means South African Local Government Bargaining Council.

2. GOAL

- 2.1 To respond to communities urgent needs in an effective, efficient and sustainable manner.

3. OBJECTIVES

- 3.1 To ensure that overtime policy respond effectively to crisis and emergency situations with regards to the provision of services.

- 3.2 To ensure that the Departments do not overspend the allocation of overtime budget.
- 3.3 To define a clearly written procedure in performing overtime.
- 3.4 To eliminate the abuse of overtime.

4. SCOPE AND APPLICATION

- 4.1 The policy should be applied by taking into consideration the stipulations in the BCOEA as well as the Divisional Conditions of Service Collective Agreement.
- 4.2 This policy to all Municipal employees but the payment of overtime does not apply to the following categories of employees:
 - Workers in senior management
 - Workers who earn more than the threshold per annum as determined by the Minister of Labour from time to time
 - Workers who work less than 24 hours in a month

5. REGULATION OF WORKING OVERTIME HOURS

- 5.1 An employer may not require or permit an employee:
 - 5.1.1 To work overtime except in accordance with an agreement, either on a day on Which an employee would do ordinary work, Saturdays, Sundays or Public holidays.
 - 5.1.2 To work more that three hours overtime a day.
 - 5.1.3 To work more than ten hours overtime a week except the employees who perform/provide essential services e.g. electricity, water, health , environment health, traffic, radio call control, switchboard operator, cashiers, refuse removal and refuse disposal.
 - 5.1.4 A Collective Agreement may increase the maximum permitted overtime to fifteen (15) hours a week. (Section (10)(6)(a) of the BCOEA) for up to two(2) months a year.
- 5.2 Employees earning more than the threshold per annum are required to receive paid time-off in lieu of overtime worked.
 - 5.2.1 If the agreement is reached at municipal level to pay overtime to employees earning the above threshold, then an application must be made to the SALGBC Division Exemption Committee to pay these employees.
 - 5.2.2 Where no collective agreement exist to regulate the payment for employees earning in excess the threshold the parties could agree at municipal level in terms of the payment and such be regulated in a policy.
- 5.3 An employer must grant paid time-off within one month of the employee becoming entitled to it.
- 5.4 An agreement in writing may increase the period to six (6) months.

5.5 An agreement concluded with an employee when the employee commences overtime lapses after six (6) months.

6. PAY FOR OVERTIME (MONDAYS TO SATURDAYS)

An employer must pay an employee at least one and one-half times the employees wage for overtime worked.

7. PAY FOR WORK ON SUNDAYS

An employer must pay an employee who works on a Sunday a double of the employees wage for each hour worked, unless the employee ordinarily works on a Sunday, in which case the employer must pay the employee at one and one-half times the employees wage for each hour worked.

8. PAY FOR PUBLIC HOLIDAYS

An employer must pay an employee who does not work public holidays double the employees wage for each hour worked.

9. PROCEDURE

9.1 Before the employees perform overtime work, supervisors/section Heads must identify the need for a particular task to be performed as well as the volume of the work in order to determine the number of hours, taking into account that employees do not deliberately leave work incomplete for the sake of getting overtime.

9.2 After the identification of the need for a particular task to be performed, Supervisors must fill-in a request for authority to work overtime form, indicating the name/s of employees to perform the task, nature of the job to be performed and a place.

9.3 Supervisors must make recommendation to the Section Heads/managers for approval and authorization.

9.4 No overtime may be worked without the express prior authorization of the Head of Department/Section Manager concerned.

9.5 No claim for overtime pay may be made unless a copy of the permission or instruction authorizing that overtime to be worked accompanies it.

10. EMERGENCY

In cases of emergency, filling a form in advance may be practically impossible, and Supervisors must immediately after the execution of a task/(within 24 hours) ensure that the procedure in terms of overtime policy has been followed.

11. DETERMINATION OF EARNINGS THRESHOLD

The increase of earnings threshold per annum will be determined by the Minister of labour from time to time.

12. FORMULA OF CALCULATING OVERTIME

Annual salary divided by 250 days = daily rate divided by 8 = hourly rate x normal overtime (1.5) or double time (x2)

13. FORMULA OF CALCULATING STANDBY

Annual salary divided by 250 days = daily rate divided by 8 = hourly rate x normal time including Saturdays and double time which is Sundays including Public Holiday's.

14. DISPUTES ABOUT THE APPLICATION AND INTERPRETATION OF THIS POLICY

Any dispute regarding the application and interpretation of this policy will be dealt with in terms of SALGBC Constitution.

15. IMPLEMENTATION OF THE POLICY

This policy will apply and be effective on the date to be determined and approved by the Council.

RECRUITMENT AND SELECTION POLICY

(Adopted by council on 31 March 2016)

1. POLICY STATEMENT

It is believed that Human Resources is our most important asset and guarantee for an effective organization. To this end we strive in our provisioning efforts to attract the most suitable candidates for appointment in accordance with the functional needs of Council. We are committed to create and maintain a diverse workforce in pursuance of Employment Equity and establishing a sound human resources management function.

2. POLICY OBJECTIVES

The objective of the Recruitment, Selection and Induction Policy for Thembelihle Local Municipality is to provide for a comprehensive policy with accommodates the needs for staff provisioning in the most efficient, professional and cost-effective way as to the effect that:

- No unfair discrimination practices exist in the provisioning discipline of Council;
- Such policy contributes and enhances a diverse culture and environment whereby all staff can contribute to the goals of Council and where such staff make-up is representative of the demographics environment of the area it serves.
- Introduction of fair and objective principles and procedures for that staffing of the employer.
- Provision of guidelines for the appointment of candidates to the employer.
- Establishing principles and procedures ensuring that the Employer complies with legislative principles in respect of employment equity and affirmative action.
- Setting out the procedural steps for the advertisement of a vacant post, the selection of applicants for interviews, the conducting of interviews and the appointment of candidates to the permanent staff of the employer.

3. INTENT

To ensure personnel provisioning that accommodates a comprehensive process which is a result of an agreement reached between all stakeholders concerned the Policy should be inclusive of the following processes:

- Recruitment procedure
- Selection procedure
- Advertisement procedure
- Interviewing procedure
- Qualification and experience requirements
- Induction of new employees

4. FOUNDATIONAL PRINCIPLES

- The staffing policy and its implementation will be fundamentally aimed at matching the human resources to the strategic and operational needs of the Employer and ensuring the full utilization and continued development of these employees.
- Each appointment must be rationally and objectively justifiable by references to the strategic and operational needs of the Employer
- The responsibility for the Employer is to determine the strategic and operational needs of the Employer and the relevant reporting and management structures of the organization.
- All aspects will be non-discriminatory and will afford applicants equal opportunity to complete for vacant positions. Except as provided in this policy with reference to affirmative action and employment equity.
- With reference to the Constitution of South Africa, act 108 of 1996 as amended and the provisions of **Chapter II** of the Employment Equity Act, 55 of 1998, under no circumstances should any person be refused employment on any arbitrary or discriminatory basis , including but not limited to race, gender, sex, pregnancy. Marital status, family responsibility, ethnic or social origin, colour, sexual orientation, age , disability, religion, HIV status, conscience, belief and/or opinion.
- Thembelihle Local Municipality is an employment equity employer and as such, preference will be given to suitably qualified candidates who are members of designated groups as defined in section 1 of the Employment Equity Act of 1998 as consisting of black people, women and people with disabilities.

5. EMPLOYMENT EQUITY AND AFFIRMATIVE ACTION

Elimination of unfair discrimination:

- Thembelihle Local Municipality shall take steps to promote equal opportunity in the workplace by eliminating unfair discrimination in any employment policy or practice.
- It is affirmed that it will not constitute unfair discrimination to take affirmative action measures consistent with the purposes of the Employment Equity Act of 1998 as set out in this policy or to distinguish, exclude or prefer any person on the basis of an essential requirement of any job.
- Harassment of an employee, including sexual harassment of any form, constitutes unfair discrimination and such harassment will attract disciplinary action against any employee found to have committed harassment.

Applications of the Employment Equity Act of 1998:

As a defined “designated employer” in terms of section 1 of the Employment Equity Act of 1998, and as such the provisions of Chapter 3 of the Employment Equity Act are directly applicable to the Employer.

Affirmative action:

- As a designated employer Thembelihle Local Municipality must, in order to achieve employment equity , implement affirmative action measures for people from designated groups as defined in section 1 of the Employment Equity Act of 1998. “Designated groups” means black people with disabilities and “black people” is defined in the Employment Equity Act as a generic term meaning Africans, Coloureds and Indians.
- Affirmative action measures are measures designed to ensure that suitably qualified people from designated groups have equal employment opportunities and are equitably represented in all occupational categories and levels in the workforce of the employer.
- Affirmative action measures include , but are not limited to the following :
 - a) Measures to identify and eliminate employment barriers, including unfair discrimination, which adversely affect people from designated groups ;
 - b) Measures designed to further diversity in the workplace based on equal dignity and respect of all people;
 - c) Making reasonable accommodation for people from designated groups in order to ensure that they enjoy equal opportunities and are equitably represented in the workforce of the Employer;
 - d) Measures to ensure the equitable representation of suitably qualified people from designated groups all occupational levels in the workforce of the Employer;
 - e) Measures to retain and develop people from designated groups and to implement appropriate training measure, including measures in terms of the Skills Development Act of 1998.
- No provision in this policy should be construed as requiring the Employer to take any decision concerning an employment policy or practice that would establish an absolute barrier to the prospective or continued employment or advancement of people who are not from designated groups. This includes , but is not limited to, any decision relating to the termination of employment of any employee of the Employer for reasons not relating to the conduct or capacity of the employee or the operational requirements of the employer in terms of the provisions of Chapter VIII of the Labour relation Act of 1995, as amended.

Other steps:

- As employer, Thembelihle Local Municipality must take reasonable steps to consult and reach agreement on matters listed in section 17 of the Employment Equity Act with its employees or representatives nominated by the employees, subject to the provision of section 16 of the Employment equity Act of 1998.
- Thembelihle Local Municipality must prepare and implement an employment equity plan, which will achieve reasonable progress towards employment equity in the Employer’s workforce and such plan shall contain, at the very least, the information listed in section 20(2) of the Employment Equity Act of 1998.
- Thembelihle Local Municipality shall comply with the provisions of section 21(reporting to the Department of labour), section 23(preparation of successive employment equity plans) and all other provisions of the Employment Equity Act of 1998.

Accountability:

The responsibility for taking affirmative action measures and assuring compliance with the provisions of the Employment Equity act of 1998 is upon the Municipal Manager.

6. RECRUITMENT AND SELECTION

6.1 Recruitment

Pre-recruitment requirements:

To enable Council timeously to recruit the higher caliber of person in the shortest period of time in the most cost-effective manner, the following processes should be adhered to:

Council/Municipal Manager

To enable Council or the Municipal Manger to approve any appointment either directly or by means of delegated powers, the following documents should be in place:

- An approved organogram
- An approved staff budget
- Approved qualification/skills and experience requirements
- A Recruitment and Selection Policy

Department Corporate Services: Human Resources

The following documentations are needed before the Department may start the recruitment process:

- An approved organogram
- An approved job description
- A council resolution or delegation authority to fill a vacancy
- Approved qualification/skills and experience requirements
- A fully completed personnel requisition form
- A recruitment and Selection Policy

Human Resources must ensure that:

- All relevant documentation has been received.
- All necessary documents has been clearly authorized according to the delegated powers
- Job description, job levels, qualification and experience requirements are correctly stated.
- Salary scales are correctly indicated.
- Vacancy has been noted on the computer/administrative system.
- All appointments are made in accordance with the target setting in terms of the employment Equity Act.

General Manager/Chief Financial Officer

- An approved job description
- An approved staff budget
- Existing vacancy
- A Recruitment and Selection Policy
- A fully completed personnel requisition form

6.2 Recruitment Advertisement

- Drafting of Advertisement : The information as referred to above shall form the basis for the advertisement and all advertisements shall clearly state the relevant job level, qualification and experience requirements, as well as application procedures together with closing dates for the receipt of application.
- Advertisements for positions on levels 9 to 19 shall first be placed internally in order to promote upward mobility of employees
- External advertisements for positions on level 9 to 19 shall only be placed in appropriate media if no appointment could be made after the internal recruitment drive.
- All advertisements shall be circulated internally by placement on designated notice boards.
- External advertisements shall be placed in appropriate media, ensuring maximum access to applicants
- The organizational targets , inter alia, shall determine whether recruitment activities are internal or external or both
- The service of external employment/personnel agencies may be utilized for recruitment purposes. The selection of such agencies will comply with the Supply Chain management Policy.

6.3 Selection

General Principle's governing selection

- Selection criteria shall be objective and related to the essential requirement of the job and realistic future needs of the Municipality.
- The central guiding principle for selection shall be competence in relation to the essential requirements of the job provided that selection shall, favour, as determined by the target, suitable qualified as defined in Section 20(30) of the Employment Equity Act.
- Unless formal or statutory qualifications are clearly justified as essential for the job relevant experience/performance, training(internal/external as reflected and measured through competencies, and potential for the prospective vacancy, shall be an important criterion.
- Canvassing by job applicants or any other person on behalf of job applicants, for the post within the Council's service is prohibited and evidence thereof will disqualify the applicant's application for consideration for appointment.

- Deviation from academic requirement may not be accepted where legal requirement should be met and after placement for appointment.
- All applications should be in the possession of Human resources before or on the closing date, and the record of such application forms shall be maintained by Human Resources.
- Application forms should be signed by the applicant personally
- Any misrepresentation or untruth will lead to the disqualification of that application

7. ASSESSMENT METHODOLOGY

The Municipality will only make use of assessment techniques which:

- a) Have been shown to be valid and reliable,
 - b) Can be applied fairly to all employees,
 - c) Are not biased against any employee or group
- All parties will uphold the strictest confidentiality in respect of any information supplied.
 - The assessment process is an integral process and the final decision shall be based on the result of the whole process.
 - The Human resources function is responsible for ensuring the integrity of the assessment process and the use and the application assessment techniques.
 - Medical testing will only be utilized if required or permitted by the legislation or it is justified in the light of medical facts with regards to the essential requirements of the job.

Competence based interviews

- All interviews will be structured interviews with the same questions posed to all the applicants interviewing for a specific vacancy. When determining the successful candidate, the interview panel should endeavor to reach consensus on the successful applicant. If no consensus is reached, the ruling of the Municipal Manager would be final.
- Any member of the interview panel is required to withdraw from the interview panel should they have a personal interests or bias in regard to any of the applicants.

Other assessments-

Competency or psychometric testing

All posts at Top and senior Management will be subjected to a competency or psychometric test in order to ascertain the competency level of the preferred candidate to the post. The results of the exercise will be consolidated with the results of the interview session in order to recommend a suitable candidate for appointment in the post.

Job related tests

Job related and other similar assessments of an employee are permissible if the test or assessment being used:

- a) Can be applied fairly to all employees.
- b) Is not biased against any employee or group.
- c) Agreement should be reached between all stakeholders if and what testing to be conducted PRIOR to applicants being interviewed, e.g. testing for driver's positions.

Nepotism

A definition of nepotism is “undue favouritism”. One can also define nepotism as the preferred option in candidate selection during the recruitment process, because the candidate is a relative or personal friend of the person making such an appointment.

Principles to be adhered to

- Family, friends and relatives may still apply for positions, but that the representatives on the selection panel should declare their interest and excuse themselves when family, friends and relatives are considered for appointment.
- A further guidance is that Council should try to avoid placing in the same Department.
- That the status quo remains regarding family and members who are presently employed by Council
- That the spirit of the Code of Good conduct be adhered to.
- Family members must be indicated on the application form and failure to do so lead to disciplinary measurements being taken.

Reference checking

- Only reference as provided by the applicant will be contacted. Under the following circumstances the lack of a reference shall be used to disqualify an applicant:
 - Application has had no previous experience; and
 - The current employer is the only source of reference
- No reference checking will be conducted on an applicant before an interview is conducted, but pre-screening to validate information on the Curriculum Vitae may be conducted in essential requirement of the job.
- The reference shall be based on the essential requirements of the job and be conducted in a structured format by Human Resources and Line Management in consultation with Human Resources.
- All rating of candidates against the identified competencies , to be done on the basis of a standardized methodology and the selection panel to be trained in such methodology.

Vetting

- Shortlisted candidates will be subjected to a personnel vetting process as and when required by Thembelihle Local Municipality.
- Notice of personnel vetting will be included in the recruitment advertisement when required.
- All qualifications of the successful candidates will be verified before the final offer of employment is made.

Probation

- Council recognizes that new employees will need a period of time to become familiar with the organization and to progress toward competing in their position.
- The purpose of the probation period orientation guidance, on the job training and coaching to the new position. This period is also the final and critical phase of the selection process that will provide to evaluate the hiring decision. To do this effectively, the supervisor/manager will be required to regularly monitor, measure and review the new employee's level of performance during the probation period.
- During this time the new employee will be evaluating and adjusting to his/her new position and work environment to determine if expectations are being met and assessing his/her overall fit to the organization and its mission, fundamental principles and values.
- Council may appoint a permanent employee on probation for a fixed period not exceeding six months, subject to the following conditions:
 - If council of the opinion that such employee has successfully completed his/her probationary period, Council shall confirm such employee's appointment in writing.
 - If Council, on or before the date of completion of the probation period of such employee, is of the opinion that he/she is not fit for the post occupied by him, Council May
 - In writing and stating the reasons therefore, extend the probationary period of such employee once only for a fixed period not exceeding six months; or
 - Give such employee at least one working month's written notice that his/her services will be terminated on a specific date: Provided that a fair procedure has been followed.

Feedback to candidates

- Human Resources will on request, be provided feedback to unsuccessful candidates for career development purposes.
- All applicants for advertised posts will be informed in writing of the outcome of the selection process in regard to their application.
- The Human resource Practitioner informs the successful candidates and makes a verbal employment offer (remuneration, benefits, commencement date).
- All persons appointed to the organization accept the appointment by way of signing the employment contract prior to commencement of duties.

- The Human resource Practitioner informs the unsuccessful short listed candidates within five working days of the appointment being authorized.
- Enquiries from unsuccessful candidates are dealt with by the Human resources Practitioner in conjunction with line Management.
- In the case of selection process for level 1 to 4 candidates, the Municipal Manager or his/her nominee will inform the successful and unsuccessful candidates of the outcome of the process. Once the employment contract has been signed, human Resources will take over the management of the relevant Human Resources processes for appointment.

8. INDUCTION

- All newly appointed employees will participate in the Organisation's Induction Process.
- Existing employees may go through a process of re-induction.

9. TEMPORARY EMPLOYEES

- One should distinguish between temporary staff and casual employment. CASUAL EMPLOYMENT refers to an ad hoc request for additional staff is not indicated on the organogram or positions which are occupied for a specific period. The status quo is to remain for these appointments. This refers to the General Manager employing the most suitable applicants which is readily available in the shortest period of time. No target settings need to be accommodates for these appointments. Examples of appointments of this nature are Students and replacements for employees who are readily not available at work for a longer period.
- TEMPORARY EMPLOYMENT refers to the situation where an individual is appointed in a position reflected on the Organogram of the Council with the intention to fill the vacancy at some stage in the future. The purpose behind the under-mentioned procedure is to eliminate any unfair advantage that a temporary employee may have when the position is filled on a permanent basis.
- The use of temporary personnel should be discouraged if and where possible. Temporary personnel should only be used to alleviate seasonal or temporary additional workload that cannot be accomplished with normal staff structures.
- The following procedure for filling of temporary positions is set:
 - **Step 1:** A personnel requisition form is to be completed by the relevant department and sent to the senior Manager: Human Resource for finalization. As the appointment of temporary staff often advantage the incumbent when the position is filled on a permanent basis, the applicable occupational categories as per target setting in terms of the approved Employment Equity Plan should be adhered to.
 - **Step 2:** An internal advertisement is to be placed inviting applicants through Council employees to apply for temporary appointments. If the appointment is of an urgent nature, the Municipal Manager

may authorize the use of an employment agency , who should be requested to utilize employees from the local geographic area.

- **Step 3:** Interviews for the appointment of temporary personnel may be conducted by the Director or a nominee in the presence of Human Resources representative.
- **Step 4:** Human Resources must enter into a contractual agreement with each temporary appointed person or employment agency.

Note: As a guideline, temporary appointments should not exceed 3 months. However departments must motivate the extension of the contract in writing to the General Manager: Corporate Services in the event that workload is still outstanding.

10. PAYMENT OF TRAVELLING AND ACCOMMODATION COSTS

- 10.1 Payment for travelling and accommodation costs will be dealt with in terms of the existing Subsistence and Travelling Policy of Council which may be amended from time to time. Applicant in a given set of facts, should be used to ensure compliance.
- 10.2 Only once the Applicant has complied with such conditions of approval, whether it be in terms of an agreed phasing or the entire development, should the further approvals or clearances as may be required be given by the municipal decision-makers concerned.

11. REVIEW

This policy document , as well s the reports and calculations methods, will need to be reviewed periodically to ensure that they are suitably adapted to meet any new statutory and integrated planning requirements and provide for the recovery of cost increases relating to the provision of engineering services.

BORROWING POLICY
(Adopted by council on 31 March 2016)

1. DEFINITIONS

In this Policy, unless the context indicates otherwise-

“Acts” means the Local Government: Municipal Finance Management Act, 2003(Act No.56 of 2003);

“authorised official” means an employee responsible for carrying out any duty or function, or exercise any power in terms of his policy and includes employees delegated to carry out or exercise such duties, functions or powers;

“Town” means the town of Hopetown & Strydenburg in a municipality Established Notices No. 479 of 22 September 2000, issued in terms of the Local Government: Municipal Structure Act, 1998, or any structure or employee of the town acting in terms of delegated authority;

“council” means the Municipal Council of the Town;

“COID” means the Compensation for Occupational Injuries and Diseases;

“CFO” means Chief Financial Officer of the Town

“disclosure statement” means a statement issued or to be issued by the Municipality which intends to incur debt by issuing municipal debt instruments;

“financing agreement” means any loan agreement , lease , instalment, purchase arrangement under which the Town undertakes to repay a long-term debt over a period of time;

“juristic person” means a body of persons, a corporation, a partnership, or other legal entity that is recognized by law as a subject of rights and duties;

“lender” means a juristic person who provides debt finance to the town;

“loan covenant” means a condition in an agreement relating to a loan or bond issue that requires the borrower to fulfill certain conditions or which forbids the borrower from undertaking certain actions, or which possibly restricts certain activities to circumstances when other conditions are met. Violation of a covenant may result in a default on the loan being declared, penalties being applied, or loan being recalled;

“long term debt” means debt repayable by the Town over a period exceeding one(1) year;

“Municipality” means the Town of Hopetown;

“municipal debt” means :

- a) a monetary liability or obligation on a Town
 - a financing agreement, note, debenture, bond or overdraft: and
 - the issuance of municipal debt instrument; an
- b) a contingent liability such as that created by guaranteeing a monetary liability or obligation of another.

“security” means any mechanism intended to secure the interest of a lender or investor and includes any of the mechanisms mentioned;

“short term debt” means debt that is repayable over a period not exceeding one(1) year;

“sinking fund” means a fund established where provision is made to accumulate sufficient funds to repay the capital on a municipal issue at the end of the loan period as a lump sum which is termed a ‘bullet’ payment and;

“QBMR” means Quarterly Borrowing Monitoring Return.

2. PROBLEM STATEMENT

2.1 Considering the large demand for municipal infrastructure, borrowing is an important element to obtain additional funding sources to fund the municipal capital programme over the medium term.

2.2 Given that a large portion of municipal infrastructure has a long-term economic life and the general principle that the current ratepayers should not pay for an asset in the short term that is to be used by future ratepayers during life of the asset , there is a strong economic argument of finance this capital expenditure through long-term borrowing in order to accelerate the pace of delivery and to mirror the repayment funds with the economic life of the asset. The economic life of assets should always be equal to or longer than the tenure of the debt finance.

2.3 It would be appropriate for the Town to adopt a borrowing policy which shall be consistent with the Act and its regulations.

3. DESIRED OUTCOME

3.1 This Policy, in line with sections 19, 46 and 47 of the Act, sets out the procedures to be followed in sourcing funding from external service providers.

3.2 The following objectives of the policy are to:

- a) enable the Town to exercise their obligation to ensure sufficient cash resources to implement capital programme in the most effective manner;
- b) ensure compliance with the relevant legal and statutory requirements relating to municipal borrowing;
- c) govern the taking up of short-term and long-term debt according to the legislative framework;
- d) manage interest rate and credit exposure;
- e) maintain debt specified limits and ensure adequate provision for the repayment of debt; and
- f) to maintain financial sustainability.

4. STRATEGIC INTENT

The intent of the policy is to:

- a) Ensure a transparent and corruption- free government;
- b) Establish an efficient and productive administration that priorities delivery;
- c) Ensure financial prudence, with clean audits by the Auditor-General

5. POLICY PARAMETERS

- 5.1 The process for obtaining external loan funding for the Town and its municipal entities falls exclusively within the functional area of the Treasury Directorate of Finance
- 5.2 All borrowing made by the Town must be in accordance with this policy and with any regulations promulgated by national government.

6. ROLE PLAYERS AND STAKEHOLDERS

- 6.1 The CFO must, in consultation with the Budget and Treasury Directors, assess the Town's financial requirement and determine the amount of funds that need to be raised from external service providers, particularly to fund the capital programme. The assessment must be made in conjunction with the Medium Term Revenue and Expenditure Framework (MTREF) and the capital budget which is approved by Council.
- 6.2 The Treasury Directorate is responsible for the implementation of this policy.

7. REGULATORY CONTEXT

The legislative framework governing borrowing is informed by the following legislations:

- a) Local Government Municipal Finance Management Act,(Act 56 of 2003(; and
- b) Municipal Regulations on debt Disclosure, regulation R492, published under Government Gazette 29966, 15 June 2007.

8. OPTIONS FOR RAISING OF EXTERNAL DEBT

- 8.1 There are four possible methods of raising external debt have been identified, namely:
- a) Raising of project specific loans through financial services providers;
 - b) Raising of non-project specific loan value for a particular financial year; and
 - c) Raising of bonds on the bond market;
 - d) Appointment of a financial service provider as sole financier to the Council for a period of not exceeding three (3) financial years.

8.2 A combination of all four methods of raising external debt could be utilized over a period of time.

9. ASSESSMENT OF FUNDING REQUIREMENT

- 9.1 Funding requirements for capital projects/assets, together with an assessment of the funding sources, must-
- a) be determined annually;
 - b) taken into account a multi-year period; and
 - c) be done in order to determine the adequacy of available funding sources.

9.2 Council must take into account how funding decisions affect the operating budget for the multi-year period, which will include the long term on tariffs.

10. FINACIAL RESOURCES

A full analysis of all cash reserves is required prior to borrowing to ensure the most cost effective method of financing.

11. RAISING OF EXTERNAL DEBT FOR FUTURE FINANCING OF CAPITAL EXPENDITURE

Budget Financial Plan

- 11.1 On an annual basis, the CFO must assess the Town's financial requirements and determine the amount of funds that needs to be raised from external service providers.
- 11.2 Consideration must be taken of the limitations per capital and operating budgets and the expected impact that any external debt raised may have on the budget.
- 11.3 The Town's standard budgeting process must be followed when assessing the funding requirements of the Town and the need for long term funding from external sources.
- 11.4 The impact of the financial plan on the capital and operating budget must be

considered and included in the budget.

12. COMPLIANCE WITH FINANCIAL SERVICE PROVIDER REQUIREMENTS

12.1 Financial Ratios

- a) Where it has been decided that funding will be sourced externally, the financial service provider may, when considering an application for external debt from the Town, take certain ratios into consideration.
- b) The CFO must determine the applicable ratios for long term funding and suggested performance levels.
- c) The ratios should be monitored to ensure that the Town is able to meet its requirements to access external debt from financial service providers of its choice.
- d) Where these performance levels, relating to the financial ratios, are not attained, corrective action should be taken to prevent non adherence to the loan covenants.

12.2 Credit rating

- a) The CFO is responsible for securing and maintaining an appropriate credit rating from a recognized, reputable credit rating organization.
- b) Supply Chain Management procedures must be followed in evaluation and appointing an appropriate credit rating agency.

13. RATIOS USED TO DETERMINE THE TOWN'S ABILITY TO BORROW

To ensure a financially sustainable Town, the following ratios are used as guidelines to Determine the Town's ability to borrow-

- a) total debt to revenue(excluding grants)
- b) debt service coverage ration;
- c) debt to net Cash ration;
- d) financing cost ration;
- e) cash flow interest cover ration; and
- f) cash available from operations before external interest paid.

14. COMPULSORY DISCLOSURES WHEN INCURRING MUNICIPAL DEBT

14.1 When entering into discussions with a prospective lender with a view to incur municipal debt, the Town must indicate in writing to the prospective lender whether it intends to incur short-term or long-term debt.

14.2 In cases of short-term debt it must be disclosed whether the debt is to finance-

- a) shortfalls within a financial year during which the debt is incurred in expectation of specific and realistic anticipated revenue to be received within that financial year; or

b) capital needs within a financial year, to be repaid from specific funds to be received from enforceable allocation or long-term debt commitments.

14.3 In the case of long-term debt, whether the purpose of the debt is for-

- a) capital expenditure on property, plant or equipment to be used to the purpose of achieving the objectives of local government, subject to section 46(4) of the Act; or
- b) refinancing of existing long-term debt, subject to section 46(5) of the Act.

15. COMPLIANCE WITH MUNICIPAL REGULATIONS ON DEBT DISCLOSURE

Regulation 6 of the Municipal Regulations on Debt Disclosure, 2007, states that whilst the Town is party to a municipal debt instrument it has to have a credit rating in place which must be reviewed annually by an independent credit rating institution until it has been redeemed.

16. BORROWING PROCESS

The Borrowing process will be affected in terms of section 6 of the Act.

17. SUBMISSION OF DOCUMENTS

When entering into discussion with a prospective lender with a view to incur short-term or long-term debt, the following information must be made available to the prospective lender-

- a) audited financial statements for the preceding three(3) financial years with audited outcomes;
- b) approval annual budget;
- c) the Integrated development Plan;
- d) repayment schedule pertaining to existing short-term or long-term debt.

18. NOTIFICATION TO NATIONAL TREASURY

18.1 The MFMA requires a Town or municipal entity to invite the National Treasury(hereafter referred to as “NT”), the relevant provincial treasury and the public to submit written comments or representations to the council/board of directors in respect to the raising of any proposed debt through borrowing or any other instrument (refer section sections 46&108).

18.2 To expedite this process and to enable the NT and relevant provincial treasury to provide informed comments. The town/municipal entity is requested to supply the following information and include the signed certification (see annexure), along with the invitation for comment. Failure to provide this information may delay the process.

18.3 The table below sets out the information to be provided with respect to a long-term debt propose:

	Details	MFMA
1	A copy of the information statement required by section 46(3), containing particulars of the proposed borrowing (debt instrument).	46(3) (a)(i)
2	If not already incorporated in the information statement, please ensure the following information is provided separately (note QBMR=Quarterly Borrowing Monitoring return to National Treasury): a) Amount of debt to be raised through borrowing or other means; b) Purpose for which the borrowing (debt) is to be incurred; c) Interest rate(s) applicable (state whether fixed or variable etc.); d) Planned start and end date (term of instrument); e) Detailed repayment schedule for the duration of the borrowing (debt) (showing dates and all payments of principal and interest, etc.); f) Total estimated cost of the borrowing(debt) over the repayment period; g) Type of instrument(select from QBMR) ; h) Security to be provided (select from QBMR) and provide details; and i) Sources of loan funds (select from QBMR).	46(3)(b)(i) and (ii)
3	A schedule of consultation undertaken, including: a) Date(s) when the information was made public b) Details of meetings, media adverts and other methods used to consult on the proposed long-term borrowing(debt)	46(3)(a)(i),(ii)
4	a) A copy of the approved budget, and relevant documentation supporting the budget, highlighting the asset(s) to be funded by the proposed borrowing(debt) and the revenue to be received b) It must be demonstrated that the proposed borrowing (debt) is consistent with the IDP, the capital budget and the revenue shown accordingly.	46(6) 17(2) 19
5	If the borrowing(debt) is for the purpose of refinancing existing long-term borrowing(debt), the following information should be provided: a) A description of the asset(s) for which the original loan was required; b) The remaining useful life of the asset(s); c) The net present value of the asset(s), including the discount rate used and any assumptions in the calculations; d) The net present value of projected future payments <u>before</u> refinancing , including the discount rate and assumptions used; and e) The net present value of projected future payments <u>after</u> refinancing, including the discount rate and assumptions used.	46(5)
6	The source of funding that will be used to repay the loan as well as the revenue stream(s) must be specified, irrespective of whether it is an existing or new revenue stream.	19(1)(d)

7	A schedule of all long-term borrowing(debt) obligations should be compiled on the format of the QBMR, showing principal investments set up as sinking funds etc.	N/A
8	In the case of a municipal entity, details of any guarantee or other forms of security to be issued by the parent municipality respect of the entity's proposed borrowing (debt) should be provided.	50
9	A copy of the council/board of directors 'resolution approving the borrowing (debt) instrument should be forwarded once approved.	NA

This information detailed above together with the certification (referred to in Annexure A), should be forwarded to the National Treasury and the relevant Provincial Treasury.

19.INTEREST RATE RISK

Interest rates are to be fixed at an optimal rate unless it can be shown that a variable rate can provide better cost efficiency.

20.MONITORING , EVALUATION AND REVIEW

The policy will be monitored by Treasury officials annually and may be amended.

ANNEXURE A

Certification of long-term borrowing (debt)

Name of Municipality/entity

Proposed borrowing (debt): R.....

We hereby certify that the proposed long-term borrowing (debt), as specified in the attached *Information statement* and supplementary pages complies with sections 17(2), 19, 46 and 108 of the MFMA and will be used for the purposes of capital expenditure on property, plant or equipment:

- a) For the purpose of achieving the objects of local government as set out in section 152 of the Constitution;
- b) Capital expenditure is appropriate in an approved multi-year capital budget;
- c) Repayments for the duration of the loan are affordable and will be appropriated in future budgets; and
- d) If the loan is required to refinance existing long-term borrowing (debt), that the original borrowing (debt) was lawfully incurred and the refinancing does not extend the term of the borrowing (debt) beyond the life of the asset for which the money was originally borrowed.

A copy of the council/board of director's resolution approving the loan will be forwarded to the National Treasury and the relevant Provincial Treasury within 7 days of approval.

Signatures:

.....
Accounting Officer
Name:
Date:

.....
Mayor/Chairperson of the Board
Name:
Date:

ANNEXURE B

Financial Ratio Formulas

Total debt to Revenue

= Total debt/ [total Revenue – Unspent conditional grants – Capital Government grants and subsidies]

Debt service cost ratio

= [Cash generated from operations – unspent conditional grants- capital government grants and subsidies]/ [Finance cost + Loan repaid + Increase/(Decrease) in sinking funds deposits]

Debt to net cash ratio

= Total debt/[Cash generated from operations-unspent conditional grants – Capital government grants and subsidies]

Financing cost ration

= [Interest on external Borrowings + Capital paid on external debt] / Total revenue

Cash Flow Interest Cover ratio

= [Cash flow from operations + interest paid

Cash available from operations before external interest paid

= [Cash generated from operations plus investment income plus changes in working capital]/external interest paid.

FUNDING AND RESERVES POLICY **(Adopted by council on 31 March 2016)**

1. Applications and Scope

This policy is mandate by Section 8 of the Local Government: Municipal Budget and Reporting Regulations which is made in terms of section 168 of the Municipal Finance Management Act, 2003 Act no. 56 of 2003 This funding and Reserves Policy is applicable to Thembelihle Municipality.

2. Objectives of Policy

- i) To ensure the operating and capital budget of council are appropriately funded.
- ii) To ensure that provisions and reserves are maintained at the required levels to avoid future unfunded liabilities.

3. Introduction

The funding of the operating and capital budgets is done on an annual basis for a three year period. The budget must be balanced both from and accounting as well as cash perspective. The impact of movement in the Statement of financial Position is taken into account when considering the balancing of the budget.

4. Projected billings, collections and direct revenue

These projections are prepared in accordance to the following annual approved council policies:

- 4.1 The Rates policy which sets out the manner in which the municipality may impose rates on property.
- 4.2 The Tariffs Policy which guides the annual setting (or revision) of tariffs. The Policy is applicable to all tariffs for electricity, water, sanitation and solid waste services provided by the municipality. This policy is also applicable to all sundry tariffs.

5. Funding sources for operating and capital budget

5.1 Operating Budget

The operating budget shall be financed from the following sources

- a) Service Charges
 - i) Electricity Charges
 - ii) Water Sales
 - iii) Refuse Removal Fees
 - iv) Sewerage Fees

- b) Property taxes

Increases in tariffs and rates will be based on actual billed revenue and as far as possible be limited to inflation plus an additional percentage increase to accommodate the growth of the town and more important to remain affordable and realistic. Detailed information can be found in the Tariff Policy.

c) Grants & Subsidies

Grants and subsidies shall be based on all the gazette grants and subsidies plus all other subsidies received by the organization.

d) Rental Fees

Fees for rental property will be budgeted for based on the percentage growth rate as determined by Financial Services for a particular budget year.

e) Fines

Fees for fines will be budgeted for based on the actual income received in the preceding year and the percentage growth rate as determined by Financial Services for a particular budget year

f) Other Income

All other income items will be budgeted for based on the actual income received in the preceding year and the percentage growth rate as determined by Financial Services for a particular budget year.

5.2 Capital Budget

Own Funding Sources

The Council shall establish a Capital Replacement Reserve(CRR) for the purpose of financial capital projects and the acquisition of capital assets.

Other Funding Sources

The capital budget shall also be financed from external sources such as the following:

- a) Grants and subsidies as allocated in the annual Division of Revenue of Act
- b) Grants and subsidies as allocated by Provincial government
- c) External Loans
- d) Private Contributions
- e) Contributions from the Capital Development Fund(developer's contributions) and
- f) Any other financing source recurred by the local authority.

6. Provision for revenue that will not be collected

The municipality makes provision in the operational budget for revenue that will not be collected in the budget year. This provision that will be made must be based on past trends and payments rates. More detail can be found in the Accounting Policy of the municipality.

7. The funds the municipality can expect to receive from investment

The municipality makes provision in the operational revenue budget for revenue that will be realized on investment. The interest received on investment will be budgeted for in the revenue budget. Forecast will be based on projected interest rates and projected investments for the period.

8. Proceeds from transfer or disposal of assets

The proceeds from transfer or disposal of assets will be budgeted in the operational revenue budget.

9. Borrowing requirement

The affordability of loans over the Medium Term Revenue and Expenditure Framework (MTREF) period should be determined before external loans are considered. Capital costs (interest and redemption payments) should be within the acceptable norms and in terms of the Borrowing Policy

10. Capital Replacement Reserve(CRR)

Council shall establish a CRR for the purpose of financing capital projects and the acquisition of assets.’

Such reserve shall be established from the following sources of revenue:

- a) Un-appropriated cash-backed surpluses to the extent that such surpluses are not requires for operational purposes;
- b) Interest on the investments of the CRR, appropriated in terms of the investments policy;
- c) Additional amounts appropriated as contributions in each annual or adjustments budget and;
- d) Before any assets can be financed from the CRR the financing must be available within the reserve and available to fund the CRR this reserve fund must then be adjusted the available cash
- e) Transfers to the CRR must be budget for in the cash budget.

LONG TERM FINANCIAL PLAN POLICY
(Adopted by council on 31 March 2016)

THEMBELIHLE MUNICIPALITY

DRAFT POLICY ON LONG-TERM FINANCIAL PLANNING 2015/2016

1. POLICY TITLE

POLICY ON LONG TERM FINANCIAL PLANNING

2. MAIN PURPOSE

The Policy on Long-Term Financial Planning is aimed at ensuring that the Municipality has sufficient and cost-effective funding in order to achieve its long-term objectives through the implementation of the medium-term operating and capital budgets. The purpose of the Policy on Long Term financial Planning is therefore to:-

- 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 Thembelihle Municipality
- Identify the need for revenue enhancement and cost saving strategies in order to improve service delivery at affordable rates; and
- Identify new revenue sources required to fund future budget cycles.

3. SCOPE OF THE POLICY

- In essence a financial plan encompasses the development, implementation and evaluation of a plan for the provision of basic municipal services and capital assets. It is to assist decision makers in making informed choices about the provision of basic services and capital assets and to promote stakeholder participation in the process.
- The financial plan should set out the Municipality's estimated expenditure over the medium-term, based on its goals and objectives, as well as the resources necessary to achieve this. In addition, the financial plan must set out where funding for a planned expenditure will come from
- The compilation of the financial plan is a score component of an integrated Development Plan (IDP). The envisaged timeframe allocations for a long term financial plan are:-

- Short term (12 months)
- Medium term (2-3 years)
- Long term (4 years onwards).

4. STRATEGIC OBJECTIVE

To ensure that the municipality achieves a status of financial resilience whereby it is no longer grant dependent.

5. KEY PRINCIPLES

The policy on Long-Term Financial Planning is based on the following principles:-

- Future financial sustainability;
- Annual growth in population and consumer based;
- Optimal utilization of grant funding and public donations; and
- Continuous improvement and expansion in service delivery framework

6. GOVERNANCE ISSUES

- The Constitution of the Republic of South Africa, 1996
- The Municipal Finance Management Act, 56 Of 2003

7. POLICY PROCEDURES

7.1 DEVELOPMENT OF A FINANCIAL PLAN

The phases for development of Financial Plan are set out below:

Phase One

Compile a status quo assessment of the municipality's current financial status and key challenges

Phase Two	Conduct financial modelling to determine financial viability
Phase Three	Analyse outcomes and ratios
Phase Four	Prepare a long term financial plan

7.1.1 Phase One : Status Quo Assessment

- Performance a status quo assessment under the following criteria:-
 - a) The Municipality’s current financial status;
 - b) Current revenue sources, internal and external;
 - c) Main cost drivers impacting on the sustainability of the Municipality;
 - d) Status of municipal infrastructure
 - e) Ability to finance capital expenditure; and
 - f) Municipal service delivery backlogs
- The financial viability and creditworthiness of the Municipality is measured against a number of nationally recognized key ratios.
- The objective of the status quo report is to assess the current financial position and to identify the key challenges faces by the Municipality. The status quo report will aim to identify issues which impact on the overall financial stability of the Municipality and will include a historical analysis and assessment of financial results (based on annual financial statements)

7.1.2 Phase Two: Planned finance and financial Modeling

- Upon completion of the status quo assessment, resulting in an understanding of the Municipality’s financing need over the medium-term.
- 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.

7.1.3 Phase three: Analyse Outcome and Ratios

- Develop a financial forecast model to identify immediate opportunities and risks;
- 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 minimize the cost of effective service delivery
- c) current infrastructure investments and maintenance programs which may influence revenue streams or the cost of service delivery;
- Evaluate the medium and long term viability (2 years onwards):-
 - a) Development a financial forecast model to identify future opportunities and risks
 - b) Perform scenario planning to identify the optimum balance between revenue collection and municipal spending ; taking into account the following
 - the impact each scenario has on the financial viability ratios of the Municipality;
 - potential revenue enhancement strategies which may have a long-term impact on the revenue base of the Municipality;
 - evaluate cost saving mechanisms to minimize the cost of effective service delivery; taking into account potential infrastructure development and renewals ;
 - the impact of current infrastructure investments and maintenance programs on future revenue streams or cost of service delivery;
 - the impact of envisaged future infrastructure investments on the revenue stream and cost of service delivery ; and
 - the impact of provincial, national and municipal priorities over the medium and long term

7.1.4 Phase four: Develop a long term Financial Plan

- Once the Municipality has finalise the prioritization of initiatives and projects; a comprehensive long-term financial plan will have to be developed to indicate the envisaged impact it will have on the financial status of the Municipality. An overall financial forecast will then have to be done in order to illustrate the projected result of the implementations throughout the five year period.
- Although a long-term financial plan provides a forecast of potential outcomes, it has to be emphasized that the success of the financial plan remains in continuous revision. As is the case with any forecast model, the financial plan should be seen as a working document and should be subject to honest and realistic assessments of successes and failures on a regular basis.
- The fourth phase involves finalizing a medium-term income and expenditure plan based on the various alternative service delivery options.
- A key component in determining future options, potential problems and opportunities is the forecast of revenue and expenditures . The revenue and expenditure plan essentially involves combining the forecasting of revenues and the forecasting of expenditures into a single financial forecast.
- Finalisation of the Financial Plan includes collating all short, medium and long-term financial data and development of a long-term financial plan that:-

- Identifies future revenue projections based on current and projected revenue streams, as well as those projects required to achieve these projections;
- Identifies future expenditure frameworks and cost of service delivery based on current and projected expenditure patterns;
- identifies the level of infrastructure development required to achieve the municipal priorities , within the funding restrictions; and
- identifies external funding requirements required for capital investment

7.2 ANNUAL REVENUE OF FINANCIAL PLAN

7.2.1 The financial plan must be reviewed on an annual basis as part of the annual review of the IDP and updated with at least the following information:-

- any direct change in financial status or internal factors, other than previously predicted, which may influence the financial status and viability of the Municipality;
- any changes in the economic and socio economic environment , other than previously predicted, which may influence the financial status of the Municipality;
- any changes in the revenue base or composition which may have an impact on the financial viability of the Municipality;
- any changes in the provincial, national or municipal priorities are previously identified; and
- any factors which may have an impact on the ability to implement previously.

8. COMPETENCE AND CAPACITY TO IMPLEMENT

- Budget & Treasury Office

9. RELEVANT LEGISLATION APPLICABLE TO THIS POLICY

This policy gives effect to the provision of the following legislation

- The Constitution of the Republic of South Africa, 1996
 - The Local Government Municipal Finance Management Act (MFMA), Act No. 56 of 2003

INFRASTRUCTURE INVESTMENT AND CAPITAL PROJECTS POLICY

(Adopted by council on 31 March 2016)

POLICY ON INFRASTRUCTURE INVESTMENT AND CAPITAL PROJECTS 2016/2017.

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1. Preamble

- 1.1 The progressive realization of fundamental constitutional rights *inter alia* requires township development. Township development in turn requires the provision of engineering services.
- 1.2 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.
- 1.3 As a general principle township developers should accept responsibility for the installation and financing of internal engineering services.
- 1.4 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.
- 1.5 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 state organs to assist decision-makers in the exercise of their discretionary powers has long been accepted as legally permissible and eminently sensible.
- 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 Used Planning Ordinance.
 - Their negotiations with developers relating to their payment of development contributions and the division of engineering services cost between the Municipality and applicants; and
 - The application of the calculation methods for development Contributions as outlined in the reports defined below.

2.3 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. Definitions

In this policy document, unless inconsistent with the context:

“Applicant” means a person who has applied for approval under the Ordinance and includes the person or entity implementing such an approval;

“Brownfields type Development” means development of land where use can be made to spare capacity in existing bulk services, and where additional bulk services are also required.

“Development Contributions” 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.

“Engineering services” means services installed in the process of developing land for the provision of water, sewerage and electricity, handling of solid waste, and the building of streets, roads and storm water drainage systems, including all related services and equipment;

“Greenfields type Development” means development of land where no bulk services are available to serve the proposed development, and completely new bulk services are required.

“Municipal Area” means the area as reflected in the map appearing in Provincial Notice 478/2000 published in Provincial Gazette Extraordinary No 5587 of 19 September 2000;

“Municipality” means the Thembelihle Municipality (NC076) established in terms of the Provincial Notice 489 of 22 September 2000 in terms of the Local Government: Municipal Structures Act, 117 of 1998, and includes all political structures or office bearers and municipal staff members to whom authority has been delegated to take decisions under the Ordinance or to give effect to conditions of approval imposed under the Ordinance;

“Ordinance” means the Land Use Planning Ordinance, 15 of 1985 (Northern Cape)

“Reports” means the so-called “Thembelihle Development Contributions Report”, the “Thembelihle: Levies for Bulk Electrical Services Report” as approved by the Municipality.

“Service agreement” means a written agreement concluded between an Applicant and the Municipality, and in terms of which *inter alia* the respective responsibilities of the two parties for the planning, design, provision, installation, financing and maintenance of the internal and external engineering services and the standard of such services are determined.

4. Legislative Framework

4.1 The principle of legality enshrined in the Constitution, dictates that everyone has the fundamental right to administrative action

4.2 Planning and development must take place within a dense legislative environment.

Suffice it to say that included amongst the pieces of legislation that find application in this field are the Constitution of the Republic of South Africa Act, the Ordinance, the Local Government: Municipal System Act 32 of 2000 (MSA) and the Local Government: Municipal Finance management Act 56 of 2003 (MFMA).

4.3 In terms of the Ordinance the Municipality is empowered to impose conditions requiring the payment of Development Contributions, when granting development approvals under the Ordinance. In terms of section 42(2) of the Ordinance the Municipality is required to regard *inter alia* to public expenditure incurred in the past or which arise from such approvals which facilitates or will facilitate such developments, when requiring Development Contributions.

4.4 Section 42(2) of the Ordinance must be understood against the backdrop of the following principle enunciated in the second Report of the Venter Parliamentary Commission of Inquiry into Housing and Related Matters, 1983:

“It is important that any formula recommended in respect of the cost of the provision of services should ensure equal treatment and that the residents of the old town should not subsidise the new township, unless a deliberate decision to the contrary is taken”

4.5 In terms of the MSA, development within the Municipality and it’s expenditure on engineering services infrastructure must be guided by an approved Integrated Development Plan. The Municipality is enjoined to give priority to providing basic services and improving the quality of life for all within its financial means. Therefore if an Applicant intends to develop land before the necessary bulk engineering service have been installed or where existing bulk services are inadequate to serve the proposed development , and the Municipality is not in a position to provide such at that time. The Applicant will be required as a condition of approval to fund the bulk services.

In those circumstances appropriate provisions need to be incorporated in a Service agreement relating to control over the costs of such external services and relating to the fund of reasonable costs to which the Applicant may be entitled.

5. Application of policy

5.1 This policy applies from date of its adoption by the Municipality to all applications for approval made in terms of the Ordinance relating to development within the Municipal Area.

5.2 It is trite law that where discretion has been conferred upon a public body by a statutory

provision(such as section 42 of the Ordinance), such a body may lay down a general principle for its general guidance, but it may lay down a general principle as a hard and fast rule to be applied invariably in every case. Every case that is presented to the public body for its decision must be considered on its merits. It follows that there may be circumstances in which it will not be appropriate to require the payment of development Contributions whilst in other instances it may be necessary to increase or decrease the amounts payable as Development Contributions.

6. Policy approaches the development contributions

- 6.1 In terms of the so-called “Brownfields approach”, the point of departure is that the bulk services that will serve the proposed development have been funded by existing ratepayers and the Applicant should make a contribution towards those costs on a pro rata basis, based on the unit rate of usage. The value of Development Contributions must reflect the burden to date on the existing ratepayers for providing those services and not the future burden, as ratepayers in the proposed new development will share this burden and will benefit from contributions from future developments. For this reason, outstanding loans in respect of the particular services are to be subtracted from the replacement value of those services when determining the amount of Development Contributions payable.
- 6.2 In terms of the so-called “Greenfields approach” the Applicant is responsible to finance the provision of all bulk engineering services, as these are specifically required for the proposed development, and the intention is that the new development should not place any financial burden on existing ratepayers. However, this scenario is only fully applicable if the development is self-contained; if the development does not make use of other existing or future developments will not make use of these services.
- 6.3 In most cases it is necessary to partially apply a Brownfields approach and to partially apply a Greenfield Approach to a particular development application, depending on the availability and adequacy of available bulk engineering services. This can be described as a “Combined approach”. In an ideal situation, if it was practically possible, the actual engineering services required should be determined for each development, and charged to the Applicant concerned. However, because this is not practically possible, use is required to be made of calculation method derived and outlined in the report referred to in this policy.
- 6.4 In appropriate circumstances the Municipality may further require that an Applicant provides engineering services to a higher capacity than warranted by the development proposed, to accommodate future developments. In those circumstances and when Applicants are required to fund the provision of bulk engineering services suitable arrangements need to be incorporated in a service Agreement relating to control over the costs of such external services and the refund (where appropriate) of costs in excess of the costs which the Applicant would have incurred if normal capacity standards were applied. Such arrangements may include the application of set-off of development Contributions against such costs.

6.5 In all circumstances, where lawful development exists on the site to be redeveloped, development Contributions should be required only to the extent that the redevelopment, for which approvals are required under the Ordinance, place and additional burden on the existing bulk services infrastructure.

7. Imposition of appropriate conditions of approval

7.1 When the Municipality receives an application under the Ordinance, it must determine whether adequate bulk engineering services are available to serve the proposed development, whether the upgrading of such services will be required and/or what new bulk services will have to be installed to serve the proposed development.

7.2 The Municipality must, when it approves an application under the Ordinance, impose appropriate conditions relating to the provision and/or upgrading of bulk engineering services to serve the proposed development and/or the payment of Development Contributions.

7.3 Such conditions may *inter alia* require the Applicant:

- In lieu of payment of Development Contributions (partially or in full), to install bulk engineering services to serve the proposed development standard as required by the Municipality; and
- To enter into a service Agreement with the Municipality.

7.4 Before submitting an application under the Ordinance to the competent municipal decision-maker, the Municipality must inform the Applicant which conditions relating to the provision of bulk engineering services and the payment of money (stating the amounts that will become due and payable) it regards as appropriate, afford the Applicant the opportunity to make representations in respect thereof and, where required, enter into negotiations with the Applicant in an attempt to avoid unnecessary appeals.

7.5 In the event that the Municipality and the Applicant fails to reach agreement on the amounts payable as development Contributions, the bulk services to be provided by the Applicant or in respect of matters relating thereto, and the Municipality imposes its interpretation as a condition of approval, the Applicant shall, in addition to his right of appeal under Section 62 of the Local Government: Municipal System Act, have a right of appeal under section 44(1) of the Ordinance to the competent provincial authority.

7.6 The Municipality should, when imposing conditions of approval under the Ordinance, clearly stipulate when development contributions shall become payable (e.g. before a rates clearance certificate as contemplated in section 31(1) of the Ordinance may be issued, before approval of a site development plan or building plan, or before a certificate for occupancy is issued in terms of the building regulations).

8. Calculation of Development Contributions

8.1 Brownfield Developments

- i) In this scenario, sufficient existing bulk services are available and the construction of new bulk services is not required. The Applicant must, however, make a Development Contribution for his portion of the capacity of the existing services. Because it would be complicated, impractical and time-consuming to calculate this exactly for each development on a case-by-case basis, the Thembelihle Development Contribution report calculation method can be used, as it covers this scenario on an average basis across all areas covered by that report, unless it would be more appropriate to adopt a different method of calculation in any particular instance.
- ii) The calculation method employed in the Thembelihle Development Contributions Report has *inter alia* taken into consideration the principles of the Venter Commission Report, the empowering provisions of the Ordinance, past and future infrastructure costs in terms of existing master planning, replacement value costs, existing loans and existing and future potential grants and subsidies.

8.2 Greenfields Developments

- i) In this scenario no bulk services are available and all bulk services still need to be constructed. The Applicant must make a Development Contribution for his portion of the capacity of the bulk services to be installed. If the development is self-contained and all bulk services are only for that development, then the actual costs thereof can be calculated, and charged to the Developer.
- ii) Development in the Thembelihle Development contributions report should be used, unless it would be more appropriate to adopt a different method of calculations in any particular instance.

8.3 Combined approach

- i) In this scenario use can be made of spare capacity in some bulk services also need to be constructed. The Applicant must make Development Contributions for his use of existing services and his portion of the new services.
- ii) Because it would be complicated, impractical and time-consuming to calculate this exactly for each development on a case-by-case basis, the Thembelihle Development Contribution Report calculation method can be used in the areas covered by that report, as covers this scenario on an average basis across all those areas.

9. Service Agreements

Service Agreements conclude in compliance with Municipal conditions of approval imposed under the Ordinance must stipulate and record at least the following:

- The amount of Development Contributions payable;
- How escalation will be calculated on Development Contributions payable
- Exactly when Development Contributions will become due and payable;

- What bulk engineering services the Applicant is required to construct and/or upgrade, the standard with which such services comply and the agreement reached relating to set-off and/or refund the costs to be incurred by the Applicant in respect thereof.

10. Ensuring compliance

10.1 The Municipality may use various checkpoints/milestones to ensure that an Applicant complies with the conditions of approval with regard to the payment of Development Contributions or the provision of engineering services. The conditions of approval imposed should stipulate clearly which further approvals or clearances as may be required by the

1. The Planning Process

1.1 Institutional Arrangements / Roles and Responsibilities

The following management system has been put in place.

IDP MANAGER

The Council appointed the Municipal Manager as IDP Manager and would be tasked to manage the IDP and make sure that the IDP is implemented.

The IDP Manager would be responsible to ensure the:

- preparation of the Process Plan;
- day to day management of the planning process;
- chairing of the Steering Committee; and
- managing the consultants; and
- implementation of the IDP afterwards.

1.1.1 IDP STEERING COMMITTEE

The Steering Committee is a technical working team consisting of Departmental Heads and senior officials within the municipality. These individuals would be involved in preparing technical reports and info, formulation of recommendations and to prepare certain documents.

This committee would be chaired by the IDP Manager (Municipal Manager) and would also be responsible for the secretariat.

The following officials have been nominated:

- | | |
|------------------------------------|--|
| * IDP Manager | - Mr. M. Mogale (Municipal Manager) |
| * Corporate Service | - Mr. E. Mguye (Manager Corporate Services) |
| * Technical Services | - Mr. S. Marufu (Manager Technical Services) |
| | Ms. L. J. Van Wyk |
| | Mr. F. Human |
| * Tourism Officer | - Mr. M. Makenna (IDP Process Facilitator) |
| * Financial Services | - Chief Financial Officer |
| * Budget & Treasury Office Manager | - Manager: (Finance) |
| * Income Service Manager | - Mrs. X. Manzi (Manager: Finance) |

1.1.2 IDP REPRESENTATIVE FORUM

This forum guarantees public participation and a consultative approach during the IDP process. The nomination of role players should be such that all levels and interested groups in the society are representative. Proper participation and communication should be guaranteed.

The Mayor should chair this forum or any individual councillor appointed in writing and the secretariat performed by the IDP Steering Committee. The following councillors have been nominated on the forum:

- Clr D. Jonas
- Clr B. Mpamba
- Clr S. Madekane
- Clr P. Louw
- Clr E. De Bruin
- Clr A. Kywe
- Clr M. Humphreys

**THEMBELIHLE LOCAL MUNICIPALITY
APPOINTMENT OF TEMPORARY STAFF POLICY.**

PURPOSE

The purpose of the policy is to provide principles and methodology for the recruitment and selection of temporary employees taking into account that the operational needs for temporary employment differs from filling vacancies on a longer term/permanent on the approval organizational structure.

2. POLICY OBJECTIVES

The objectives of this policy are:

- 2.1 To ensure a fair process that ensures consistency in the recruitment and selection of temporary staff.
- 2.2 To recognize the operational requirements for the temporary employment contracts.
- 2.3 To ensure that unemployed low-skilled or semi-skilled members of the community have fair access to temporary employment as part of the municipality's contribution to job creation.
- 2.4 To ensure applicants are protected from both corruption and nepotism during the processes of accessing job opportunities.

3. POLICY STATEMENT

The temporary recruitment and selection policy is aimed at creating capacity to enhance effective and efficient service delivery.

The request for a temporary appointment must be motivated by the employer department in terms of operational needs.

Changes to Basic Conditions of Employment Act, 75 of 1997(as amended) may lead to changes of this policy and the policy must be revised after approval of the proposed bill.

4. SCOPE OF THE POLICY

This policy applies to all unemployed job seekers appointed in the municipality on a temporary basis for contracts of less than twelve (12) months and excludes employees from the extended public Work Programme, specific job creation projects , or any other Provincial or National government driven projects.

5. LEGISLATIVE FRAMEWORK

- 5.1 Amended system Act No 7 of 2011
- 5.2 Employment Equity Act 55 of 1998
- 5.3 Basic Conditions of employment Act No. 75 of 1997 (Updated 2008)

6. DEFINITIONS

- 6.1 HR- Human Resources Section
- 6.2 Nepotism- displaying favoritism close friends and family during the recruitment process.
- 6.3 The Municipality- Thembelihle Local Municipality as established in 5 December 2000
- 6.4 Suitably qualified- a person who has a combination of formal qualifications, prior learning, relevant experience or capacity to acquire, within a reasonable time, the ability to do the job.
- 6.5 Local Labour forum (LLF) – as defined in the SALGBC Main collective agreement.
- 6.6 Electronic data Base – electronic system containing personal information, qualifications, skills and experience of potential candidates for appointment on a temporary basis.

7. TEMPORARY RECRUITMENT AND SELECTION PROCESS

7.1 The Municipality shall establish a central electronic data base, of jobseekers that are eligible to perform work for the Municipality.

7.2 Eligible for inclusion on the data base shall be:

7.2.1 The person must be unemployed at the time of inclusion on the data base and when the opportunity becomes available;

7.2.2 The person must be a South African citizen;

7.2.3 The person must be a resident of the Thembelihle Local Municipal area

7.2.4 The person must be a legal employable age;

7.2.5 The person must be physically fit to work in relation to requirements of position;

7.2.6 Registration on the database is not a guarantee of employment;

7.2.7 People who applies for a position, has the minimum qualification, is unemployed and is not appointed may be included in the database. All candidates that were invited to interviews and not appointed, but are possible candidates for appointment may be put on the database.

7.2.8 The application forms can be obtained from the Human Resource Management section or downloaded from the website.

7.3 Selections from the data base for a position will be based on random electronic selection from a specific skill group. When selection is done in terms of item 7.7 below.

7.4 The department who request a temporary appointment must provide a written motivation indicating the operational reasons for the temporary appointment. The motivation must indicate the post on the organogram as well as the cost centre from which the appointment will be financed. The motivation must be signed by the relevant Executive manager of the directorate in which the appointment is requested and must be submitted to HR. HR must obtain the input from the Executive Manager: Corporate services before submitting it to the Municipal Manager for approval.

7.5 In circumstances where no post exists on the organogram, the Municipal Manager must approve the post(s) in writing and the period of the appointment.

7.6 **Temporary appointments for less than three (3) months** will be done by appointing the first person(s) selected from the database provided they meet the minimum requirements for appointment and are unemployed at that date.

7.7 **When making temporary appointments for than three (3)** a shortlist of at least three(3) qualifying candidates will be compiled and the candidates will be interviewed before appointing the preferred candidate(s).

7.7.1 The Human Resources section will contact the candidates selected by the department to enquire on their availability and invite them for a departmental interview.

7.7.2 A member of HR will oversee and keep record of the proceedings.

7.7.3 HR will inform the recommended candidate and offer him/her the temporary position and ensure that the necessary paperwork is completed after approval of appointment by the Municipal manager.

7.7.4 No person may start work without the written approval of the Municipal Manager and at least an appointment letter containing the terms and conditions of employment.

7.8 HR will rotate the names of the candidates that were already granted an opportunity to the bottom of the list when their term of contract has come to an end. Employees will not be granted a further contract after the termination of his/her contract, unless they have reached the top of the database list again. The Municipal Manager may approve the deviation from this principal on good cause shown.

7.8.1 In exceptional circumstances the department may motivate committee, for the renewal or extension of the temporary employment contract of a specific temporary employee.

7.8.2 A recommendation will be provided by the Executive Manager to the Municipal Manager for approval

7.9 No employee may make any changes to the order of the names on the list, other than the relevant recruitment clerk. Changes made illegally will be viewed as serious misconduct and the appropriate disciplinary action will be taken against such employees.

7.10 HR must report on a monthly basis to the LLF and the Corporate Services Portfolio Committee on the temporary appointments.

7.11 The chairperson of the Corporate Services Portfolio committee must be informed of all recruitment processes and may attend the interviews in person or assign a member of the portfolio committee to attend on his/her behalf. The councilor may not be involved in the process and will only play the role of an observer.

7.12 The trade unions must be informed of the recruitment process five(5) days prior to the interviews and a representative of each union may attend the process as an observer.

8. AUTHORIZATION

The Municipal Manager/assignee will authorize these appointments.

9. FREQUENCY OF PAYMENTS

Employees will be remunerated on a monthly basis after submission of attendance registers by line managers to the Finance department unless the appointment is not for a full month.

10. NEPOTISM

10.1 No municipal employee may show favoritism towards any applicant.

10.2 A representative/line manager/panel from the department that indicated a need for a temporary worker will sign a declaration form which declaration will confirm that they do not have any family members on the schedule to curb nepotism.

10.4 Members of the departments/panel must recuse themselves when there is a possibility of a conflict of interest.

11. TEMPORARY EMPLOYMENT CONTRACTS

All contracts for temporary employees will include a clause stating that there will be no expectation of permanent employment.

ANNEXURE C: TARIFFS

TARIEWE : BOEKJAAR 2016/2017																											
	2012/13 uit BTW	BTW	2013/14 inl BTW	2013/14 uit BTW	BTW	2014/15 inl BTW	% Inc rease	2014/15 uit BTW	BTW	2015/16 inl BTW	% Inc rease	2015/16 uit BTW	BTW	2016/17 inl BTW	% Inc rease	2016/17 uit BTW	BTW	2017/18 inl BTW	% Inc rease	2017/18 uit BTW	BTW	2018/19 inl BTW	% Inc rease	2018/19 uit BTW	BTW	2019/20 inl BTW	% Inc rease
BOUPLAN NE																											
Per M2	R 20.26	R 2.84	R 23.10	R 21.48	R 3.01	R 24.48	6.0 0%	R 22.76	R 3.19	R 25.95	6.0 0%	R 24.08	R 3.37	R 27.46	5.8 0%	R 25.67	R 3.59	R 29.27	6.6 0%	R 27.27	R 3.82	R 31.08	6.2 0%	R 28.87	R 4.04	R 32.92	5.9 0%
Minimum per aansoek	R 84.87	R 11.88	R 96.75	R 89.96	R 12.59	R 102.56	6.0 0%	R 95.36	R 13.35	R 108.71	6.0 0%	R 100.89	R 14.12	R 115.01	5.8 0%	R 107.55	R 15.06	R 122.60	6.6 0%	R 114.22	R 15.99	R 130.21	6.2 0%	R 120.95	R 16.93	R 137.89	5.9 0%
Ondergeskikte bouwerk &	R 84.87	R 11.88	R 96.75	R 89.96	R 12.59	R 102.56	6.0 0%	R 95.36	R 13.35	R 108.71	6.0 0%	R 100.89	R 14.12	R 115.01	5.8 0%	R 107.55	R 15.06	R 122.60	6.6 0%	R 114.22	R 15.99	R 130.21	6.2 0%	R 120.95	R 16.93	R 137.89	5.9 0%

afdakke																											
Deposito Bouromme I op sypaadjie				R 1,3 15. 79	R 18 4. 21	R 1,5 00. 00	10 0.0 0%	R 1,3 94. 74	R 19 5. 26	R 1,5 90. 00	6.0 0%	R 1,4 75. 63	R 20 6. 59	R 1,6 82. 22	5.8 0%	R 1,5 73. 02	R 22 0. 22	R 1,7 93. 25	6.6 0%	R 1,6 70. 55	R 23 3.8 8	R 1,9 04. 43	6.2 0%	R 1,7 69. 11	R 24 7.6 8	R 2,0 16. 79	5.9 0%
Bouromme I boetes per maand				R 17 5.4 4	R 24 .5 6	R 200 .00	10 0.0 0%	R 18 5.9 7	R 26 .0 4	R 212 .00	6.0 0%	R 19 6.7 5	R 27 .5 5	R 224 .30	5.8 0%	R 20 9.7 4	R 29 .3 6	R 239 .10	6.6 0%	R 22 2.7 4	R 31. 18	R 253 .93	6.2 0%	R 23 5.8 8	R 33. 02	R 268 .91	5.9 0%
FOTOSTAT E & FAKSE																											
A3	R 7.0 6	R 0. 99	R 8.05	R 7.4 8	R 1. 05	R 8.5 3	6.0 0%	R 7.9 3	R 1. 11	R 9.0 4	6.0 0%	R 8.7 3	R 1. 22	R 9.9 5	10. 00 %	R 9.3 0	R 1. 30	R 10. 60	6.6 0%	R 9.8 8	R 1.3 8	R 11. 26	6.2 0%	R 10. 46	R 1.4 6	R 11. 93	5.9 0%
A4	R 3.1 1	R 0. 44	R 3.55	R 3.3 0	R 0. 46	R 3.7 6	6.0 0%	R 3.5 0	R 0. 49	R 3.9 9	6.0 0%	R 3.8 5	R 0. 54	R 4.3 8	10. 00 %	R 4.1 0	R 0. 57	R 4.6 7	6.6 0%	R 4.3 5	R 0.6 1	R 4.9 6	6.2 0%	R 4.6 1	R 0.6 5	R 5.2 6	5.9 0%
Fakse ontvang	R 4.2	R 0.	R 4.85	R 4.5	R 0.	R 5.1	6.0 0%	R 4.7	R 0.	R 5.4	6.0 0%	R 5.2	R 0.	R 5.9	10. 00	R 5.6	R 0.	R 6.3	6.6 0%	R 5.9	R 0.8	R 6.7	6.2 0%	R 6.3	R 0.8	R 7.1	5.9 0%

per bladsy	5	60		1	63	4		8	67	4		5	74	9	%	0	78	8		5	3	8		0	8	8	
Fakse stuur - 1ste bladsy	R 7.5 4	R 1. 06	R 8.60	R 8.0 0	R 1. 12	R 9.1 2	6.0 0%	R 8.4 8	R 1. 19	R 9.6 6	6.0 0%	R 9.3 2	R 1. 31	R 10. 63	10. 00 %	R 9.9 4	R 1. 39	R 11. 33	6.6 0%	R 10. 56	R 1.4 8	R 12. 03	6.2 0%	R 11. 18	R 1.5 6	R 12. 74	5.9 0%
FINANSIËL E DIENSTE																											
Sonerings ertifikaat	R 54. 69	R 7. 66	R 62.3 5	R 57. 97	R 8. 12	R 66. 09	6.0 0%	R 61. 45	R 8. 60	R 70. 06	6.0 0%	R 65. 02	R 9. 10	R 74. 12	5.8 0%	R 69. 31	R 9. 70	R 79. 01	6.6 0%	R 73. 61	R 10. 30	R 83. 91	6.2 0%	R 77. 95	R 10. 91	R 88. 86	5.9 0%
Waardasie Sertifikaat	R 80. 18	R 11 .2 2	R 91.4 0	R 84. 99	R 11 .9 0	R 96. 88	6.0 0%	R 90. 08	R 12 .6 1	R 102 .70	6.0 0%	R 95. 31	R 13 .3 4	R 108 .65	5.8 0%	R 10 1.6 0	R 14 .2 2	R 115 .82	6.6 0%	R 10 7.9 0	R 15. 11	R 123 .01	6.2 0%	R 11 4.2 7	R 16. 00	R 130 .26	5.9 0%
Uitklaring Sertifikaat	R 80. 18	R 11 .2 2	R 91.4 0	R 84. 99	R 11 .9 0	R 96. 88	6.0 0%	R 90. 08	R 12 .6 1	R 102 .70	6.0 0%	R 95. 31	R 13 .3 4	R 108 .65	5.8 0%	R 10 1.6 0	R 14 .2 2	R 115 .82	6.6 0%	R 10 7.9 0	R 15. 11	R 123 .01	6.2 0%	R 11 4.2 7	R 16. 00	R 130 .26	5.9 0%
				R -																							
Naslaan fooië (jaar)	R 10	R 14	R 120.	R 11	R 15	R 127	6.0 0%	R 11	R 16	R 135	6.0 0%	R 12	R 17	R 143	5.8 0%	R 13	R 18	R 152	6.6 0%	R 14	R 19.	R 162	6.2 0%	R 15	R 21.	R 171	5.9 0%

	5.6 1	.7 9	40	1.9 5	.6 7	.62		8.6 7	.6 1	.28		5.5 5	.5 8	.13		3.8 4	.7 4	.57		2.1 3	90	.03		0.5 2	07	.59		
Naslaan fooie (maand)	R 27. 37	R 3. 83	R 31.2 0	R 29. 01	R 4. 06	R 33. 07	6.0 0%	R 30. 75	R 4. 31	R 35. 06	6.0 0%	R 32. 54	R 4. 56	R 37. 09	5.8 0%	R 34. 68	R 4. 86	R 39. 54	6.6 0%	R 36. 83	R 5.1 6	R 41. 99	6.2 0%	R 39. 01	R 5.4 6	R 44. 47	5.9 0%	
Tikwerk per bladsy	R 10. 83	R 1. 52	R 12.3 5	R 11. 48	R 1. 61	R 13. 09	6.0 0%	R 12. 17	R 1. 70	R 13. 87	6.0 0%	R 13. 39	R 1. 87	R 15. 26	10. 00 %	R 14. 27	R 2. 00	R 16. 27	6.6 0%	R 15. 15	R 2.1 2	R 17. 28	6.2 0%	R 16. 05	R 2.2 5	R 18. 29	5.9 0%	
BEGRAAFP LAAS																												
Sertifiseerd e uittreksel van begrafnis register	R 58. 51	R 8. 19	R 66.7 0	R 61. 73	R 8. 64	R 70. 37	5.5 0%	R 65. 43	R 9. 16	R 74. 59	6.0 0%	R 69. 23	R 9. 69	R 78. 92	5.8 0%	R 73. 80	R 10 .3 3	R 84. 13	6.6 0%	R 78. 37	R 10. 97	R 89. 34	6.2 0%	R 82. 99	R 11. 62	R 94. 61	5.9 0%	
Sertifikaat van reg van gebruik	R 58. 51	R 8. 19	R 66.7 0	R 61. 73	R 8. 64	R 70. 37	5.5 0%	R 65. 43	R 9. 16	R 74. 59	6.0 0%	R 69. 23	R 9. 69	R 78. 92	5.8 0%	R 73. 80	R 10 .3 3	R 84. 13	6.6 0%	R 78. 37	R 10. 97	R 89. 34	6.2 0%	R 82. 99	R 11. 62	R 94. 61	5.9 0%	
Inspeksie van	R 58. 51	R 8. 19	R 66.7 0	R 61. 73	R 8. 64	R 70. 37	5.5 0%	R 65. 43	R 9. 16	R 74. 59	6.0 0%	R 69. 23	R 9. 69	R 78. 92	5.8 0%	R 73. 80	R 10 .3 3	R 84. 13	6.6 0%	R 78. 37	R 10. 97	R 89. 34	6.2 0%	R 82. 99	R 11. 62	R 94. 61	5.9 0%	

begrafnis register	51	19	0	73	64	37		43	16	59		23	69	92		80	.33	13		37	97	34		99	62	61	
Reg om lyke op te grawe en herbegrawe	R 74 0.5 3	R 10 3. 67	R 844. 20	R 78 1.2 6	R 10 9. 38	R 890 .64	5.5 0%	R 82 8.1 3	R 11 5. 94	R 944 .07	6.0 0%	R 87 6.1 7	R 12 2. 66	R 998 .83	5.8 0%	R 93 3.9 9	R 13 0. 76	R 1,0 64. 75	6.6 0%	R 99 1.9 0	R 13 8.8 7	R 1,1 30. 77	6.2 0%	R 1,0 50. 42	R 14 7.0 6	R 1,1 97. 48	5.9 0%
Grawe van enkel graf deur munisipale werkers	R 34 8.9 0	R 48 .8 5	R 397. 75	R 36 8.0 9	R 51 .5 3	R 419 .63	5.5 0%	R 39 0.1 8	R 54 .6 3	R 444 .80	6.0 0%	R 41 2.8 1	R 57 .7 9	R 470 .60	5.8 0%	R 44 0.0 5	R 61 .6 1	R 501 .66	6.6 0%	R 46 7.3 4	R 65. 43	R 532 .77	6.2 0%	R 49 4.9 1	R 69. 29	R 564 .20	5.9 0%
Grawe van dubbel graf deur munisipale werkers	R 48 9.4 3	R 68 .5 2	R 557. 95	R 51 6.3 5	R 72 .2 9	R 588 .64	5.5 0%	R 54 7.3 3	R 76 .6 3	R 623 .96	6.0 0%	R 57 9.0 7	R 81 .0 7	R 660 .15	5.8 0%	R 61 7.2 9	R 86 .4 2	R 703 .71	6.6 0%	R 65 5.5 7	R 91. 78	R 747 .35	6.2 0%	R 69 4.2 4	R 97. 19	R 791 .44	5.9 0%
Graf self grawe Enkel graf	R 45. 26	R 6. 34	R 51.6 0	R 47. 75	R 6. 69	R 54. 44	5.5 0%	R 50. 62	R 7. 09	R 57. 70	6.0 0%	R 53. 55	R 7. 50	R 61. 05	5.8 0%	R 57. 09	R 7. 99	R 65. 08	6.6 0%	R 60. 63	R 8.4 9	R 69. 12	6.2 0%	R 64. 20	R 8.9 9	R 73. 19	5.9 0%
Graf self grawe Dubbel graf	R 90. 53	R 12 .6 7	R 103. 20	R 95. 51	R 13 .3 7	R 108 .88	5.5 0%	R 10 1.2 4	R 14 .1 7	R 115 .41	6.0 0%	R 10 7.1 1	R 15 .0 0	R 122 .10	5.8 0%	R 11 4.1 8	R 15 .9 8	R 130 .16	6.6 0%	R 12 1.2 6	R 16. 98	R 138 .23	6.2 0%	R 12 8.4 1	R 17. 98	R 146 .39	5.9 0%

Koop van enkel graf	R 45. 26	R 6. 34	R 51.6 0	R 47. 75	R 6. 69	R 54. 44	5.5 0%	R 50. 62	R 7. 09	R 57. 70	6.0 0%	R 53. 55	R 7. 50	R 61. 05	5.8 0%	R 57. 09	R 7. 99	R 65. 08	6.6 0%	R 60. 63	R 8.4 9	R 69. 12	6.2 0%	R 64. 20	R 8.9 9	R 73. 19	5.9 0%	
Koop van dubbel graf	R 90. 53	R 12 .6 7	R 103. 20	R 95. 51	R 13 .3 7	R 108 .88	5.5 0%	R 10 1.2 4	R 14 .1 7	R 115 .41	6.0 0%	R 10 7.1 1	R 15 .0 0	R 122 .10	5.8 0%	R 11 4.1 8	R 15 .9 8	R 130 .16	6.6 0%	R 12 1.2 6	R 16. 98	R 138 .23	6.2 0%	R 12 8.4 1	R 17. 98	R 146 .39	5.9 0%	
(Voorsiening word vir behoeftige persone gemaak)																												
BIBLIOTEEK																												
Boetes: Laat indien per boek per week / gedeelte van week	R 3.2 5	N A	R 3.25	R 3.4 3	N A	R 3.4 3	5.5 0%	R 3.6 3		R 3.6 3	6.0 0%	R 3.8 5		R 3.8 5	5.8 0%	R 4.1 0	R 0. 57	R 4.6 7	6.6 0%	R 4.3 5	R 0.6 1	R 4.9 6	6.2 0%	R 4.6 1	R 0.6 5	R 5.2 6	5.9 0%	
Verlore			Boe																									

Boeke			kwa arde + 20%																								
EIENDOMS BELASTING																											
Dorps gebied	R 0.0 1	N A	R 0.01 310	R 0.0 13 82	N A	R 0.0 138 2	5.5 0%	R 0.0 14 65		R 0.0 146 5	6.0 0%	R 0.0 09 5		R 0.0 095	- 35. 17 %	R 0.0 10 1		R 0.0 101	6.6 0%	R 0.0 10 8	0	0.0 108	6.2 0%	R 0.0 11 4	0	0.0 114	5.9 0%
Plase	R 0.0 0	N A	R 0.00 049	R 0.0 00 52	N A	R 0.0 005 2	5.5 0%	R 0.0 00 55		R 0.0 005 5	6.0 0%	R 0.0 00 4		R 0.0 004	- 27. 21 %	R 0.0 00 42 6		R 0.0 004 26	6.6 0%	R 0.0 00 45 3	0	0.0 004 53	6.2 0%	R 0.0 00 48 0	0	0.0 004 80	5.9 0%
Staat	R 0.0 2	N A	R 0.02 092	R 0.0 00 17	N A	R 0.0 00 221 7	6.0 0%	R 0.0 00 23 72		R 0.0 00 237 2	7.0 0%	R 0.0 00 12		R 0.0 00 12	- 49. 42 %	R 0.0 00 12 96		R 0.0 00 129 6	8.0 0%	R 0.0 00 14 00	0	0.0 00 140 0	8.0 0%	R 0.0 00 14 98	0	0.0 00 149 8	7.0 0%
Besighede	R 0.0 1	N A	R 0.01 362	R 0.0 00 14	N A	R 0.0 00 143	5.5 0%	R 0.0 00 15		R 0.0 00 152	6.0 0%	R 0.0 00 08		R 0.0 00 087	- 42. 90 %	R 0.0 00 09		R 0.0 00 093	6.6 0%	R 0.0 00 09	0	0.0 098	6.2 0%	R 0.0 00 10	0	0.0 104	5.9 0%

				37		7		24		4		7			%	3				8				4					
KARAVAA NPARK																													
Karavaan per dag																													
Tent per dag																													
SPORT- TERREINE/ KOMPLEKS E																													
Sport Veld: Plaaslik (Dagtarief- einde voor5pm)	R 28 2.8 9	R 39 .6 1	R 322. 50	R 29 9.8 7	R 41 .9 8	R 341 .85	6.0 0%	R 31 7.8 6	R 44 .5 0	R 362 .36	6.0 0%	R 33 6.3 0	R 47 .0 8	R 383 .38	5.8 0%	R 35 8.4 9	R 50 .1 9	R 408 .68	6.6 0%	R 38 0.7 2	R 53. 30	R 434 .02	6.2 0%	R 40 3.1 8	R 56. 45	R 459 .63	5.9 0%		
Sport Veld: Nie- Plaaslik	R 39 6.0	R 55 .4	R 451.	R 41 9.8	R 58 .7	R 478	6.0 0%	R 44 5.0	R 62 .3	R 507	6.0 0%	R 47 0.8	R 65 .9	R 536	5.8 0%	R 50 1.8	R 70 .2	R 572	6.6 0%	R 53 3.0	R 74. 607	R 607	6.2 0%	R 56 4.4	R 79. 643	R 643	5.9 0%		

(Dagtarief- einde voor5pm)	5	5	50	2	7	.59		0	0	.31		2	1	.73		9	6	.15		1	62	.63		5	02	.48		
Sport Veld: Skole	R 14 1.4 5	R 19 .8 0	R 161. 25	R 14 9.9 3	R 20 .9 9	R 170 .93	6.0 0%	R 15 8.9 3	R 22 .2 5	R 181 .18	6.0 0%	R 16 8.1 5	R 23 .5 4	R 191 .69	5.8 0%	R 17 9.2 5	R 25 .0 9	R 204 .34	6.6 0%	R 19 0.3 6	R 26. 65	R 217 .01	6.2 0%	R 20 1.5 9	R 28. 22	R 229 .81	5.9 0%	
Sport Veld (Nagtarief- einde na 5pm)	R 75. 44	R 10 .5 6	R 86.0 0	R 79. 96	R 11 .2 0	R 91. 16	6.0 0%	R 84. 76	R 11 .8 7	R 96. 63	6.0 0%	R 89. 68	R 12 .5 6	R 102 .23	5.8 0%	R 95. 60	R 13 .3 8	R 108 .98	6.6 0%	R 10 1.5 2	R 14. 21	R 115 .74	6.2 0%	R 10 7.5 1	R 15. 05	R 122 .57	5.9 0%	
KlubHuis	R 28 2.8 9	R 39 .6 1	R 322. 50	R 29 9.8 7	R 41 .9 8	R 341 .85	6.0 0%	R 31 7.8 6	R 44 .5 0	R 362 .36	6.0 0%	R 33 6.3 0	R 47 .0 8	R 383 .38	5.8 0%	R 35 8.4 9	R 50 .1 9	R 408 .68	6.6 0%	R 38 0.7 2	R 53. 30	R 434 .02	6.2 0%	R 40 3.1 8	R 56. 45	R 459 .63	5.9 0%	
Deposito (albei geriewe)	R 53 7.5 0	N A	R 537. 50	R 56 9.7 5	N A	R 569 .75	6.0 0%	R 60 3.9 4	R 84 .5 5	R 688 .49	6.0 0%	R 63 8.9 6	R 89 .4 5	R 728 .42	5.8 0%	R 68 1.1 3	R 95 .3 6	R 776 .49	6.6 0%	R 72 3.3 7	R 10 1.2 7	R 824 .64	6.2 0%	R 76 6.0 4	R 10 7.2 5	R 873 .29	5.9 0%	
TOEGEVOE GDE WAARDE																												

DIENSTE																															
Straat Handel/ Street Trading																															
Jaarlikse Lisensies	R 81 6.6 2	R 11 4. 33	R 930. 95	R 86 5.6 2	R 12 1. 19	R 986 .81	6.0 0%	R 91 2.3 6	R 12 7. 73	R 1,0 40. 09	5.4 0%	R 96 7.1 1	R 13 5. 39	R 1,1 02. 50	6.0 0%	R 1,0 30. 93	R 14 4. 33	R 1,1 75. 27	6.6 0%	R 1,0 94. 85	R 15 3.2 8	R 1,2 48. 13	6.2 0%	R 1,1 59. 45	R 16 2.3 2	R 1,3 21. 77	5.9 0%				
jaarlikse hernuwing van Lisensies	R 28 2.8 9	R 39 .6 1	R 322. 50	R 29 9.8 7	R 41 .9 8	R 341 .85	6.0 0%																								
Dag - Lisensies(Nie plaaslik)	R 25 9.3 4	R 36 .3 1	R 295. 65	R 27 4.9 0	R 38 .4 9	R 313 .39	6.0 0%	R 28 9.7 5	R 40 .5 6	R 330 .31	5.4 0%	R 30 7.1 3	R 43 .0 0	R 350 .13	6.0 0%	R 32 7.4 0	R 45 .8 4	R 373 .24	6.6 0%	R 34 7.7 0	R 48. 68	R 396 .38	6.2 0%	R 36 8.2 1	R 51. 55	R 419 .76	5.9 0%				
"Tuck shop" Lisensies:																															
Nuwe Lisensies (	R 28	R 39	R 322.	R 29	R 41	R 341	6.0																							

Inwoners)	2.8 9	.6 1	50	9.8 7	.9 8	.85	0%																				
jaarlikse hernuwing van Lisensies	R 14 1.4 5	R 19 .8 0	R 161. 25	R 14 9.9 3	R 20 .9 9	R 170 .93	6.0 0%	R 1,2 00.	R 16 8. 00	R 1,3 68. 00	70 0.3 5%	R 1,2 69. 60	R 17 7. 74	R 1,4 47. 34	5.8 0%	R 1,3 53. 39	R 18 9. 48	R 1,5 42. 87	6.6 0%	R 1,4 37. 30	R 20 1.2 2	R 1,6 38. 53	6.2 0%	R 1,5 22. 10	R 21 3.0 9	R 1,7 35. 20	5.9 0%
Nuwe Lisensies (Nie plaaslik)	R 84 8.6 8	R 11 8. 82	R 967. 50	R 89 9.6 1	R 12 5. 94	R 1,0 25. 55	6.0 0%																				
Jaarlikse hernuwing van Lisensies (Nie plaaslik)	R 28 2.8 9	R 39 .6 1	R 322. 50	R 29 9.8 7	R 41 .9 8	R 341 .85	6.0 0%	R 1,2 00.	R 16 8. 00	R 1,3 68. 00	30 0.1 8%	R 1,2 69. 60	R 17 7. 74	R 1,4 47. 34	5.8 0%	R 1,3 53. 39	R 18 9. 48	R 1,5 42. 87	6.6 0%	R 1,4 37. 30	R 20 1.2 2	R 1,6 38. 53	6.2 0%	R 1,5 22. 10	R 21 3.0 9	R 1,7 35. 20	5.9 0%
MUNICIPAL BUILDING																											
Gemeensk apsaal:	R 52 1.4	N A	R 521. 40	R 55 2.6	N A	R 552 .68	6.0 0%	R 58 5.8	R 82 .0	R 667 .86	6.0 0%	R 61 9.8	R 86 .7	R 706 .60	5.8 0%	R 66 0.7	R 92 .5	R 753 .23	6.6 0%	R 70 1.7	R 98. 24	R 799 .94	6.2 0%	R 74 3.1	R 10 4.0	R 847 .13	5.9 0%

Deposito	0			8				5	2			2	8			3	0			0				0	3		
Huwelike/ Danse	R 66 0.0 9	R 92 .4 1	R 752. 50	R 69 9.6 9	R 97 .9 6	R 797 .65	6.0 0%	R 74 1.6 7	R 10 3. 83	R 845 .51	6.0 0%	R 78 4.6 9	R 10 9. 86	R 894 .55	5.8 0%	R 83 6.4 8	R 11 7. 11	R 953 .59	6.6 0%	R 88 8.3 4	R 12 4.3 7	R 1,0 12. 71	6.2 0%	R 94 0.7 6	R 13 1.7 1	R 1,0 72. 46	5.9 0%
Onthale/Sp ort	R 41 4.9 1	R 58 .0 9	R 473. 00	R 43 9.8 1	R 61 .5 7	R 501 .38	6.0 0%	R 46 6.2 0	R 65 .2 7	R 531 .46	6.0 0%	R 49 3.2 3	R 69 .0 5	R 562 .29	5.8 0%	R 52 5.7 9	R 73 .6 1	R 599 .40	6.6 0%	R 55 8.3 9	R 78. 17	R 636 .56	6.2 0%	R 59 1.3 3	R 82. 79	R 674 .12	5.9 0%
Konferensi & Vergaderin gs per dag								R 34 0.0 0	R 47 .6 0	R 387 .60	10 0.0 0%	R 35 9.7 2	R 50 .3 6	R 410 .08	5.8 0%	R 38 3.4 6	R 53 .6 8	R 437 .15	6.6 0%	R 40 7.2 4	R 57. 01	R 464 .25	6.2 0%	R 43 1.2 6	R 60. 38	R 491 .64	5.9 0%
Kerkdiens/ Sang aand/Begr afnis	R 37 2.5 0	R 52 .1 5	R 424. 65	R 39 4.8 5	R 55 .2 8	R 450 .13	6.0 0%	R 41 8.5 4	R 58 .6 0	R 477 .14	6.0 0%	R 44 2.8 2	R 61 .9 9	R 504 .81	5.8 0%	R 47 2.0 4	R 66 .0 9	R 538 .13	6.6 0%	R 50 1.3 1	R 70. 18	R 571 .49	6.2 0%	R 53 0.8 9	R 74. 32	R 605 .21	5.9 0%
Kultuur	R 42 4.3 4	R 59 .4 1	R 483. 75	R 44 9.8 0	R 62 .9 7	R 512 .78	6.0 0%	R 47 6.7 9	R 66 .7 5	R 543 .54	6.0 0%	R 50 4.4 4	R 70 .6 2	R 575 .07	5.8 0%	R 53 7.7 4	R 75 .2 8	R 613 .02	6.6 0%	R 57 1.0 8	R 79. 95	R 651 .03	6.2 0%	R 60 4.7 7	R 84. 67	R 689 .44	5.9 0%
Skole	R 33	R 47	R 384.	R 35	R 50	R 407	6.0	R 37	R 53	R 431	6.0	R 40	R 56	R 456	5.8	R 42	R 59	R 487	6.6	R 45	R 63.	R 517	6.2	R 48	R 67.	R 547	5.9

Funksies	7.15	.20	35	7.38	.03	.41	0%	8.82	.04	.86	0%	0.79	.11	.90	0%	7.25	.81	.06	0%	3.74	52	.26	0%	0.51	27	.78	0%	
Raadsaal: Deposito	R 21 5.00	R N A	R 215. 00	R 22 7.90	R N A	R 227 .90	6.0 0%	R 24 1.57	R 33 .82	R 275 .39	6.0 0%	R 25 5.59	R 35 .78	R 291 .37	5.8 0%	R 27 2.45	R 38 .14	R 310 .60	6.6 0%	R 28 9.35	R 40. 51	R 329 .85	6.2 0%	R 30 6.42	R 42. 90	R 349 .32	5.9 0%	
Konferensies & Vergaderings per dag	R 47 1.49	R R .01	R 537. 50	R 49 9.78	R R .97	R 569 .75	6.0 0%	R 52 9.77	R 74 .17	R 603 .94	6.0 0%	R 56 0.49	R 78 .47	R 638 .96	5.8 0%	R 59 7.49	R 83 .65	R 681 .13	6.6 0%	R 63 4.53	R 88. 83	R 723 .37	6.2 0%	R 67 1.97	R 94. 08	R 766 .04	5.9 0%	
Biblioteeksaal HPT: Deposito	R 53 7.50	R N A	R 537. 50	R 56 9.75	R N A	R 569 .75	6.0 0%	R 60 3.94	R 84 .55	R 688 .49	6.0 0%	R 63 8.96	R 89 .45	R 728 .42	5.8 0%	R 68 1.13	R 95 .36	R 776 .49	6.6 0%	R 72 3.37	R 10 1.27	R 824 .64	6.2 0%	R 76 6.04	R 10 7.25	R 873 .29	5.9 0%	
Alle Onthale	R 66 0.09	R R .41	R 752. 50	R 69 9.69	R R .96	R 797 .65	6.0 0%	R 74 1.67	R 10 3.83	R 845 .51	6.0 0%	R 78 4.69	R 10 9.86	R 894 .55	5.8 0%	R 83 6.48	R 11 7.11	R 953 .59	6.6 0%	R 88 8.34	R 12 4.37	R 1,0 12.71	6.2 0%	R 94 0.76	R 13 1.71	R 1,0 72.46	5.9 0%	
Dienste/Vergaderings	R 39 1.36	R R .79	R 446. 15	R 41 4.84	R R .08	R 472 .92	6.0 0%	R 43 9.73	R 61 .56	R 501 .29	6.0 0%	R 46 5.24	R 65 .13	R 530 .37	5.8 0%	R 49 5.94	R 69 .43	R 565 .37	6.6 0%	R 52 6.69	R 73. 74	R 600 .43	6.2 0%	R 55 7.77	R 78. 09	R 635 .85	5.9 0%	

Huur van kombuise (alle geleenthed e)	R 33 4.7 8	R 46 .8 7	R 381. 65	R 35 4.8 7	R 49 .6 8	R 404 .55	6.0 0%	R 37 6.1 6	R 52 .6 6	R 428 .82	6.0 0%	R 39 7.9 8	R 55 .7 2	R 453 .69	5.8 0%	R 42 4.2 4	R 59 .3 9	R 483 .64	6.6 0%	R 45 0.5 5	R 63. 08	R 513 .62	6.2 0%	R 47 7.1 3	R 66. 80	R 543 .93	5.9 0%
Huur van Raad Klanktoerusting per dag	R 2,6 40. 35	R 36 9. 65	R 3,01 0.00	R 2,7 98. 77	R 39 1. 83	R 3,1 90. 60	6.0 0%	R 2,9 66. 70	R 41 5. 34	R 3,3 82. 04	6.0 0%	R 3,1 38. 77	R 43 9. 43	R 3,5 78. 19	5.8 0%	R 3,3 45. 93	R 46 8. 43	R 3,8 14. 35	6.6 0%	R 3,5 53. 37	R 49 7.4 7	R 4,0 50. 84	6.2 0%	R 3,7 63. 02	R 52 6.8 2	R 4,2 89. 84	5.9 0%
Stoele	R 6.8 0	R 0. 95	R 7.75	R 7.2 1	R 1. 01	R 8.2 2	6.0 0%	R 7.6 4	R 1. 07	R 8.7 1	6.0 0%	R 8.0 8	R 1. 13	R 9.2 2	5.8 0%	R 8.6 2	R 1. 21	R 9.8 2	6.6 0%	R 9.1 5	R 1.2 8	R 10. 43	6.2 0%	R 9.6 9	R 1.3 6	R 11. 05	5.9 0%
Stoele nie beskuldig terugbetaling	R 3.9 9	R 0. 56	R 4.55	R 4.2 3	R 0. 59	R 4.8 2	6.0 0%	R 4.4 8	R 0. 63	R 5.1 1	6.0 0%	R 4.7 4	R 0. 66	R 5.4 1	5.8 0%	R 5.0 6	R 0. 71	R 5.7 6	6.6 0%	R 5.3 7	R 0.7 5	R 6.1 2	6.2 0%	R 5.6 9	R 0.8 0	R 6.4 8	5.9 0%
GEEN STOELE WORD UIT DIE GEBOU VERWYDE																											

R NIE																											
ADVERTISING BOARD & POSTERS																											
Deposito	R 30 0.0 0	N A	R 300. 00	R 30 0.0 0	N A	R 300 .00	0.0 0%	R 30 0.0 0		R 300 .00	0.0 0%	R 33 0.0 0		R 330 .00	10. 00 %	R 35 1.7 8	R 49 .2 5	R 401 .03	6.6 0%	R 37 3.5 9	R 52. 30	R 425 .89	6.2 0%	R 39 5.6 3	R 55. 39	R 451 .02	5.9 0%
Adverterin g per maand	R 30 0.0 0	N A	R 300. 00	R 30 0.0 0	N A	R 300 .00	0.0 0%	R 30 0.0 0		R 300 .00	0.0 0%	R 33 0.0 0		R 330 .00	10. 00 %	R 35 1.7 8	R 49 .2 5	R 401 .03	6.6 0%	R 37 3.5 9	R 52. 30	R 425 .89	6.2 0%	R 39 5.6 3	R 55. 39	R 451 .02	5.9 0%
Politiese Partye (Verkie- sing)	R 70 0.0 0	N A	R 700. 00	R 70 0.0 0	N A	R 700 .00	0.0 0%	R 70 0.0 0		R 700 .00	0.0 0%	R 77 0.0 0		R 770 .00	10. 00 %	R 82 0.8 2	R 11 4. 91	R 935 .73	6.6 0%	R 87 1.7 1	R 12 2.0 4	R 993 .75	6.2 0%	R 92 3.1 4	R 12 9.2 4	R 1,0 52. 38	5.9 0%
Boete Plakkate sonder toestemmi ng	R 70 0.0 0	N A	R 700. 00	R 70 0.0 0	N A	R 700 .00	0.0 0%	R 70 0.0 0		R 700 .00	0.0 0%	R 77 0.0 0		R 770 .00	10. 00 %	R 82 0.8 2	R 11 4. 91	R 935 .73	6.6 0%	R 87 1.7 1	R 12 2.0 4	R 993 .75	6.2 0%	R 92 3.1 4	R 12 9.2 4	R 1,0 52. 38	5.9 0%

Plakkate moet verwyder word binne 14 dae na verstryking van funksie																											
ADVERTEN SIEBORDE																											
Permanent (Gastehuse/Besighede/Hotels.)	R 30 0.0 0	N A	R 300. 00	R 30 0.0 0	N A	R 300 .00	0.0 0%	R 31 8.0 0	R 44 .5 2	R 362 .52	6.0 0%	R 33 6.4 4	R 47 .1 0	R 383 .55	5.8 0%	R 35 8.6 5	R 50 .2 1	R 408 .86	6.6 0%	R 38 0.8 9	R 53. 32	R 434 .21	6.2 0%	R 40 3.3 6	R 56. 47	R 459 .83	5.9 0%
Tydelik (Funksies/Veilings ens.) Per Dag Tarief	R 70. 00	N A	R 70.0 0	R 70. 00	N A	R 70. 00	0.0 0%	R 74. 20	R 10 .3 9	R 84. 59	6.0 0%	R 78. 50	R 10 .9 9	R 89. 49	5.8 0%	R 83. 68	R 11 .7 2	R 95. 40	6.6 0%	R 88. 87	R 12. 44	R 101 .32	6.2 0%	R 94. 12	R 13. 18	R 107 .29	5.9 0%

Spesiale Geleentheid (Verkiesingsplakkate, ens.)	R 70 0.0 0	N A	R 700. 00	R 70 0.0 0	N A	R 700 .00	0.0 0%	R 74 2.0 0	R 10 3. 88	R 845 .88	6.0 0%	R 78 5.0 4	R 10 9. 91	R 894 .94	5.8 0%	R 83 6.8 5	R 11 7. 16	R 954 .01	6.6 0%	R 88 8.7 3	R 12 4.4 2	R 1,0 13. 16	6.2 0%	R 94 1.1 7	R 13 1.7 6	R 1,0 72. 93	5.9 0%	
BRANDWE ERDIENSTE																												
Brandblusser	R 52 4.3 0	R 73 .4 0	R 597. 70	R 55 5.7 6	R 77 .8 1	R 633 .56	6.0 0%	R 58 9.1 0	R 82 .4 7	R 671 .58	6.0 0%	R 62 3.2 7	R 87 .2 6	R 710 .53	5.8 0%	R 66 4.4 1	R 93 .0 2	R 757 .42	6.6 0%	R 70 5.6 0	R 98. 78	R 804 .38	6.2 0%	R 74 7.2 3	R 10 4.6 1	R 851 .84	5.9 0%	
Arbeid per uur	R 34 8.9 0	R 48 .8 5	R 397. 75	R 34 8.9 0	R 48 .8 5	R 397 .75	0.0 0%	R 36 9.8 4	R 51 .7 8	R 421 .62	6.0 0%	R 39 1.2 9	R 54 .7 8	R 446 .07	5.8 0%	R 41 7.1 1	R 58 .4 0	R 475 .51	6.6 0%	R 44 2.9 7	R 62. 02	R 504 .99	6.2 0%	R 46 9.1 1	R 65. 68	R 534 .79	5.9 0%	
Trok per km dorpsarea	R 5.2 2	R 0. 73	R 5.95	R 5.5 3	R 0. 77	R 6.3 1	6.0 0%	R 5.8 7	R 0. 82	R 6.6 9	6.0 0%	R 6.7 4	R 0. 94	R 7.6 9	15. 00 %	R 7.1 9	R 1. 01	R 8.2 0	6.6 0%	R 7.6 4	R 1.0 7	R 8.7 0	6.2 0%	R 8.0 9	R 1.1 3	R 9.2 2	5.9 0%	
Trok per km buite dorpsgebied	R 11. 05	R 1. 55	R 12.6 0	R 11. 71	R 1. 64	R 13. 35	6.0 0%	R 12. 42	R 1. 74	R 14. 15	6.0 0%	R 14. 28	R 2. 00	R 16. 28	15. 00 %	R 15. 22	R 2. 13	R 17. 35	6.6 0%	R 16. 16	R 2.2 6	R 18. 43	6.2 0%	R 17. 12	R 2.4 0	R 19. 51	5.9 0%	

d																											
VOERTUIG PER UUR OF GEDEELTE DAARVAN																											
Laaigraaf	R 75 4.3 9	R 10 5. 61	R 860. 00	R 79 9.6 5	R 11 1. 95	R 911 .60	6.0 0%	R 84 7.6 3	R 11 8. 67	R 966 .30	6.0 0%	R 93 2.3 9	R 13 0. 53	R 1,0 62. 93	10. 00 %	R 99 3.9 3	R 13 9. 15	R 1,1 33. 08	6.6 0%	R 1,0 55. 55	R 14 7.7 8	R 1,2 03. 33	6.2 0%	R 1,1 17. 83	R 15 6.5 0	R 1,2 74. 33	5.9 0%
Slootgrawe r	R 75 4.3 9	R 10 5. 61	R 860. 00	R 79 9.6 5	R 11 1. 95	R 911 .60	6.0 0%	R 84 7.6 3	R 11 8. 67	R 966 .30	6.0 0%	R 93 2.3 9	R 13 0. 53	R 1,0 62. 93	10. 00 %	R 99 3.9 3	R 13 9. 15	R 1,1 33. 08	6.6 0%	R 1,0 55. 55	R 14 7.7 8	R 1,2 03. 33	6.2 0%	R 1,1 17. 83	R 15 6.5 0	R 1,2 74. 33	5.9 0%
Padskraper	R 75 4.3 9	R 10 5. 61	R 860. 00	R 79 9.6 5	R 11 1. 95	R 911 .60	6.0 0%	R 84 7.6 3	R 11 8. 67	R 966 .30	6.0 0%	R 93 2.3 9	R 13 0. 53	R 1,0 62. 93	10. 00 %	R 99 3.9 3	R 13 9. 15	R 1,1 33. 08	6.6 0%	R 1,0 55. 55	R 14 7.7 8	R 1,2 03. 33	6.2 0%	R 1,1 17. 83	R 15 6.5 0	R 1,2 74. 33	5.9 0%
Wipbak Trok 6m3	R 56 5.7 9	R 79 .2 1	R 645. 00	R 59 9.7 4	R 83 .9 6	R 683 .70	6.0 0%	R 63 5.7 2	R 89 .0 0	R 724 .72	6.0 0%	R 69 9.2 9	R 97 .9 0	R 797 .19	10. 00 %	R 74 5.4 5	R 10 4. 36	R 849 .81	6.6 0%	R 79 1.6 6	R 11 0.8 3	R 902 .50	6.2 0%	R 83 8.3 7	R 11 7.3 7	R 955 .74	5.9 0%

Trekker met sleepwa	R 47 1.4 9	R 66 .0 1	R 537. 50	R 49 9.7 8	R 69 .9 7	R 569 .75	6.0 0%	R 52 9.7 7	R 74 .1 7	R 603 .94	6.0 0%	R 58 2.7 4	R 81 .5 8	R 664 .33	10. 00 %	R 62 1.2 1	R 86 .9 7	R 708 .17	6.6 0%	R 65 9.7 2	R 92. 36	R 752 .08	6.2 0%	R 69 8.6 4	R 97. 81	R 796 .45	5.9 0%		
Vibreer Roller Groot	R 56 5.7 9	R 79 .2 1	R 645. 00	R 59 9.7 4	R 83 .9 6	R 683 .70	6.0 0%	R 63 5.7 2	R 89 .0 0	R 724 .72	6.0 0%	R 69 9.2 9	R 97 .9 0	R 797 .19	10. 00 %	R 74 5.4 5	R 10 4. 36	R 849 .81	6.6 0%	R 79 1.6 6	R 11 0.8 3	R 902 .50	6.2 0%	R 83 8.3 7	R 11 7.3 7	R 955 .74	5.9 0%		
Trekker met grassnyer/bossiekapper	R 37 7.1 9	R 52 .8 1	R 430. 00	R 39 9.8 2	R 55 .9 8	R 455 .80	6.0 0%	R 42 3.8 1	R 59 .3 3	R 483 .15	6.0 0%	R 46 6.2 0	R 65 .2 7	R 531 .46	10. 00 %	R 49 6.9 6	R 69 .5 8	R 566 .54	6.6 0%	R 52 7.7 8	R 73. 89	R 601 .66	6.2 0%	R 55 8.9 1	R 78. 25	R 637 .16	5.9 0%		
Geen ander toerusting word uitgehuur nie																													
REFUSE																													
Household	R 48.	R 6.	R 55.1	R 51.	R 7.	R 58.	6.0	R 54.	R 7.	R 61.	6.0	R 57.	R 8.	R 65.	5.8	R 61.	R 8.	R 69.	6.6	R 65.	R 9.1	R 74.	6.2	R 68.	R 9.6	R 78.	5.9		

s - Residential	38	77	5	28	18	46	0%	35	61	96	0%	51	05	56	0%	30	58	88	0%	10	1	22	0%	94	5	60	0%
- Business	R 96. 75	R 13 .5 5	R 110. 30	R 10 2.5 6	R 14 .3 6	R 116 .91	6.0 0%	R 10 8.7 1	R 15 .2 2	R 123 .93	6.0 0%	R 11 5.0 1	R 16 .1 0	R 131 .12	5.8 0%	R 12 2.6 0	R 17 .1 6	R 139 .77	6.6 0%	R 13 0.2 1	R 18. 23	R 148 .43	6.2 0%	R 13 7.8 9	R 19. 30	R 157 .19	5.9 0%
- State/Bank	R 11 4.2 1	R 15 .9 9	R 130. 20	R 12 1.0 6	R 16 .9 5	R 138 .01	6.0 0%	R 12 8.3 3	R 17 .9 7	R 146 .29	6.0 0%	R 13 5.7 7	R 19 .0 1	R 154 .78	5.8 0%	R 14 4.7 3	R 20 .2 6	R 164 .99	6.6 0%	R 15 3.7 0	R 21. 52	R 175 .22	6.2 0%	R 16 2.7 7	R 22. 79	R 185 .56	5.9 0%
- School/Hotel	R 82. 85	R 11 .6 0	R 94.4 5	R 87. 82	R 12 .2 9	R 100 .12	6.0 0%	R 93. 09	R 13 .0 3	R 106 .12	6.0 0%	R 98. 49	R 13 .7 9	R 112 .28	5.8 0%	R 10 4.9 9	R 14 .7 0	R 119 .69	6.6 0%	R 11 1.5 0	R 15. 61	R 127 .11	6.2 0%	R 11 8.0 8	R 16. 53	R 134 .61	5.9 0%
- Old Age Home	R 57. 81	R 8. 09	R 65.9 0	R 61. 28	R 8. 58	R 69. 86	6.0 0%	R 64. 96	R 9. 09	R 74. 05	6.0 0%	R 68. 72	R 9. 62	R 78. 34	5.8 0%	R 73. 26	R 10 .2 6	R 83. 51	6.6 0%	R 77. 80	R 10. 89	R 88. 69	6.2 0%	R 82. 39	R 11. 53	R 93. 93	5.9 0%
- Garden Refuse	R 16. 05	R 2. 25	R 18.3 0	R 17. 01	R 2. 38	R 19. 39	6.0 0%	R 18. 03	R 2. 52	R 20. 56	6.0 0%	R 19. 08	R 2. 67	R 21. 75	5.8 0%	R 20. 34	R 2. 85	R 23. 19	6.6 0%	R 21. 60	R 3.0 2	R 24. 62	6.2 0%	R 22. 87	R 3.2 0	R 26. 08	5.9 0%
Load Garden Refuse - Bakkie	R 11 5.4 8	R 16 .1 7	R 131. 65	R 12 2.4 1	R 17 .1 4	R 139 .55	6.0 0%	R 12 9.7 5	R 18 .1 7	R 147 .92	6.0 0%	R 14 2.7 3	R 19 .9 8	R 162 .71	10. 00 %	R 15 2.1 5	R 21 .3 0	R 173 .45	6.6 0%	R 16 1.5 8	R 22. 62	R 184 .20	6.2 0%	R 17 1.1 2	R 23. 96	R 195 .07	5.9 0%

- Truck	R 21 4.7 8	R 30 .0 7	R 244. 85	R 22 7.6 7	R 31 .8 7	R 259 .54	6.0 0%	R 24 1.3 3	R 33 .7 9	R 275 .11	6.0 0%	R 26 5.4 6	R 37 .1 6	R 302 .62	10. 00 %	R 28 2.9 8	R 39 .6 2	R 322 .60	6.6 0%	R 30 0.5 2	R 42. 07	R 342 .60	6.2 0%	R 31 8.2 6	R 44. 56	R 362 .81	5.9 0%
Bouafval - Tipper trok	R 31 5.3 5	R 44 .1 5	R 359. 50	R 33 4.2 7	R 46 .8 0	R 381 .07	6.0 0%	R 35 4.3 3	R 49 .6 1	R 403 .93	6.0 0%	R 38 9.7 6	R 54 .5 7	R 444 .33	10. 00 %	R 41 5.4 8	R 58 .1 7	R 473 .65	6.6 0%	R 44 1.2 4	R 61. 77	R 503 .02	6.2 0%	R 46 7.2 8	R 65. 42	R 532 .70	5.9 0%
Load sand - Tipper trok	R 26 0.7 4	R 36 .5 0	R 297. 25	R 27 6.3 9	R 38 .6 9	R 315 .08	6.0 0%	R 29 2.9 7	R 41 .0 2	R 333 .98	6.0 0%	R 32 2.2 7	R 45 .1 2	R 367 .38	10. 00 %	R 34 3.5 4	R 48 .0 9	R 391 .63	6.6 0%	R 36 4.8 3	R 51. 08	R 415 .91	6.2 0%	R 38 6.3 6	R 54. 09	R 440 .45	5.9 0%
Load Sand - Bakkie								R 10 0.0 0	R 14 .0 0	R 114 .00	10 0.0 0%	R 11 0.0 0	R 15 .4 0	R 125 .40	10. 00 %	R 11 7.2 6	R 16 .4 2	R 133 .68	6.6 0%	R 12 4.5 3	R 17. 43	R 141 .96	6.2 0%	R 13 1.8 8	R 18. 46	R 150 .34	5.9 0%
Load grond	R 26 0.7 4	R 36 .5 0	R 297. 25	R 27 6.3 9	R 38 .6 9	R 315 .08	6.0 0%	R 29 2.9 7	R 41 .0 2	R 333 .98	6.0 0%	R 32 2.2 7	R 45 .1 2	R 367 .38	10. 00 %	R 34 3.5 4	R 48 .0 9	R 391 .63	6.6 0%	R 36 4.8 3	R 51. 08	R 415 .91	6.2 0%	R 38 6.3 6	R 54. 09	R 440 .45	5.9 0%
Load gruis	R 31 5.3 5	R 44 .1 5	R 359. 50	R 33 4.2 7	R 46 .8 0	R 381 .07	6.0 0%	R 35 4.3 3	R 49 .6 1	R 403 .93	6.0 0%	R 38 9.7 6	R 54 .5 7	R 444 .33	10. 00 %	R 41 5.4 8	R 58 .1 7	R 473 .65	6.6 0%	R 44 1.2 4	R 61. 77	R 503 .02	6.2 0%	R 46 7.2 8	R 65. 42	R 532 .70	5.9 0%

Electricity																																										
Pre paid meter	R 1,8 27. 50	R 25 5. 85	R 2,08 3.35	R 1,9 37. 15	R 27 1. 20	R 2,2 08. 35	6.0 0%	R 2,0 53. 38	R 28 7. 47	R 2,3 40. 85	6.0 0%	R 2,1 72. 47	R 30 4. 15	R 2,4 76. 62	5.8 0%	R 2,3 15. 86	R 32 4. 22	R 2,6 40. 08	6.6 0%	R 2,4 59. 44	R 34 4.3 2	R 2,8 03. 76	6.2 0%	R 2,6 04. 55	R 36 4.6 4	R 2,9 69. 19	5.9 0%															
Special readings	R 18 9.3 4	R 26 .5 1	R 215. 85	R 20 0.7 0	R 28 .1 0	R 228 .80	6.0 0%	R 21 2.7 4	R 29 .7 8	R 242 .53	6.0 0%	R 22 5.0 8	R 31 .5 1	R 256 .59	5.8 0%	R 23 9.9 4	R 33 .5 9	R 273 .53	6.6 0%	R 25 4.8 1	R 35. 67	R 290 .49	6.2 0%	R 26 9.8 5	R 37. 78	R 307 .63	5.9 0%															
New installation s			Actual cost + 25%	R -		Actual cost + 25%																																				
Reconnecti on fees (Non- payments)	R 32 2.5 0	R 45 .1 5	R 367. 65	R 34 1.8 5	R 47 .8 6	R 389 .71	6.0 0%	R 36 2.3 6	R 50 .7 3	R 413 .09	6.0 0%	R 38 3.3 8	R 53 .6 7	R 437 .05	5.8 0%	R 40 8.6 8	R 57 .2 2	R 465 .90	6.6 0%	R 43 4.0 2	R 60. 76	R 494 .78	6.2 0%	R 45 9.6 3	R 64. 35	R 523 .97	5.9 0%															
Reconnecti ons (Tampering	R 1,6 12.	R 22 5.	R 1,83 8.25	R 1,7 09.	R 23 9.	R 1,9 48.	6.0 0%	R 1,8 11.	R 25 3.	R 2,0 65.	6.0 0%	R 1,9 16.	R 26 8.	R 2,1 85.	5.8 0%	R 2,0 43.	R 28 6.	R 2,3 29.	6.6 0%	R 2,1 70.	R 30 3.8	R 2,4 73.	6.2 0%	R 2,2 98.	R 32 1.7	R 2,6 19.	5.9 0%															

with meter)	50	75		25	30	55		81	65	46		89	36	25		40	08	48		10	1	91		13	4	87		
Reconnection (Tampering with network)	R 5,3 75. 00	R 75 2. 50	R 6,12 7.50	R 5,6 97. 50	R 79 7. 65	R 6,4 95. 15	6.0 0%	R 6,0 39. 35	R 84 5. 51	R 6,8 84. 86	6.0 0%	R 6,3 89. 63	R 89 4. 55	R 7,2 84. 18	5.8 0%	R 6,8 11. 35	R 95 3. 59	R 7,7 64. 94	6.6 0%	R 7,2 33. 65	R 1,0 12. 71	R 8,2 46. 36	6.2 0%	R 7,6 60. 44	R 1,0 72. 46	R 8,7 32. 90	5.9 0%	
Call-outs	R 23 6.4 9	R 33 .1 1	R 269. 60	R 25 0.6 8	R 35 .1 0	R 285 .77	6.0 0%	R 26 5.7 2	R 37 .2 0	R 302 .92	6.0 0%	R 28 1.1 3	R 39 .3 6	R 320 .49	5.8 0%	R 29 9.6 9	R 41 .9 6	R 341 .64	6.6 0%	R 31 8.2 7	R 44. 56	R 362 .82	6.2 0%	R 33 7.0 4	R 47. 19	R 384 .23	5.9 0%	
Test of meter on request	R 23 8.2 5	R 33 .3 5	R 271. 60	R 25 2.5 4	R 35 .3 6	R 287 .90	6.0 0%	R 26 7.6 9	R 37 .4 8	R 305 .17	6.0 0%	R 28 3.2 2	R 39 .6 5	R 322 .87	5.8 0%	R 30 1.9 1	R 42 .2 7	R 344 .18	6.6 0%	R 32 0.6 3	R 44. 89	R 365 .52	6.2 0%	R 33 9.5 5	R 47. 54	R 387 .08	5.9 0%	
Replace equipment inside house			R45 0.00 p.u + mat eria al	R -		R45 0.0 0 p.u + mat eria al																						

Administra tion Cost			R 0.20	R -		R 0.2 0																					
<i>Municipal unit cost; Residential , Churches, Schools and Old Age Homes (single)</i>																											
Schools	R 1.1 8	R 0. 17	R 1.35	R 1.2 69 1	R 0. 17 68	R 1.4 394	7.5 5%	R 1.3 55 9	R 0. 18 98	R 1.5 457	6.8 4%																
0-50 kwh	R 0.6 8	R 0. 10	R 0.78	R 0.7 00 0	R 0. 09 80	R 0.7 980	2.9 4%	R 0.7 70 4	R 0. 10 79	R 0.8 783	10. 06 %	R 0.8 39 7	R 0. 12	R 0.9 573	9.0 0%	R 0.9 17 8	0. 13	R 1.0 463	9.3 0%	R 1.0 03 2	R 0.1 4	R 1.1 436	9.3 0%	R 1.0 96 5	R 0.1 5	R 1.2 500	9.3 0%
50+-350 kwh	R 0.8	R 0.	R 0.93	R 0.8 70	R 0. 12	R 0.9	6.7 5%	R 0.9 32	R 0. 13	R 1.0	7.1 4%	R 1.0 45	R 0.	R 1.1	12. 20	R 1.1 75	0. 16	R 1.3	12. 40	R 1.3 21	R 0.1	R 1.5	12. 40	R 1.4 85	R 0.2	R 1.6	12. 40

	2	11		0	18	918		1	05	626		8	15	922	%	5		401	%	3	8	062	%	1	1	930	%		
350+-600 kwh	R 1.0 9	R 0. 15	R 1.24	R 1.1 70 0	R 0. 16 38	R 1.3 338	7.3 4%	R 1.2 52 5	R 0. 17 53	R 1.4 278	7.0 5%	R 1.4 05 3	R 0. 20	R 1.6 020	12. 20 %	R 1.5 79 6	0. 22	R 1.8 007	12. 40 %	R 1.7 75 4	R 0.2 5	R 2.0 240	12. 40 %	R 1.9 95 6	R 0.2 8	R 2.2 749	12. 40 %		
600+ kwh	R 1.2 9	R 0. 18	R 1.47	R 1.3 80 0	R 0. 19 32	R 1.5 732	6.9 8%	R 1.4 82 3	R 0. 20 75	R 1.6 898	7.4 1%	R 1.6 63 1	R 0. 23	R 1.8 960	12. 20 %	R 1.8 69 4	0. 26	R 2.1 311	12. 40 %	R 2.1 01 2	R 0.2 9	R 2.3 953	12. 40 %	R 2.3 61 7	R 0.3 3	R 2.6 924	12. 40 %		
Basic Levy; Single Fase	R 11 8.6 1	R 16 .6 1	R 135. 22	R 12 6.9 1	R 17 .7 7	R 144 .68	7.0 0%	R 13 6.2 9	R 19 .0 8	R 155 .37	7.3 9%	R 15 2.9 2	R 21 .4 1	R 174 .33	12. 20 %	R 17 1.8 8	24 .0 6	R 195 .94	12. 40 %	R 19 3.1 9	R 27. 05	R 220 .24	12. 40 %	R 21 7.1 5	R 30. 40	R 247 .55	12. 40 %		
Basic Levy; Single Fase (Schools)	R 32 6.1 7	R 45 .6 6	R 371. 83	R 34 9.0 0	R 48 .8 6	R 397 .86	7.0 0%	R 37 4.7 9	R 52 .4 7	R 427 .26	7.3 9%	R 15 2.9 2	R 21 .4 1	R 174 .33	- 59. 20 %	R 17 1.8 8	24 .0 6	R 195 .95	12. 40 %	R 19 3.2 0	R 27. 05	R 220 .24	12. 40 %	R 21 7.1 5	R 30. 40	R 247 .55	12. 40 %		
Municipal unit cost; Residential (prepaid)																													
0-50 kwh				R 0.7	R 0.	R 0.8	#D IV/	R 0.7	R 0.	R 0.8	7.3 0.8	R 0.	R 0.	R 0.9	12. 20	R 0.9	R 0.	R 1.0	9.3 1.0	R 1.0	R 0.1	R 1.1	9.3 1.1	R 1.1	R 0.1	R 1.2	9.3 1.2		

				174	1004	1780	0!	704	1079	783	9%	644	12	854	%	448	13	771	0%	327	4	772	0%	287	6	867	0%
50+-350 kwh				R 0.8680	R 0.1215	R 0.9895	#D IV/0!	R 0.9270	R 0.1298	R 1.0568	6.80%	R 1.0401	R 0.15	R 1.1857	12.20%	R 1.1691	R 0.16	R 1.3328	12.40%	R 1.3411	R 0.18	R 1.4980	12.40%	R 1.4770	R 0.21	R 1.6838	12.40%
350+-600 kwh				R 1.1663	R 0.1633	R 1.3296	#D IV/0!	R 1.2525	R 0.1753	R 1.4278	7.39%	R 1.4053	R 0.20	R 1.6020	12.20%	R 1.5795	R 0.22	R 1.8007	12.40%	R 1.7754	R 0.25	R 2.0240	12.40%	R 1.9956	R 0.28	R 2.2749	12.40%
600+ kwh				R 1.3803	R 0.1932	R 1.5735	#D IV/0!	R 1.4823	R 0.2075	R 1.6898	7.39%	R 1.6631	R 0.23	R 1.8960	12.20%	R 1.8694	R 0.26	R 2.1311	12.40%	R 2.1012	R 0.29	R 2.3953	12.40%	R 2.3617	R 0.33	R 2.6924	12.40%
Availability and Unit cost: Prepaid Meters	R 58.25	R 8.16	R 66.41	R 62.33	R 8.7259	R 71.05	7.00%	R 66.94	R 9.3716	R 76.3113	7.40%	R 75.11	R 10.51	R 85.62	12.20%	R 84.42	R 11.82	R 96.2383	12.40%	R 94.89	R 13.28	R 108.17	12.40%	R 106.65	R 14.93	R 121.59	12.40%
Municipal unit cost; Residential , Churches																											

& Old Age Homes (three phase)																											
Residential																											
0-50 kwh				R 0.7 17 4	R 0. 10 04	R 0.8 178	#D IV/ 0!	R 0.7 70 4	R 0. 10 79	R 0.8 783	7.3 9%	R 0.8 64 4	R 0. 12	R 0.9 854	12. 20 %	R 0.9 44 8	R 0. 13	R 1.0 771	9.3 0%	R 1.0 32 7	R 0.1 4	R 1.1 772	9.3 0%	R 1.1 28 7	R 0.1 6	R 1.2 867	9.3 0%
50+-350 kwh				R 0.8 68 0	R 0. 12 15	R 0.9 895	#D IV/ 0!	R 0.9 27 0	R 0. 12 98	R 1.0 568	6.8 0%	R 1.0 40 1	R 0. 15	R 1.1 857	12. 20 %	R 1.1 69 1	R 0. 16	R 1.3 328	12. 40 %	R 1.3 14 1	R 0.1 8	R 1.4 980	12. 40 %	R 1.4 77 0	R 0.2 1	R 1.6 838	12. 40 %
350+-600 kwh				R 1.1 66 3	R 0. 16 33	R 1.3 296	#D IV/ 0!	R 1.2 52 5	R 0. 17 53	R 1.4 278	7.3 9%	R 1.4 05 3	R 0. 20	R 1.6 020	12. 20 %	R 1.5 79 5	R 0. 22	R 1.8 007	12. 40 %	R 1.7 75 4	R 0.2 5	R 2.0 240	12. 40 %	R 1.9 95 6	R 0.2 8	R 2.2 749	12. 40 %
600+ kwh				R 1.3 80 3	R 0. 19 32	R 1.5 735	#D IV/ 0!	R 1.4 82 3	R 0. 20 75	R 1.6 898	7.3 9%	R 1.6 63 1	R 0. 23	R 1.8 960	12. 20 %	R 1.8 69 4	R 0. 26	R 2.1 311	12. 40 %	R 2.1 01 2	R 0.2 9	R 2.3 953	12. 40 %	R 2.3 61 7	R 0.3 3	R 2.6 924	12. 40 %
Churches																											

0-50 kwh	R 0.6 8	R 0. 10	R 0.78	R 0.7 17 4	R 0. 10 04	R 0.8 178	5.5 0%	R 0.7 70 4	R 0. 10 79	R 0.8 783	7.3 9%	R 0.8 64 4	R 0. 12	R 0.9 854	12. 20 %	R 0.9 44 8	R 0. 13	R 1.0 771	9.3 0%	R 1.0 32 7	R 0.1 4	R 1.1 772	9.3 0%	R 1.1 28 7	R 0.1 6	R 1.2 867	9.3 0%		
50+-350 kwh	R 0.8 1	R 0. 11	R 0.92	R 0.8 68 0	R 0. 12 15	R 0.9 896	7.1 0%	R 0.9 27 0	R 0. 12 98	R 1.0 568	6.7 9%	R 1.0 40 1	R 0. 15	R 1.1 857	12. 20 %	R 1.1 69 1	R 0. 16	R 1.3 327	12. 40 %	R 1.3 14 0	R 0.1 8	R 1.4 980	12. 40 %	R 1.4 77 0	R 0.2 1	R 1.6 837	12. 40 %		
350+-600 kwh	R 1.0 9	R 0. 15	R 1.24	R 1.1 66 3	R 0. 16 33	R 1.3 296	7.0 0%	R 1.2 52 5	R 0. 17 53	R 1.4 278	7.3 9%	R 1.4 05 3	R 0. 20	R 1.6 020	12. 20 %	R 1.5 79 5	R 0. 22	R 1.8 007	12. 40 %	R 1.7 75 4	R 0.2 5	R 2.0 240	12. 40 %	R 1.9 95 6	R 0.2 8	R 2.2 749	12. 40 %		
600+ kwh	R 1.2 9	R 0. 18	R 1.47	R 1.3 80 3	R 0. 19 32	R 1.5 735	7.0 0%	R 1.4 82 3	R 0. 20 75	R 1.6 898	7.3 9%	R 1.6 63 1	R 0. 23	R 1.8 960	12. 20 %	R 1.8 69 4	R 0. 26	R 2.1 311	12. 40 %	R 2.1 01 2	R 0.2 9	R 2.3 953	12. 40 %	R 2.3 61 7	R 0.3 3	R 2.6 924	12. 40 %		
Old Age Homes																													
0-50 kwh	R 0.6 8	R 0. 10	R 0.78	R 0.7 17 4	R 0. 10 19	R 0.8 295	5.5 0%	R 0.7 70 4	R 0. 10 79	R 0.8 783	7.3 9%	R 0.8 64 4	R 0. 12	R 0.9 854	12. 20 %	R 0.9 44 8	R 0. 13	R 1.0 771	9.3 0%	R 1.0 32 7	R 0.1 4	R 1.1 772	9.3 0%	R 1.1 28 7	R 0.1 6	R 1.2 867	9.3 0%		
50+-350 kwh	R 0.8 1	R 0. 11	R 0.92	R 0.8 68	R 0. 12	R 0.9 886	7.1 0%	R 0.9 27	R 0. 12	R 1.0 568	6.7 9%	R 1.0 40	R 0. 15	R 1.1 857	12. 20 %	R 1.1 69	R 0. 16	R 1.3 327	12. 40 %	R 1.3 14	R 0.1 8	R 1.4 980	12. 40 %	R 1.4 77	R 0.2 1	R 1.6 837	12. 40 %		

				0	14			0	98			1				1				0				0			
350+-600 kwh	R 1.0 9	R 0. 15	R 1.24	R 1.1 66 3	R 0. 16 33	R 1.3 296	7.0 0%	R 1.2 52 5	R 0. 17 53	R 1.4 278	7.3 9%	R 1.4 05 3	R 0. 20	R 1.6 020	12. 20 %	R 1.5 79 5	R 0. 22	R 1.8 007	12. 40 %	R 1.7 75 4	R 0.2 5	R 2.0 240	12. 40 %	R 1.9 95 6	R 0.2 8	R 2.2 749	12. 40 %
600+ kwh	R 1.2 9	R 0. 18	R 1.47	R 1.3 80 3	R 0. 19 32	R 1.5 735	7.0 0%	R 1.4 82 3	R 0. 20 75	R 1.6 898	7.3 9%	R 1.6 63 1	R 0. 23	R 1.8 960	12. 20 %	R 1.8 69 4	R 0. 26	R 2.1 311	12. 40 %	R 2.1 01 2	R 0.2 9	R 2.3 953	12. 40 %	R 2.3 61 7	R 0.3 3	R 2.6 924	12. 40 %
Basic Levy; 3 Fase	R 14 2.9 7	R 20 .0 2	R 162. 99	R 15 2.9 8	R 21 .4 2	R 174 .39	7.0 0%	R 16 4.2 9	R 23 .0 0	R 187 .29	7.3 9%	R 18 4.3 3	R 25 .8 1	R 210 .14	12. 20 %	R 20 7.1 9	R 29 .0 1	R 236 .20	12. 40 %	R 23 2.8 8	R 32. 60	R 265 .49	12. 40 %	R 26 1.7 6	R 36. 65	R 298 .41	12. 40 %
Municipal unit cost for Commerci al: Single Phase																											
Commercia l	R 1.1	R 0.	R 1.35	R 1.2 69	R 0. 17	R 1.4	7.5 5%	R 1.3 55	R 0. 18	R 1.5	6.8 4%	R 1.5 21	R 0.	R 1.7	12. 20	R 1.7 10	R 0.	R 1.9	12. 40	R 1.9 22	R 0.2	R 2.1	12. 40	R 2.1 60	R 0.3	R 2.4	12. 40

Conventio nal	8	17		1	68	394		9	98	457		3	21	343	%	0	24	494	%	0	7	911	%	3	0	628	%	
Hospitals	R 1.1 8	R 0. 17	R 1.35	R 1.2 69 1	R 0. 17 68	R 1.4 394	7.5 5%	R 1.3 55 9	R 0. 18 98	R 1.5 457	6.8 4%	R 1.5 21 3	R 0. 21	R 1.7 343	12. 20 %	R 1.7 10 0	R 0. 24	R 1.9 494	12. 40 %	R 1.9 22 0	R 0.2 7	R 2.1 911	12. 40 %	R 2.1 60 3	R 0.3 0	R 2.4 628	12. 40 %	
Halls	R 1.1 8	R 0. 17	R 1.35	R 1.2 69 1	R 0. 17 68	R 1.4 394	7.5 5%	R 1.3 55 9	R 0. 18 98	R 1.5 457	6.8 4%	R 1.5 21 3	R 0. 21	R 1.7 343	12. 20 %	R 1.7 10 0	R 0. 24	R 1.9 494	12. 40 %	R 1.9 22 0	R 0.2 7	R 2.1 911	12. 40 %	R 2.1 60 3	R 0.3 0	R 2.4 628	12. 40 %	
Governme nt	R 1.1 8	R 0. 17	R 1.35	R 1.2 69 1	R 0. 17 68	R 1.4 394	7.5 5%	R 1.3 55 9	R 0. 18 98	R 1.5 457	6.8 4%	R 1.5 21 3	R 0. 21	R 1.7 343	12. 20 %	R 1.7 10 0	R 0. 24	R 1.9 494	12. 40 %	R 1.9 22 0	R 0.2 7	R 2.1 911	12. 40 %	R 2.1 60 3	R 0.3 0	R 2.4 628	12. 40 %	
Basic Levy; Single Fase	R 32 6.1 7	R 45 .6 6	R 371. 83	R 34 9.0 0	R 48 .8 6	R 397 .86	7.0 0%	R 37 4.7 9	R 52 .4 7	R 427 .26	7.3 9%	R 42 0.5 2	R 58 .8 7	R 479 .39	12. 20 %	R 47 2.6 6	R 66 .1 7	R 538 .83	12. 40 %	R 53 1.2 7	R 74. 38	R 605 .65	12. 40 %	R 59 7.1 5	R 83. 60	R 680 .75	12. 40 %	
<i>Municipal unit cost for Commerci al (three</i>																												

<i>phase)</i>																											
Commercial Conventional 3 phase	R 1.3 4	R 0. 19	R 1.53	R 1.4 37	R 0. 20	R 1.6 388	7.0 0%	R 1.5 43	R 0. 21	R 1.7 598	7.3 8%	R 1.7 32	R 0. 24	R 1.9 745	12. 20	R 1.9 46	R 0. 27	R 2.2 194	12. 40	R 2.1 88	R 0.3 1	R 2.4 946	12. 40	R 2.4 59	R 0.3 4	R 2.8 039	12. 40
Basic Levy; 3 Fase	R 38 8.0 0	R 54 .3 2	R 442. 32	R 41 5.1 6	R 58 .1 2	R 473 .28	7.0 0%	R 44 5.8 4	R 62 .4 2	R 508 .26	7.3 9%	R 50 0.2 3	R 70 .0 3	R 570 .27	12. 20	R 56 2.2 6	R 78 .7 2	R 640 .98	12. 40	R 63 1.9 8	R 88. 48	R 720 .46	12. 40	R 71 0.3 5	R 99. 45	R 809 .80	12. 40
Municipal Departmen ts	R 1.1 8	R 0. 17	R 1.35	R 1.2 69	R 0. 17	R 1.4 394	7.5 5%	R 1.3 55	R 0. 18	R 1.5 457	6.8 4%	R 1.5 21	R 0. 21	R 1.7 343	12. 20	R 1.7 10	R 0. 24	R 1.9 494	12. 40	R 1.9 22	R 0.2 7	R 2.1 911	12. 40	R 2.1 60	R 0.3 0	R 2.4 628	12. 40
Availability : Empty Erven	R 78. 14	R 10 .3 6	R 88.5 0	R 82. 83	R 12 .3 9	R 95. 22	6.0 0%	R 87. 80	R 12 .2 9	R 100 .09	6.0 0%	R 98. 51	R 13 .7 9	R 112 .30	12. 20	R 11 0.7 2	R 15 .5 0	R 126 .23	12. 40	R 12 4.4 5	R 17. 42	R 141 .88	12. 40	R 13 9.8 9	R 19. 58	R 159 .47	12. 40
Deposito's																											

Households	R 1,4 62. 00	N A	R 1,46 2.00	R 1,5 49. 72	N A	R 1,5 49. 72	6.0 0%	R 1,6 42. 70	N/ A	R 1,6 42. 70	6.0 0%	R 1,7 37. 98	N/ A	N/A	5.8 0%	R 1,8 52. 69	N/ A	R 1,8 52. 69	6.6 0%	R 1,9 67. 55	N/ A	R 1,9 67. 55	6.2 0%	R 2,0 83. 64	N/ A	R 2,0 83. 64	5.9 0%	
Flats	R 1,2 06. 15	N A	R 1,20 6.15	R 1,2 78. 52	N A	R 1,2 78. 52	6.0 0%	R 1,3 55. 23	R 18 9. 73	R 1,3 55. 23	6.0 0%	R 1,4 33. 83	N/ A	N/A	5.8 0%	R 1,5 28. 47	N/ A	R 1,5 28. 47	6.6 0%	R 1,6 23. 23	N/ A	R 1,6 23. 23	6.2 0%	R 1,7 19. 00	N/ A	R 1,7 19. 00	5.9 0%	
Business	R 2,6 87. 50	N A	R 2,68 7.50	R 2,8 48. 75	N A	R 2,8 48. 75	6.0 0%	R 3,0 19. 68	R 42 2. 75	R 3,0 19. 68	6.0 0%	R 3,1 94. 82	N/ A	N/A	5.8 0%	R 3,4 05. 67	N/ A	R 3,4 05. 67	6.6 0%	R 3,6 16. 83	N/ A	R 3,6 16. 83	6.2 0%	R 3,8 30. 22	N/ A	R 3,8 30. 22	5.9 0%	
Church, Senior Citizens Burger Centre	R 1,7 20. 00	N A	R 1,72 0.00	R 1,8 23. 20	N A	R 1,8 23. 20	6.0 0%	R 1,9 32. 59	R 27 0. 56	R 1,9 32. 59	6.0 0%	R 2,0 44. 68	N/ A	N/A	5.8 0%	R 2,1 79. 63	N/ A	R 2,1 79. 63	6.6 0%	R 2,3 14. 77	N/ A	R 2,3 14. 77	6.2 0%	R 2,4 51. 34	N/ A	R 2,4 51. 34	5.9 0%	
WATER																												
Spesiale Lesings	R 14 9.0 0	R 20 .8 6	R 169. 85	R 15 7.9 3	R 22 .1 1	R 180 .05	6.0 0%	R 16 7.4 1	R 23 .4 4	R 190 .85	6.0 0%	R 17 7.1 2	R 24 .8 0	R 201 .92	5.8 0%	R 18 8.8 1	R 26 .4 3	R 215 .24	6.6 0%	R 20 0.5 2	R 28. 07	R 228 .59	6.2 0%	R 21 2.3 5	R 29. 73	R 242 .08	5.9 0%	

Nuwe Installasies			Wer klike kost es + 25%			Wer klik e kost es + 25%																					
Uitroepgel de	R 23 6.4 9	R 33 .1 1	R 269. 60	R 25 0.6 8	R 35 .1 0	R 285 .77	6.0 0%	R 26 5.7 2	R 37 .2 0	R 302 .92	6.0 0%	R 28 1.1 3	R 39 .3 6	R 320 .49	5.8 0%	R 29 9.6 9	R 41 .9 6	R 341 .64	6.6 0%	R 31 8.2 7	R 44. 56	R 362 .82	6.2 0%	R 33 7.0 4	R 47. 19	R 384 .23	5.9 0%
Toets van meter op versoek	R 23 1.1 4	R 32 .3 6	R 263. 50	R 24 5.0 1	R 34 .3 0	R 279 .31	6.0 0%	R 25 9.7 1	R 36 .3 6	R 296 .07	6.0 0%	R 27 4.7 7	R 38 .4 7	R 313 .24	5.8 0%	R 29 2.9 1	R 41 .0 1	R 333 .91	6.6 0%	R 31 1.0 7	R 43. 55	R 354 .62	6.2 0%	R 32 9.4 2	R 46. 12	R 375 .54	5.9 0%
Deposito's																											
Huishoudel ik	R 36 5.5 0	N A	R 365. 50	R 38 7.4 3	N A	R 387 .43	6.0 0%	R 41 0.6 8	N/ A	R 410 .68	6.0 0%	R 43 4.4 9	N/ A	R 434 .49	5.8 0%	R 46 3.1 7	N/ A	R 463 .17	6.6 0%	R 49 1.8 9	R 68. 86	R 560 .75	6.2 0%	R 52 0.9 1	R 72. 93	R 593 .84	5.9 0%
Woonstel	R 34 9.4	N A	R 349. 40	R 37 0.3	N A	R 370 .36	6.0 0%	R 39 2.5	N/ A	R 392 .59	6.0 0%	R 41 5.3	N/ A	R 415 .36	5.8 0%	R 44 2.7	N/ A	R 442 .77	6.6 0%	R 47 0.2	R 65. 83	R 536 .05	6.2 0%	R 49 7.9	R 69. 71	R 567 .68	5.9 0%

	0			6				9				6				7				2				6			
Besighede	R 48 3.7 5	N A	R 483. 75	R 51 2.7 8	N A	R 512 .78	6.0 0%	R 54 3.5 4	N/ A	R 543 .54	6.0 0%	R 57 5.0 7	N/ A	R 575 .07	5.8 0%	R 61 3.0 2	N/ A	R 613 .02	6.6 0%	R 65 1.0 3	R 91. 14	R 742 .17	6.2 0%	R 68 9.4 4	R 96. 52	R 785 .96	5.9 0%
Munisipale Eenheidsta rief Glyskaal;																											
Huishoudel ik & Skole =0KI-6KI	R 0.7 2	R 0. 10	R 0.83	R 0.8 3	R 0. 12	R 0.9 5	15. 00 %	R 0.9 6	R 0. 13	R 1.0 9	15. 00 %	R 1.0 1	R 0. 14	R 1.1 6	5.8 0%	R 1.0 8	R 0. 15	R 1.2 3	6.6 0%	R 1.1 5	R 0.1 6	R 1.3 1	6.2 0%	R 1.2 2	R 0.1 7	R 1.3 9	5.9 0%
= 6+KI-15 KI	R 2.5 1	R 0. 35	R 2.86	R 2.8 8	R 0. 40	R 3.2 9	15. 00 %	R 3.3 2	R 0. 46	R 3.7 8	15. 00 %	R 3.5 1	R 0. 49	R 4.0 0	5.8 0%	R 3.7 4	R 0. 52	R 4.2 6	6.6 0%	R 3.9 7	R 0.5 6	R 4.5 3	6.2 0%	R 4.2 1	R 0.5 9	R 4.7 9	5.9 0%
= 15+KI-25 KI	R 2.9 4	R 0. 41	R 3.36	R 3.3 9	R 0. 47	R 3.8 6	15. 00 %	R 3.8 9	R 0. 55	R 4.4 4	15. 00 %	R 4.1 2	R 0. 58	R 4.7 0	5.8 0%	R 4.3 9	R 0. 61	R 5.0 1	6.6 0%	R 4.6 6	R 0.6 5	R 5.3 2	6.2 0%	R 4.9 4	R 0.6 9	R 5.6 3	5.9 0%
= 25+KI	R 3.0	R 0.	R 3.49	R 3.5	R 0.	R 4.0	15. 00 %	R 4.0	R 0.	R 4.6	15. 00 %	R 4.2	R 0.	R 4.8	5.8 0%	R 4.5	R 0.	R 5.2	6.6 0%	R 4.8	R 0.6	R 5.5	6.2 0%	R 5.1	R 0.7	R 5.8	5.9 0%

	6	43		2	49	1	%	5	57	1	%	8	60	8		6	64	0		5	8	2		3	2	5	
Munisipale Eenheidstaf Glyskaal;																											
Besighede.																											
= OKI-60KI	R 4.4 2	R 0. 62	R 5.03	R 5.0 8	R 0. 71	R 5.7 9	15. 00 %	R 5.8 4	R 0. 82	R 6.6 6	15. 00 %	R 6.1 8	R 0. 87	R 7.0 4	5.8 0%	R 6.5 9	R 0. 92	R 7.5 1	6.6 0%	R 7.0 0	R 0.9 8	R 7.9 7	6.2 0%	R 7.4 1	R 1.0 4	R 8.4 4	5.9 0%
= 60KI+	R 4.7 4	R 0. 66	R 5.40	R 5.4 5	R 0. 76	R 6.2 1	15. 00 %	R 6.2 7	R 0. 88	R 7.1 4	15. 00 %	R 6.6 3	R 0. 93	R 7.5 6	5.8 0%	R 7.0 7	R 0. 99	R 8.0 6	6.6 0%	R 7.5 1	R 1.0 5	R 8.5 6	6.2 0%	R 7.9 5	R 1.1 1	R 9.0 6	5.9 0%
Rouwater per kl	R 1.7 3	R 0. 24	R 1.97	R 1.9 8	R 0. 28	R 2.2 6	15. 00 %	R 2.2 8	R 0. 32	R 2.6 0	15. 00 %	R 2.4 1	R 0. 34	R 2.7 5	5.8 0%	R 2.5 7	R 0. 36	R 2.9 3	6.6 0%	R 2.7 3	R 0.3 8	R 3.1 1	6.2 0%	R 2.8 9	R 0.4 1	R 3.3 0	5.9 0%
Basic Levy																											
- Huishoudelik + Kerke +Sport Klubs+Skol	R 39. 79	R 5. 57	R 45.3 5	R 42. 17	R 5. 90	R 48. 08	6.0 0%	R 44. 70	R 6. 26	R 50. 96	6.0 0%	R 47. 30	R 6. 62	R 53. 92	5.8 0%	R 50. 42	R 7. 06	R 57. 47	6.6 0%	R 53. 54	R 7.5 0	R 61. 04	6.2 0%	R 56. 70	R 7.9 4	R 64. 64	5.9 0%

e																											
- Besigheide	R 48. 90	R 6. 85	R 55.7 5	R 51. 83	R 7. 26	R 59. 09	6.0 0%	R 54. 94	R 7. 69	R 62. 64	6.0 0%	R 58. 13	R 8. 14	R 66. 27	5.8 0%	R 61. 97	R 8. 68	R 70. 64	6.6 0%	R 65. 81	R 9.2 1	R 75. 02	6.2 0%	R 69. 69	R 9.7 6	R 79. 45	5.9 0%
Availability Vacant Sites	R 24. 21	R 3. 39	R 27.6 0	R 25. 66	R 3. 59	R 29. 26	6.0 0%	R 27. 20	R 3. 81	R 31. 01	6.0 0%	R 28. 78	R 4. 03	R 32. 81	5.8 0%	R 30. 68	R 4. 30	R 34. 97	6.6 0%	R 32. 58	R 4.5 6	R 37. 14	6.2 0%	R 34. 50	R 4.8 3	R 39. 33	5.9 0%
Sewerage																											
Bucket system	R 72. 77	R 10 .1 9	R 82.9 5	R 77. 13	R 10 .8 0	R 87. 93	6.0 0%	R 81. 76	R 11 .4 5	R 93. 20	6.0 0%	R 86. 50	R 12 .1 1	R 98. 61	5.8 0%	R 92. 21	R 12 .9 1	R 105 .12	6.6 0%	R 97. 93	R 13. 71	R 111 .64	6.2 0%	R 10 3.7 0	R 14. 52	R 118 .22	5.9 0%
Call Out	R 23 6.4 9	R 33 .1 1	R 269. 60	R 25 0.6 8	R 35 .1 0	R 285 .77	6.0 0%	R 26 5.7 2	R 37 .2 0	R 302 .92	6.0 0%	R 28 1.1 3	R 39 .3 6	R 320 .49	5.8 0%	R 29 9.6 9	R 41 .9 6	R 341 .64	6.6 0%	R 31 8.2 7	R 44. 56	R 362 .82	6.2 0%	R 33 7.0 4	R 47. 19	R 384 .23	5.9 0%
Beskikbaarheid van dienslyn - Residensie	R 82. 59	R 11 .5 6	R 94.1 5	R 87. 55	R 12 .2 6	R 99. 80	6.0 0%	R 92. 80	R 12 .9 9	R 105 .79	6.0 0%	R 98. 18	R 13 .7 5	R 111 .93	5.8 0%	R 10 4.6 6	R 14 .6 5	R 119 .31	6.6 0%	R 11 1.1 5	R 15. 56	R 126 .71	6.2 0%	R 11 7.7 1	R 16. 48	R 134 .19	5.9 0%

el																											
- Besighede	R 17 9.3 4	R 25 .1 1	R 204. 45	R 19 0.1 0	R 26 .6 1	R 216 .71	6.0 0%	R 20 1.5 1	R 28 .2 1	R 229 .72	6.0 0%	R 21 3.1 9	R 29 .8 5	R 243 .04	5.8 0%	R 22 7.2 6	R 31 .8 2	R 259 .08	6.6 0%	R 24 1.3 5	R 33. 79	R 275 .14	6.2 0%	R 25 5.5 9	R 35. 78	R 291 .38	5.9 0%
- Staat/Koop erasies	R 55 9.5 2	R 78 .3 3	R 637. 85	R 59 3.0 9	R 83 .0 3	R 676 .12	6.0 0%	R 62 8.6 8	R 88 .0 1	R 716 .69	6.0 0%	R 66 5.1 4	R 93 .1 2	R 758 .26	5.8 0%	R 70 9.0 4	R 99 .2 7	R 808 .30	6.6 0%	R 75 3.0 0	R 10 5.4 2	R 858 .42	6.2 0%	R 79 7.4 3	R 11 1.6 4	R 909 .07	5.9 0%
- Skole	R 1,0 36. 18	R 14 5. 07	R 1,18 1.25	R 1,0 98. 35	R 15 3. 77	R 1,2 52. 12	6.0 0%	R 1,1 64. 25	R 16 3. 00	R 1,3 27. 25	6.0 0%	R 1,2 31. 78	R 17 2. 45	R 1,4 04. 23	5.8 0%	R 1,3 13. 08	R 18 3. 83	R 1,4 96. 91	6.6 0%	R 1,3 94. 49	R 19 5.2 3	R 1,5 89. 71	6.2 0%	R 1,4 76. 76	R 20 6.7 5	R 1,6 83. 51	5.9 0%
- Correction al Service	R 3,1 08. 47	R 43 5. 19	R 3,54 3.65	R 3,2 94. 97	R 46 1. 30	R 3,7 56. 27	6.0 0%	R 3,4 92. 67	R 48 8. 97	R 3,9 81. 65	6.0 0%	R 3,6 95. 25	R 51 7. 33	R 4,2 12. 58	5.8 0%	R 3,9 39. 13	R 55 1. 48	R 4,4 90. 61	6.6 0%	R 4,1 83. 36	R 58 5.6 7	R 4,7 69. 03	6.2 0%	R 4,4 30. 18	R 62 0.2 2	R 5,0 50. 40	5.9 0%
- Hotel HPT	R 49 8.0 3	R 69 .7 2	R 567. 75	R 52 7.9 1	R 73 .9 1	R 601 .82	6.0 0%	R 55 9.5 9	R 78 .3 4	R 637 .93	6.0 0%	R 59 2.0 4	R 82 .8 9	R 674 .93	5.8 0%	R 63 1.1 2	R 88 .3 6	R 719 .47	6.6 0%	R 67 0.2 5	R 93. 83	R 764 .08	6.2 0%	R 70 9.7 9	R 99. 37	R 809 .16	5.9 0%
- Hotel STRY	R 30 1.8	R 42 .2	R 344. 10	R 31 9.9	R 44 .7	R 364 .74	6.0 0%	R 33 9.1	R 47 .4	R 386 .63	6.0 0%	R 35 8.8	R 50 .2	R 409 .05	5.8 0%	R 38 2.5	R 53 .5	R 436 .05	6.6 0%	R 40 6.2	R 56. 87	R 463 .09	6.2 0%	R 43 0.1	R 60. 23	R 490 .41	5.9 0%

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- Gariep	R 17 9.3 4	R 25 .1 1	R 204. 45	R 19 0.1 0	R 26 .6 1	R 216 .71	6.0 0%	R 20 3.4 1	R 28 .4 8	R 231 .88	7.0 0%	R 21 5.2 1	R 30 .1 3	R 245 .33	5.8 0%	R 22 9.4 1	R 32 .1 2	R 261 .53	6.6 0%	R 24 3.6 3	R 34. 11	R 277 .74	6.2 0%	R 25 8.0 1	R 36. 12	R 294 .13	5.9 0%	
Riooltenk per vrag - Residensie el	R 78. 95	R 11 .0 5	R 90.0 0	R 83. 69	R 11 .7 2	R 95. 40	6.0 0%	R 88. 71	R 12 .4 2	R 101 .13	6.0 0%	R 93. 85	R 13 .1 4	R 106 .99	5.8 0%	R 10 0.0 5	R 14 .0 1	R 114 .05	6.6 0%	R 10 6.2 5	R 14. 88	R 121 .13	6.2 0%	R 11 2.5 2	R 15. 75	R 128 .27	5.9 0%	
- Besighede	R 17 8.8 2	R 25 .0 3	R 203. 85	R 18 9.5 5	R 26 .5 4	R 216 .09	6.0 0%	R 20 0.9 2	R 28 .1 3	R 229 .05	6.0 0%	R 21 2.5 8	R 29 .7 6	R 242 .34	5.8 0%	R 22 6.6 1	R 31 .7 2	R 258 .33	6.6 0%	R 24 0.6 6	R 33. 69	R 274 .35	6.2 0%	R 25 4.8 5	R 35. 68	R 290 .53	5.9 0%	
- Ouetehuis	R 26 6.4 5	R 37 .3 0	R 303. 75	R 28 2.4 4	R 39 .5 4	R 321 .98	6.0 0%	R 29 9.3 8	R 41 .9 1	R 341 .30	6.0 0%	R 31 6.7 5	R 44 .3 4	R 361 .09	5.8 0%	R 33 7.6 5	R 47 .2 7	R 384 .92	6.6 0%	R 35 8.5 9	R 50. 20	R 408 .79	6.2 0%	R 37 9.7 4	R 53. 16	R 432 .91	5.9 0%	
- Sportklubs	R 20. 00	R 2. 80	R 22.8 0	R 21. 20	R 2. 97	R 24. 17	6.0 0%	R 22. 47	R 3. 15	R 25. 62	6.0 0%	R 23. 78	R 3. 33	R 27. 10	5.8 0%	R 25. 34	R 3. 55	R 28. 89	6.6 0%	R 26. 92	R 3.7 7	R 30. 68	6.2 0%	R 28. 50	R 3.9 9	R 32. 49	5.9 0%	
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Beskikbaarheid Lee Erwe	R 46.05	R 6.45	R 52.50	R 48.82	R 6.83	R 55.65	6.00%	R 51.75	R 7.24	R 58.99	6.00%	R 54.75	R 7.66	R 62.41	5.80%	R 58.36	R 8.17	R 66.53	6.60%	R 61.98	R 8.68	R 70.65	6.20%	R 65.63	R 9.19	R 74.82	5.90%
Sewerage Obstruction	R 92.11	R 12.89	R 105.00	R 97.63	R 13.67	R 111.30	6.00%	R 103.49	R 14.49	R 117.98	6.00%	R 109.49	R 15.33	R 124.82	5.80%	R 116.72	R 16.34	R 133.06	6.60%	R 123.96	R 17.35	R 141.31	6.20%	R 131.27	R 18.38	R 149.65	5.90%

ANNEXURE D: IDP

THEMBELIHLE MUNICIPALITY



IDP 2016/2017

CHAPTER 1: INTRODUCTION

1.1 INTEGRATED DEVELOPMENT PLANNING

Integrated Development Planning (IDP) is a process whereby a municipality prepares its strategic development plan for a five year cycle directly linked to the term of office of its Council. The IDP is the centre of the system of developmental local government in South Africa and represents the driving force for making municipalities more strategic, inclusive, responsive and performance-driven in character. The IDP is the principal strategic planning instrument which guides and informs all planning, budgeting and development in the Thembelihle Municipal Area. It seeks to integrate and balance the economic, ecological and social pillars of sustainability without comprising the institutional capacity required to implement and co-ordinate the efforts needed across sectors and relevant spheres of government. Moreover the IDP seeks meaning to developmental local government, where people themselves are active participants in the identification of needs, priorities and strategies for the reconstruction and development of communities.

The IDP is necessary because:

- It enables the Municipality to manage the process of fulfilling its developmental responsibilities.
- Through the IDP, the Municipality is informed about the problems affecting its residents. It is thus able to develop and implement appropriate strategies and projects to address the problems.
- It helps to make more effective use of scarce resources.
- Helps to attract additional funds.
- Helps to strengthen democracy and hence institutional transformation because decisions are made in a democratic and transparent manner, rather than just by few.
- Promises intergovernmental coordination.

1.2 REVIEW OF A INTEGRATED DEVELOPMENT PLAN

The Municipal Systems Act (Act 32 of 2000) does require municipalities in South Africa to review their IDP's on an annual basis in order to keep track and remain relevant to the ever changing needs and dynamics in communities. In relation to the evolution of IDP's over a 5 year period this process can be described as Review 3 of the 3rd Generation IDP of the Thembelihle Local Municipality. The priorities and actions identified in this IDP will inform the structure of the Thembelihle Local Municipality, the service delivery standards, all financial planning and budgeting as well as performance reporting by the municipality.

The purpose and objectives of the review is to:

- Reflect and report on the progress made in respect of the implementation of the 5 year IDP.
- Evaluate the appropriateness of the development strategies reflected in the 5 year plan and make the adjustments where necessary, especially where changing circumstances within the municipality or externally so demand.
- Determine annual targets and action plans for the next financial year to keep track of the 5 year strategy.
- Inform the annual budget of the municipality.
- To re-affirm Council's strategic objectives and the medium term service delivery and developmental agenda.
- To review the prioritisation of key programmes and projects in each ward through a comprehensive public participation process.
- To ensure that all projects are directed to achieve the strategic objectives of Council.
- To address the recommendations reflected in the assessment letter from the MEC for Local Government in the Northern Cape in respect of the Previous IDP review.
- To give priority to the basic needs of communities; and
- To encourage involvement of communities and community organizations in matters of local government.

The key elements for the 2016/17 IDP include:

- Update of the socio-economic profile of the municipality
- Update of the ward profiles reflecting new priority ward projects identified for the new financial year
- Re-affirm the strategic objectives of Council
- Update the sector plans and report on the progress of implementation
- Progress of the performance targets set for each directorate in terms of the SDBIP
- Assessment of the institutional readiness of the organisation to deliver on the strategic objectives of the IDP
- Responses to the MEC assessment report of the 2015/16 review
- Alignment of the annual financial planning with the priority service delivery and development issues of communities
- Improved planning between municipalities and other spheres of Government to maximise the impact of service delivery to communities

1.3 LEGISLATIVE FRAMEWORK

The Constitution of the Republic of South Africa outlines the type of local government needed in the context of a developmental state. Sections 152 and 153 of the Constitution prescribe that local government should be in charge of the development process and municipal planning and describe the following objectives of local government:

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

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

Section 34 of the MSA states as follows:

A municipal council –

(a) must review its integrated development plan –

(i) annually in accordance with an assessment of its performance measurements in terms of section 41; and

(ii) to the extent that changing circumstances so demand; and

(b) may amend its integrated development plan in accordance with a prescribed process.

Section 21(1) of the Municipal Financial Management Act (MFMA) (Act 56 of 2003) states that, the Mayor of a municipality must -

(a) Co-ordinate the processes for preparing the annual budget and for reviewing the municipality's integrated development plan and budget-related policies to ensure that the tabled budget and any revisions of the integrated development plan and budget-related policies are mutually consistent and credible;

(b) At least 10 months before the start of the budget year, table in the Council a time schedule outlining key deadlines for -

(i) The preparation, tabling and approval of the annual budget;

(ii) The annual review of –

- *the integrated development plan in terms of section 34 of the Municipal Systems Act; and the budget-related policies;*

(iii) The tabling and adoption of any amendments to the integrated development plan and the budget-related policies; and

(iv) Any consultative processes forming part of the processes referred to in sub-paragraphs (i)(ii) and (iii).

Section 21(2) of the MFMA states that, when preparing the annual budget, the Mayor of a municipality must -

(a) take into account the municipality's Integrated Development Plan;

(b) take all reasonable steps to ensure that the municipality revises the integrated development plan in terms of section 34 of the MSA, taking into account realistic revenue and expenditure projections for future years;

(c) take into account the national budget, the relevant provincial budget, the national government's fiscal and macro-economic policy, the annual Division of Revenue Act and any agreements reached in the Budget Forum.

This IDP review for 2015/2016 was informed by the following:

- The 2011 Census released by Statistics SA;
- The municipality's performance attained for the 2015/16 financial year as well as the mid-year performance for 2015/16;
- Comments from the MEC of Local Government;
- Changing circumstances in the municipal area.

CHAPTER 2 : STRATEGIC POLICY ALIGNMENT

2.1 MUNICIPAL PLANNING AND STRATEGIC ALIGNMENT WITH NATIONAL, PROVINCIAL AND DISTRICT DEVELOPMENT PLANNING FRAMEWORK

During the review of the IDP it is important to assess the strategic alignment of the planning processes of Thembelihle Local Municipality with the National, Provincial and District Development Planning Framework. The continuous evolution and adjustments of policies and development strategies in the other spheres of government compels local municipalities to also strengthen the strategic alignment with such policies and the most effective platform for these purposes is the annual review of the IDP. The approach to the 2014/15 review of the 2012/17 Integrated Development Plan was not to re-write the document in total and as such the following was considered for purposes of the review.

In terms of section 24 of the MSA –

(1) The planning undertaken by a municipality must be aligned with, and complement, the development plans and strategies of other affected municipalities. And other organs of state so as to give effect to the principles of co-operative government contained in section 41 of the Constitution.

(2) Municipalities must participate in national and provincial development programmes as required in section 153(b) of the Constitution.

It is therefore important for municipalities to align its strategic objectives with national and provincial development policies, strategies and programmes. Chapter 5 of the MSA, in particular, provides direction on co-operative governance, encouraging municipalities to develop their strategies in line with other organs of state so as to give effect to the five year strategic plans. It goes further to instruct that the IDP must link, integrate and co-ordinate development plans for the municipality. Resource and capacity must align with the implementation of the plan, forming the foundation on which the annual budget must be based. The plan must be compatible with national development plans and planning requirements binding on the municipality in terms of legislation.

Thembelihle Local Municipality is not an island and must ensure well co-ordinated strategic relationship with other spheres of government and that is why Thembelihle Local Municipality's Integrated Development Plan must be aligned to other key planning and policy instruments for the national, provincial and district government levels. One of the key objectives of Integrated Development Planning (IDP) is to ensure alignment between National and provincial priorities, policies and strategies which include the following:

- Millennium Development Goals
- National Development Goals (Vision 2030)

2.1.1 NATIONAL

Millennium Development Goals

In September 2000 the Republic of South Africa with 189 other countries, committed to the Millennium Declaration. This declaration sets out clear targets which are intended to be met by the year 2015. The municipality is committed to the goals and will plan accordingly, in terms of addressing the plight of poor people and broader development objectives. The municipality's IDP should be responsive to the programmes and actions identified for each Millennium Development Goal

• **Alignment With Millennium Development Goals and the 12 Outcomes of Local Government**

MILLENNIUM DEVELOPMENT GOALS	NATIONAL OUTCOME	ROLE OF LOCAL GOVERNMENT	THEMBELIHLE ALIGNMENT WITH NATIONAL OUTCOMES	THEMBELIHLE INSTITUTIONAL OBJECTIVES/ PROGRAMMES AND PROJECTS
<p><u>Goal 5.</u> Achieve universal primary education.</p> <p><u>Goal 3.</u> Promote gender equality and empower women.</p> <p><u>Goal 1.</u> Develop a global partnership for development.</p>	<p>1. Improve the quality of basic education</p>	<ul style="list-style-type: none"> - Facilitate the building of new schools by: - Participating in the needs assessment - Identifying appropriate land - Facilitate the zoning and planning processes - Facilitate the eradication of municipal service backlogs in schools 	<ul style="list-style-type: none"> - Good Governance and Public Participation - Infrastructure and basic services - Spatial and environmental rationale 	<ul style="list-style-type: none"> - 100% provision of basic services to schools - Spatial Development Framework for the identification of land for school sites, inclusive of zoning and planning processes - Public participation at IGR structure on education related matters - Free access to internet at libraries for communities
<p><u>Goal 7.</u> Reduce child mortality.</p> <p><u>Goal 6.</u> Improve maternal health.</p> <p><u>Goal 4.</u> Combat HIV/AIDS, malaria and other diseases.</p>	<p>2. Improve health and life expectancy</p>	<ul style="list-style-type: none"> - Improve community health services by providing clean water, sanitation and waste removal services 	<ul style="list-style-type: none"> - Infrastructure and basic services 	<ul style="list-style-type: none"> - 100% provision of basic services to residents and communities - 100% of provision of basic services to clinics and hospitals - Support to home based caregivers in communities
<p><u>Goal 2.</u> Ensure environmental sustainability</p>	<p>8. Sustainable human settlements and improved quality of household life</p>	<ul style="list-style-type: none"> - Develop Spatial Plans to ensure new housing developments are in line with national policy on integrated human settlements - Participate in the identification of suitable land for human settlements - Ensure capital budgets are 	<ul style="list-style-type: none"> - Spatial and environmental rationale - Financial viability and management 	<ul style="list-style-type: none"> - Spatial Development and Town Planning - 100% provision of basic services to households - Maintenance of basic services - Upgrading of bulk infrastructure to accommodate growth

		appropriately prioritized to maintain existing services and extension of services		
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- **National Development Plan (NDP)**

The National Planning Commission has been established in 2009 under the leadership of former Minister Trevor Manuel. After extensive research and consultation with a wide range of stakeholders, a National Development Plan (NDP) commonly referred to as Vision **2030** has been drafted. During August 2012 Cabinet agreed to the NDP which seeks to eliminate poverty and reduce unemployment by **2030**. It is quite evident that government places a high priority on the implementation of the plan and it can be expected that the NDP will be the compass by which the national government is going to steer the development path of South Africa into the future. The broad goal of this plan is to reduce unemployment, alleviate poverty and reduce inequality by 2030.

The National Development Plan sets out firm proposals to solve the country's problems and to deepen the engagement of all South Africans from all walks of life in building the future. Focus on people's capabilities is at the centre of the Plan. The NDP also highlights the need to strengthen the ability of local government to fulfil its developmental role.

2.1 NATIONAL DEVELOPMENT PLAN (SUMMARY)

The National Development Plan is a plan for the country to eliminate poverty and reduce inequality by 2030 through uniting South Africans unleashing the energies of its citizens, growing an inclusive economy, building capabilities, enhancing the capability of the state and leaders working together to solve complex problems.

President Jacob Zuma appointed the National Planning Commission (NPC) in May 2010 to draft a vision and national development plan for consideration by Cabinet and the country. The NPC is an advisory body consisting of 26 people drawn largely from outside government. After releasing a draft plan in November 2011, the NPC held extensive consultations with South Africans, including government, unions, academics, industry bodies, non-profit organisations, religious associations and the general public. The response was overwhelmingly positive and the inputs have helped to strengthen the proposals made in the plan.

2.1.1 High-level objectives to be achieved by 2030

- Reduce the number of people who live in households with a monthly income below R419 per person (in 2009 prices) from 39 percent to zero.
- Reduce inequality, as measured by the Gini coefficient, from 0.69 to 0.6.

To make meaningful progress in eliminating poverty and reducing inequality, South Africa needs to write a new story. The National Planning Commission envisions a South Africa where opportunity is determined not by birth, but by ability, education and hard work. Above all, we need to improve the quality of education and ensure that more people are working. We need to make the most of all our people, their goodwill, skills and resources. This will spark a cycle of development that

expand opportunities, builds capabilities and raises living standards. We cannot continue with business as usual. We need to change the way we do things; the sooner we do this, the better

2.1.2 Enabling Milestones

- Increase employment from 13 million in 2010 to 24 million in 2030.
- Raise per capita income from R50 000 in 2010 to R120 000 by 2030.
- Increase the share of national income of the bottom 40 percent from 6 percent to 10 percent.
- Establish a competitive base of infrastructure, human resources and regulatory frameworks.
- Ensure that skilled, technical, professional and managerial posts better reflect the country's racial, gender and disability makeup.
- Broaden ownership of assets to historically disadvantaged groups.
- Increase the quality of education so that all children have at least two years of preschool education and all children in grade 3 can read and write.
- Provide affordable access to quality health care while promoting health and wellbeing.
- Establish effective, safe and affordable public transport.
- Produce sufficient energy to support industry at competitive prices, ensuring access for poor households, while reducing carbon emissions per unit of power by about one-third.
- Ensure that all South Africans have access to clean running water in their homes.
- Make high-speed broadband internet universally available at competitive prices.
- Realise a food trade surplus, with one-third produced by small-scale farmers or households.
- Ensure household food and nutrition security.
- Entrench a social security system covering all working people, with social protection for the poor and other groups in need, such as children and people with disabilities.
- Realise a developmental, capable and ethical state that treats citizens with dignity.
- Ensure that all people live safely, with an independent and fair criminal justice system.
- Broaden social cohesion and unity while redressing the inequities of the past.
- Play a leading role in continental development, economic integration and human rights

• Medium-Term Strategic Framework

The MTSF base document is meant to guide planning and resource allocation across all sphere of government. Municipalities are expected to adapt their IDP's in line with the national medium-term priorities and aspire to address such priorities. Critically, account has to be taken of the strategic focus of the framework as a whole. This relates in particular to the understanding that economic growth and development, including the creation of decent work on a large scale, investment in quality education and skills development are at the centre of the government's approach. The medium-Term Strategic Framework lists the following 10 priorities:

- Speed up economic growth and transform the economy to create decent work and sustainable livelihoods;
- Implement a massive programme to build economic and social infrastructure;
- Implement a comprehensive rural development strategy linked to land and agriculture reform and food security;
- Strengthen the skills and human resource base;
- Improve the health profile of society;
- Intensify the fight against crime and corruption;
- Build cohesive, caring and sustainable communities;
- Pursue regional development, African advancement and enhanced international co-operation;
- Build a developmental state including improvement of public services and strengthening democratic institutions.

2.2 DISTRICT INTEGRATED DEVELOPMENT PLAN

Section 29(2) of the MSA, Act 32 of 2000 clearly states that district municipalities must:

- Plan integrated development for the area of the district municipality as a whole but in co-operation with the local municipalities in the area;
- Align its integrated development plan with the framework adopted; and
- Draft its integrated development plan, taking into account the integrated development processes of and proposals submitted to it by the local municipalities in that area.

2.3 PROVINCIAL

Provincial Growth and Development Plan (PGDP) and Objectives

The PGDP is designed to deal with the spread and incidence of poverty and unemployment in the Northern Cape Province as well as the spatial inequality between different regions.

The Key Objectives are:

- Systematic poverty eradication through a holistic, integrated and multi-dimensional approach to poor programming
- Agri transformation and strengthening household and food security
- Consolidation, development and diversification of the manufacturing base and tourism potential
- Public Sector and Institutional Development
- Human Resource Development
- Infrastructure development

2.4 INTERGOVERNMENTAL RELATIONS

The municipality fosters relations with other spheres of government and participates in various intergovernmental activities to promote a closer working relationship between the various spheres of government. Council is of the view that these relationships can assist in enhancing government's services to the communities of Thembelihle Municipal Area.

During the review process of the IDP and particularly the public participation process it became apparent that approximately 40% of the issues raised and the projects suggested by communities relate to competencies which fall outside of the ambit of local government. Integrated Planning between the different spheres of government is thus critically important if government wants to effectively fulfil its constitutional mandates and effectively address the socio-economic challenges faced by communities. The IDP should therefore guide where sector departments allocate their resources at local government level. The municipality should however also take into consideration the sector department's policies and programmes when developing its own policies and strategies. For this reason it is in the interest of the sector departments to participate in the IDP review process of the municipality to ensure alignment between development programmes.

The Local Government Summit held on 18 September 2014 endorsed the Back to Basic Approach that was presented by the Minister of Cooperative Governance and Traditional Affairs, and mandated country wide programme of action to address the challenges facing local government. In essence this approach entails:

- Putting people and their concerns first, and ensuring constant contact with communities through effective public participation platforms.
- Creating conditions for decent living by consistently delivering municipal services of the right quality and to the right standard. This includes planning for delivery of infrastructure and amenities, maintenance and up keep thereof, including the requisite budgeting. Essentially ensuring that there are no failures in services, and where there are, restoring services with urgency.
- Being well governed and demonstrating good governance and administration, including cutting wastage, spending public funds prudently, hiring competent staff, and ensuring transparency and accountability.
- Ensuring sound financial management and accounting, and prudently managing resources to ensure sustainable delivery of services and bring development to communities.
- Building and maintaining sound institutional and administrative capabilities, administered and managed by dedicated and skilled personnel at all levels.

2.5 BACK TO BASICS

The concept of ‘back to basics’ speaks directly to the vow of serving our community better. The core services that local government provides - clean drinking water, sanitation, electricity, shelter, waste removal and roads - are basic human rights, essential components of the right to dignity enshrined in our Constitution and Bill of Rights.

The Key performance areas for the Back-to-Basics Approach as identified by COGTA are;

Basic Services: Creating decent living conditions

The planning, implementation and maintenance of basic infrastructure is critical for sustaining basic standards of living and economic activity in our Area.

- Water and sanitation
- Human Settlements
- Electricity
- Waste Management
- Roads
- Public Transportation

2.5.1 Good Governance

Good governance is at the heart of the effective functioning of the Municipality.

- The holding of Council meetings as legislated.
- The functionality of oversight structures, audit committees and District IGR Forums.
- Whether or not there has been progress following interventions over the last 3 – 5 years.
- The existence and efficiency of Anti-Corruption measures.
- The extent to which there is compliance with legislation and the enforcement of by-laws
- The rate of service delivery protests and approaches to address them

2.5.2 Public Participation

Measures to promote Community engagement within the Municipality.

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

2.5.3 Financial Management

Sound financial management is integral to the success of local government. National Treasury has legislated standards and reporting requirements, and based on our monitoring of the indicators, we will identify the key areas emerging from the profiles and partner with National Treasury to support the remedial process. Whether the budgets are realistic and based on cash available.

- The percentage revenue collected.
- The extent to which debt is serviced.
- The efficiency and functionality of supply chain management.

2.5.4 Institutional Capacity

There has to be a focus on building strong municipal administrative systems and processes.

- Ensuring that the top four positions are filled by competent and qualified persons.
- That the municipal organograms are realistic
- That there are implementable human resources development and management programmes.
- There are sustained platforms to engage organised labour to minimise disputes and disruptions.
- Importance of establishing resilient systems such as billing.
- Maintaining adequate levels of experience and institutional memory.

It is clear that a lot needs to be done to support, educate and where needed, enforce implementation of the Back to Basics Principle. In order to ensure the municipality function well, we must collectively and consistently encourage Good performance and intervene where needed.

CHAPTER 3: SITUATIONAL ANALYSIS

Social economic analysis

The purpose of this sector is to ensure that all activities sufficiently consider the needs of the previous marginalized groups and to provide for their upliftment.

This socio-economic analysis refers to the following sectors, population, health, educational, recreational and social issues.

Population figures

The total population is capture from STATS SA 2011 at the following:

Statistics South Africa
Descriptive_Small_Areas

Table 1
Population group by
Gender

for Person weighted, NC076: Thembelihle

	Male	Female	Grand Total
Black African	1245	1146	2391
Coloured	5511	5601	11112
Indian or Asian	69	12	81
White	1101	954	2055
Other	51	15	66
Grand Total	7977	7728	15705

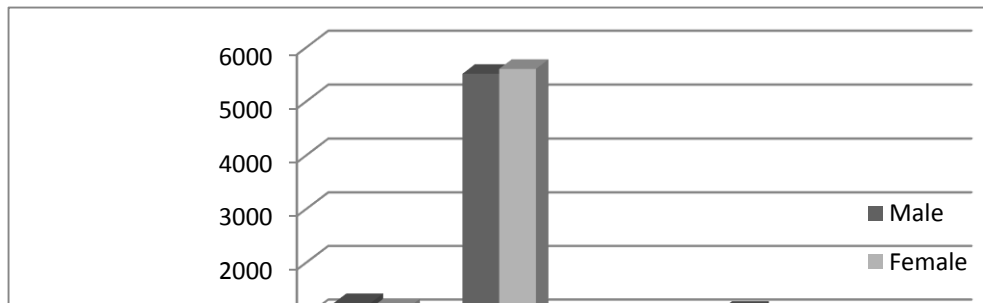
All cells in this table have been randomly rounded to base 3

Created on 10 March 2014

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3.1.1.1 Health issues

During the analyses phase this issue was discussed and analysed in detail. The detailed shortcomings and recommendations are formulated in par 2.4. During the workshops and land use survey, however, the following facilities were identified:

- 1 clinic, Deetlefsville (Strydenburg);
- 1 clinic, Steynville (Hopetown); (upgraded)
- 1 hospital (Hopetown). (upgraded.)

Recreational issues

The shortcomings in recreational facilities and recommendations in this regard were formulated in par 2.4. The land use survey, however, indicated the following:

Strydenburg:

- 1 formal soccer fields (one at school);
- 1 sports complex (needs to be upgraded.)

- 2 informal soccer fields;
- 2 netball fields;
- 1 Community hall; (needs to be upgraded.)
- 1 Combined netball and volleyball court;
- 1 bowling green; and
- show grounds. (not been utilize)

Hopetown:

- 1 sport complex
- 1 informal soccer field
- Primary school (soccer field, cricket and netball);
- Steynville High (cricket, volleyball, netball, 2 x tennis)
- 1 community hall;
- 1 private rugby field;
- 1 bowling green;
- 1 squash court;
- golf course; (not grassed)
- show ground;
- 2 tennis courts;
- 2 netball fields;
- Hopetown High (2 rugby fields, 4 tennis courts; 1 swimming pool; athletics, cricket field).

The recreational facilities for farm workers, however, were identified as a shortcoming.

The need for another **community hall** identified and the priority of it was emphasised

3.1.1.2 **Educational issues**

The following shortcomings activated this issue:

- lack of library facilities and the poor state thereof;

- provision of ABET education;
- poor school facilities in town and on farms;
- hostel to be provided in Hopetown; and
- a need for a day care centre;
- provide bus service to farm schools.

Geography by Present School Attendance

	None	Pre-school	School	College	Technikon	University	Adult Education Centre	Other
Hopetown	5,686	123	2,225	6	-	9	6	6
Hopetown SP	728	27	371	-	-	6	6	3
Steynville	4,966	99	1,841	6	-	6	-	-
Deetlefsville	1,207	80	648	6	3	3	9	-
Strydenburg SP	344	-	45	-	-	-	-	-
TOTAL	12,930	328	5,129	18	3	24	21	9

The survey indicated the following:

Strydenburg:

- 1 Combined School - Primary (Grade 1 – 7) and Secondary (Grade 8 – 12);

- One hostel.

Hopetown:

- 3 Primary schools (Grade 1 – 7);
- 2 Secondary school (Grade 8 – 12);
- One hostel.

Once again the education facilities in the rural areas were identified as problematic. An additional primary school was placed high of the IDP agenda. Oranje Diamant Primary is overcrowded.

3.1.1.1 Social issues

The social moral standard of the wider community needs to be uplifted. Alcohol and drug abuse by the youth is on the increase while the general fight against crime is generally unsuccessful. The abuse of women, children and elderly people take place on a daily base.

There is no mutual trust amongst the communities within the wider municipal area while the safety of farmers is getting worse.

Statistics South Africa

Family_Small_Areas

Table 1

Individual monthly income by Gender and Population group

for Person weighted, NC076: Thembelihle

	Male					Female					Grand Total
	Black African	Coloured	Indian or Asian	White	Other	Black African	Coloured	Indian or Asian	White	Other	
No income	321	1803	9	279	9	429	2271	3	348	9	5481
R 1 - R 400	216	1371	9	3	-	228	1290	3	6	-	3126
R 401 - R 800	39	252	3	9	-	39	234	-	24	-	600
R 801 - R 1 600	300	1191	12	63	12	267	1221	3	69	-	3138
R 1 601 - R 3 200	105	318	21	93	9	30	159	-	87	3	825
R 3 201 - R 6 400	81	174	9	135	12	30	114	-	96	-	651

R 6 401 - R 12 800	57	72	6	99	6	27	63	-	84	-	414
R 12 801 - R 25 600	24	51	-	102	-	15	45	-	42	-	279
R 25 601 - R 51 200	3	6	-	39	-	-	-	-	9	-	57
R 51 201 - R 102 400	-	-	-	12	-	-	-	-	-	-	12
R 102 401 - R 204 800	-	-	-	3	-	-	-	-	3	-	6
R 204 801 or more	-	-	-	6	-	-	-	-	-	-	6
Unspecified	36	186	-	243	-	30	174	-	141	-	810
Not applicable	60	81	3	18	-	45	27	3	42	-	279
Grand Total	1242	5505	72	1104	48	1140	5598	12	951	12	15684

Statistics South Africa

Disability_Small_Areas

Table 1

Official employment status by Population group
and Gender

for Person weighted, NC076:

Thembelihle

	Black African		Coloured		Indian or Asian		White		Other		Grand Total
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	
Employed	468	243	1332	906	36	3	483	345	42	3	3861
Unemployed	111	126	600	672	-	-	12	6	-	-	1527
Discouraged work-seeker	33	57	195	381	3	-	3	12	-	-	684
Other not economically active	264	333	1203	1470	18	3	186	291	6	6	3780
Age less than 15 years	-	-	-	-	-	-	-	-	-	-	-
Not applicable	372	387	2178	2172	12	6	420	294	-	-	5841
Grand Total	1248	1146	5508	5601	69	12	1104	948	48	9	15693

All cells in this table have been randomly rounded to base 3

Summary of potential problem areas

The following main problem areas were identified:

- increased fight against crime; AIDS and unwanted pregnancies;
- upgrading and providing sufficient sport and recreational facilities is lacking;

- building of new sport and recreational facilities
- address the poor state of the health facilities.
- address the need for shelter homes for the abused

Piped Water by Source of Water for Household : NC076: THEMBELIHLE

	Regional/local water scheme (operated by municipality or other water services provider)	Borehole	Spring	Rain water tank	Dam/pool/stagnant water	River/stream	Water vendor	Water tanker	Other
Piped (tap) water inside dwelling/institution	1131	174	-	3	3	75	-	6	-
Piped (tap) water inside yard	1254	480	-	-	15	33	-	30	-
Piped (tap) water on community stand: distance less than 200m from dwelling/institution	396	57	3	-	6	3	3	-	-

Piped (tap) water on community stand: distance between 200m and 500m from dwelling/institution	288	3	-	-	-	-	-	-	-
Piped (tap) water on community stand: distance between 500m and 1000m (1km) from dwelling /institution	39	21	-	-	-	-	-	-	-
Piped (tap) water on community stand: distance greater than 1000m (1km) from dwelling/institution	6	93	-	-	-	-	-	-	-
No access to piped (tap) water	3	3	-	-	-	3	-	3	3
Unspecified	-	-	-	-	-	-	-	-	-
Not applicable	-	-	-	-	-	-	-	-	-

All cells in this table have been randomly rounded to base 3

Toilet facilities

for Household weighted, NC076: Thembelihle

None	429
Flush toilet (connected to sewerage system)	2484
Flush toilet (with septic tank)	222
Chemical toilet	18
Pit toilet with ventilation (VIP)	456
Pit toilet without ventilation	486
Bucket toilet	9
Other	36
Unspecified	-
Not applicable	-
Grand Total	4140

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Type of dwelling by Refuse disposal

for Household weighted, NC076: Thembelihle

	Removed by local authority/private company at least once a week	Removed by local authority/private company less often	Communal refuse dump	Own refuse dump	No rubbish disposal	Other	Unspecified	Not applicable
House or brick/concrete block structure on a separate stand or yard or on a farm	2385	33	72	534	45	21	-	-
Traditional dwelling/hut/structure made of traditional materials	9	-	-	-	-	3	-	-
Flat or apartment in a block of flats	30	-	-	6	3	-	-	-
Cluster house in complex	3	-	-	-	-	-	-	-
Townhouse (semi-detached house in a complex)	3	-	-	-	-	-	-	-
Semi-detached house	-	-	-	-	3	-	-	-
House/flat/room in	15	-	6	3	-	-	-	-

backyard									
Informal dwelling (shack; in backyard)	54	-	-	3	3	-	-	-	-
Informal dwelling (shack; not in backyard; e.g. in an informal/squatter settlement or on a farm)	252	-	111	18	420	12	-	-	-
Room/flatlet on a property or larger dwelling/servants quarters/granny flat	45	-	-	3	-	-	-	-	-
Caravan/tent	6	-	-	-	-	-	-	-	-
Other	33	-	3	-	-	-	-	-	-
Unspecified	-	-	-	-	-	-	-	-	-
Not applicable	-	-	-	-	-	-	-	-	-

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Disability_Small_Areas

Table 1

Official employment status by Gender and Population group
for Person weighted, NC076: Thembelihle

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	Black African	Coloured	Indian or Asian	White	Other	Black African	Coloured	Indian or Asian	White	Other	
Employed	468	1332	36	483	42	243	906	3	345	3	3861
Unemployed	111	600	-	12	-	126	672	-	6	-	1527
Discouraged work-seeker	33	195	3	3	-	57	381	-	12	-	684
Other not economically active	264	1203	18	186	6	333	1470	3	291	6	3780
Age less than 15 years	-	-	-	-	-	-	-	-	-	-	-
Not applicable	372	2178	12	420	-	387	2172	6	294	-	5841
Grand Total	1248	5508	69	1104	48	1146	5601	12	948	9	15693

All cells in this table have been randomly rounded to base 3

Created on 13 March 2014

3.2 BASIC SERVICE DELIVERY

3.2.1 Summation of Service Delivery Analysis

Water and Sanitation is ranked as the major challenges of Thembelihle Municipality. This stems from the current reality that in most parts of the Thembelihle Municipality, water and sanitation services is meeting the required standards. Limited wealth of skills and experience in the water and sanitation discipline though training courses and mentoring initiatives are provided to enhance the capacity of processors to operate and man the water and sanitation infrastructure networks.

(a) Replacement of Asbestos Cement (AC) Pipes (Strydenburg)

- There is an estimatedkm of pipeline including 125mm diameter bulk supply mains from water treatment works to reservoirs, and from reservoirs to the town reticulation
- Reticulation pipes vary in sizes from 50 to 110 to 125mm diameter pipes, and difficult to detect leakages at times.

Required Interventions

- Replacement of AC Pipes with suitable and efficient PVC Pipes
- The estimated cost of the project is R000000-00 with VAT included

(b) Wastewater Treatment Works (Strydenburg)

- WWTW is aml/day oxidation pond system and initially, it consisted of a small bore sewer system
- However, with the construction of the plant, full waterborne sewers were installed requiring the removal of solid before entering the ponds
- Fenced with inlet and outlet flow meters

Required Interventions

Construction of new inlet works with installation of inlet and outlet flow meters as per Green Drop with project estimate of R000000-00

(c) Wastewater Treatment Works (Hopetown)

- Is 0.0ml/day with activated sludge plant designed for sewer system
- When construction of the plant was undertaken, full waterborne sewers were installed in some part of Steynville

Required Interventions

- Construction of new inlet works and installation of inlet and outlet flow meters as per Green Drop Requirements including replacement of fence.
- The estimated cost of the project is R000000-00

3.2.2 WATER AND SANITATION BACKLOGS

(a) Strydenburg

- 000 units use VIP System
- When heavy rains occur, the toilets become flooded and result in pollution.

Interventions Undertaken

- We undertake sucking services to alleviate the situation and minimise the impact
- However, we remain convinced that an alternative method of sanitation is required to avoid anaesthetic and pollution of groundwater source.
- Full waterborne system with a new construction of WWTW is a sustainable solution.

(b) Hopetown

- 000 units use VIP System in the informal area

Interventions Undertaken

- We undertake sucking services to alleviate the situation and minimise the impact
- However, we remain convinced that an alternative method of sanitation is required to avoid anaesthetic and pollution of groundwater source.
- Full waterborne system with a new construction of WWTW is a sustainable solution.

(c) Goutrou

- 000 units (informal settlement)
- No existence of water and sanitation infrastructure network.

Interventions Undertaken

- Municipality provides water services through carting to all the informal settlements though it is not sustainable
- Housing Business Plan has been submitted.

3.2.3 ELECTRIFICATION OF SETTLEMENTS

- 310 housing units in Hopetown have been electrified by Eskom
- 112 housing units in Strydenburg have been electrified by Eskom

3.2.4 STATUS QOU ON SOLID WASTE

- Submit the Applications for the licensing of Hopetown and Strydenburg Landfill site to Department of Environmental and Nature Conservation.
- Funding for the rehabilitation of landfill sites at a cost of R800 000 is required and a business plan needs to be drafted.

3.2.5 MUNICIPAL INTERNAL STREETS

- Approval of R14million for paving of internal streets and gravel roads in Hopetown and Strydenburg has been granted through MIG for 2016-2017 financial year however, we require not less than R100million to pave Steynville, Deetlefsville and Informal Settlements
- Intensify the upgrading and maintenance of gravel roads, access to services and used for east movement of people.
- Intensify upgrade and construction of storm-water drainage system through MIG and including maintenance and operational plans.
- We need attractive (beautification) entrance points and construction of pedestrian walks has funded the Hopetown Pedestrian walk and has been completed.

3.3 GRANT ALLOCATIONS AND PERFORMANCE COMMITMENTS

3.3.1 EPWP ALLOCATION AND EXPENDITURE PERFORMANCE

- R000000 has been approved for EPWP for the financial year and R000 000 was released as a first trench which we have spent about R000000.00 to-date.
- 000 households have been appointed for 0 years

3.4 GRANT ALLOCATIONS AND PERFORMANCE COMMITMENTS

3.4.1 MIG ALLOCATION AND EXPENDITURE PERFORMANCE

- We have received R000000 00 as part of the first trench and so far, spent about R000000 and therefore we are at 00% expenditure.

- MIG 3 YRS PLAN – 2014/2015 – R000000 – 2015/2016 – R000000 AND 2016/2017 – R000000

3.5 ACIP AND RBIG AND EXPENDITURE PERFORMANCE

3.5.1 ACIP GRANT AND PERFORMANCE

- R000000 allocation and R000000 expenditure to-date.

3.5.2 RBIG AND EXPENDITURE PERFORMANCE

- R000000 allocation and R000000 expenditure to-date.

CHAPTER 4: INSTITUTIONAL PERSPECTIVE

Thembelihle Municipality is a category B municipality and has a Mayoral System. The purpose of the chapter is to discuss the governance structure and to put the institutional structure required to deliver on the objectives in the IDP, into perspective.

4.1 COUNCIL

The Council performs both legislative and executive functions. It focuses on legislative, oversight and participatory roles, and has delegated its executive function to the Mayor and the Mayoral Committee. The Council's role is to debate issues publicly and to facilitate political debate and discussion. Apart from functions as decision makers, councillors are also actively involved in community work and the various social programmes in the municipal area.

4.1.1 IDP STEERING COMMITTEE

The Steering Committee is a technical working team consisting of Departmental Heads and senior officials within the municipality. These individuals would be involved in preparing technical reports and info, formulation of recommendations and to prepare certain documents.

This committee would be chaired by the IDP Manager (Municipal Manager) and would also be responsible for the secretariat.

The following officials have been nominated:

- * IDP Manager - Mr. M. Mogale (Municipal Manager)

- * Corporate Service - Mr. E. Mguye (Manager Corporate Services)

- * Technical Services - Mr. S. Marufu (Manager Technical Services)

- Mr. F. Human

- * Tourism Officer - Mr. M. Makenna (IDP Process Facilitator)

- * Financial Services - Mrs. X. Manzi (Acting Chief Financial Officer)

- * Budget & Treasury Office Manager - Ms. N. Jaxa (Finance)

* Income Service Manager – Mrs. X. Manzi (Finance)

4.1.2 IDP REPRESENTATIVE FORUM

This forum guarantees public participation and a consultative approach during the IDP process. The nomination of role players should be such that all levels and interested groups in the society are representative. Proper participation and communication should be guaranteed.

The Mayor should chair this forum or any individual councillor appointed in writing and the secretariat performed by the IDP Steering Committee. The following councillors have been nominated on the forum:

- Clr D. Jonas
- Clr B. Mpamba
- Clr S. Madekane
- Clr P. Louw
- Clr E. De Bruin
- Clr A. Kywe
- Clr M. Humphreys

CHAPTER 5 : STAKEHOLDER PERSPECTIVE

The engagement of stakeholders through a comprehensive public participation process was key feature of the 2015/16 review of the Integrated Development Plan. The identification and prioritisation of community needs was a public process which involved the co-operation of the 4 ward committees, the IDP Representative Forum, sector representatives and other stakeholders.

5.1 COMMUNITY BASED PLANNING

The established ward committees play a pivotal role in these community based planning processes and allow all stakeholders to take ownership and drive the developmental agenda in the areas in which they live, play and work. It also narrows down the strategic focus of areas of council to a particular geographic area and optimises the impact of various local, provincial and national government investments.

5.1.1 Ward Committees

Functional ward committees have been established in only 3 wards of Thembelihle Municipality. These ward committees comprise of geographical as well as sector representatives in communities and are regarded as the statutory consultative fora in the public participation process of the IDP review. The respective ward councillor is automatically the chairperson of the ward committee and monthly meetings keep the community informed of all municipal related matters. It is also incumbent on ward committee members to regularly interact with their constituencies and to ensure maximum participation in all planning processes of Thembelihle Municipality. A formal agenda is followed and inputs from these committees are fed into the Section 80 Committees and then on to the Mayoral Committee.

The ward committees played a significant role in this round of the IDP review to ensure that the broader public participates and also prioritised the basic needs and development requirements in the different wards. The priority needs in the wards mostly centered on basic services such as housing, stormwater, water, sanitation, job creation, unemployment, roads and safety.

5.1.2 Sector Representatives

Representatives have an active role within the constituencies and the sectors they represent. In terms of the planning process of the IDP and the broader consultation processes the municipality should utilise the ward committees system and the IDP Representative Forum which comprise of sector departments and other stakeholders.

CHAPTER 6 : STRATEGIC AGENDA

Strategic planning is a critical component of the long term sustainable management of a municipality Thembelihle Municipality has already compiled a 5 year IDP which maps out the strategic direction of the municipality as part of an integrated system of planning and delivery. The 3rd review of the 2012-2017 IDP endeavours to take stock of the performance in terms of the targets which the Council has set for itself and affirms itself that the municipality is still on track with its commitment to improve the livelihoods of the people in the Municipality Area. The IDP remains the principal strategic planning instrument of the municipality and the review process provides an effective mechanism to determine in what way the IDP has informed the following aspects:

The annual budget of the municipality;

The Land-use management decisions;

Economic promotion measures;

The municipality's organisational setup and management systems; and

The monitoring and performance management system.

The municipality is at the coal face of development in its area of jurisdiction and the dynamics, needs and priorities of its people change constantly. That is why the IDP of the municipality must be reviewed on an annual basis to keep track of such ever changing circumstances and dynamics.

6.1 The Municipal Vision & Mission

VISION

“We as Thembelihle Municipality, commit ourselves to a better life for all through sound economic growth, provision of basic infrastructure, disciplined social welfare, a sound and participative institutional management system, as we stand united.”

MISSION

To improve the lives of citizens of Thembelihle Municipal area through:

- **Quality Service Delivery**
- **Have a two way approach to communication and service**

- Ensuring a safe and enabling environment for economic growth
- Ensuring integrated sustainable human settlements
- Ensuring equal opportunities

CORPORATE CULTURE AND VALUES

- Driven by the aspirations of our people, we will respect and uphold the constitution of the Republic of South Africa and , to this end, observe human rights and participate in co-operative governance
- We subscribe to the principles of Batho Pele and total quality management
- We commit ourselves to the Codes of Conduct for councillors and officials in the Municipal Systems Act and to the principles of sound financial management
- We believe in integrity in the relations with all our stakeholders
- We commit ourselves to a corruption free municipality
- We endorse a “people-driven” approach and, to this end, commit ourselves to ensuring public participation in local government
- We commit ourselves to promote racial, gender and all other forms of equality and to empower all people in the municipality
- We regard the personnel of our municipality as our most important resource

We commit ourselves to a spirit of knowledge, completion and submissiveness of legislation, policies, procedures, conditions of service and resolutions of Council

6.2 STRATEGIC ANALYSIS

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> - Provide basic services delivery to the community - Good quality of drink water (Blue drop & Green drop) - Commitment of senior management - Expanded Public Works Programme - Implementation of MIG Funds 	<ul style="list-style-type: none"> - Inability to optimise the strategic and economic utilisation of municipal owned land and property - Ageing infrastructure and limited resources available for effective maintenance programmes - High level of inequality (wide gap between rich and poor) - High cost of water purchases - Loadshedding - Seasonality of the economy and employment

	<ul style="list-style-type: none"> - Limited progress with BBBEE at a local level - Limited support to SMME's - Scarce skills shortages in planning and development - Skills gap in basic business techniques - High cost of land and property - High rate of unemployment - High rate of poverty - Inconsistent understanding of economic development objectives - Increasing levels of drug related crime - Increasing levels of poverty induced crime - Increasing levels of violence against women and children - Increasing incidence of TB and HIV/Aids - High level of alcohol and substance abuse - Increase in substance and alcohol abuse amongst youth - Relatively high wage bill inside the municipality
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OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> - Growth in both domestic and international tourism markets - Improved coherence amongst established and emerging businesses - Development oriented political and administrative leadership - Sound financial management and leadership - Optimal utilisation of municipal owned land properties - Commitment to strengthening local government sphere - Established effective intergovernmental relations 	<ul style="list-style-type: none"> - Dilapidated infrastructure - Decaying of council's assets i.e. public facilities, buildings - High level of inequality - Steep increase in land value - Fluctuations in the tourism, construction and fishing industry - High property and - Limited access to adequate resources to achieve strategic objectives - High levels of poverty and unemployment - Increase in alcohol and substance abuse

<ul style="list-style-type: none"> - Effective communication platforms with the community - Good work ethics amongst staff and councillors 	
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6.3 OBJECTIVES AND PRIORITIES

The Vision and Mission statements and the situational analysis paved the way for the development of strategic objectives that provide a framework for the development of more detailed strategies, interventions and projects.

KEY PERFORMANCE AREA	GOAL	OBJECTIVE	PRIORITY
KPA1 SPATIAL AND ENVIRONMENTAL RATIONALE	To develop Thembelihle as an integrated spatially equitable municipal area, maximizing the potential benefits of its environmental assets in a sustainable and prosperous manner of its entire people.	Provide sustainable land use and development.	Priority 6 Compliant Spatial and Environmental Management Practices
KPA 2 BASIC SERVICES AND INFRASTRUCTURE	To ensure sustainable municipal infrastructure and social services, consistently maintaining and improving the needs of the people of Thembelihle and enabling their aspirations.	Provide water, sanitation, energy, electricity and housing services to all residents of Thembelihle.	Priority 1 Provision of infrastructure and basic services
KPA 3 LOCAL ECONOMIC DEVELOPMENT	To create and facilitate a conducive environment that builds inclusive local economies, sustainable decent employment and eradicates poverty.	Provide sustainable tourist destination and improved employment opportunities.	Priority 2 Local Economic Development
KPA 4 MUNICIPAL TRANSFORMATION	To create an enabling environment for active public	Comply with rules and regulations and ensure staff	Priority 3 Institutional Development and

AND ORGANIZATIONAL DEVELOPMENT	participation and administrative culture characterized by accountability and efficiency.	capacity building through skills development programmes.	Transformation
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KPA 5 FINANCIAL VIABILITY AND MANAGEMENT	To build financial sustainability of Thembelihle through empowering staff to achieve good governance and a clean administration promoting accuracy and transparency	To achieve a clean audit by 2017 To achieve a clean audit by 2017	Priority 4 Financial Management compliant to recognised practices
KPA 6 GOOD GOVERNANCE AND PUBLIC PARTICIPATION	To provide professional, efficient people centered human resource and administrative services to Thembelihle citizens, staff and council for a transformed, equitable and efficient development local system.	Provide acceptable levels of legal services to internal departments.	Priority 5 Provision of good governance to residents

6.3.2 Development Priorities for 2016/17 financial year

- Housing
- Water and Sanitation
- Electricity
- Upgrading of stormwater drainage (replace old pipes)
- Re-surfacing and paving of Roads
- Land for cemeteries
- Sport facilities
- Land for commonages

- Upgrading of council assets (halls)
- LED

6.3.3 Institutional Objectives for the 2015/16 year up to 2019/20

The following have been identified as Institutional Strategic Objectives per Key Performance Area for the 2015/16 year with projected Strategic Objectives up to 2019/20:

KEY PERFORMANCE AREA			FINANCIAL VIABILITY AND MANAGEMENT				
IDP Ref	Key Performance Indicator	2015/ 16	Projected achievement	2016/17	2017/18	2018/19	2019/20
F.1	% of revenue collected against revenue raised						
F.2	Number of days for the collection of debt						
F.3	% of creditors paid within 30 days						
F.4	% reliance on grants and subsidies for the funding of operational activities						
F.5	% of total operational expenditure attributable to personnel costs						
F.6	% budgeted expenditure						
F.7	% capital budget expenditure						
F.8	% external interest against operating expenditure						
F.9	% of total operating budget allocated to repairs and maintenance						
F.10	% reduction in staff related legal fees against budgeted amount						

F.11	% by which Current assets less inventory exceed liabilities						
F.12	% of indigent register has access to free basic services						
F.13	% compliance with legislative requirements for asset management						

KEY PERFORMANCE AREA			LOCAL ECONOMIC DEVELOPMENT				
IDP Ref	Key Performance Indicator	2015/ 16	Projected achievement	2016/17	2017/18	2018/19	2019/20
E.1	Number Temporary of Jobs created	± 400 Temporary of Jobs	600 jobs	650 Temporary jobs created	700 Temporary jobs created	750 Temporary jobs created	800 Temporary jobs created
E.2	Number of Jobs created through private public partnerships	0	50 jobs	60 Public private partnerships	65 Public private partnerships	70 Public private partnerships	75 Public private partnerships
E.3	Number of SMME's exposed to SMME development initiatives	32	50	100 SMME's	150 SMME's	200 SMME's	250 SMME's
E.4	Number of Indigent farmers exposed to agri programmes	55	90-100	100 Farmers	150 Farmers	200 Farmers	250 Farmers
E.5	Number of Residents exposed to rural development programmes	0	10	20 Residents	30 Residents	40 Residents	50 Residents
E.6	% of LED project budget spent on led projects	0	100%	100% LED budget expenditure	100% LED budget expenditure	100% LED budget expenditure	100% LED budget expenditure
E.7	Number of Community members participated in Arts/Sports/Heritage training programs	±150	Not measured	150 Community members	200 Community members	250 Community members	300 Community members

E.8	Number of / Events Festivals approved and hosted	0	Not measured	1 Event	2 Events	3 Events	4 Events
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KEY PERFORMANCE AREA			INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION				
IDP Ref	Key Performance Indicator	2015/ 16	Projected achievement	2016/17	2017/18	2018/19	2019/20
I.1	% Compliance with the implementation of the employment equity plan	85% Employment Equity Plan compliance	90% Employment Equity Plan	95% Employment Equity Plan	100% Employment Equity Plan	100% Employment Equity Plan	100% Employment Equity Plan
I.2	% Expenditure of seta and internal funding for staff development	30% Staff development funding Expenditure	50% Staff development funding Expenditure	70% Staff development funding Expenditure	80% Staff development funding Expenditure	90% Staff development funding Expenditure	100% Staff development funding Expenditure
I.3	% Compliance with the work place skills plan	35% Work Place Skills Plan Compliance	45% Work Place Skills Plan Compliance	50% Work Place Skills Plan Compliance	90% Work Place Skills Plan Compliance	100% Work Place Skills Plan Compliance	100% Work Place Skills Plan Compliance
I.4	% of total staff salary budget spent on skills development initiatives	1% of budget allocation for skills development	1% of budget allocation for skills development	2% of budget allocation for skills development	2.5% of budget allocation for skills development	3% of budget allocation for skills development	3.5% of budget allocation for skills development

KEY PERFORMANCE AREA			GOOD GOVERNANCE AND PUBLIC PARTICIPATION				
IDP REF	Key Performance Indicator	2015/16	Projected achievement	2016/17	2017/18	2018/19	2019/20
G.1	% of wards participate through monthly ward committee meetings	10% Participation through monthly ward committee meetings	50% Participation through monthly ward committee meetings	60% Participation through monthly ward committee meetings	70% Participation through monthly ward committee meetings	80% Participation through monthly ward committee meetings	100% Participation through monthly ward committee meetings
G.2	% of wards participate through quarterly ward constituency meetings	5% Participation through quarterly ward constituency meetings	10% Participation through quarterly ward constituency meetings	30% Participation through quarterly ward constituency meetings	50% Participation through quarterly ward constituency meetings	75% Participation through quarterly ward constituency meetings	100% Participation through quarterly ward constituency meetings

G.3	Audit results	Clean Audit	Un-qualified	Clean Audit	Clean Audit	Clean Audit	Clean Audit
G.4	Number of Residents participated in public participation programmes	500 Residents participated in public participation programmes	300 Residents participated in public participation programmes	550 Residents participated in public participation programmes	600 Residents participated in public participation programmes	650 Residents participated in public participation programmes	700 Residents participated in public participation programmes
G.5	% of staff held accountable for performance	85% of staff accountable for performance	100% of staff accountable for performance	100% of staff accountable for performance	100% of staff accountable for performance	100% of staff accountable for performance	100% of staff accountable for performance
G.6	% Vacancy rate over three month period against approved organogram	Less than 5% staff vacancy rate	Draft approved	Less than 5% staff vacancy rate	Less than 5% staff vacancy rate	Less than 5% staff vacancy rate	Less than 5% staff vacancy rate

KEY PERFORMANCE AREA			SPATIAL AND ENVIRONMENTAL RATIONALE				
IDP REF	Key Performance Indicator	2015/16	Projected achievement	2016/17	2017/18	2018/19	2019/20
S.1	% of properties in formal residential areas provided with access to potable water	95% of formal residential properties provided with access to water	90%	100% of formal residential properties provided with access to water	100% of formal residential properties provided with access to water	100% of formal residential properties provided with access to water	100% of formal residential properties provided with access to water

S.2	% Blue Drop score for potable water quality	.....				
S.3	% Water Losses	Water Losses less than 50%	60%	Water Losses less than 45%	Water Losses less than 40%	Water Losses less than 35%	Water Losses less than 30%
S.4	% of properties in formal residential areas provided with sanitation services	98% of properties in formal residential areas provided with sanitation services	95%	100% of properties in formal residential areas provided with sanitation services	100% of properties in formal residential areas provided with sanitation services	100% of properties in formal residential areas provided with sanitation services	100% of properties in formal residential areas provided with sanitation services
S.5	% Green Drop score for treatment of effluent	.....				
S.6	% of properties in formal residential areas provided with electricity	99% of properties in formal residential areas provided with electricity	100%	100% of properties in formal residential areas provided with electricity	100% of properties in formal residential areas provided with electricity	100% of properties in formal residential areas provided with electricity	100% of properties in formal residential areas provided with electricity
S.7	% of properties in formal residential areas provided with street/area lighting	95% of properties in formal residential areas provided with street/area lighting	90%	97% of properties in formal residential areas provided with street/area lighting	98% of properties in formal residential areas provided with street/area lighting	99% of properties in formal residential areas provided with street/area lighting	100% of properties in formal residential areas provided with street/area lighting
S.8	% of properties in formal residential areas serviced by maintained roads	56% of properties in formal residential areas serviced by maintained roads	70%	60% of properties in formal residential areas serviced by maintained roads	65% of properties in formal residential areas serviced by maintained roads	70% of properties in formal residential areas serviced by maintained roads	75% of properties in formal residential areas serviced by maintained roads
S.9	% of properties in formal residential areas serviced with storm water systems	45% of properties in formal residential areas serviced with storm water systems	50%	50% of properties in formal residential areas serviced with storm water systems	55% of properties in formal residential areas serviced with storm water systems	60% of properties in formal residential areas serviced with storm water systems	65% of properties in formal residential areas serviced with storm water systems
S.10	% of council owned properties subjected to maintenance programmes	60% of council owned properties subjected to maintenance programmes	70%	70% of council owned properties subjected to maintenance programmes	75% of council owned properties subjected to maintenance programmes	80% of council owned properties subjected to maintenance programmes	90% of council owned properties subjected to maintenance programmes

S.11	% of properties in formal residential areas serviced with refuse removal services	95% of properties in formal residential areas serviced with refuse removal services	100%	100% of properties in formal residential areas serviced with refuse removal services	100% of properties in formal residential areas serviced with refuse removal services	100% of properties in formal residential areas serviced with refuse removal services	100% of properties in formal residential areas serviced with refuse removal services
S.12	% Compliance with waste disposal permit requirements	40% Compliance with waste disposal permit requirement	50%	60% Compliance with waste disposal permit requirement	70% Compliance with waste disposal permit requirement	80% Compliance with waste disposal permit requirement	90% Compliance with waste disposal permit requirement
S.13	% of MIG grants spent	.....	50%	100% MIG Expenditure	100% MIG Expenditure	100% MIG Expenditure	100% MIG Expenditure
S.14	% Upgrade of cemeteries	80% Upgrade of cemeteries	90%	85% Upgrade of cemeteries	90% Upgrade of cemeteries	95% Upgrade of cemeteries	100% Upgrade of cemeteries

KEY PERFORMANCE AREA			INFRASTRUCTURE AND BASIC SERVICE DELIVERY				
IDP REF	Key Performance Indicator	2015/16	Projected achievement	2016/17	2017/18	2018/19	2019/20
B.1	% of development complies with the spatial development framework	30% Spatial Development Framework Compliance	50%	50% Spatial Development Framework Compliance	80% Spatial Development Framework Compliance	90% Spatial Development Framework Compliance	100% Spatial Development Framework Compliance
B.2	Number of houses formalized	Formalize 250 informal erven	Baseline 1500 informal houses	Formalize 350 informal erven	Formalize 200 informal erven	Formalize 150 informal erven	Formalize 150 informal erven
B.3	Number of houses build	Reduce housing backlog by 65	Baseline 5000 on waiting list	Reduce housing backlog by 250	Reduce housing backlog by 250	Reduce housing backlog by 250	Reduce housing backlog by 250

B.4	Number of Environmental Management Plans developed and adopted	30% Environmental Management Plan Compliance	No local Environmental Management Plan	50% Environmental Management Plan Compliance	55% Environmental Management Plan Compliance	60% Environmental Management Plan Compliance	65% Environmental Management Plan Compliance
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6.4 STRATEGIC ACTION PLAN FOR 2016/2017 FINANCIAL YEAR

➤ ADMINISTRATION, MONITORING AND EVALUATION

KEY OBJECTIVES	KEY ACTIVITIES	RISK	BASELINE ALIGNMENT	ACTION INTERVENTION	RESPONSIBLE MANAGER	BUDGET REQUIRED	TIME-FRAME
ORGANISATIONAL STRUCTURE REVIEW	<ul style="list-style-type: none"> > Job descriptions > Job evaluation > Norms and standards 	High	<ul style="list-style-type: none"> > Norms and standards > Legislative compliance > Budget alignment > Consultation process 	<ul style="list-style-type: none"> > Signed job descriptions from directorates > Adherence to legislation 	Municipal Manager / CSM	Municipal Operating Budget	
INTEGRATED HR PLAN	<ul style="list-style-type: none"> > Succession Plan > Attraction and Retention 	High	<ul style="list-style-type: none"> > Draft HR Plan in place to be reviewed > LG Regulations consideration consultation > Consultation > Aligned with the IDP and Organogram 	<ul style="list-style-type: none"> > Consultative process > Tabling to LLF for recommendations > Tabling to Council for approval 	CSM / HR Officer	Municipal Operating Budget	
RECRUITMENT AND SELECTION	<ul style="list-style-type: none"> > Review of recruitment policy > Annual Recruitment Plan 	High	<ul style="list-style-type: none"> > R & S Policy adopted > Alignment with EE Plan > Alignment with budget (norms) > Legislative requirements 	<ul style="list-style-type: none"> > Consultative process > Tabling to LLF for recommendations > Tabling to Council for approval 	CSM / HR Officer	Municipal Operating Budget	
EMPLOYMENT EQUITY AND DIVERSITY MANAGEMENT	<ul style="list-style-type: none"> > EE Plan with EE targets (quality) > Submission of EE report > People with 	High	<ul style="list-style-type: none"> > EE Plan in draft need review > Legislative compliance > Development of a disability and designated groups strategy > Change management 	<ul style="list-style-type: none"> > Consultative process > Tabling to LLF for recommendations > Tabling to Council 	Municipal Manager / CSM	Municipal Operating Budget	

	<ul style="list-style-type: none"> disability > EE Structure capacity and M & E > Women empowerment > Employee satisfaction survey 		strategy	for approval			
PERFORMANCE MANAGEMENT SYSTEM	<ul style="list-style-type: none"> > PMS Policy 	High	<ul style="list-style-type: none"> > PMS Policy not in place 	<ul style="list-style-type: none"> > Benchmarking with other municipalities > Consultative process > Tabling to Council > M & E 	Municipal Manager / Shared Service from DM	Municipal Operating Budget	

SKILLS DEVELOPMENT AND CAPACITY BUILDING	<ul style="list-style-type: none"> > Skills Audit exercise > Competency Assessment i.t.o. regulations > Well costed annual Training Plan > Training Committee (capacity and M & E role) 	High	<ul style="list-style-type: none"> > Alignment with budget and legislation > M & E mechanism > WSP compliance 	<ul style="list-style-type: none"> > Identification of skills for specialized areas > Implementation plan by committee 	CSM / HR Officer	Operating Budget LGSETA	
MONITORING AND EVALUATION	<ul style="list-style-type: none"> > Development of the M & E Plan > Formulation / establishment of M & E unit > Establishment of M & E Committee 	Medium	<ul style="list-style-type: none"> > M & E resides with HR > No dedicated M & E Unit > Establish M & E Unit to be located in the MM's Office 	<ul style="list-style-type: none"> > Approved of structure by Council > Appointment of staff > Election of committee members 	Municipal Manager / CSM	Municipal Operating Budget	

COMMUNICATION AND PUBLIC PARTICIPATION	<ul style="list-style-type: none"> > Finalization of the Communication Strategy > Implementation of the Communication Strategy > Development of the PP strategy > Conduct annual customer satisfaction survey 	Medium	<ul style="list-style-type: none"> > Draft Communication Strategy in place > Finalize the draft and adopt > Alignment with 	<ul style="list-style-type: none"> > Benchmark with other municipalities PP Strategy 	Municipal Manager / CSM /Communication Officer	Municipal Operating Budget	
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➤ **INFRASTRUCTURE, DEVELOPMENT AND PLANNING**

KEY OBJECTIVES	KEY ACTIVITIES	RISK	BASELINE ALIGNMENT	ACTION INTERVENTION	RESPONSIBLE MANAGER	BUDGET REQUIRED	TIME-FRAME
INFRASTRUCTURE, PLANNING AND DEVELOPMENT	Vision 2030 Municipal Development Plan	High	> No Municipal Development Plan (Vision 2030)	> Sector Departments should assist the municipality in the establishment of the plan	Manager Technical Services, Manager Corporate Service	Municipal Operating Budget	
	Storm Water Master Plan	Low	> Draft Storm Water Master Plan for entire Municipality	> Draft Storm Water Master Plan to be tabled for adoption by Council	Manager Technical Services	Municipal Operating Budget	

	CIP	Low	> The municipality should draft a CIP	> The CIP would quantify all infrastructure requirements incorporating the existing infrastructure master plans including capital and operational projects / programmes	Manager Technical Services	Municipal Operating Budget	
	Municipal Infrastructure Investment Plan	High	> Challenge to maintain the new proliferated infrastructure > Inadequate capital funding to cater for current and future infrastructure development	> Create Infrastructure replacement fund	Manager Technical Services	Municipal Operating Budget	
	Spatial Development Framework (SDF)	Low	> Review of SDF	> Outdated SDF in place > Advertise Draft SDF > Public Participation > Finalization and adoption by Council	Manager: Planning Shared Service Pixley Ka Seme	DRDAR is assisting financially Review	
	Spatial Planning and Land Use Management Act (SPLUMA)	High	> Challenge in the implementation model of SPLUMA	> Municipality should consider shared services i.e. a joint tribunal between	Manager: Planning Shared Service Pixley Ka Seme	DRDAR is assisting financially	
	Municipal Housing Sector Plan	High	> Reviewed and adopted the MHSP	> Update MHSP	Manager: Housing	Municipal Operating Budget	
	Water Services Development Plan	Low	> Outstanding	> Compile WSDP	Manager: Technical Services	Municipal Operating Budget	
BASIC SERVICES	Annual Operating Budget	High	<ul style="list-style-type: none"> - The municipality has a limited operating budget resulting into dilapidating infrastructure - The challenge is to maintain the new proliferated infrastructure 	<ul style="list-style-type: none"> - The municipality must increase the operating budget on an incremental basis to eventually subsidize the full cost of 	All managers		Annually

				rendering the operation and maintenance services			
	3 Year Capital Plan	High	<ul style="list-style-type: none"> - Inadequate capital funding to cater for current and future infrastructure development 	<ul style="list-style-type: none"> - Sector departments to be engaged by Thembelihle LM to assist in lobbying of capital funding for future resource and infrastructure development 	All Managers		
	SDBIP Quarterly Progress Report	High	<ul style="list-style-type: none"> - The current SDBIP does not reflect measurable outputs - The SDBIP is not submitted quarterly to the MM and to the COGTA 	<ul style="list-style-type: none"> - Set realistic and measurable KPI and outputs - Submit quarterly SDBIP 	All Managers		
ELECTRICITY	Pre-paid meters to be implemented	High	<ul style="list-style-type: none"> - Inadequate funding for installation of meters 	<ul style="list-style-type: none"> - Upgrading of present facilities in a phased fashion 	Manager: Technical Services	Municipal Operating Budget	
	Renewable Energy	Low	<ul style="list-style-type: none"> - mitigate the effect of load shedding 	<ul style="list-style-type: none"> - Source investors to invest in the programme 	Manager: Technical Services Manager: PMU		
	Solar Home System (500 units)	Low	<ul style="list-style-type: none"> - Improved Standards of living 	<ul style="list-style-type: none"> - Compile a Business Plan 	Manager: Technical Services Manager: PMU		
WATER	Water Conservation and Demand Management	High	<ul style="list-style-type: none"> - Municipality loses income due to water losses and unaccounted water and incorrect billing 	<ul style="list-style-type: none"> - Implement water conservation and demand management initiatives. - Inspect and audit of water meter installations to ensure leak detection and 	Manager: Technical Services	Municipal Operating Budget	

				correct billing of customers.			
	Equiping of two additional boreholes in Strydenburg	High	- Improve redundancy on bulk water infrastructure and water supply provide sustainable water to community.	- In Process	Manager: Technical Services DWA COGHSTA	DWA	
	DWS ACIP Programme	High	- Service of 1500 new stands with water connections in Hopetown, Strydenburg, Steynville, Vergenoeg, Deetlefsville en Hillside	- Business plan need to be developed		DWA	
	Pre-paid Water Meters	Low	- Purchase and installation of pre-paid water meters in the municipal area	- Improved Service Delivery. Determine proper water balance and generate revenue	MIG Technical Services	Municipal Operating Budget	
	Water Pipeline	High	- Replacement of the A/C water pipeline from Thornville PS to Strydenburg to a full UPVC line	- Improve infrastructure - Improve Service delivery - Decrease water losses	In process	DWA	
ROADS	Municipal Roads	High	- Upgrading of internal roads in Hopetown and Strydenburg	- Repair of potholes and resealing of roads - Improved infrastructure	Technical Services	Municipal Operating Budget & MIG	
HOUSING	formalisation	High	- Residents in need of formalised sites to access funding for basic services and electrical connections	- Formalise informal settlements to better the living conditions of residents. - Pre-planning of informal	Town Planning	COGTA	

				settlement			
	Provision of backlogged subsidy housing in all towns 350 Vergenoeg 200 Hopetown 150 Strydenburg 300 Hillside 350 Steynville 100 Deetlefsville	High	- Residents in need of services sites to build houses	Provide proper housing / shelter	Technical & Housing Service	COGTA	

CHAPTER 7 : SECTOR PLANNING AND OPERATIONAL PERSPECTIVE

Thembelihle Municipality is responsible for the delivering of municipal functions as specified in Schedule 4B and 5B of the Constitution of South Africa. All the strategic planning processes to address these functions should be aligned and fully integrated to ensure sustainable growth and development. It is therefore required that all the sector plans are considered as these plans should guide the departments on specific issues to be addressed during planning and implementation of the IDP.

7.1 SECTOR PLANNING

The Sector Plans focus on specific sectors within the context of local government. The alignment of sector plans between all spheres of government is important in ensuring integration of programmes ad maximum utilization of available resources. The following table highlights the status of the sector plans:

SECTOR PLAN	OBJECTIVE OF PLAN	STATUS OF PLAN	IMPLEMENTING DIRECTORATE
Long Term Financial Plan	A financial plan that will ensure the financial viability of the municipality in order to give effect to the strategic objectives of Council as portrayed in the IDP	The Plan still need to be drafted, and will be undertaken in conjunction with the development of a long term vision for the Municipality	Finance
Asset Management Plan	To record all assets of the municipality and make recommendations for the optimal economic utilisation of such assets	To be developed	Finance
Integrated Infrastructure Maintenance Plan	A 5 year master plan to upgrade and maintain existing infrastructure in the municipality	No plan in place. Plan to be developed.	Infrastructure, Planning and Development
Integrated Infrastructure Investment Plan	A 5 year master plan to invest in new infrastructure in the municipality	No plan in place. Plan to be developed.	Infrastructure, Planning and Development
Water and Sewer Master Plan	Determine the future capacity of adequate sustainable water sources and the capacity of the sewer reticulation system to accommodate future development	No plan in place. Plan to be developed.	Infrastructure, Planning and Development
Water Services Development Plan	To co-ordinate the provision and demand of bulk potable water to different consumers in the municipality	No plan in place. Plan to be developed	Infrastructure, Planning and Development
Integrated Waste	To integrate and optimise	No plan in place. Plan to be	Infrastructure, Planning and

Management Plan	waste management, in order to maximise efficiency and minimise the associated environmental impacts and financial costs, and to improve the quality of all residents in the municipality	developed.	Development
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Storm Water Master Plan	To map out a 5 year master plan to implement storm water networks in Thembelihle Municipality and also to maintain the existing storm water infrastructure	No plan in place. Plan to be developed	Infrastructure, Planning and Development
Electricity Master Plan	To map out a 5 year master plan to expand and improve the electrical network for the municipality and also to maintain the existing electrical infrastructure	No plan in place. Plan to be developed.	Infrastructure, Planning and Development
Pavement Management System	To map the condition of roads, calculate backlogs, propose remedial actions, do cost estimates for budgeting and setting of priorities	No plan in place. Plan to be developed	Infrastructure, Planning and Development
Integrated Transport Plan	To co-ordinate the priorities for transport and traffic patterns in the municipality and ensure that provision is made for infrastructure for public transport	No plan in place. Plan to be developed.	Infrastructure, Planning and Development
Disaster Management Plan	A plan to pro-actively identify risks and prevent disasters from happening or minimising the impact of such disasters if it cannot be avoided	Yes. Document was developed. Needs To be reviewed.	Infrastructure, Planning and Development
Spatial Development Framework	To make spatial provision for IDP and other strategic planning objectives of the municipality in line with the principles of sustainable development	Yes. Document was developed. Needs To be reviewed.	Infrastructure, Planning and Development
Rural Development Strategy	Planning for development of rural settlements and facilitate land reform projects	No plan in place. Plan to be developed.	LED, Tourism
Economic Development Strategy	Strategy to create a conducive environment for all stakeholders to stimulate economic growth and create decent job opportunities	Yes document in place. To be reviewed.	LED, Tourism

Human Settlement Plan	To prioritise the housing needs in the municipality and co-ordinate the implementation of different housing options in line with the National and Provincial Housing Policy	No plan in place. Plan to be developed.	Housing Section
Performance Management Policy Framework	Establishing a culture of performance throughout the whole organisation	No plan in place. Plan to be developed.	Administration, Monitoring and Evaluation

Risk Management Plan	To identify potential risks in all systems and procedures of the municipality and develop proactive risk reduction strategies	No plan in place. Plan to be developed.	Infrastructure, Planning and Development
Law Enforcement Strategy	To apply all road traffic regulations and by-laws effectively	No plan in place. Plan to be developed.	Traffic Department
Communication Strategy	To develop an approach of continued interaction and communication between the municipality and a wide range of internal and external stakeholders	Still in draft form	Communication Officer
Integrated HIV/Aids Plan	To facilitate awareness and pro-active strategies to combat HIV/Aids and provide support to people infected and affected by HIV/Aids	Yes document in place. To be reviewed.	Office of the Mayor.
Employment Equity Plan	To ensure that targets are being set for transformation of the staff structure of the municipality in order to reflect the demographic composition of the area	Yes document in place. To be reviewed.	HR Officer / Corporate Service Manager.
Workplace Skills Plan	To co-ordinate training and capacity building of municipal staff as per their personal career objectives	Yes document in place. To be reviewed.	HR Officer / Corporate Service Manager.

7.2 SPATIAL AND ENVIRONMENTAL RATIONALE

7.2.1 SPATIAL PLANNING AND LAND USE MANAGEMENT ACT, 2013 (ACT NO. 16 OF 2013)

The new Spatial Planning and Land Use Management Act, 2013 (Act no. 16 of 2013)(SPLUMA) was promulgated on 5 August 2013.

Institutional Organization: SPLUMA further intends to address the failures of the “old order” planning ordinances and legislation, the majority of which predate 1994. SPLUMA intends to create a coherent regulatory framework for spatial planning and land use management, amongst others by legislating actions to ensure justice and equity in the application of spatial development planning and land use management systems. Amongst others SPLUMA requires Spatial Development Frameworks (SDF’s) to be completed by all three spheres of government for respectively, the country, a province or a municipal area. The process of compiling SDF’s becomes an involve process in which local government places a central role, primarily because it must provide the data / information for the planning.

Every municipality must develop and/or adopt a Municipal Planning by-law which can be a unique document specific to the municipality, or a general one, based on a model that is being prepared by the Northern Cape Government for the Northern Cape Municipalities. By-laws will forthwith determine the procedural and administrative aspects of land use planning and management, instead of the Provincial Regulations.

In the interim, Section 44 of LUPO has been amended with the effect that the MEC for no longer consider the merits of land use planning matters of appeals. The MEC now only comments on and when appropriate concurs with a municipality’s land use planning decision which subsequently means the appeals are thus decided by Council. The MEC will only consider the procedural aspects of the appeals and cases before him. Where a municipality has made a procedural error in dealing with the case e.g. not following due process or not taking relevant information into account, the MEC will advise that the decision of the municipality be set aside and referred back to it for re-processing and re-consideration. No right of appeal will be established in such instance.

One of the consequences of the new planning legislation and processes is that a municipality now becomes legally accountable for decisions, i.e. an applicant or aggrieved party will no longer sue the MEC and add the municipality as a respondent. Instead, the municipality will be sued and it must provide for the costs and administrations of such legal cases.

Development Principles: One of the main objectives of this act is to provide a framework for spatial planning and land use management to address past spatial and regulatory imbalances. The act sets out the following main development principles applicable to spatial planning, land use management and land development:

- a) Spatial justice (improved access to and use of land with an emphasis on informal settlements and disadvantaged communities);
- b) Spatial sustainability (protection of prime and unique agricultural land, development in locations that are sustainable, limit urban sprawl and creation of viable communities);
- c) Efficiency (optimising the use of existing resources and infrastructure);
- d) Spatial resilience (allow for flexibility in spatial plans);
- e) Good administration.

Municipal SDF: Section 21 of the Act provides a detailed description of information to be included in a municipal SDF, including:

- A 5 year and long term (10 – 20) year spatial vision, structuring and restructuring elements, housing demand, planned location and density of future housing projects;
- Identify areas for inclusionary housing, population growth, economic trends and infrastructure requirement estimates for the next 5 years;
- Environmental assessment, identify areas for incremental upgrading, capital expenditure framework;
- Include and implantation plan.

7.2.2 INTEGRATED LAND USE SCHEME (ILUS)

The act requires *“a Land Use Scheme must give effect to and be consistent with the Municipal Spatial Development Framework and determines the use and development of land within the municipal area to which it relates in order to promote economic growth, social inclusion and efficient land development and minimal impact on public health, environment and national resources”*.

7.2.3 ENVIRONMENTAL MANAGEMENT

The IDP acknowledges the fact that Thembelihle Municipality have not adopted or developed an Environmental Management Plan for the management of environmental challenges such as the following:

- Protected and sensitive areas
- Bio-diversity
- Waste Management
- Land Management
- Management of proclaimed reserves

7.3 FINANCIAL VIABILITY

7.3.1 Accountability

In order to ensure the required Political and Community oversight over the implementation of the Institutional Objectives as defined shall the following internal arrangements be adhered to, both at Political level and Administrative level:

- Institutional Objectives shall form the core components of the High Level Institutional Service Delivery and Budget Implementation Plan for 2016/17;
- The Institutional Objectives as defined herein shall in its totality represent the Performance targets for the Municipal Manager for the 2016/17 year;
- The relevant Institutional Objectives shall be the performance targets for Section 56 Managers in so far as it is relevant to their respective areas of operation;

- Programme and projects supporting Institutional Objectives targets shall form the basis for the Departmental Service Delivery Budget Implementation plans for 2016/17:
- Departmental Service Delivery and Budget Implementation Plans shall be developed for implementation with effect 1 July 2016
- Managers shall be responsible for the Development of the Departmental SDBIP's in respect of their relevant Departments.
 - Program and project targets shall form the basis of individual performance agreements at the lower staff levels
- Accountability with regard to correctness of evidence submitted relative to performance claims shall ultimately vest with the Municipal Manager in so far as it relates to institutional performance and the relevant Section 56 Manager in so far as it relates to departmental performance.
- Ward Councillors shall be accountable to ensure sufficient input by Ward Committees and the needs and priorities with regards to the respective wards on the Integrated Development Plan and shall further be accountable for assistance of the Ward Committees with the development and maintenance of Ward Based Plans required for the Integrated Development Plan.

7.3.2 Reporting and Oversight

In order to enable and facilitate the required oversight shall the following reporting requirements be adhered to:

- Monthly Departmental Performance consultation meetings between the relevant Section 56 Manager (Director) and the relevant Portfolio Councillor in the implementation of the Departmental SDBIP;
- Monthly Portfolio Performance meetings between the Mayor and Portfolio Committee Chairpersons;
- Monthly Top Management meetings dedicated to the discussion of Departmental Performance;
- Monthly performance meetings between the Mayor and the Municipal Manager Quarterly Departmental SDBIP Performance Reporting to the relevant Portfolio Committee;
- Quarterly submission of Institutional Performance in the implementation of the High Level SDBIP to Council and the Audit Committee;
- Quarterly submission of Ward Based IDP Implementation progress reports through the Ward Committee structures;
- Quarterly performance evaluation of Section 57 (Municipal Manager) and Section 56 (Directors) employees in respect of individual performance;
- Mid- Year Performance Report submitted to Council and published on the Official Web Site; Annual Performance Report submitted to Council and the Audit Committee
- Municipal Public Accounts Committee to meet quarterly to oversee performance and annual reporting;

- Publication of the Annual Performance Report on the Official Web Site.

7.4 PROCESS PLAN overview : Steps and events

PROCESS PHASES AND PROGRAMME

The following process phase as stipulated was followed

Pre-planning phase (Process Plan)

A Process Plan serves as a guideline (step-by-step manual) for the Development of the IDP. The Process Plan deals with how the process of the development of an IDP should unfold. It further indicates when certain actions are expected and the responsible person attached thereto as well as the expected outcomes.

Analysis phase

During this phase certain information and data has been gathered relevant to the priority issues. The priority issues refer to certain problem areas identified in order to secure a better future. Public participation is the basis of this identification and a proper understanding of the problem areas (priority issues) was necessary. Information on available resources was also necessary.

Strategies phase

During this phase a vision was be formulated for the municipality and certain objectives set to address the abovementioned problems (what should be done). Thereafter strategies should be formulated on how the problems should be addressed.

Project phase

During this phase specific projects should be identified for implementation. These projects must address the goals specified in the previous phase. Indicators, outputs, targets, time schedules and budgets should be identified.

Integration phase

After project identification the authority must ensure that objectives and strategies comply with legal requirements. The necessary 5-year plans should be put in place as well as the spatial development framework.

Approval phase

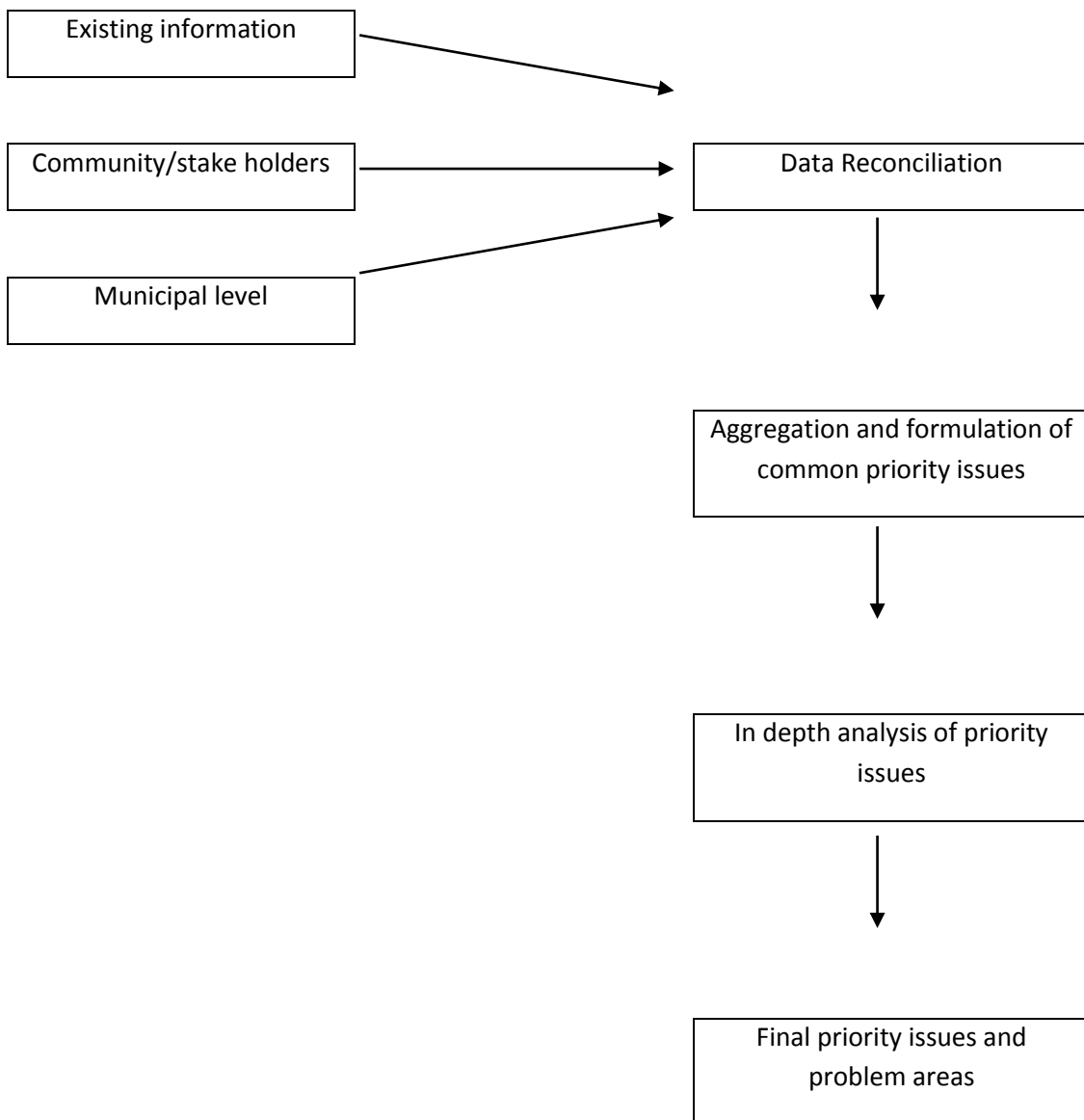
A table top IDP framework is developed to give guidance to the shape and information content of the final document. The DRAFT document has been submitted and approved by council and it must as well be assessed by the Department of Cooperative Governance for relevance as well compliance.

The final plan (document) is to be approved by council after the public has been given the opportunity to comment on the plan and/or any amendments required by the council. Thereafter the plan should be submitted to the MEC for his assessment to ensure the document complies with the requirements of the Municipal Systems Act.

7.4.1 Self – Assessment of the Planning Process

Municipal level analysis

- Interviews with the Departmental Heads
 - Technical services;
 - Corporate Services;
 - Financial services
 - Conduct land use survey;
 - Conduct Housing and services backlog survey.



7.4.1 IDENTIFICATION OF PROJECTS

According to the guidelines project task teams should be appointed to identify certain projects within their field(s) of speciality.

A different approach for the identification of projects was followed because of the small size of the municipality and the limited staff available to assist with the process.

The projects were identified in the following way:

- the **identification of projects** by the IDP representative Forum and the IDP Steering Committee during engagement sessions.

- the **technical preparation** and formulation of the project during discussion sessions with certain professional people in their specific fields:
 - civil engineer and technical representative of the city council;
 - electrical engineer and technical representative of the council;
 - IDP Manager;
 - AIDS expert;
 - CFO; plus
 - Facilitator.

During the identification of the projects, the following basic guidelines/directives were applied to every project:

- objectives of each project and indicators to achieve these objectives;
- project outputs to be achieved related to target groups and locations;
- major activities, people responsible and timing;
- costing, budgets and services of funding.

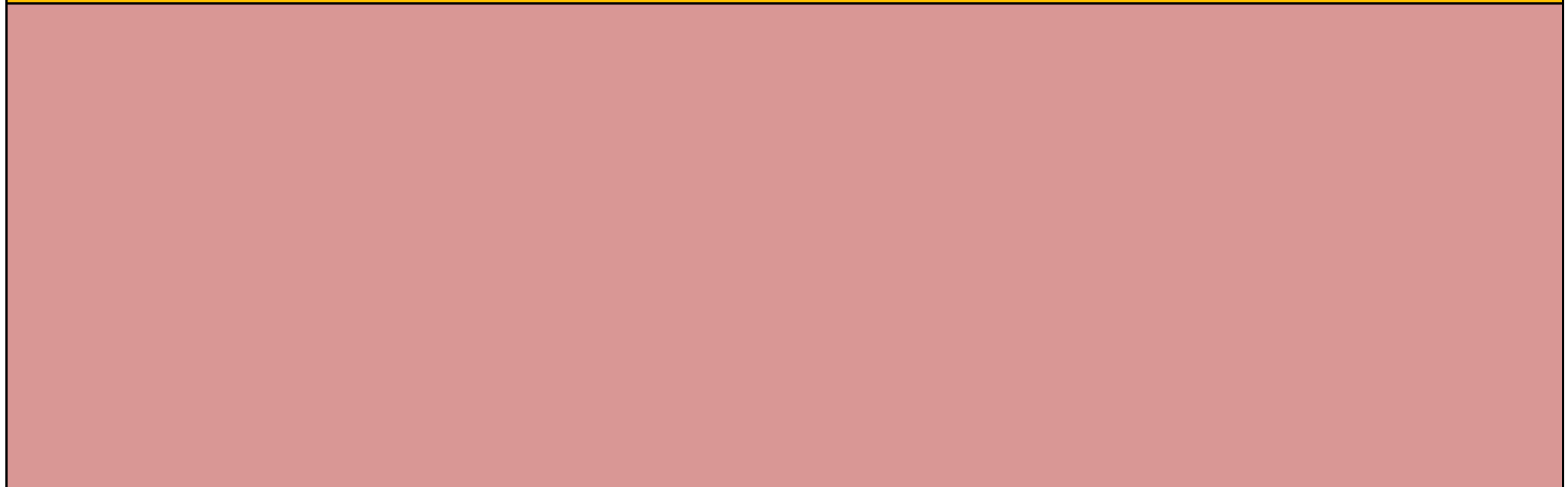
7.4.2 Summary list of identified projects.

THEMBELIHLE MUNICIPALITY IDP PROJECTS FOR 2015–2019

PRIORITY AREA	PROJECTS	DATE	INDICATORS	PROJECTED COST	FUNDING SOURCES	STATUS OF PROJECT	% Complete
<i>Total Projects 1–12 (less Contingencies)</i>	<i>All projects</i>	<i>15/05/2015</i>		3 274 935 764.00			<i>Rev. 2</i>
<i>Estimated Contingency Budgets from unknown project funding requests</i>			<i>30%</i>	982 480 729.20			
<i>Total Assuming contingencies are positive/incremental</i>				4 257 416 493.20			
					<i>% of Total projects</i>		
<i>Total Assuming Contingencies don't happen</i>				3 274 935 764.00	<i>100.0%</i>		
<i>1. Total Functioning of the Municipality</i>				12 550 000.00	<i>0.4%</i>		
<i>2. Total Water Provision</i>				254 057 764.00	<i>7.8%</i>		
<i>3. Total Housing Provision</i>				300 000 000.00	<i>9.2%</i>		
<i>4. Total Roads/Storm Water/ Transport</i>				561 426 200.00	<i>17.1%</i>		
<i>5. Total Sanitation I Sewerage</i>				623 851 800.00	<i>19.0%</i>		

<i>6. Total LED/Poverty Alleviation</i>				437 400 000.00	13.4%		
<i>7. Total health/Emergency Service</i>				110 800 000.00	3.4%		
<i>8. Total Cemeteries</i>				14 700 000.00	0.4%		
<i>9. Total Planning and Development</i>				220 150 000.00	6.7%		
<i>10. Total Sports and Recreation</i>				144 250 000.00	4.4%		
<i>11. Total Communications</i>				10 000 000.00	0.3%		
<i>12. Total Electricity</i>				585 750 000.00	17.9%		

THE DETAILED BREAKDOWN OF THE BUDGET IS PROVIDED BELOW BY CATEGORY AS OF 15/05/2015



1. Functioning of the Municipality

	Assist staff to draft clean development SEZ manufacturing and service support strategy and operational plan		DTI industrialisation program proposals for local SEZ developmental hub	3 000 000.00	Integrated manufacturing and service centre plan		
	Assist Staff to Draft integrated off/grid/hybrid Utility Plan/Feasibility to increase municipality revenue via RE and provide electricity to all residents	2015-2016	Business plans drafted for incremental funding	1 500 000.00	PPP funding to be drafted		
	Attend Workshops on RE, WCWDM, Energy Efficiency for SA Municipality Managers	2015/16	Attend workshop and adjust IDP based on Awareness about Clean Development legal and policy framework for preferred procurement opportunities in the province	1 200 000.00			
	Training & capacity building of councillors & officials	On-going	Improved knowledge, implementation & effective functioning	750 000.00	Internal External (LGSETA IMTIIDWA etc.)		

	Legal and policy framework for iOGU™	On-going	provide assistance with SCM and preferential procurement, PPPs	750 000.00			
Capacity Building	Training & capacity building of councillors & officials	On-going	Improved Service delivery	1 350 000.00			
Transport for operational purposes	Purchase and procurement of 4 bakkies and two cars for the functional operation of the Municipality. One tractor, A front loader and trailer for refuse removal	2015/16/17	Improved Service delivery	4 000 000.00	DBSA,	Develop of a Business plan	Bridge finance opportunity
1. Total Functioning of the Municipality				12 550 000.00			

2. Water Provision

	Equipping of two additional boreholes in Strydenburg	2015/19	Improved Redundancy on bulk water infrastructure and water supply Provide sustainable water supply to community	400 000.00	DWA/MIG/COGHST A	In process	Grant opportunity
DWS ACIP Program	Service of 1500 new stands with water connections in Hopetown, strydenburg, steynville, Vergenoeg, Deetslefsville, and Hillside	2015/18	Decrease water losses, providing sustainable water services	37 400 000.00	MIG/COGHSTA	Business Plans to be developed	Project bridge finance opportunity
	Bulk water provision for Hopetown and Strydenburg	2015/16	Improved Service delivery	15 800 000.00	MIG	Compile business plan	Project bridge finance opportunity
	Purchase and installation of pre-paid water meters in the domestic conventional municipal area	2015	Improved service delivery. Determine proper water balance Generate revenue	14 600 000.00	DWA/MIG/COGHST A	Business Plans Submitted/ Under way	Project bridge finance opportunity
	Water connections to cemeteries for the entire Municipal area	2015/17	Improved service delivery Accessibility to water	3 600 000.00	MIG/COGHSTA	Case study	Grant opportunity

	Replacement of the A/C water pipeline from Thornville PS to Strydenburg to a full UPVC line	2015/16	Improved infrastructure Improved service delivery Decrease water losses	2 100 000.00	MIG	Business plan Submitted	Project bridge finance opportunity
	Develop a O&M Master plan	2015/17	Improved Service delivery Accessibility to water	8 500 000.00	SALGA/COGSTA/ DBSA	Applied for funding	Project Grant finance opportunity
	New development within the whole Thembelihle area for provision of water and the upgrading of facilities		Upgraded capacity Improved service delivery Improved service delivery	156 491 100.00	MIG/ COGHTA		
	Upgrading of the Orange River raw water pump station in Hopetown	2015/16/ 17	Improved infrastructure and water supply Provide sustainable water supply to community Improved living standard	15 166 664.00	MIG	Design and costing of project. To go out on tender- !!!	
2. Total Water Provision				254 057 764.00			

3. Accommodation/ Housing

	Provision of backlogged subsidy housing in all towns (+-3000 units) 350Vergenoeg, Hopetown 200, Strydenburg 150, Hillside 300, Steynville 350, Deetleftsville 100	2015/2019	Improved standard of living Improved shelter Provide proper housing/ Provide shelter	300 000 000.00	COGHSTA	Project registration Approval of subsidies	Project bridge finance opportunity
3. Total Housing Provision				300 000 000.00			

4. Roads/Storm Water/ Transport

	Maintenance of internal roads by Provincial Dept. of Public Works	On-going	Improved safety Maintained infrastructure	Unknown	Public Works/MIG	To Develop management [Plan] according to priorities. Negotiations to expand current contract	Grant opportunity
	Upgrading of the access road to Steynville and the access road to Strydenburg	2012/13/14/15	Improved service delivery Improved infrastructure	22 000 000.00	EPWP /MIG	Compile a business Plan	Grant opportunity

	Upgrading of Municipal head offices satellite local offices and erection of new Community Service Building for testing purposes	2015	Improved service delivery Improved infrastructure	35 000 000.00	Investors, PPP	PPP to develop business plan	Grant opportunity
	Upgrading of internal streets in Hopetown and Strydenburg	2015/16	Improved safety Improved infrastructure	5 000 000.00	EPWP/MIG	Currently under construction – Project done in phases	Grant opportunity
	Upgrading of taxi rank for local and long distance taxi's in Main town	2015/18	Improved image of town Improved road safety	3 500 000.00	EPWP	Business plan was submitted/Not funded	Grant opportunity
	New development of Roads in the whole Thembelihle area		Improved image of town Improved road safety	481 726 200.00		Business plan not developed	
	Purchase of bicycles with protective gear for all the kids in farm schools	15/16/17	Promote Education and development, uplifting the poor	1 000 000.00			
	Rooting out the dust on the 15km Brakfontein road	2015/19	Improved service delivery Improved infrastructure	13 000 000.00	EPWP	Business plan was submitted/Not funded	Grant opportunity
	Erection of street name boards via renaming process	2015/16	Improved tourism satisfaction Improved service delivery	200 000.00	EPWP/Internal	Note funded/ Request for quotations	
4. Total Roads/Storm Water/ Transport				561 426 200.00			Need

5. Sanitation & Sewerage

Sewerage network with pump station for Steynville and Deetleftsville informal areas	2015/17	Improved service delivery Improved environmental health Improved service delivery	16 000 000.00	MIG	Submitted waiting for funding	Project bridge finance opportunity
Phasing out all buckets in all areas and convert into a sewage network with a pump station	2015/18	Improved infrastructure, improved service delivery, improved capacity improved service delivery	42 000 000.00	MIG	Develop Business plan get WRC to assist	Project bridge finance opportunity
Sewerage network system in town for public ablution to be developed	2015/16	<i>Improved environmental health</i>	4 200 000.00	MIG	Business plan completed/partial completed	Grant Opportunity
Sewerage network extention within the Thembelihle Municipal area		<i>Improved health Improved safety Improved access to services</i>	561 651 800.00			
5. Total Sanitation I Sewerage			623 851 800.00			Need

6 LED/Poverty

iEEECO™ iHub™ NC SEZ	Started	Integrated energy and environmental off grid/hybrid, manufacturing and service centre to drive PPP clean development and training targeted local SMEs	40 000 000.00	IDT – Black Industrialisation program		This is an opportunity to jointly fund the IDP and private investors
Feasibility study to determine the potential of mining in the area	On-going	Mining sector developed to its full potential	Unknown	External	Research & Planning to start. Feasibility study to be conducted	Grant opportunity
Develop SMME to create jobs curb poverty and promote local business	Planning phase	Promote small business ideas and capacitate locals with business skills to be sustainable	30 000 000.00	IDC –DTI – SEDA	Develop Business plan	
Development of tourism accommodation with a cultural link like a nature reserve with resort camps and picnic facilities	2018/19	Upgraded infrastructure Increase in tourism Decreased & Management unemployment	15 000 000.00	PPP DOT	Pre-planning	Grant opportunity
Water rights for emerging farmers	On-going	Increase service delivery Increased agricultural production	Unknown	DACE Internal	Pre-planning	Grant opportunity

	Training & capacity building of farmers & emerging farmers	On-going	Improved Agricultural production Improved land care Increase in Local economy	14 000 000.00		Analyse need for training and capacity building	Grant opportunity
	Establishment of an information office, curio shop, museum etc. linked with routes to other attractions,	2017	Increase In tourism Reduce unemployment Upgraded infrastructure	30 000 000.00	PPP	Pre-planning	Grant opportunity
	Development of Tourism accommodation with a cultural link	2017	Community ownership Increase in tourism Decrease unemployment Upgraded infrastructure	25 000 000.00	PPP	Pre-planning	Grant opportunity
	Market the Orange River as a tourist facility	2016/17/18/19	increase in tourism Decreased unemployment Upgraded & Management infrastructure	35 000 000.00	PPP / DWS	Develop of a Business plan	Bridge finance opportunity
	Avail land for emerging farmers	On-going	Improved local economic development Improved production agricultural	200 000 000.00	Rural Development and Land Reform	Need to apply for funding	Bridge finance opportunity
	Recycling project	2016/17	Decrease in Waste Increase in Local Economy	25 000 000.00	DEA/ Grant	Not funded	Bridge finance opportunity

	Upgrading of infrastructure on farms	2015/16	Improved Agricultural production Improved land Increase in Local economy care	23 400 000.00	Internal MIG / Land Care	On-going maintenance on commonage farms. Business plan need to be developed	Bridge finance opportunity
6. Total LED/Poverty Alleviation				437 400 000.00			Need
7. Health I Emergency Service							
	Upgrading of medical service & facilities in Strydenburg, Hopetown.	2015/16	Improved health Improved safety Improved access to services	38 700 000.00	Dept. of Health Public Works	Compile of business plan	Grant Opportunity
	Purchase of Patient transporter		Improved health Improved safety Improved access to services	1 800 000.00			
	Training of Paramedics - 12		Improved health Improved safety Improved access to services	1 800 000.00		Compile project plan for execution and time frames	
	Purchase of 3 Ambulances		Improved health Improved safety Improved access to services	2 400 000.00		Business plan need to be compiled	
7. Total Health/Emergency Service				110 800 000.00			Need

8. Cemeteries							
	Upgrading and Building of new cemeteries in all the areas	2016/17	Upgraded capacity Improved service delivery Improved service delivery	14 700 000.00	MIG	Compile of business plans	Grant Opportunity
8. Total Cemeteries				14 700 000.00			
9. Planning & Development							
	Township Establishment of and the further development of all towns	2016	Improved planning Improved infrastructure delivery	11 900 000.00	COGHSTA MISA	Develop Business plan	Grant Opportunity
	Development of SDF's and Land Use Management Plans.	2014/15	Improved Land Use management	2 500 000.00	DBSA department of Rural Development	SDF Completed, Land Use Management plans to be develop	Grant Opportunity
	Development of SDF's and Land Use Management Plans for the construction of a shopping centre for the Thembelihle Municipality	2015 -	Streamline landuse management. Infrastructure development -LED Impr	200 000 000.00		Presentation done by Investors5	

	Appointment of an experience professional facilitation team (PFT) to assist the municipality to achieve cross cutting energy, environment and empowerment vision	2014/15	Council resolution Appointment of Implementing agent	2 250 000.00	Shared performance	Under way	Grant Opportunity
	Development of a integrated energy environment and empowerment cross cutting operational road map and awareness tools	2014/15	Drafting of an Implementation roadmap drafted based on SA legal and policy framework. Adjust IDP accordingly.	2 250 000.00	Shared performance based agreement		
	Develop strategic operations business plans for funding integrated RE, EE, WCWDM and empowerment prospects	2014/15	Business plans need to be drafted	1 250 000.00	Shared performance	Under way	Grant Opportunity
9. Total Planning and Development				220 150 000.00			Need

10. Sport & Recreation

	Radio station for the Community	2016-19	Improved accessibility to information Improved social welfare Improved public satisfaction	40 000 000.00	Internal I External	No planning yet	Grant Opportunity
	Upgrading of existing sport& recreation facilities in Steynville and Deetleftsville	2016/17	Decrease in crime Increase in youth participation Improved infrastructure Improved social welfare Improved public satisfaction	14 300 000.00	LOTTO MIG	More funding needed	Grant Opportunity
	Upgrading of library services in all the Municipal Townships	2015	Improved accessibility to information Improved literacy levels educational 1	44 250 000.00	Sport, Arts & Culture		Grant Opportunity
	New development of Sport& recreational facilities in Thembelihle	2017/18	Decrease in crime Increase in youth participation Improved infrastructure Improved social welfare Improved public satisfaction	45 700 000.00	LOTTO/MIG		
10. Total Sports and Recreation				144 250 000.00			

11. Communication

Municipality WiFi Infrastructure design Stage 1	2015/16	For local revenue generation and data logging and water/energy services	2 000 000.00	PPP	Draft feasibility proposal received	Grant Opportunity
Start local newspaper			4 000 000.00			Grant Opportunity
Upgrading of TV station towers to improve access to information	2012/13/14	Improved communication Improved service delivery Improved standard of living and access to information	4 000 000.00	PPP	Negotiations need to happen between the Municipality & ACSA	Cancelled in favor of WiFi Network
11. Total Communications			10 000 000.00			

12. Electricity (Includes renewable energy opportunities)

Power conditioning and EEDSM/AMI solutions	2015/16	Improved power quality and reduce energy monthly demand	8 000 000.00	PPP		Grant Bridge finance Opportunity
Expanding community lighting Internal electrification of new residential areas	2015/16	Improved standard of living Improved infrastructure	20 000 000.00	MIG / DoE	DoE	Grant Bridge finance Opportunity
Solar Home Systems (SHS) for farm dwellers (500 units)		Improved standard of living	50 000 000.00	DoE	Compile a business Plan	Bridge finance Opportunity

Development of a Munic Based Energy Solar/Hybrid Plant (Sun) -	2015/18	Provisions of electricity Improved standard of living and Revenue stream for Municipality	500 000 000.00	PPP plan under delvelopment		Equity and Bridge finance
Integrated Off-grid-UtilityEnergy Centre Thembelihle- sales, maintenance and services	2017/18	Community ownership Decrease unemployment Upgraded infrastructure	2 750 000.00	PPP/DoE/DTI	to be combined with the iEEECO™ ihub™	Grant and Bridge opportunity
Internal Electrification of farm areas(+ 500 HH)	2016/17	Improved infrastructure living Improved standard of	5 000 000.00	DoE		
12. Total Electricity			585 750 000.00			

PROJECT LOGICAL FRAMEWORK APPROACH – Housing and Civil Services: Project H1.1.(a)

<p><u>OBJECTIVES</u></p> <p>To provide serviced sites and houses for 350 in Vergenoeg</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • 350 houses build • 350 serviced sites; • Funding for the construction of 350 houses. 	
<p><u>PROJECT OUTPUT</u></p> <p>350 service sites in Vergenoeg</p> <p>Town register</p> <p>Job creation and skills development</p>	<p><u>TARGET AND TARGET GROUPS</u></p> <p>Homeless individuals within the wider municipal area.</p>	<p><u>LOCATION</u></p> <p>As under “costing”.</p>
<p><u>MAJOR ACTIVITIES</u></p> <p>Town planning layout.</p> <p>Land survey & S.G. plan</p> <p>Design civil services & houses.</p> <p>Tender procedure.</p> <p>Construction</p>	<p><u>RESPONSIBLE AGENCIES</u></p> <p>Town planner;</p> <p>Land surveyor; Civil engineer;</p> <p>Contractor appointed.</p> <p>DH&LG</p> <p>Thembelihle Municipality</p>	<p><u>NOTES</u></p> <ul style="list-style-type: none"> - Primary objective - Project Registration - Approval of Subsidies
<p><u>COSTING</u></p> <p>Hopetown & Strydenburg = R300,000,000.00</p>	<p><u>BUDGET:</u></p> <p>Budget year (2014/2015)</p> <p>(2015/2016)</p>	<p><u>SOURCES OF FUNDING</u></p> <p>COGHSTA (NC)</p>

PROJECT LOGICAL FRAMEWORK APPROACH – Housing and Civil Services: Project H1.1.(a)

<p><u>OBJECTIVES</u></p> <p>To provide serviced sites and houses for 300 in Hillside.</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • 300 houses build • 300 serviced sites; • Funding for the construction of 300 houses. 	
<p><u>PROJECT OUTPUT</u></p> <p>300 service sites in Hillside</p> <p>Town register</p> <p>Job creation and skills development</p>	<p><u>TARGET AND TARGET GROUPS</u></p> <p>Homeless individuals within the wider municipal area.</p>	<p><u>LOCATION</u></p> <p>As under “costing”.</p>
<p><u>MAJOR ACTIVITIES</u></p> <p>Town planning layout.</p> <p>Land survey & S.G. plan</p> <p>Design civil services & houses.</p> <p>Tender procedure.</p> <p>Construction</p>	<p><u>RESPONSIBLE AGENCIES</u></p> <p>Town planner;</p> <p>Land surveyor; Civil engineer;</p> <p>Contractor appointed.</p> <p>DH&LG</p> <p>Thembelihle Municipality</p>	<p><u>NOTES</u></p> <p>Primary objective</p>
<p><u>COSTING</u></p> <p>Costing @ R150 000/unit.</p> <p>Hopetown 300 = R45,000m</p>	<p><u>BUDGET:</u></p> <p>Budget year (2014/2015)</p> <p>(2015/2016)</p>	<p><u>SOURCES OF FUNDING</u></p> <p>COGHSTA (NC)</p>

PROJECT LOGICAL FRAMEWORK APPROACH – Housing and Civil Services: Project H1.1.(b)

<p><u>OBJECTIVES</u></p> <p>To provide new houses in 7de Laan</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • 204 houses build • Infrastructure with all connections • Funding for the construction of 200 houses. 	
<p><u>PROJECT OUTPUT</u></p> <p>204 new houses in Sewende Laan, Steynville</p> <p>Town register</p> <p>Job creation and skills development</p>	<p><u>TARGET AND TARGET GROUPS</u></p> <p>Homeless individuals within the wider municipal area.</p>	<p><u>LOCATION</u></p> <p>As under “costing”.</p>
<p><u>MAJOR ACTIVITIES</u></p> <p>Town planning layout.</p> <p>Land survey & S.G. plan</p> <p>Design civil services & houses.</p> <p>Tender procedure.</p> <p>Construction</p>	<p><u>RESPONSIBLE AGENCIES</u></p> <p>Town planner;</p> <p>Land surveyor; Civil engineer;</p> <p>Contractor appointed.</p> <p>DH&LG</p> <p>Thembelihle Municipality</p>	<p><u>NOTES</u></p> <p>Primary objective</p>
<p><u>COSTING</u></p> <p>Hopetown 204 = R20,000,000.00</p>	<p><u>BUDGET:</u></p> <p>Budget year (2014/2015)</p> <p>(2015/2016)</p>	<p><u>SOURCES OF FUNDING</u></p> <p>COGHSTA (NC)</p>

PROJECT LOGICAL FRAMEWORK APPROACH – Housing and Civil Services: Project H1.1.(c)

<p><u>OBJECTIVES</u></p> <p>To provide new houses in Deetlifsville</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • 63 houses build • Infrastructure with all connections • Funding for the construction of 63 houses. 	
<p><u>PROJECT OUTPUT</u></p> <p>63 new houses in Deetlifsville to be build</p> <p>Town register</p> <p>Job creation and skills development</p>	<p><u>TARGET AND TARGET GROUPS</u></p> <p>Homeless individuals within the wider municipal area.</p>	<p><u>LOCATION</u></p> <p>As under “costing”.</p>
<p><u>MAJOR ACTIVITIES</u></p> <p>Town planning layout.</p> <p>Land survey & S.G. plan</p> <p>Design civil services & houses.</p> <p>Tender procedure.</p> <p>Construction</p>	<p><u>RESPONSIBLE AGENCIES</u></p> <p>Town planner;</p> <p>Land surveyor; Civil engineer;</p> <p>Contractor appointed.</p> <p>DH&LG</p> <p>Thembelihle Municipality</p>	<p><u>NOTES</u></p> <p>Primary objective</p>
<p><u>COSTING</u></p> <p>Costing @ R150 000/unit.</p> <p>Strydenburg <u>63</u> = <u>R9,450m</u></p>	<p><u>BUDGET:</u></p> <p>Budget year (2014/2015)</p>	<p><u>SOURCES OF FUNDING</u></p> <p>COGHSTA (NC)</p>

	(2015/2016)	
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PROJECT LOGICAL FRAMEWORK APPROACH – Housing and Electrical Services: Project H1.2(d)

<p><u>OBJECTIVES</u></p> <p>Provision of electricity to 112 residential sites in Deetlesville.</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • 112 sites electrified; • 112 electricity pre paid meters installed 	
<p><u>PROJECT OUTPUT</u></p> <p>112 household with electricity services; Job creation</p>	<p><u>TARGET AND TARGET GROUPS</u></p> <p>Previously marginalized homeless people in Thembelihle municipal area.</p>	<p><u>LOCATION</u></p> <p>As stipulated under “costing”.</p>
<p><u>MAJOR ACTIVITIES</u></p> <p>Design and costing of project. Apply for funding. Put out on tender. Approve tender. Start construction.</p>	<p><u>RESPONSIBLE AGENCIES</u></p> <p>Electrical engineer; Eskom Local authority; Contractor.</p>	<p><u>NOTES</u></p> <p>Primary objective.</p>
<p><u>COSTING</u></p> <p>Calculated @ R3 500/erf.</p> <p>Deetlesville <u>112</u> = <u>R0,392m</u></p>	<p><u>BUDGET:</u></p> <p>Budget year (2014/2015)</p> <p>DONE</p>	<p><u>SOURCES OF FUNDING</u></p> <p>Eskom Department of Mineral & Energy Affairs MIG</p>

PROJECT LOGICAL FRAMEWORK APPROACH – Bulk Water and Sewerage Services: Project B1.1

<p><u>OBJECTIVES</u></p> <p>To provide adequate services in Thembelihle Area .</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Upgrading of New & Old Oxidation Ponds; • Upgrade of Water accumulation reservoir & pressure tank (hpt) ; • Upgrade Sewerage main line from Steynville to main pump station including the industrial area. 																					
<p><u>PROJECT OUTPUT</u></p> <ul style="list-style-type: none"> • Improved purification works; • Improved storage facilities; • Job creation 	<p><u>TARGET AND TARGET GROUPS</u></p> <p>Over a period of 5 years all the residents of the municipal area will be accommodated.</p>	<p><u>LOCATION</u></p> <p>As stipulated under “costing”.</p>																				
<p><u>MAJOR ACTIVITIES</u></p> <p>Design and costing of project.</p> <p>Apply for funding.</p> <p>Put out on tender.</p> <p>Approve tender.</p> <p>Start construction.</p>	<p><u>RESPONSIBLE AGENCIES</u></p> <p>Civil engineer;</p> <p>Local authority;</p> <p>Contractor.</p>	<p><u>NOTES</u></p> <p>Primary objective.</p>																				
<p><u>COSTING</u></p> <p>Calculated @ R3 500/erf.</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 15%;">Hopetown</td> <td style="width: 10%;">200</td> <td style="width: 5%;">=</td> <td style="width: 70%;">R0,700m</td> </tr> <tr> <td>Strydenburg</td> <td>50</td> <td>=</td> <td><u>R0,175m</u></td> </tr> <tr> <td></td> <td>250</td> <td>=</td> <td>R0,875m</td> </tr> <tr> <td>4 community lights @ R50 000 =</td> <td></td> <td></td> <td><u>R0,200m</u></td> </tr> <tr> <td></td> <td></td> <td></td> <td>R1,075m</td> </tr> </table>	Hopetown	200	=	R0,700m	Strydenburg	50	=	<u>R0,175m</u>		250	=	R0,875m	4 community lights @ R50 000 =			<u>R0,200m</u>				R1,075m	<p><u>BUDGET:</u></p> <p>Budget year (2015/2016)</p> <p>(2016/2017)</p>	<p><u>SOURCES OF FUNDING</u></p> <p>Department of Water Affairs</p> <p>MIG</p>
Hopetown	200	=	R0,700m																			
Strydenburg	50	=	<u>R0,175m</u>																			
	250	=	R0,875m																			
4 community lights @ R50 000 =			<u>R0,200m</u>																			
			R1,075m																			

PROJECT LOGICAL FRAMEWORK APPROACH – Steynville Upgrading of the Bulk Outfall Sewer: Project B1.2

<p><u>OBJECTIVES</u></p> <p>To Upgrading Pump Station at Vergenoeg .</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Upgrading of infrastructure; • Support the full water borne sanitation; • Upgrade Sewerage main line from Steynville to main pump station. 	
<p><u>PROJECT OUTPUT</u></p> <ul style="list-style-type: none"> • Improved service delivery; • Improved storage facilities; • Job creation 	<p><u>TARGET AND TARGET GROUPS</u></p> <p>Over a period of 5 years all the residents of the municipal area will be accommodated.</p>	<p><u>LOCATION</u></p> <p>Vergenoeg</p>
<p><u>MAJOR ACTIVITIES</u></p> <p>Design and costing of project.</p> <p>Apply for funding.</p> <p>Put out on tender.</p> <p>Approve tender.</p> <p>Start construction.</p>	<p><u>RESPONSIBLE AGENCIES</u></p> <p>Civil engineer;</p> <p>Local authority;</p> <p>Contractor.</p>	<p><u>NOTES</u></p> <p>Primary objective.</p>
<p><u>COSTING</u></p> <p>Total Cost of Project: R 7 120 780,45</p>	<p><u>BUDGET:</u></p> <p>Budget year (2016/2017)</p>	<p><u>SOURCES OF FUNDING</u></p> <p>Department of Water and Sanitation</p> <p>MIG</p>

PROJECT LOGICAL FRAMEWORK APPROACH – Water network pipes: Project C.1

<p><u>OBJECTIVES</u></p> <p>To replace with UPVC water network pipes in Hopetown.</p> <p>Internal water reticulation Hpt/Steynville</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Feasibility study for funding • Decrease in water losses; • Prevent discontinuation of water services 	
<p><u>PROJECT OUTPUT</u></p> <ul style="list-style-type: none"> • Improved purification works; • Improved storage facilities; • Job creation 	<p><u>TARGET AND TARGET GROUPS</u></p> <p>Over a period of 5 years all the residents of the municipal area will be accommodated.</p>	<p><u>LOCATION</u></p> <p>Hopetown.</p>
<p><u>MAJOR ACTIVITIES</u></p> <p>Design and costing of project.</p> <p>Apply for funding.</p> <p>Put out on tender.</p> <p>Approve tender.</p> <p>Start construction.</p>	<p><u>RESPONSIBLE AGENCIES</u></p> <p>Civil engineer;</p> <p>Local authority;</p> <p>Contractor.</p>	<p><u>NOTES</u></p> <p>Primary objective.</p>
<p><u>COSTING</u></p> <p>R 12,000 000</p>	<p><u>BUDGET:</u></p> <p>Budget year (2016/2017)</p>	<p><u>SOURCES OF FUNDING</u></p> <p>Department of Water Affairs</p> <p>ACIP</p>

PROJECT LOGICAL FRAMEWORK APPROACH – Water network pipes: Project C.2

<p><u>OBJECTIVES</u></p> <p>To replace with UPVC water network pipes in Strydenburg.</p> <p>Upgrading of Pump Station</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Feasibility study for funding • Decrease in water losses; • Prevent discontinuation of water services 	
<p><u>PROJECT OUTPUT</u></p> <ul style="list-style-type: none"> • Improved purification works; • Improved storage facilities; • Job creation 	<p><u>TARGET AND TARGET GROUPS</u></p> <p>Over a period of 5 years all the residents of the municipal area will be accommodated.</p>	<p><u>LOCATION</u></p> <p>Strydenburg.</p>
<p><u>MAJOR ACTIVITIES</u></p> <p>Design and costing of project.</p> <p>Apply for funding.</p> <p>Put out on tender.</p> <p>Approve tender.</p> <p>Start construction.</p>	<p><u>RESPONSIBLE AGENCIES</u></p> <p>Civil engineer;</p> <p>Local authority;</p> <p>Contractor.</p>	<p><u>NOTES</u></p> <p>Primary objective.</p>
<p><u>COSTING</u></p> <p>R 250,000</p>	<p><u>BUDGET:</u></p> <p>Budget year (2014/2015)</p> <p>(In progress)</p>	<p><u>SOURCES OF FUNDING</u></p> <p>Department of Water Affairs</p> <p>ACIP</p>

PROJECT LOGICAL FRAMEWORK APPROACH – Water Boreholes: Project D.1

<p><u>OBJECTIVES</u></p> <p>Equipping of 2 additional boreholes in Strydenburg.</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Additional Boreholes • Redundancy on the bulk water resources. • Prevent discontinuation of water services 	
<p><u>PROJECT OUTPUT</u></p> <ul style="list-style-type: none"> • Improved purification works; • Improved storage facilities; • Job creation 	<p><u>TARGET AND TARGET GROUPS</u></p> <p>Over a period of 5 years all the residents of the municipal area will be accommodated.</p>	<p><u>LOCATION</u></p> <p>Hopetown.</p>
<p><u>MAJOR ACTIVITIES</u></p> <p>Design and costing of project.</p> <p>Apply for funding.</p> <p>Start construction.</p>	<p><u>RESPONSIBLE AGENCIES</u></p> <p>Civil engineer;</p> <p>Local authority;</p> <p>Contractor.</p>	<p><u>NOTES</u></p> <p>Primary objective.</p>
<p><u>COSTING</u></p> <p>R 120,000</p> <p>Contractor – Kattie Liebenberg</p>	<p><u>BUDGET:</u></p> <p>Budget year (2014/2015)</p> <p>BUSY (in progress)</p>	<p><u>SOURCES OF FUNDING</u></p> <p>Department of Water Affairs</p>

PROJECT LOGICAL FRAMEWORK APPROACH – Water Pump Station: Project D.1

<p><u>OBJECTIVES</u></p> <p>Orange River raw water pump station in Hopetown.</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Refurbish existing raw water pump station • Decrease in water losses; • Prevent discontinuation of water services 	
<p><u>PROJECT OUTPUT</u></p> <ul style="list-style-type: none"> • Improved purification works; • Improved storage facilities; • Job creation 	<p><u>TARGET AND TARGET GROUPS</u></p> <p>Over a period of 5 years all the residents of the municipal area will be accommodated.</p>	<p><u>LOCATION</u></p> <p>Hopetown.</p>
<p><u>MAJOR ACTIVITIES</u></p> <p>Design and costing of project.</p> <p>Put out on tender.</p> <p>Approve tender.</p> <p>Start construction.</p>	<p><u>RESPONSIBLE AGENCIES</u></p> <p>Civil engineer;</p> <p>Local authority;</p> <p>Contractor.</p>	<p><u>NOTES</u></p> <p>Primary objective.</p>
<p><u>COSTING</u></p> <p>R 12,500,000</p> <p>Consultant – Worley Parsons</p>	<p><u>BUDGET:</u></p> <p>Budget year (2014/2015)</p> <p>BUSY (in progress)</p>	<p><u>SOURCES OF FUNDING</u></p> <p>MIG</p>

PROJECT LOGICAL FRAMEWORK APPROACH – Replace of A/C Line: Project G.1

<p><u>OBJECTIVES</u></p> <p>Replace A/C Line from Thornville PS to Strydenburg to a full UPVC line.</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Use local labour; • Improved water flow • Improved service delivery 	
<p><u>PROJECT OUTPUT</u></p> <p>Upgrading of infrastructure</p> <p>Job creation</p>	<p><u>TARGET AND TARGET GROUPS</u></p> <p>All residents.</p>	<p><u>LOCATION</u></p> <p>Strydenburg</p>
<p><u>MAJOR ACTIVITIES</u></p> <ul style="list-style-type: none"> • Prepare design and costing; • Budget 	<p><u>RESPONSIBLE AGENCIES</u></p> <ul style="list-style-type: none"> • Civil engineer; • Local authority; • Contractor. 	<p><u>NOTES</u></p> <ul style="list-style-type: none"> • Primary objective
<p><u>COSTING</u></p> <p>Strydenburg – EPWP List</p>	<p><u>BUDGET</u></p> <p>(2016/2017)</p>	<p><u>SOURCES OF FUNDING</u></p> <ul style="list-style-type: none"> • EPWP • ACIP

PROJECT LOGICAL FRAMEWORK APPROACH – Upgrade main entrance road: Project Civil 1

<p><u>OBJECTIVES</u></p> <p>Roads & Stormwater infrastructure for Strydenburg</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Use local labour; • Avoiding of floods • Improved and trouble free motoring surface. 	
<p><u>PROJECT OUTPUT</u></p> <p>Upgrade access roads & stormwater drainage</p> <p>Construction speed bumps</p>	<p><u>TARGET AND TARGET GROUPS</u></p> <p>All residents.</p>	<p><u>LOCATION</u></p> <p>Deetlefsville & Mandela Square</p>
<p><u>MAJOR ACTIVITIES</u></p> <ul style="list-style-type: none"> • Prepare design and costing; • Budget 	<p><u>RESPONSIBLE AGENCIES</u></p> <ul style="list-style-type: none"> • Civil engineer; • Local authority; • Contractor. 	<p><u>NOTES</u></p> <ul style="list-style-type: none"> • Primary objective
<p><u>COSTING</u></p> <p>Strydenburg – R11,000,000</p>	<p><u>BUDGET</u></p> <p>(2015/2016)</p> <p>(2016/2017)</p>	<p><u>SOURCES OF FUNDING</u></p> <ul style="list-style-type: none"> • MIG

PROJECT LOGICAL FRAMEWORK APPROACH – Upgrade main entrance road: Project Civil 1.1

<p><u>OBJECTIVES</u></p> <p>Roads & Stormwater infrastructure for Hopetown</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Use local labour; • Avoiding of floods • Improved and trouble free motoring surface. 	
<p><u>PROJECT OUTPUT</u></p> <p>Upgrade access roads & stormwater drainage</p> <p>Construction speed bumps</p>	<p><u>TARGET AND TARGET GROUPS</u></p> <p>All residents.</p>	<p><u>LOCATION</u></p> <p>Deetlefsville & Mandela Square</p>
<p><u>MAJOR ACTIVITIES</u></p> <ul style="list-style-type: none"> • Prepare design and costing; • Budget 	<p><u>RESPONSIBLE AGENCIES</u></p> <ul style="list-style-type: none"> • Civil engineer; • Local authority; • Contractor. 	<p><u>NOTES</u></p> <ul style="list-style-type: none"> • Primary objective
<p><u>COSTING</u></p> <p>Steynville - R11,000,000</p>	<p><u>BUDGET</u></p> <p>(2015/2016)</p> <p>(2016/2017)</p>	<p><u>SOURCES OF FUNDING</u></p> <ul style="list-style-type: none"> • MIG

PROJECT LOGICAL FRAMEWORK APPROACH – Stormwater culvert Prieska road: Project Civil 2

<p><u>OBJECTIVES</u></p> <p>Roads & Stormwater infrastructure on Prieska Road at Deetlefsville</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Use local labour; • Avoiding of floods • Improved and trouble free motoring surface. 	
<p><u>PROJECT OUTPUT</u></p> <p>Upgrade access roads & stormwater drainage</p> <p>Construction speed bumps</p>	<p><u>TARGET AND TARGET GROUPS</u></p> <p>All residents.</p>	<p><u>LOCATION</u></p> <p>Deetlefsville</p>
<p><u>MAJOR ACTIVITIES</u></p> <ul style="list-style-type: none"> • Prepare design and costing; • Budget 	<p><u>RESPONSIBLE AGENCIES</u></p> <ul style="list-style-type: none"> • Civil engineer; • Local authority; • Contractor. 	<p><u>NOTES</u></p> <ul style="list-style-type: none"> • Primary objective
<p><u>COSTING</u></p> <p>- EPWP Project List</p>	<p><u>BUDGET</u></p> <p>(2016/2017)</p>	<p><u>SOURCES OF FUNDING</u></p> <ul style="list-style-type: none"> • EPWP

PROJECT LOGICAL FRAMEWORK APPROACH – Upgrading of Hopetown Roads: Project Civil. 2

<p><u>OBJECTIVES</u></p> <p>Paving & Stormwater in Hopetown</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Use local labour; • Avoiding of floods • Improved and trouble free motoring surface. 	
<p><u>PROJECT OUTPUT</u></p> <p>Ensure visitors and public have a safe public and comfortable experience when entering Hopetown CBD</p>	<p><u>TARGET AND TARGET GROUPS</u></p> <p>All residents.</p>	<p><u>LOCATION</u></p> <p>Hopetown</p>
<p><u>MAJOR ACTIVITIES</u></p> <ul style="list-style-type: none"> • Prepare design and costing; • Budget 	<p><u>RESPONSIBLE AGENCIES</u></p> <ul style="list-style-type: none"> • Civil engineer; • Local authority; • Contractor. 	<p><u>NOTES</u></p> <ul style="list-style-type: none"> • Primary objective
<p><u>COSTING</u></p> <p>- R18,000,000</p>	<p><u>BUDGET</u></p> <p>(2016/2017)</p>	<p><u>SOURCES OF FUNDING</u></p> <ul style="list-style-type: none"> • MIG

PROJECT LOGICAL FRAMEWORK APPROACH – Upgrade of Internal Roads: Project Civil.3

<p><u>OBJECTIVES</u></p> <p>Paving & Stormwater of internal Street in Steynville</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Use local labour; • Avoiding of floods • Improved and trouble free motoring surface. 	
<p><u>PROJECT OUTPUT</u></p> <p>Ensure visitors and public have a safe public and comfortable experience when entering Steynville</p> <p>Repair to streets in Steynville</p> <p>Street riding surfaces badly damage with potholes</p>	<p><u>TARGET AND TARGET GROUPS</u></p> <p>All residents.</p>	<p><u>LOCATION</u></p> <p>Hopetown</p>
<p><u>MAJOR ACTIVITIES</u></p> <ul style="list-style-type: none"> • Prepare design and costing; • Budget 	<p><u>RESPONSIBLE AGENCIES</u></p> <ul style="list-style-type: none"> • Civil engineer; • Local authority; • Contractor. 	<p><u>NOTES</u></p> <ul style="list-style-type: none"> • Primary objective
<p><u>COSTING</u></p> <p>- R77 787 772.60</p>	<p><u>BUDGET</u></p> <p>(2015/2016)</p> <p>(2016/2017)</p>	<p><u>SOURCES OF FUNDING</u></p> <ul style="list-style-type: none"> • EPWP

	(2017/2018)	
	(2018/2019)	

PROJECT LOGICAL FRAMEWORK APPROACH – Upgrade of Main Road: Project Civil. 4

<p><u>OBJECTIVES</u></p> <p>Paving of Streets in Deetlesville</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Use local labour; • Avoiding of floods • Improved and trouble free motoring surface. 	
<p><u>PROJECT OUTPUT</u></p> <p>Repair to streets in Strydenburg</p> <p>Street riding surfaces badly damage with potholes</p>	<p><u>TARGET AND TARGET GROUPS</u></p> <p>All residents.</p>	<p><u>LOCATION</u></p> <p>Strydenburg</p>
<p><u>MAJOR ACTIVITIES</u></p> <ul style="list-style-type: none"> • Prepare design and costing; • Budget 	<p><u>RESPONSIBLE AGENCIES</u></p> <ul style="list-style-type: none"> • Civil engineer; • Local authority; • Contractor. 	<p><u>NOTES</u></p> <ul style="list-style-type: none"> • Primary objective
<p><u>COSTING</u></p>	<p><u>BUDGET</u></p>	<p><u>SOURCES OF FUNDING</u></p>

- R18 000 000.00	(2016/2017)	• MIG
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PROJECT LOGICAL FRAMEWORK APPROACH – Upgrade of Waste Water Treatment Works : Project F.1

<p><u>OBJECTIVES</u></p> <p>Decommission old WWTW at Strydenburg</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Feasibility study taking Gariiep Abattoir into consideration • May require the upgrading of the works specifically as primary treatment for the abattoir 	
<p><u>PROJECT OUTPUT</u></p> <ul style="list-style-type: none"> • Improved purification works; • Improved storage facilities; • Job creation 	<p><u>TARGET AND TARGET GROUPS</u></p> <p>Over a period of 5 years all the residents of the municipal area will be accommodated.</p>	<p><u>LOCATION</u></p> <p>Strydenburg</p>
<p><u>MAJOR ACTIVITIES</u></p> <p>Design and costing of project.</p> <p>Apply for funding.</p> <p>Put out on tender.</p> <p>Approve tender.</p> <p>Start construction.</p>	<p><u>RESPONSIBLE AGENCIES</u></p> <p>Civil engineer;</p> <p>Local authority;</p> <p>Contractor.</p>	<p><u>NOTES</u></p> <p>Primary objective.</p>
<p><u>COSTING</u></p> <p>R 50,000</p>	<p><u>BUDGET:</u></p> <p>Budget year (2015/2016)</p>	<p><u>SOURCES OF FUNDING</u></p> <p>RBIG</p> <p>DWA</p>

PROJECT LOGICAL FRAMEWORK APPROACH – Upgrade of Water Treatment Works : Project F.1

<p><u>OBJECTIVES</u></p> <p>Construction of new 5,6 Ml/day WTW at Hopetown</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Job Creation • Improve service delivery 	
<p><u>PROJECT OUTPUT</u></p> <ul style="list-style-type: none"> • Improved purification works; • Improved storage facilities; • Job creation 	<p><u>TARGET AND TARGET GROUPS</u></p> <p>Over a period of 5 years all the residents of the municipal area will be accommodated.</p>	<p><u>LOCATION</u></p> <p>Hopetown</p>
<p><u>MAJOR ACTIVITIES</u></p> <p>Design and costing of project.</p> <p>Start construction.</p>	<p><u>RESPONSIBLE AGENCIES</u></p> <p>Civil engineer;</p> <p>Local authority;</p> <p>Contractor.</p>	<p><u>NOTES</u></p> <p>Primary objective.</p>
<p><u>COSTING</u></p> <p>R 36,000,000</p>	<p><u>BUDGET:</u></p> <p>Budget year (2012/2014)</p> <p>DONE</p>	<p><u>SOURCES OF FUNDING</u></p> <p>RBIG</p> <p>MIG</p>

PROJECT LOGICAL FRAMEWORK APPROACH – Underground Water Resources : Project F.2

<p><u>OBJECTIVES</u></p> <p>Augmentation of the Strydenburg Underground water resources.</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Feasibility study for funding • Augmentation of boreholes and pipelines • Prevent discontinuation of water services 	
<p><u>PROJECT OUTPUT</u></p> <ul style="list-style-type: none"> • Improved purification works; • Improved storage facilities; • Job creation 	<p><u>TARGET AND TARGET GROUPS</u></p> <p>Over a period of 5 years all the residents of the municipal area will be accommodated.</p>	<p><u>LOCATION</u></p> <p>Hopetown.</p>
<p><u>MAJOR ACTIVITIES</u></p> <p>Design and costing of project.</p> <p>Apply for funding.</p> <p>Put out on tender.</p> <p>Approve tender.</p> <p>Start construction.</p>	<p><u>RESPONSIBLE AGENCIES</u></p> <p>Civil engineer;</p> <p>Local authority;</p> <p>Contractor.</p>	<p><u>NOTES</u></p> <p>Primary objective.</p>
<p><u>COSTING</u></p> <p>R 13,869 000</p> <p>Consultant – Worley Parsons</p>	<p><u>BUDGET:</u></p> <p>Budget year (2014/2015)</p> <p>DONE</p>	<p><u>SOURCES OF FUNDING</u></p> <p>RBIG</p>

PROJECT LOGICAL FRAMEWORK APPROACH – Housing and Civil Services: Project H4.1

<p><u>OBJECTIVES</u></p> <p>To provide High mass lights for new residential areas.</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Improvement of quality of life • Job creation in community; 	
<p><u>PROJECT OUTPUT</u></p> <p>A- Sewende Laan. B- Deetlefsville. C- Vergenoeg East (Gou Trou) D- Hillside</p>	<p><u>TARGET AND TARGET GROUPS</u></p> <p>Landless individuals within the wider municipal area.</p>	<p><u>LOCATION</u></p> <p>As under “costing”.</p>
<p><u>MAJOR ACTIVITIES</u></p> <p>Town planning layout. Tender procedure. Construction</p>	<p><u>RESPONSIBLE AGENCIES</u></p> <p>Technical Manager Civil engineer Contractor appointed.</p>	<p><u>NOTES</u></p> <p>Primary objective</p>
<p><u>COSTING</u></p> <p>Costing @ R250,000/unit. X 2= R500,000.00</p>	<p><u>BUDGET:</u></p> <p>Budget (2015/2016) Year (2016/2017)</p>	<p><u>SOURCES OF FUNDING</u></p> <p>COGHSTA(NC) MIG</p>

PROJECT LOGICAL FRAMEWORK APPROACH – Water link supply new development area: Project Civil H4.2

<p><u>OBJECTIVES</u></p> <p>To provide bulk services and extend the underground water resources in Strydenburg.</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Bulk water & sewer services • EIA study • Use local labour; • Provision of facility on site in time. 	
<p><u>PROJECT OUTPUT</u></p> <ul style="list-style-type: none"> • Provision of new water bulk supply line in two phases. 	<p><u>TARGET AND TARGET GROUPS</u></p> <p>Landless individuals in Steynville & Strydenburg</p>	<p><u>LOCATION</u></p> <p>Hopetown (Steynville) & Strydenburg</p>
<p><u>MAJOR ACTIVITIES</u></p> <ul style="list-style-type: none"> • Prepare designs and costing; • Apply for funds; • Tender procedure; • Start construction. 	<p><u>RESPONSIBLE AGENCIES</u></p> <ul style="list-style-type: none"> • Civil engineer; • Civil engineer; • Local Authority; • Contractor. 	<p><u>NOTES</u></p> <p>Primary objective (phased over two years).</p>
<p><u>COSTING</u></p> <p>R12,500,000m</p>	<p><u>BUDGET</u></p> <p>Year (2014/2015).</p> <p>BUSY (in progress)</p>	<p><u>SOURCES OF FUNDING</u></p> <p>RBIG</p>

PROJECT LOGICAL FRAMEWORK APPROACH – Sanitation Master Plan: Project Civil 1

<p><u>OBJECTIVES</u></p> <p>Sanitation Master Plan for Hopetown & Strydenburg</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Healthier environment; • Cut in management cost. 	
<p><u>PROJECT OUTPUT</u></p> <p>Timing for future upgrading</p> <p>Set out the Capacities of existing bulk & internal services.</p>	<p><u>TARGET AND TARGET GROUPS</u></p> <p>Thembelihle.</p>	<p><u>LOCATION</u></p> <p>Strydenburg & Hopetown</p>
<p><u>MAJOR ACTIVITIES</u></p> <ul style="list-style-type: none"> • Design and costing; • Tender procedure; • Construction. 	<p><u>RESPONSIBLE AGENCIES</u></p> <ul style="list-style-type: none"> • Civil engineer; • Local authority; • Contractor. 	<p><u>NOTES</u></p> <ul style="list-style-type: none"> • Primary objective
<p><u>COSTING</u></p> <p>R 100,000</p>	<p><u>BUDGET</u></p> <p>Year (2015/2016)</p> <p>(2016/2017)</p>	<p><u>SOURCES OF FUNDING</u></p> <p>Local Authority</p>

PROJECT LOGICAL FRAMEWORK APPROACH – Upgrading of existing internal toilet system: Project Hpt Civil 2

<p><u>OBJECTIVES</u></p> <p>Provision of better sanitation facilities.</p> <p>Replacement VIP systems in area: Vergenoeg East & 7de Laan</p> <p>Urine diversion toilets - Hou Jou Bek is Finalize</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Healthier environment; • Cut in management cost. 	
<p><u>PROJECT OUTPUT</u></p> <p>Improve the lifestyle of the residents.</p>	<p><u>TARGET AND TARGET GROUPS</u></p> <p>Deetliftsville & Steynville residents.</p>	<p><u>LOCATION</u></p> <p>Strydenburg & Hopetown</p>
<p><u>MAJOR ACTIVITIES</u></p> <ul style="list-style-type: none"> • Design and costing; • Apply for funds; • Tender procedure; • Construction. 	<p><u>RESPONSIBLE AGENCIES</u></p> <ul style="list-style-type: none"> • Civil engineer; • Local authority; • Contractor. • District Municipality 	<p><u>NOTES</u></p> <ul style="list-style-type: none"> • Primary objective
<p><u>COSTING</u></p> <p>Phase 1- R1,900M</p>	<p><u>BUDGET</u></p> <p>Year (2014/2015) Hou jou bek is finalize</p> <p>(2015/2016)</p> <p>(2016/2017)</p>	<p><u>SOURCES OF FUNDING</u></p> <p>MIG</p>

PROJECT LOGICAL FRAMEWORK APPROACH – Provide internal toilet system: Project Kraankuil Civil 3

<p><u>OBJECTIVES</u></p> <p>Provision of better Water & Sanitation facilities at Kraankuil Station. (Ward 2)</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Healthier environment; • Cut in management cost. 	
<p><u>PROJECT OUTPUT</u></p> <p>Improve the lifestyle of the residents.</p>	<p><u>TARGET AND TARGET GROUPS</u></p> <p>Kraankuil Station residents.</p>	<p><u>LOCATION</u></p> <p>Thembelihle Area</p>
<p><u>MAJOR ACTIVITIES</u></p> <ul style="list-style-type: none"> • Design and costing; • Apply for funds; • Tender procedure; • Construction. 	<p><u>RESPONSIBLE AGENCIES</u></p> <ul style="list-style-type: none"> • Civil engineer; • Local authority; • Contractor. • District Municipality 	<p><u>NOTES</u></p> <ul style="list-style-type: none"> • Primary objective
<p><u>COSTING</u></p> <p>Phase 1- R1,900M</p>	<p><u>BUDGET</u></p> <p>Year (2015/2016) (2016/2017)</p>	<p><u>SOURCES OF FUNDING</u></p> <p>EPWP MIG</p>

PROJECT LOGICAL FRAMEWORK APPROACH – Provision of internal toilet system: Project Oranje-river Station Civil 4

<p><u>OBJECTIVES</u></p> <p>Provision of better Water & Sanitation facilities.(Ward2)</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Healthier environment; • Cut in management cost. 	
<p><u>PROJECT OUTPUT</u></p> <p>Improve the lifestyle of the residents.</p>	<p><u>TARGET AND TARGET GROUPS</u></p> <p>Oranje-river Station residents.</p>	<p><u>LOCATION</u></p> <p>Thembelihle Area</p>
<p><u>MAJOR ACTIVITIES</u></p> <ul style="list-style-type: none"> • Design and costing; • Apply for funds; • Tender procedure; • Construction. 	<p><u>RESPONSIBLE AGENCIES</u></p> <ul style="list-style-type: none"> • Civil engineer; • Local authority; • Contractor. • District Municipality 	<p><u>NOTES</u></p> <ul style="list-style-type: none"> • Primary objective
<p><u>COSTING</u></p> <p>Phase 1- R1,900M</p>	<p><u>BUDGET</u></p> <p>Year (2015/2016) (2016/2017)</p>	<p><u>SOURCES OF FUNDING</u></p> <p>EPWP MIG</p>

PROJECT LOGICAL FRAMEWORK APPROACH – Provision of Public Toilets: Project Stb Civil 2

<p><u>OBJECTIVES</u></p> <p>Provision of better sanitation facilities in Strydenburg.</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Healthier environment; • Cut in management cost. 	
<p><u>PROJECT OUTPUT</u></p> <p>Provision of sanitation facilities</p> <p>Improve the lifestyle of the residents.</p>	<p><u>TARGET AND TARGET GROUPS</u></p> <p>Deetliftsville & Steynville</p>	<p><u>LOCATION</u></p> <p>Strydenburg</p>
<p><u>MAJOR ACTIVITIES</u></p> <ul style="list-style-type: none"> • Design and costing; • Apply for funds; • Tender procedure; • Construction. 	<p><u>RESPONSIBLE AGENCIES</u></p> <ul style="list-style-type: none"> • Civil engineer; • Local authority; • Contractor. • District Municipality 	<p><u>NOTES</u></p> <ul style="list-style-type: none"> • Primary objective
<p><u>COSTING</u></p> <p>R1,000 000</p>	<p><u>BUDGET</u></p> <p>Year (2015/2016)</p> <p>(2016/2017)</p> <p>EPWP Project List</p>	<p><u>SOURCES OF FUNDING</u></p> <p>EPWP</p>

PROJECT LOGICAL FRAMEWORK APPROACH – Electrical master plan: Project Elec 8

<p><u>OBJECTIVES</u></p> <p>Improved management and development of electricity.</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Co-ordinated provision and management. 	
<p><u>PROJECT OUTPUT</u></p> <p>Electrical master plan for the wider municipal area.</p>	<p><u>TARGET AND TARGET GROUPS</u></p> <p>All the erven and residents.</p>	<p><u>LOCATION</u></p> <p>Wider Thembelihle</p>
<p><u>MAJOR ACTIVITIES</u></p> <ul style="list-style-type: none"> • Apply for funds; • Prepare plan; 	<p><u>RESPONSIBLE AGENCIES</u></p> <ul style="list-style-type: none"> • Electrical engineer; 	<p><u>NOTES</u></p> <ul style="list-style-type: none"> • Primary objective;
<p><u>COSTING</u></p>	<p><u>BUDGET</u></p> <p>Year (2015/2016)</p>	<p><u>SOURCES OF FUNDING</u></p> <ul style="list-style-type: none"> • District mun. • Treasury

R0,030m	(2016/2017)	
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PROJECT LOGICAL FRAMEWORK APPROACH – Electrical Supply System: Project Elec 9

<p><u>OBJECTIVES</u></p> <p>Upgrading of Strydenburg Main Intake Station</p> <p>Upgrading of Strydenburg & Hopetown internal Reticulation.</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Co-ordinated provision and management. 	
<p><u>PROJECT OUTPUT</u></p> <p>Electrical supply system for the Strydenburg area.</p>	<p><u>TARGET AND TARGET GROUPS</u></p> <p>All the erven and residents.</p>	<p><u>LOCATION</u></p> <p>Wider Strydenburg</p>
<p><u>MAJOR ACTIVITIES</u></p> <ul style="list-style-type: none"> • Apply for funds; • Prepare plan; 	<p><u>RESPONSIBLE AGENCIES</u></p> <ul style="list-style-type: none"> • Electrical engineer; 	<p><u>NOTES</u></p> <ul style="list-style-type: none"> • Primary objective;
<p><u>COSTING</u></p>	<p><u>BUDGET</u></p> <p>Year (2015/2016)</p>	<p><u>SOURCES OF FUNDING</u></p> <ul style="list-style-type: none"> • Local Authority

R100,000		
Contractor - Katie Liebenberg		

PROJECT LOGICAL FRAMEWORK APPROACH – Green Parks: Project J.1

<p><u>OBJECTIVES</u></p> <p>Green Parks for Steynville and Deetlefsville</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> Tree Planting, Fencing, Ablution Facilities, Braai Facilities, Lawns & Irrigation 	
<p><u>PROJECT OUTPUT</u></p> <p>Create a better and a safe environment in the area</p>	<p><u>TARGET AND TARGET GROUPS</u></p> <p>All the residents.</p>	<p><u>LOCATION</u></p> <p>Wider Thembelihle</p>
<p><u>MAJOR ACTIVITIES</u></p> <ul style="list-style-type: none"> Prepare plan; Implementation 	<p><u>RESPONSIBLE AGENCIES</u></p> <ul style="list-style-type: none"> DEA 	<p><u>NOTES</u></p> <ul style="list-style-type: none"> Primary objective;
<p><u>COSTING</u></p>	<p><u>BUDGET</u></p>	<p><u>SOURCES OF FUNDING</u></p>

Strydenburg- R3,000,000 Hopetown – R3,000,000	Year (2014/2015) BUSY (in progress)	• DEA
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PROJECT LOGICAL FRAMEWORK APPROACH – Removal of Prosopis: Project J.2

<u>OBJECTIVES</u> Removal of Prosopis Trees in Hopetown	<u>INDICATORS FOR ACHIEVEMENT</u> <ul style="list-style-type: none"> • Commonage Management • Improve Natural veld 	
<u>PROJECT OUTPUT</u> Labour Intensive Working for water	<u>TARGET AND TARGET GROUPS</u> All the residents.	<u>LOCATION</u> Hopetown
<u>MAJOR ACTIVITIES</u> <ul style="list-style-type: none"> • Prepare plan; • Implementation 	<u>RESPONSIBLE AGENCIES</u> <ul style="list-style-type: none"> • DEA 	<u>NOTES</u> <ul style="list-style-type: none"> • Primary objective;

<p><u>COSTING</u></p> <p>Hopetown – R1,000 000</p>	<p><u>BUDGET</u></p> <p>Year (2014/2015)</p> <p>DONE</p>	<p><u>SOURCES OF FUNDING</u></p> <ul style="list-style-type: none"> • DEA • DWS • EPWP
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PROJECT LOGICAL FRAMEWORK APPROACH – Removal of Prosopis: Project J.3

<p><u>OBJECTIVES</u></p> <p>Removal of Prosopis Trees in Strydenburg</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Commonage Management • Improve Natural veld 	
<p><u>PROJECT OUTPUT</u></p> <p>Labour Intensive</p> <p>Working for water</p>	<p><u>TARGET AND TARGET GROUPS</u></p> <p>All the residents.</p>	<p><u>LOCATION</u></p> <p>Strydenburg</p>
<p><u>MAJOR ACTIVITIES</u></p> <ul style="list-style-type: none"> • Prepare plan; • Implementation 	<p><u>RESPONSIBLE AGENCIES</u></p> <ul style="list-style-type: none"> • DEA 	<p><u>NOTES</u></p> <ul style="list-style-type: none"> • Primary objective;

<p><u>COSTING</u></p> <p>Strydenburg – R1,000 000</p>	<p><u>BUDGET</u></p> <p>Year (2014/2015)</p> <p>BUSY (in progress)</p>	<p><u>SOURCES OF FUNDING</u></p> <ul style="list-style-type: none"> • DEA • DWS • EPWP

PROJECT LOGICAL FRAMEWORK APPROACH – Additional Office Space: Project J.4

<p><u>OBJECTIVES</u></p> <p>Additional Office Space & Upgrade of Offices</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Improve Service delivery • Efficient Administration 	
<p><u>PROJECT OUTPUT</u></p> <p>Employment</p> <p>Conducive environment</p>	<p><u>TARGET AND TARGET GROUPS</u></p> <p>Municipal Staff</p>	<p><u>LOCATION</u></p> <p>Wider Municipality</p>
<p><u>MAJOR ACTIVITIES</u></p> <ul style="list-style-type: none"> • Prepare plan; 	<p><u>RESPONSIBLE AGENCIES</u></p> <ul style="list-style-type: none"> • DEA 	<p><u>NOTES</u></p> <ul style="list-style-type: none"> • Primary objective;

<ul style="list-style-type: none"> Implementation 		
<u>COSTING</u> Thembelihle – R1,000 000	<u>BUDGET</u> (2014/2015) In Process	<u>SOURCES OF FUNDING</u> <ul style="list-style-type: none"> EPWP

PROJECT LOGICAL FRAMEWORK APPROACH – Solid Waste Awareness Campaign: Project J.5

<u>OBJECTIVES</u> Awareness Campaign	<u>INDICATORS FOR ACHIEVEMENT</u> <ul style="list-style-type: none"> Handling & Recycling Feasibility Study 	
<u>PROJECT OUTPUT</u> Create a better and a safe environment in the area	<u>TARGET AND TARGET GROUPS</u> All the residents.	<u>LOCATION</u> Wider Thembelihle

<p><u>MAJOR ACTIVITIES</u></p> <ul style="list-style-type: none"> • Prepare plan; • Implementation 	<p><u>RESPONSIBLE AGENCIES</u></p> <ul style="list-style-type: none"> • DEA 	<p><u>NOTES</u></p> <ul style="list-style-type: none"> • Primary objective;
<p><u>COSTING</u></p> <p>R100,000.00</p>	<p><u>BUDGET</u></p> <p>Year (2015/2016)</p> <p>(2016/2017)</p>	<p><u>SOURCES OF FUNDING</u></p> <ul style="list-style-type: none"> • DEA • EPIP

PROJECT LOGICAL FRAMEWORK APPROACH – Water & Wastewater Awareness Campaign: Project J.6

<p><u>OBJECTIVES</u></p> <p>Awareness Campaign</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • DWA Blue & Green drop system 	
<p><u>PROJECT OUTPUT</u></p> <p>Improve service delivery</p>	<p><u>TARGET AND TARGET GROUPS</u></p> <p>All the residents.</p>	<p><u>LOCATION</u></p> <p>Wider Thembelihle</p>

<p><u>MAJOR ACTIVITIES</u></p> <ul style="list-style-type: none"> • Prepare plan; • Implementation 	<p><u>RESPONSIBLE AGENCIES</u></p> <ul style="list-style-type: none"> • DEA 	<p><u>NOTES</u></p> <ul style="list-style-type: none"> • Primary objective;
<p><u>COSTING</u></p> <p>Strydenburg- R3,000,000</p> <p>Hopetown – R3,000,000</p>	<p><u>BUDGET</u></p> <p>Year (2015/2016)</p> <p>(2016/2017)</p>	<p><u>SOURCES OF FUNDING</u></p> <ul style="list-style-type: none"> • DWA

PROJECT LOGICAL FRAMEWORK APPROACH: INSTITUTIONAL FACILITY (GOVERNMENT) Project L.1

<p><u>OBJECTIVES</u></p> <p>Provision of a Multi Purpose Community Centre for government services and information</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Improved service provision; • Championed by Municipal Manager • Improved service delivery 	
<p><u>PROJECT OUTPUT</u></p> <ul style="list-style-type: none"> • Effective communication between community and government • A One stop government service centre that is accessible to the community 	<p><u>TARGET AND TARGET GROUPS</u></p> <ul style="list-style-type: none"> • Community • Government departments 	<p><u>LOCATION</u></p> <p>Thembelihle municipal area.</p>
<p><u>MAJOR ACTIVITIES</u></p> <ul style="list-style-type: none"> • Establish local inter sectorial committee. • Formal application to GCIS • Identification of suitable building. 	<p><u>RESPONSIBLE AGENCIES</u></p> <ul style="list-style-type: none"> • Municipal manager. • Technical Manager • CFO 	<p><u>NOTES</u></p> <p>Secondary objective.</p>
<p><u>COSTING</u></p> <p>R1000 000.00</p>	<p><u>BUDGET YEAR</u></p> <p>2015/2016</p> <p>2016/2017</p>	<p><u>SOURCES OF FUNDING</u></p> <p>MIG</p> <p>Premier's Office</p> <p>GCIS</p>

PROJECT LOGICAL FRAMEWORK APPROACH: INSTITUTIONAL FACILITIES: Provision of bus and taxi facilities: Project L.2

<p><u>OBJECTIVES</u></p> <p>A Feasibility study of a bus and taxi facility.</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Well-established and planned facilities; • Happy taxi associations. 	
<p><u>PROJECT OUTPUT</u></p> <p>Costing, survey and planning of taxi ranks.</p>	<p><u>TARGET AND TARGET GROUPS</u></p> <p>Thembelihle Community</p>	<p><u>LOCATION</u></p> <ul style="list-style-type: none"> • Strydenburg; • Hopetown.
<p><u>MAJOR ACTIVITIES</u></p> <ul style="list-style-type: none"> • Negotiations with bus and taxi associations on planning and locality; • Prepare costing and preliminary design; • Apply for funding; • On receipt of funds, start construction. 	<p><u>RESPONSIBLE AGENCIES</u></p> <ul style="list-style-type: none"> • Taxi associations; • Local Authority; • Civil Engineer; • Karoo District Municipality; • Department of Transport. 	<p><u>NOTES</u></p> <p>Primary objective.</p>
<p><u>COSTING</u></p> <p>Design and Construction ± R3,400,000.00</p>	<p><u>BUDGET</u></p> <p>Year (2015/2016)</p> <p>(2016/2017)</p>	<p><u>SOURCES OF FUNDING</u></p> <ul style="list-style-type: none"> • District Municipality • Dept. of Roads/Public Works • Dept. Economic Affairs • MIG

PROJECT LOGICAL FRAMEWORK APPROACH: INSTITUTIONAL FACILITIES: Provision of a Drivers License Test Centre: Project L.3

<p><u>OBJECTIVES</u></p> <p>Upgrading of offices and implementation of a Drivers License Test Centre & inspection bay for vehicles.</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Effective service to surrounding towns • Increase in municipal revenue 	
<p><u>PROJECT OUTPUT</u></p> <p>Survey, costing and planning.</p> <p>Financial income for municipality</p> <p>Traffic control officers appointed</p>	<p><u>TARGET AND TARGET GROUPS</u></p> <p>All residents within the municipal area.</p>	<p><u>LOCATION</u></p> <ul style="list-style-type: none"> • Hopetown.
<p><u>MAJOR ACTIVITIES</u></p> <ul style="list-style-type: none"> • Negotiate with the necessary authorities; • Relocating of Vehicle Registration Department; • If viable, decide on: <ul style="list-style-type: none"> - locality; - costing; - planning. • Apply for funds; • Construction. 	<p><u>RESPONSIBLE AGENCIES</u></p> <ul style="list-style-type: none"> • Local Authority; • Provincial Department of Transport • Civil Engineers 	<p><u>NOTES</u></p> <p>Primary objective.</p>
<p><u>COSTING</u></p> <p>R5,000 000.00</p>	<p><u>BUDGET</u></p> <p>Year (2015/2016)</p> <p>(2016/2017)</p>	<p><u>SOURCES OF FUNDING</u></p> <p>Department Safety and Liason</p> <p>Pixley Ka Seme District Municipality</p>

PROJECT LOGICAL FRAMEWORK APPROACH: SOCIAL UPLIFTMENT (EDUCATION): Project S.1

<p><u>OBJECTIVES</u></p> <p>Sufficient and upgraded educational facilities.</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Build of new schools; • Create conducive environment for learners. 	
<p><u>PROJECT OUTPUT</u></p> <p>A report and letter to the necessary departments.</p>	<p><u>TARGET AND TARGET GROUPS</u></p> <p>School buildings and facilities within the wider service area.</p>	<p><u>LOCATION</u></p> <p>Wider municipal area.</p>
<p><u>MAJOR ACTIVITIES</u></p> <ul style="list-style-type: none"> • Farm schools to be addressed; • Upgrading of present school buildings and facilities; • Maintenance on grounds; • Provision of sufficient future facilities; • Bus service farm schools. 	<p><u>RESPONSIBLE AGENCIES</u></p> <ul style="list-style-type: none"> • IDP Manager; • Municipal manager. 	<p><u>NOTES</u></p> <p>Secondary objective;</p> <p>Detail problems identified in the analyses.</p>
<p><u>COSTING</u></p> <p>Nil</p>	<p><u>BUDGET</u></p> <p>Year 1 (2015/2016)</p> <p>Year 2 (2016/2017)</p>	<p><u>SOURCES OF FUNDING</u></p> <p>Department Education</p>

PROJECT LOGICAL FRAMEWORK APPROACH: SOCIAL UPLIFTMENT (SPORT) Project S.2

<p><u>OBJECTIVES</u></p> <p>Upgrade of sport facilities within residential and other areas.</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Better recreational facilities in residential and other areas; • Prepare report within first budget year. • Application to the National Lottery Fund 	
<p><u>PROJECT OUTPUT</u></p> <p>Survey and report to indicate the status of existing facilities and potential upgrading.</p> <p>Upgrading of Hopetown and Strydenburg Sports Facilities</p>	<p><u>TARGET AND TARGET GROUPS</u></p> <ul style="list-style-type: none"> • All the sport facilities; • Residents within the wider municipal area. 	<p><u>LOCATION</u></p> <p>Thembelihle municipal area.</p>
<p><u>MAJOR ACTIVITIES</u></p> <ul style="list-style-type: none"> • Survey into the condition of present facilities; • Costing to upgrade and maintenance to be done; • Include local residents in project; • Establish sport committees. • Construction 	<p><u>RESPONSIBLE AGENCIES</u></p> <ul style="list-style-type: none"> • Municipal manager; • Official to be appointed. 	<p><u>NOTES</u></p> <p>Primary objective.</p>
<p><u>COSTING</u></p> <ul style="list-style-type: none"> • R4, 500,000.00. 	<p><u>BUDGET</u></p> <ul style="list-style-type: none"> • Year (2015/2016) • (2016/2017) 	<p><u>SOURCES OF FUNDING</u></p> <ul style="list-style-type: none"> • National Lottery; • Thembelihle municipality; • District municipality.

		• Dept of Sport
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PROJECT LOGICAL FRAMEWORK APPROACH: SOCIAL UPLIFTMENT (HIV/AIDS) Project S.3

<p><u>OBJECTIVES</u></p> <p>Reduce HIV/AIDS infection. (Special programmes)</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • To reduce the infection rates of adults with 2% by 2014; • Reduce unborn babies with 5% by 2014; 	
<p><u>PROJECT OUTPUT</u></p> <ul style="list-style-type: none"> • Awareness campaign; • Establish support groups on all levels; • Contact Provincial AIDS Council. • Revive Local AIDS Council • Ensure the implementation ARV treatment 	<p><u>TARGET AND TARGET GROUPS</u></p> <ul style="list-style-type: none"> • Holistic approach; • Local community: <ul style="list-style-type: none"> - churches, schools, NGO's, parents; • Department of Social Services; • Department of Health; • Private institutions; • District municipality 	<p><u>LOCATION</u></p> <p>Wider municipal area (including the rural area).</p>
<p><u>MAJOR ACTIVITIES</u></p> <ul style="list-style-type: none"> • Establish co-ordinating committee and councillor to chair; • Prepare an manual based on local experience; • Approach on two levels: - prevention & assistance to AIDS victims; • Monthly monitor of process; • Change mindset of people. • Revive Local AIDS Council • Ensure the implementation ARV treatment 	<p><u>RESPONSIBLE AGENCIES</u></p> <ul style="list-style-type: none"> • Mayor to chair Local AIDS Council ; • AIDS council to monitor implementation of ARV treatment • Nurses welfare people on voluntary base; • Council. 	<p><u>NOTES</u></p> <p>Primary objective.</p> <p>GENDER, YOUTH & DISABILITY</p>
<p><u>COSTING</u></p>	<p><u>BUDGET</u></p>	<p><u>SOURCES OF FUNDING</u></p>

<ul style="list-style-type: none"> To be prepared by Co-ordination Committee; Submit to relevant sources. 	<p>R100,000.00 (2015/2016)</p> <p>(2016/2017)</p>	<ul style="list-style-type: none"> Government Depts. District municipality; Thembelihle municipality
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PROJECT LOGICAL FRAMEWORK APPROACH: VIABILITY STUDY SMALL HOLDINGS: Project Ec 1:

<p><u>OBJECTIVES</u></p> <p>To organise Emerging farmers and provide them with better facilities.</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> More sustainable Emerging farming community; Implementation of piggery project. Upgraded infrastructure (Sun pumps for Boreholes) By-Law in place. Pound regulation in place Use of Commonage Policy 	
<p><u>PROJECT OUTPUT</u></p> <p>Better usage of commonage with economic spin offs.</p> <p>Upgraded infrastructure</p> <p>Development and implementation of a plan to stabilise degradation of commonage caused by overgrazing.</p>	<p><u>TARGET AND TARGET GROUPS</u></p> <p>Emerging farmers and “karretjie mense”.</p>	<p><u>LOCATION</u></p> <p>Wider municipal area.</p>
<p><u>MAJOR ACTIVITIES</u></p> <ul style="list-style-type: none"> Develop commonage policy, management plan, Pound By-LAW and universal tariffs across the municipal area; Upgrading of Infrastructure; Capacity Building sessions. 	<p><u>RESPONSIBLE AGENCIES</u></p> <ul style="list-style-type: none"> Thembelihle Local Authority; Department of Land Affairs; Department of Agriculture. FARM AFRICA 	<p><u>NOTES</u></p> <p>Primary objective.</p>

<p><u>COSTING</u></p> <p>Capacity Building - R0,080m</p> <p>Infrastructure upgrading – R1,300m</p>	<p><u>BUDGET:</u></p> <p>Year (2015/2016)</p> <p>(2016/2017)</p>	<p><u>SOURCES OF FUNDING</u></p> <ul style="list-style-type: none"> • Land Affairs; • Dept. of Agriculture • FARM AFRICA • District Municipality
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PROJECT LOGICAL FRAMEWORK APPROACH – ECONOMIC FACILITIES – Project Ec 2:

<p><u>OBJECTIVES</u></p> <p>To provide spatial framework for future developmental purposes.</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Clear development nodes • Comprehensive framework available • Economic growth. 	
<p><u>PROJECT OUTPUT</u></p> <p>Sufficient space for future development.</p> <p>Stakeholder and community participation.</p> <p>Clear direction for developmental patterns</p> <p>Detailed spatial analysis</p>	<p><u>TARGET AND TARGET GROUPS</u></p> <p>All sectors of society</p>	<p><u>LOCATION</u></p> <p>Wider municipal area</p>
<p><u>MAJOR ACTIVITIES</u></p> <p>Community consultation;</p> <p>Appoint a consultant to conduct detail study.</p>	<p><u>RESPONSIBLE AGENCIES</u></p> <p>Service Provider</p> <p>DBSA</p> <p>Thembehle Municipality</p>	<p><u>NOTES</u></p> <p>Primary objective.</p> <p>Notes of economic potential in the analyses.</p>
<p><u>COSTING</u></p>	<p><u>BUDGET</u></p>	<p><u>SOURCES OF FUNDING</u></p>

Appoint Service Provider ± R500,000,00	Budget year 1 (2015/2016). (2016/2017)	Dept. Rural Development District Municipality Thembelihle Municipality
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PROJECT LOGICAL FRAMEWORK APPROACH – ECONOMIC FACILITIES – Project Ec 3:

<p><u>OBJECTIVES</u></p> <p>To develop 800 hectares of land for irrigation purposes.</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • 800 hectares of irrigation land • Job creation for the unemployed • Agriculture development. • Economic growth 	
<p><u>PROJECT OUTPUT</u></p> <ul style="list-style-type: none"> • Empowerment of 40 families. • Infrastructure development • Job creation • Building of skills • 4000 hectares of water rights 	<p><u>TARGET AND TARGET GROUPS</u></p> <p>Unemployed youth and women.</p> <p>Poorest of the poor</p>	<p><u>LOCATION</u></p> <p>Wider municipal area</p>
<p><u>MAJOR ACTIVITIES</u></p> <ul style="list-style-type: none"> • Design layout of new infrastructure • Building of new pump station and of pipes for irrigation system • Setting up of pivots • Growing of crops 	<p><u>RESPONSIBLE AGENCIES</u></p> <p>BVi Civil Engineers</p> <p>Department Land Affairs</p> <p>Thembelihle Municipality</p> <p>DWAF</p>	<p><u>NOTES</u></p> <p>Primary objective_</p>

	Local Cooperatives	
<u>COSTING</u>	<u>BUDGET</u>	<u>SOURCES OF FUNDING</u>
R164,000,M	Budget year (2015/2016).	DWAF
R200,000,M	(2016/2017)	Dept Agriculture Land Reform
		Thembelihle Municipality

PROJECT LOGICAL FRAMEWORK APPROACH – ECONOMIC FACILITIES – Project Ec 4:

<u>OBJECTIVES</u>	<u>INDICATORS FOR ACHIEVEMENT</u>	
Irrigation system recycling effluent from WWTW to sports field.	<ul style="list-style-type: none"> • Job creation for the unemployed • Agriculture development. • Economic growth 	
<u>PROJECT OUTPUT</u>	<u>TARGET AND TARGET GROUPS</u>	<u>LOCATION</u>
<ul style="list-style-type: none"> • Infrastructure development • Job creation • Building of skills 	<p>Unemployed youth and women.</p> <p>Poorest of the poor</p>	Wider municipal area
<u>MAJOR ACTIVITIES</u>	<u>RESPONSIBLE AGENCIES</u>	<u>NOTES</u>
<ul style="list-style-type: none"> • Design layout of new infrastructure • Building of new pump station and of pipes for irrigation system • Setting up of pivots 	<p>BVi Civil Engineers</p> <p>Department Land Affairs</p> <p>Thembelihle Municipality</p>	Primary objective.

	DWAF Local Cooperatives	
<u>COSTING</u> R1 000 000,00	<u>BUDGET</u> Budget year (2015/2016). (2016/2017)	<u>SOURCES OF FUNDING</u> DWAF / EPWP Dept Agriculture Land Reform Thembelihle Municipality

PROJECT LOGICAL FRAMEWORK APPROACH – ECONOMIC FACILITIES – Project Ec 5:

<u>OBJECTIVES</u> To create an enable environment for tourism initiatives	<u>INDICATORS FOR ACHIEVEMENT</u> <ul style="list-style-type: none"> • Tourism development plan • Increase permanent employment 	
<u>PROJECT OUTPUT</u> <ul style="list-style-type: none"> • Investment opportunities • Backpackers Hostel & Conference Facility • Job creation • Building of skills • Business opportunities for SMME's • Tourist attraction • Heritage protection • Nature reservoir with chalets • Picnic facilities on Orange River • Fishing facilities on Orange River 	<u>TARGET AND TARGET GROUPS</u> Unemployed youth and women. Poorest of the poor SMME's	<u>LOCATION</u> Wider municipal area

<p><u>MAJOR ACTIVITIES</u></p> <ul style="list-style-type: none"> • Source funding • Conduct tourism strategy • Local Tourism Indaba 	<p><u>RESPONSIBLE AGENCIES</u></p> <p>Department Environmental Affairs & Tourism</p> <p>Thembelihle Municipality</p> <p>SMME's</p>	<p><u>NOTES</u></p> <p>Primary objective_</p>
<p><u>COSTING</u></p> <p>R1, 000 000.00</p>	<p><u>BUDGET</u></p> <p>Year (2015/2016)</p> <p>(2016/2017)</p>	<p><u>SOURCES OF FUNDING</u></p> <p>Thembelihle Municipality</p> <p>Dept Economic Development & Tourism</p>

PROJECT LOGICAL FRAMEWORK APPROACH: Study on the impact of the N12 on the municipal area: Other Project 1 (N12)

<p><u>OBJECTIVES</u></p> <p>To determine the impact of the N12.</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Economic benefits of N12 to be developed; • Lesser accidents. 	
<p><u>PROJECT OUTPUT</u></p> <p>N12 development project.</p>	<p><u>TARGET AND TARGET GROUPS</u></p> <p>All residents and through traffic.</p>	<p><u>LOCATION</u></p> <ul style="list-style-type: none"> • Hopetown; • Strydenburg.
<p><u>MAJOR ACTIVITIES</u></p> <ul style="list-style-type: none"> • Address tourism potential; • Width of bridges and quality of safety paint on Orange River bridge; • Fencing along the reserve; • Speed control; • Sign posting; • Economic/financial potential of through 	<p><u>RESPONSIBLE AGENCIES</u></p> <ul style="list-style-type: none"> • Local Authority; • Department of Transport; • Assistance from civil engineer and town planner. 	<p><u>NOTES</u></p> <ul style="list-style-type: none"> • Primary objective

traffic.		
<u>COSTING</u>	<u>BUDGET</u>	<u>SOURCES OF FUNDING</u>
Nil (to be done by officials and relevant Provincial Department.)	Year 1 (2015/2016) Year 2 (2016/2017)	<ul style="list-style-type: none"> • District municipality; • Local authority; • Dept. of Transport. • Investors

PROJECT LOGICAL FRAMEWORK APPROACH – Implement LED Projects from Tender awarded: Projects Ec.6

<u>OBJECTIVES</u>	<u>INDICATORS FOR ACHIEVEMENT</u>	
Create an enable environment for Economic Initiatives.	<ul style="list-style-type: none"> • Increase permanent employment • Stimulate the economy in the area. 	
<u>PROJECT OUTPUT</u>	<u>TARGET AND TARGET GROUPS</u>	<u>LOCATION</u>
Improve the lifestyle of the residents.	Hopetown & Strydenburg.	Thembelihle Area
<u>MAJOR ACTIVITIES</u>	<u>RESPONSIBLE AGENCIES</u>	<u>NOTES</u>
<ul style="list-style-type: none"> • Apply for funds; • Tender procedure; • Construction. 	<ul style="list-style-type: none"> • Local authority; • Contractor. • District Municipality 	<ul style="list-style-type: none"> • Primary objective

<p><u>COSTING</u></p> <p>Nil (to be done by officials and relevant Private Sectors / Investors.)</p>	<p><u>BUDGET</u></p> <p>Year (2014/2015) (Still in Progress)</p> <p>(2016/2017)</p>	<p><u>SOURCES OF FUNDING</u></p> <p>Private Sectors</p> <p>Local Authority</p> <p>District Municipality</p>

PROJECT LOGICAL FRAMEWORK APPROACH – Renewable Energy Projects: Projects Ec.7

<p><u>OBJECTIVES</u></p> <p>Create an enable environment and improve the living conditions of the community.</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Increase permanent employment • Stimulate the economy in the area. 	
<p><u>PROJECT OUTPUT</u></p> <p>Generating Power for the area.</p> <p>Energy cost reduction</p> <p>Improve the lifestyle of the residents.</p> <p>Attract Local & Foreign investors</p>	<p><u>TARGET AND TARGET GROUPS</u></p> <p>Hopetown & Strydenburg.</p>	<p><u>LOCATION</u></p> <p>Thembelihle Area</p>
<p><u>MAJOR ACTIVITIES</u></p>	<p><u>RESPONSIBLE AGENCIES</u></p>	<p><u>NOTES</u></p>

<ul style="list-style-type: none"> • Apply for funds; • Tender procedure; • Construction. 	<ul style="list-style-type: none"> • Local authority; • Contractor. • District Municipality 	<ul style="list-style-type: none"> • Primary objective
<p><u>COSTING</u></p> <p>Phase 1- R1,900M</p>	<p><u>BUDGET</u></p> <p>Year (2015/2016) (2016/2017)</p>	<p><u>SOURCES OF FUNDING</u></p> <p>Private Sectors</p>

PROJECT LOGICAL FRAMEWORK APPROACH – Other projects 2 (Cemetery)

<p><u>OBJECTIVES</u></p> <p>Improved cemetery facilities & Feasibility study for new cemeteries (Hopetown & Strydenburg)</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Upgrading of present facilities; • Provide new facilities; 	
<p><u>PROJECT OUTPUT</u></p> <p>Infrastructure development</p>	<p><u>TARGET AND TARGET GROUPS</u></p> <p>All residents within the wider area.</p>	<p><u>LOCATION</u></p> <ul style="list-style-type: none"> • Hopetown; • Strydenburg.

<u>MAJOR ACTIVITIES</u>	<u>RESPONSIBLE AGENCIES</u>	<u>NOTES</u>
<ul style="list-style-type: none"> • Costing for maintenance and upgrading of existing facilities; • Fencing; • Installation of sanitation facilities 	<ul style="list-style-type: none"> • Town planner; • Civil engineer; • Thembelihle Municipality 	<ul style="list-style-type: none"> • Primary objective
<u>COSTING</u>	<u>BUDGET</u>	<u>SOURCES OF FUNDING</u>
R5 000 000,00	Year 3 (2015/2016) (2016/2017)	<ul style="list-style-type: none"> • Local authority • DEAT • DENC

PROJECT LOGICAL FRAMEWORK APPROACH – Other projects 3 (Fire brigade)

<u>OBJECTIVES</u>	<u>INDICATORS FOR ACHIEVEMENT</u>	
Need for a fire brigade system.	<ul style="list-style-type: none"> • Provide viability study; • Budget to implement system. 	
<u>PROJECT OUTPUT</u>	<u>TARGET AND TARGET GROUPS</u>	<u>LOCATION</u>
Viability study.	All residents.	Thembelihle.
<u>MAJOR ACTIVITIES</u>	<u>RESPONSIBLE AGENCIES</u>	<u>NOTES</u>
<ul style="list-style-type: none"> • Report on needs; 	<ul style="list-style-type: none"> • Town planner. 	<ul style="list-style-type: none"> • Primary objective

<ul style="list-style-type: none"> • Costing to implement the facility of 5 years. 		
<p><u>COSTING</u></p> <p>Study - R100, 000.00</p>	<p><u>BUDGET</u></p> <p>Year 1 (2015/2016) (2016/2017)</p>	<p><u>SOURCES OF FUNDING</u></p> <ul style="list-style-type: none"> • Local authority • District Municipality.

PROJECT LOGICAL FRAMEWORK APPROACH – Water Pipeline from Hopetown - Strydenburg: Project D.7

<p><u>OBJECTIVES</u></p> <p>Water Pipeline from Hopetown to Strydenburg. (Orange River) .</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • Better living conditions for the community • Decrease in Health challenges; • Prevent discontinuation of water services 	
<p><u>PROJECT OUTPUT</u></p> <ul style="list-style-type: none"> • Improved purification works; • Improved storage facilities; 	<p><u>TARGET AND TARGET GROUPS</u></p> <p>Over a period of 5 years all the residents of the</p>	<p><u>LOCATION</u></p> <p>Hopetown - Strydenburg</p>

<ul style="list-style-type: none"> Job creation 	municipal area will be accommodated.	
<u>MAJOR ACTIVITIES</u> Design and costing of project. Put out on tender. Approve tender. Start construction.	<u>RESPONSIBLE AGENCIES</u> Civil engineer; Local authority; Contractor.	<u>NOTES</u> Primary objective.
<u>COSTING</u> R 420 000 000.00	<u>BUDGET:</u> Budget year (2015/16) (2016/2017)	<u>SOURCES OF FUNDING</u> MIG

PROJECT LOGICAL FRAMEWORK APPROACH – Data Cleansing: Project D.8

<u>OBJECTIVES</u> Data Cleansing Exercise.	<u>INDICATORS FOR ACHIEVEMENT</u> <ul style="list-style-type: none"> Increase of employment Skills transfer 	
<u>PROJECT OUTPUT</u> <ul style="list-style-type: none"> Training Improved service delivery; Job creation 	<u>TARGET AND TARGET GROUPS</u> Over a period of 5 years	<u>LOCATION</u> Thembelihle Area.

<p><u>MAJOR ACTIVITIES</u></p> <p>Design and costing of project.</p> <p>Put out on tender.</p> <p>Approve tender.</p> <p>Start construction.</p>	<p><u>RESPONSIBLE AGENCIES</u></p> <p>Local authority;</p> <p>Contractor.</p>	<p><u>NOTES</u></p> <p>Primary objective.</p>
<p><u>COSTING</u></p> <p>R 550 000,00</p>	<p><u>BUDGET:</u></p> <p>Budget year (2015/16)</p> <p>(2016/2017)</p>	<p><u>SOURCES OF FUNDING</u></p> <p>Donations</p>

PROJECT LOGICAL FRAMEWORK APPROACH – MSCOA Implementation: Project D.9

<p><u>OBJECTIVES</u></p> <p>MSCOA Implementation.</p>	<p><u>INDICATORS FOR ACHIEVEMENT</u></p> <ul style="list-style-type: none"> • MSCOA Champion 	
<p><u>PROJECT OUTPUT</u></p>	<p><u>TARGET AND TARGET GROUPS</u></p>	<p><u>LOCATION</u></p>

<ul style="list-style-type: none"> Improved Municipal income; Training; Job creation 	Municipal Residence.	Hopetown.
<u>MAJOR ACTIVITIES</u> Design and costing of project. Put out on tender. Approve tender. Implementation	<u>RESPONSIBLE AGENCIES</u> Local authority; Contractor.	<u>NOTES</u> Primary objective.
<u>COSTING</u> R 3,800,000	<u>BUDGET:</u> Budget year (2015/16) (2016/2017)	<u>SOURCES OF FUNDING</u> Donations

PROJECT LOGICAL FRAMEWORK APPROACH – Electronic Documentation Management System: Project D.10

<u>OBJECTIVES</u> Electronic Documentation Management System.	<u>INDICATORS FOR ACHIEVEMENT</u> <ul style="list-style-type: none"> Easily access to information Decrease in information losses; Training 	
<u>PROJECT OUTPUT</u> <ul style="list-style-type: none"> Improved Monitoring & Evaluation; 	<u>TARGET AND TARGET GROUPS</u>	<u>LOCATION</u>

<ul style="list-style-type: none"> Improved Report systems; Job creation 	Over a period of 5 years.	Thembelihle.
<u>MAJOR ACTIVITIES</u> Design and costing of project. Put out on tender. Approve tender.	<u>RESPONSIBLE AGENCIES</u> Local authority; Contractor.	<u>NOTES</u> Primary objective.
<u>COSTING</u> R 1,000 000.00	<u>BUDGET:</u> Budget year (2015/16) (2016/2017)	<u>SOURCES OF FUNDING</u> Donations

PROJECT LOGICAL FRAMEWORK APPROACH – Job Description & Job Evaluation: Project D.11

<u>OBJECTIVES</u> Job Description & Job Evaluation Exercise.	<u>INDICATORS FOR ACHIEVEMENT</u> <ul style="list-style-type: none"> Conduct information sessions Provide regular training; Prevent confusion 	
<u>PROJECT OUTPUT</u>	<u>TARGET AND TARGET GROUPS</u>	<u>LOCATION</u>

<ul style="list-style-type: none"> • Improved service delivery; • Improved Roles & Responsibility; • Motivated employee 	Over a period of 5 years .	Thembelihle.
<p><u>MAJOR ACTIVITIES</u></p> <p>Design and costing of project.</p> <p>Put out on tender.</p> <p>Approve tender.</p>	<p><u>RESPONSIBLE AGENCIES</u></p> <p>Local authority;</p> <p>Contractor.</p>	<p><u>NOTES</u></p> <p>Primary objective.</p>
<p><u>COSTING</u></p> <p>R 800,000</p>	<p><u>BUDGET:</u></p> <p>Budget year (2015/16)</p> <p>(2016/2017)</p>	<p><u>SOURCES OF FUNDING</u></p> <p>Donations</p>

3. OPERATIONAL STRATEGIES

3.1 Operational (5-year Action Plan)

STRATEGY TO PROJECT PHASE

Strategies	Components	Exist.	Projects in action or in	Suffi-	New projects
------------	------------	--------	--------------------------	--------	--------------

			pipeline	cient	
<u>Strategy 1: The establishment of a strategy to address rural land reform over 3 years and to identify the basic needs of the residents in this regard</u>	To apply for the necessary funding in order to conduct a survey;	yes		No	Apply for funding in order to conduct the survey.
	On receipt of funds, conduct the survey and business plan;	yes		No	
	Budget to implement the study.	yes		No	

STRATEGY TO PROJECT PHASE

Strategies	Components	Exist.	Projects in action of in pipeline	Suffi- cient	New projects
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<u>Strategy 2: Formulation of a strategy towards the provision of 613 formally planned, serviced erven and formal housing units at 205 units per year for a period of 3 years</u>	Survey and calculation of erven and land needed for the next 3 years;	Yes	Completed by the local authority.	Yes	Business plan formalisation of 750 informal stands
	Planning and pegging of sites.	Yes	Completed during the analysis phase.	Yes	Review Land use plan
	A study/policy on the costing and number of services sites and houses to be provided over the next 3 years;	No	No	No	Complete a strategy procedure on how to address the housing backlog. Provide viability study.
	Viability study to develop small holdings north of Hopetown;	No	No	No	Approach Land Affairs in this regard.
	The purchase of land to assist the small farmers.	No	No	No	

STRATEGY TO PROJECT PHASE

Strategies	Components	Exist.	Projects in action or in	Suffi-	New projects
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			pipeline	cient	
<u>Strategy 3: Immediately after the approval of the IDP the formulation and implementation of an environmental awareness policy and programme to secure a cleaner environment and a conservation orientated society within the next 3 years</u>	Adoption of an integrated environmental management plan by the local authority; A drive towards a cleaner environment.	Yes Yes	District Municipality assisted with development of plan. At present the municipality clean on an ad hoc base with a limited budget.	No No	Council to accept a policy in this regard plus a strategy on how to drive the issue in the future with reference to: <ul style="list-style-type: none"> • awareness campaign; • control measurements • cleaning operations; • budget available. Engage in discussions.
	Negotiate with Pixley Ka Seme District Municipality to establish a regional conservational project.	No	No	No	

STRATEGY TO PROJECT PHASE

Strategies	Components	Exist.	Projects in action of in pipeline	Suffi- cient	New projects
<u>Strategy 4: A strategy towards an improved institutional management system (local and government) to initiate better services delivery to the urban and rural residents over 3 years and to monitor the process in a professional manner.</u>	The establishment of an institutional plan on the future running of the local authority.	Yes	Services are currently provided but needs to be upgraded.	No	Implementation of an Institutional plan to improve services.
	Engagements with sector departments at IGR LEVEL to improve services delivery;	Yes	Services are currently provided but needs to be upgraded.	No	Negotiations with relevant government department to upgrade services.
	Disaster management plan.	Yes	Draft in place.	No	Finalize the draft.
	Upgrading and maintenance of cemeteries.	Yes	Do limited maintenance	No	Draft business plan for upgrading. Provide budget.
	Provision of bus and taxi ranks		No	No	Draft business plan
	Provision of a traffic test centre.		No	Yes	No	Draft business proposal

STRATEGY TO PROJECT PHASE

Strategies	Components	Exist.	Projects in action of in pipeline	Suffi- cient	New projects
<u>Strategy 5: Implementation of a strategy to ensure the social wellbeing and upliftment of the residents within the wider municipal area in a sustainable manner</u>	Provision of better community <u>health services</u> ;	Yes	At present the current support systems are running and services provided. Local AIDS Forum was also establish.	No	Facilitation by the local authority in order to ensure improved performance by the relevant government departments;
	Provide and <u>AIDS</u> awareness policy;	Yes		No		Establish an AIDS policy.
	Upgrading and provision of better <u>recreational facilities</u> ;	Yes		No	Busy with construction of primary school
	Improved and upgraded <u>educational facilities</u> .	Yes		No	

STRATEGY TO PROJECT PHASE

Strategies	Components	Exist.	Projects in action of in	Suffi-	New projects
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			pipeline	cient	
<u>Strategy 7; A formal strategy to be provided in order to provide proper municipal services to all the levels of the society by means of professional future planning, maintenance plans and provision at all levels of the society</u>	Provision of bulk and link services to be determined for the future growth;	No	No	No	A strategy and costing to be provided over 3 years in this regard.
	An estimate and costing for the provision of internal services for future growth.	No	No	No	
	A programme to do maintenance on existing services in the future.	Yes	Maintenance are performed on a limited base without a proper budget.	No	The provision of a master plan on a proper maintenance programme over 3 years and the costing thereof.
	Management and control on N12.	Yes	Erecting fences next to N12	No	Negotiation with SANRAL, DPW &T

		2559														2 559
Depreciation & asset impairment			1120	450		2262		2712	1113	875	1054					9 586
Finance charges		685														685
Bulk purchases			13					10282	757							11 051
Other materials	8	4	157	18		136	127	206	311	84	44					1 095
Contracted services			171													171
Transfers and grants	1247															1 247
Other expenditure	1315	5543	1326	156	18	2157	1431	218	628	279	129					13 199
Loss on disposal of PPE																-
Total Expenditure	6621	13128	5534	1425	18	10468	2787	14171	5896	2094	2234	-	-	-	-	64 377
Surplus/(Deficit)	12055	(5414)	(4890)	89	(18)	(8982)	2187	(2524)	(262)	731	(695)	-	-	-	-	(7722)
Transfers recognised - capital		70				8825			8362							17 257
Contributions recognised - capital																-
Contributed assets																-
Surplus/(Deficit) after capital transfers & contributions	12055	(5344)	(4890)	89	(18)	(157)	2187	(2524)	8100	731	(695)	-	-	-	-	9 535

NC076 Thembelihle - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Sustaining the Natural and Built Environment	Services	A	23 747	14 335	22 914	15 245	15 245	15 245	24 395	27 243	31 259
Economic Development and Job Creation	Planning & Development	B	8 928	6 314	9 905	9 750	9 750	9 750	10 468	10 281	10 739
Quality Living Environment	Recreation	C									
Safe, Health and Secure Environment	Health & Public Safety	D	3 106	1 158	1 911	2 655	2 655	2 655	2 805	2 980	3 148
Empowering our Citizens	Library	E	684	727	838	937	937	937	847	904	962
Embracing our Cultural Diversity	Community	F	116	92	605	234	234	234	579	571	573
Good Governance	Public Participation(Council)	G	3 563	4 243	5 092	5 843	5 843	5 843	6 621	7 045	7 476
Financial Viability and Sustainability	Financial Management	H	11 409	13 234	10 617	16 040	16 037	16 037	15 791	16 913	17 001
Operations and Support Services	Coporate Services	I	4 533	14 613	5 285	4 438	4 438	4 438	5 534	5 703	6 150

OPERATIONAL BUDGET 2015/16

This operational budget is aimed at the present situation and not for new role towards the wider service area. Provision has been made for the purchase of additional facilities and/or implements or for the appointment of additional personnel.

Provision has been made for a few new capital projects and the finance available for maintenance is limited. This is a result of limited income and arrears service fee as indicated.

Although the municipality experiences cash flow problems, policies for strict financial control are in place.

The indigent policy has been put in place whereby households with an income of less than R3,500/month receive free basic services including Property Rates from the value of R20,000 and less from the municipality. The household threshold was reviewed to make provision for pensioners, e.g. two pensioners staying in one house to qualify for 100% subsidy.

CAPITAL BUDGET 2015/16

The municipality relied on outside sources of funding for the capital budget.

During the interview with personnel the following common problem areas were identified:

- Urgent implementation of new organogram;
- Job descriptions & PMS management;
- Outdated implements;
- Shortage personnel and training thereof;
- Financial shortage;
- Provide skills audit of the personnel;
- Relationship between people;
- Need more office space and equipment;
- Low payment culture.

8 The Situation

8.1 Summary of community and stakeholder Priority Issues

1. Tar of the 15km of the Brakfontein road. Done
2. Solar Panels on Farm
3. Widening of the bridge over the Orange River; in process
4. Upgrading of the N12 between Hopetown and Strydenburg; Done
5. <u>Provision for Taxi services in Strydenburg;</u>
6. <u>Upgrading of the entrance into Hopetown and Strydenburg; (paving)</u>
7. Upgrading of entrances into the Townships;
8. <u>Upgrading of Aalwyn garden;</u>
9. <u>Poor storm water drainage in all the areas;</u>
10. Poor quality of entrance roads into Deetlefsville and other areas;
11. Poor quality of roads linking the urban areas with the surrounding rural areas (irrigation and farm areas);
12. Bad quality of driving/top surface of the streets especially in the lower income areas;
13. <u>Poor quality of road signs and speed bumps within the urban & rural areas;</u>
14. Lack of proper fencing on some roads; Done
15. Provision of roads for small holdings to be developed between the river and Hopetown;
16. <u>Maintenance and Upgrading internal streets to both towns; in process</u>
17. Upgrading and re-opening of Orange River station in order to serve the surrounding hunter load.
18. <u>Reduce speed on the N12 through the towns; in process</u>
19. <u>Research into the provision of taxi terminus;</u>
20. Rehabilitation of all tarred streets especially in Hopetown;
21. Provision of proper sanitation within the Steynville and Deetlefsville informal areas;\phasing out of the bucket system if and where still in operation; Done
22. Upgrading of the sewer facilities of farm workers;
23. Poor quality, condition and standard of main sewer purification works of both towns; Done
24. Provision of a system to re-use purified sewer water;
25. Provision of a upgraded system that would accommodate future growth in the municipal area;
26. <u>Research into the provision of a traffic test centre;</u>
27. <u>Need a Mobile Police Station in the rural area;</u>
28. <u>Urgent need to upgrade the electrical bulk supply and distribution system of the wider Hopetown and Strydenburg to make provision for investment; Done</u>
29. Provision of electricity to farm workers;
30. Lack of facilities and equipment to do maintenance on electrical system;\electrification of small holdings to be provided between the Orange River and Hopetown;
31. <u>Provision of more area lights & High Mass Lights; partially done</u>
32. <u>Provision of more pre-paid meters; in process</u>
33. Poor quality of drinking water in Strydenburg; Done
34. <u>Provision for Youth Centre in Strydenburg; Done</u>
35. <u>ATM Bank in Strydenburg; Done</u>
36. Upgrading of the bulk water supply system, purification and storage system as well as distribution; Done
37. On medium terms the development of Strydenburg bore hole supply system; in process

38. Provide sufficient water for present and future commercial and residential development;
39. Lack of sufficient water in the informal settlement areas within the wider municipal area;
40. Provision of sufficient and cost effective drinking water to farm workers;
41. Provision of water to municipal grazing camps used by informal farmers;
42. Stabilising and degradation of the commonage caused by overgrazing;
43. Planning for and provision of water for small holdings to be developed between the Orange River and Hopetown;
44. Improved refuse removal system and updating of present facilities;
45. Lack of refuse bins;
46. Rehabilitation of current dumping sites, closure thereof and registering of new sites;
47. Provision of a fire brigade service;
48. Provision of more fire extinguishing water points & equipment; <i>partially done</i>
49. <u>A demand for a multi-purpose sport facility to include a wide spectrum of facilities</u> including a golf course
50. All facilities to be provided should be sustainable with possible use of re-cycled effluent water from the waste water treatment works;
51. Provision of sport facilities for the disabled;
52. <u>Upgrading and maintenance of cemeteries & provision for toilets in Town;</u> <i>partially done</i>
53. <u>Upgrading of the local hospital in Hopetown & the fence;</u> <i>partially done</i>
54. Upgrading of the existing clinics to cater for a wider spectrum of services; <i>Done</i>
55. Provision of health and medical facilities for the disabled;
56. <u>Poor ambulance services to be upgraded;</u>
57. Special provision to be made in ambulances for paramedics accidents on the N12;
58. Need for medical doctors at clinics;
59. <u>Provision for bursaries for the youth;</u> (in particular Engineers & Electricians)
60. Centre to care for people with AIDS (Hospice) & <u>Old age Home;</u>
61. Upgrading of mobile clinic services;
62. <u>Building for Hospice is needed;</u>
63. <u>Need Town planner with Infrastructure skills;</u>
64. <u>Electricity Boxes to be installed in rural area;</u> <i>partially done</i>
65. <u>Shopping Centre;</u>
66. <u>Allocation for Houses;</u>
67. More trained personnel
68. No awareness in community on public health;
69. Increase birth control;
70. Shortage of medicine and facilities;
71. <u>Stalls for Street hawkers/traders;</u> <i>in process</i>
72. Signboards to indicate locality of clinic;
73. Need to care for orphans;
74. Abuse of children and women;
75. Need for more discipline amongst the youth;
76. Care for street children;
77. Improved security services;
78. Need for a service by means of mobile units;
79. Social mistrust amongst communities;
80. <u>Provide sign boards to direct tourists;</u>

81. <u>Poverty elevation and job creation;</u>
82. Provide training and facilities to emerging business men/women;
83. Lack of added value within the region;
84. Lack of capital for economic development;
85. Lack of developed tourism potential within the municipal area with consideration for facilities like (a)a nature reserve with a rest camp, (b)Picnic facilities on the Orange River;
86. Job creation;
87. <u>Provision of improved TV services;</u>
88. Poor developed residential parks;
89. <u>Market the Orange River as a tourist facility;</u>
90. Technical and financial assistance to small farmers;
91. Maintenance on public open spaces;\improved entrances into the towns;
92. Keep the general environment clean;
93. More trees need to be planted and maintained.
94. <u>Need for formal houses to address the housing backlog;</u>
95. Need for subsidised housing to address the housing backlog for underprivileged;
96. Demand for self-build erven;
97. Need for townhouses in lower to middle income areas;\housing for farm workers;\request to develop small holdings between the river to the north and Hopetown to the north;
98. Improved and more professional planning for future services;\increased need for church and business erven;
99. <u>Request for more houses</u> (Breaking New Grounds housing methods);
100. <u>Upgrading of single rooms in Steynville;</u>
101. <u>Upgrading of 2 room houses in Deetlefsville;</u>
102. Survey into and make bursaries available to students;
103. A lack of libraries and ancillary arranged activities;
104. A need for adult education (ABET) especially amongst farm workers;
105. Poor facilities at schools;
106. Demand for more farm schools and upgrading of present facilities;
107. Hostel facilities in Hopetown needed;
108. <u>A need for a day care centre and a crèche;</u>
109. Provide school bus service in rural area;
110. <u>Provision of office space for NGO's;</u>
111. An urgent need for a proper more centralised orientated municipal office;
112. Improved municipal facilities to provide better services;
113. Capacitated disaster management centrum & service;
114. Provide a community accepted logo for the municipality and it's vehicles.
115. Provision of more post boxes;
116. <u>Need for a one stop centre;</u>
117. Professional future planning and development systems to be put in place;
118. Poor telephone services with special reference to the rural area

8.2 Priority Issues from a Municipal Perspective

1	Tar of the 15km of the Brakfontein road;
2	Solar Panels on Farm;
3	Upgrading of the N12 between Hopetown and Strydenburg;
4	Research into the provision of taxi terminus;
5	Poor storm water drainage in all the areas;
6	Provision of roads for small holdings to be developed between the river and Hopetown;
7	Maintenance and Upgrading internal streets to both towns;
8	Reduce speed on the N12 through the towns;
9	Rehabilitation of all tarred streets especially in Hopetown;
10	Provision of proper sanitation within the Steynville and Deetleffsville informal areas;\phasing out of the bucket system if and where still in operation;
11	Urgent need to upgrade the electrical bulk supply and distribution system of the wider Hopetown and Strydenburg to make provision for investment;
12	Provision of more area lights & High Mass Lights;
13	Poor quality of drinking water in Strydenburg;
14	Upgrading of the bulk water supply system, purification and storage system as well as distribution;
15	Improved refuse removal system and updating of present facilities;
16	Upgrading and maintenance of cemeteries & provision for toilets in Town;
17	Need Town planner with Infrastructure skills;
18	Allocation for Houses;
19	Poverty elevation and job creation;
20	Upgrading and maintenance of cemeteries & provision for toilets in Town;
21	Provision of improved TV services;
22	Need for formal houses to address the housing backlog;
23	Need for townhouses in lower to middle income areas;\housing for farm workers;\request to develop small holdings between the river to the north and Hopetown to the north
24	Improved municipal facilities to provide better services

8.3 Spatial Analysis : Patterns and trends

SPATIAL ANALYSIS

8.3.1 Purpose of this analysis

The purpose of this section is to indicate:

- spatial problems and constraints that could hamper future development;
- potential spatial integration issues in terms of present legislation; and the need to develop a spatial development framework.

8.3.1.1 Locality and entities included

During the demarcation process the following entities were amalgamated under this new municipal area:

- Hopetown;
- Strydenburg;
- Rural areas.
- Surrounding Farms

The outcome of Orania's dispute has not yet been decided upon and the unsurely still remains as to where they will be demarcated.

This municipal area is situated south of Kimberley on the N12 to Cape Town.

8.3.1.2 Land use survey and patterns

A land use survey was conducted that indicated the following land uses:

Figure 2- Detailed land uses within the Hopetown area.

Land use	Erven Plots in		
	2003	2008	2009
Residential	1 374	1826	3015
Business	77	86	96
Mixed land uses	16	24	24
School	3	4	6
Sport	6	6	6
Park	1	1	1
Municipal	12	13	13
Church	14	15	42
Police	3	3	3
Military	1	0	0
Hospital	1	1	1
Post Office	1	1	1
Crèche	1	1	1
Industrial	6	13	13
Informal Settlements	892	530	780
	1 516	2524	3999

Figure 3: Detailed land use survey for Strydenburg:

Land use	Erven Plots in 2003	In 2008	In 2009
Residential	466	564	577
Informal business	2	5	8
Business	17	20	22
Mixed land uses	6	9	11
School	2	1	1
Sport	3	3	4
Park	1	1	1
Municipal	6	6	6
Church	7	9	13
Post Office	1	1	1
Cemetery	1	2	2
Crèche	1	0	0
Clinic	1	1	1
Informal Settlement	485	212	215
	514	834	862

The land use survey indicated that there:

- There is not a large number of vacant erven available in Strydenburg and Hopetown for both Residential and Business purposes;
- There is extremely minimum vacant virgin land present for integration purposes; and
- There are challenges with respect to future land reform issues.

The integration principles whereby gaps (vacant land) between cultural groups should be developed is applicable. Council also developed a Land disposal and Alienation Policy to give effect and direction to the above.

8.3.2 Housing and services backlog

The following housing and services backlog were identified to be addressed in the future strategies:

i) Housing backlog

A present detail housing backlog survey indicated the following housing backlog within the lower income areas:

Area	Houses 2003	FOR 2007
Hopetown	673	1202
Strydenburg	200	351
Total	873	1553

In order to accommodate the abovementioned backlog the following area would be needed:

Hopetown - 52,00ha

Strydenburg - 14,00ha

66,00ha

During the strategy phase a detailed analysis would be provided on where this development would take place and the provision of services and erven to the relevant end beneficiaries provided.

During the analysis phase a housing problem in the rural areas were also identified with special reference to farm workers:

House or brick/concrete block structure on a separate stand or yard or on a farm	3087
Traditional dwelling/hut/structure made of traditional materials	12
Flat or apartment in a block of flats	39
Cluster house in complex	6
Townhouse (semi-detached house in a complex)	3
Semi-detached house	3
House/flat/room in backyard	24
Informal dwelling (shack; in backyard)	57
Informal dwelling (shack; not in backyard; e.g. in an informal/squatter settlement or on a farm)	816
Room/flatlet on a property or larger dwelling/servants quarters/granny flat	48
Caravan/tent	6
Grand Total	4137

ii) Services description and backlog

a) Hopetown

The existing internal water pipes burst on a frequent basis and have to be replaced with PVC pipes. The capacity of the reservoirs is currently upgrade for a approximately 10 year growth in development.

- The present sewer system (oxidation ponds) works at maximum capacity and needs to be replaced with a conventional system or upgraded. Provision has to be made for except able sewerage systems to address the needs of the informal residents with no sewerage services. A project is currently running to accommodate the upgrading of the ponds.
- The roads and storm water system is in a bad state with special reference to Steynville with no infrastructure due to the flat gradient. A storm water plan has been provided and the implementation thereof is essential. The steepness of the environment in all cases in Hopetown creates tremendous problems. The stormwater is not up to standard and causes tarred road maintenance to be very high
- The electrical system is totally outdated and does not comply with basic professional safety regulations. The facilities at the main receipt sub station are busy to be upgraded for future development.
- The closing of the present dumping site should be implemented as the site is next to the N12 and is a sore eye for any tourist or probable investor. The old site should be closed as soon as possible and a new one opened in the area identified by DWAF. Construction of the new solid waste site is completed, but the electricity switch is outstanding and need to be Licensed

b) Strydenburg

- The main water supply for the town and townships comes from the Witpoort boreholes system. The lifespan of this system remains is still uncertain. Therefore the direct extraction of water out of the Orange River remains the only solution for this problem. This issue has been broad under the intention of DWAF. Possible plans are outline for this year to extract the water to Strydenburg.
- The old oxidation pond system needs to be rehabilitated since the New ponds was successfully completed and is already in use. The eradication of the bucket system in Deetlefsville and replacement with the VIP system causes unhappiness in the community more especially because housing development in the area make use of Water Bourne System.
- The roads and storm water system in Deetlefsville are in a very bad state and need to be upgraded over a period of time. The main road in Strydenburg needs to be resealed and the gravel streets have to be resurfaced to make them acceptable.

- Once again like in the case of Hopetown the main electrical system needs to be attended to. Some areas have been upgraded but the overall system is still dilapidated and old fashioned. The overhead connections are according to standard not acceptable anymore and have to be changed to underground connections. Even though it is expensive *it is cost saving in the long run.*

c) **Other areas**

The municipality will now provide services to surrounding farms as a responsibility. Research into the needs of the rural residents has to be done.

The future provision and maintenance of internal and bulk services would be addressed with reference to:

- water;
- roads;
- sewer;
- electricity;
- storm water; and
- refuse removal

8.3.3 **Potential spatial/physical constraints and problems**

During the analysis phase the following spatial constraints were identified:

Hopetown and Steynville:

Certain physical constraints on future development came out during the review meetings. For the longer term (2007-2016) ±109ha (1 655 erven) would be needed.

- to the north of the town the dumping site, steep gradients and the river hampers development in this area, although with proper infrastructure it could be developed into farmable plots;
- the area to the west is hampered by clay conditions, dongas and high water table;
- clay conditions is also present to the south and southeast, although with investigations done by Department of Agriculture it was identified that in this area there is about 800ha of land that is very good for irrigation development;
- the only viable area for future extension seems to the east although the N12 would form a definite boundary.

The following constraints were identified for Strydenburg and Deetlefsville:

For the longer term (2007 – 2016) 424 additional erven and ± 42 ha would be needed.

- to the south and southeast development would be hampered by the pan and the presence of dolomite;
- to the west the present dumping site and sewerage works blocks development;
- the “Rooidam”, “koppies” and potential clay to the northwest would limit development;
- the N12 would also once again separate the town in two;
- the only future direction would be in the vicinity of the caravan park and to the north and east thereof.

8.3.4 **Summary of potential problem areas**

The following problem areas need to be address:

- shortage of services sites;
- shortage of formal houses;
- sufficient bulk services to provide for future needs;
- provision of internal services and the upgrading thereof;
- maintenance problems.
- Shortage of municipal social housing

8.4 Economic Analysis : Major patterns and trends

LOCAL ECONOMIC DEVELOPMENT ANALYSIS

The purpose of this analysis is to raise awareness of economic potentials while dealing with potential limitations.

The following basic issues should be addressed:

- Basic economic data;
- Economic trends;
- Under utilised resources; and
- Major constraints;
- Spatial Development Framework

The following issues were addressed during the analysis phase.

Payment culture by the public of Thembelihle

At present the economic and cash flow situation of the municipality is under pressure and should be addressed during the strategy phase. The necessary steps and precautionary measurements should be identified and implemented.

The following % payment of municipal services was determined during this phase:

Suburb	%
Hopetown	80
Steynville	20
Strydenburg	70
Deetlefsville	20

Average rate – 48%

Basic employment sectors

During consultation processes stakeholders analysed the following sectors being the basic employment sectors within the municipal area:

- Agricultural sector: This sector includes the employment on farms as well as the three co-operations (retail outlets) in the two towns. 70 %
- Government employment: This sector includes all the teachers, government employees and workers. 25 %

- Business sector: Including all the private, retail, office and services provision sectors. 40 %
- Municipal sector: Includes the personnel in Hopetown and Strydenburg. 45 %
- Mining sector: All the people included in the small mining sector. 5 %
- Building and construction: At present some people are accommodated but in a decreasing phase. 20 %

Surrounding economic potential

The following economic potential within the surrounding area were identified:

- potential add on of value to agricultural products within the environment (factories related to specific products);
- stimulation and activate the transport sector;
- marketing and use of the Orange river and it's tourism potential;
- extension of intensive cattle and sheep feedlot potential in the area;
- leather and ancillary factories;
- marketing of the tourism industry with reference to the Orange river, De Bron, historical San resettlement; agricultural tourism, historical features in town;
- game farming and hunting;
- marketing and use of any potential income/potential from the N12 route;
- development of the mining sector with reference to precious and semi-precious stones;
- Marketing of the typical Karoo fauna and flora.
- Potential add on value to land reform and exploring the development of irrigation land for emerging farmers and more land for potential small stock farmers.
- Developing business and industrial sites for potential investors
- Potential Industries, Manufacturing & Engineering projects for BEE
- Retail businesses

Surrounding economic threats

The following issues were identified as economic threats:

- low rural population density;
- passenger trains that stop 3 days a week at any of the stations within our municipal jurisdiction;
- high health risk rate due to HIV/AIDS and TB;
- poor quality and standard of basic infrastructure with reference to the rural and urban areas;
- low average level of education;
- high unemployment rate;
- vandalism and littering;
- high crime rate;
- poor communication;

- poor marketing of the town;
- lack of funding for development;
- control straying animals.
- High level of alcohol abuse
- Shortage of qualified skills & artisans

Local Economic Development issues

The following shortcomings have been identified during the process:

- Implementation of Local Economic Development Strategy.
- Local Small Farmers Association is not well organised and needs to be capacitated to grow their initiatives.
- Over grazed farm-land
- The informal sector is limited to a few tuck shops in residential yards and informal street trading.
- Tourism potential of the environment needs to be developed.
- Need for a Local Economic Development study to identify all aspects of economic development within Thembelihle Municipal boundaries linked to available resources.
- Need to complete a Spatial Development Plan. (urgent)

Potential problems to be addressed

It is suggested that the following issues should be addressed during the following phases:

- stimulation of the informal sector.
- marketing and development of the tourism potential.
- formulation of a Tourism Sector Plan.
- Formulation of Spatial Development Framework
- Linking economic businesses to informal sectors as mentors

Summary

A detailed strategy and future solutions would be based on the above mentioned issues. Steps would be taken to stimulate the positive issues and to address the negative issues.

Social economic analysis

The purpose of this sector is to ensure that all activities sufficiently consider the needs of the previous marginalized groups and to provide for their upliftment.

This socio-economic analysis refers to the following sectors, population, health, educational, recreational and social issues.

8.5 Environmental Analysis : Major risks and trends

During the workshop certain environmental threats/risks and assets have been identified.

Environmental threats/risks or challenges

The following environmental issues, however, needs to be mentioned and advised in the environmental policy to be formulated:

This issue manifested out of the following needs:

- poor state and shortage of residential parks;
- poor maintenance on parks;
- poor condition of entrances into towns;
- dirty environment;

- lack of trees.
- limited water resources in rural area away from the river;
- environmental pollution because of toxic waste;
- increase in certain unwanted plants;
- overpopulation of some animals;
- dongas and other forms of erosion;
- pollution of the Orange river;
- air pollution due to crop spraying and other air pollution;
- people without electricity use sources from the environment for cooking purposes;
- misuse of boreholes (more than their potential);
- reeds at the river accommodate birds that destroy the farmers' crops;
- burrow pits destroy environment;
- pollution of ground water and bore holes; and
- increase in ant heaps.
- littering and dumping in illegal areas

Environmental assets

For many years the environmental issues and the impact of people thereon has been badly neglected. Environmental issues and nature conservation form an integral part of the IDP process. It is essential to be aware of environmental problems, threats but also potential thereof. These issues should be considered during the development process.

The following national resources, however, needs to be addressed:

- clean Karoo air and environment;
- certain birds of prey ; and
- typical Karoo fauna and flora.

Summary of potential problem areas

The most important problem to be addressed is to adopt an awareness drive within the community to understand the environment (all its facets) and the conservation thereof.

8.6 Institutional Analysis : Strengths and weaknesses

INSTITUTIONAL ANALYSIS

The institutional sector forms the driving force behind the IDP and therefore the awareness of its **strengths** and **weaknesses** is important. Institutional capacities and constraints need to be considered.

During the review process the institutional sector was addressed at two levels:

- National and Provincial Government facilities; and
- Local Government facilities.

The following information was taken from the IDP in order to indicate to the reader the capacity, size and income of the municipality.

8.6.1.1 Current human resources

Leadership & Governance	-	7
Management & Senior Officials	-	4
Professionals	-	10
Admin Clerks	-	12
Service Workers	-	8
Technical trade	-	2
Plant & Machine Operators	-	10
Elementary Occupation	-	<u>36</u>

89 people

In order to address the future function and service for and by the municipality, a new organogram needs to be developed and approved by the council. There is a real need for training and capacity building for the personnel. The municipal buildings and ancillary facilities also need to be upgraded to comply with the new functions (**shortage of office space**).

9 5 – year Financial Plan

9.1.1 FINANCIAL PLAN AND/OR PROGRAMME

PURPOSE AND OBJECTIVES

This programme includes the following components:

- **five year operational budget; and**
- **five year capital programme.**

The purpose of the five year operational budget is to:

- **indicate the revenue and expenditure forecast;**
- **establish a medium term financial framework;**
- **indicate strategic planning to raising income and to safe on expenditure.**

The purpose of the five year capital programme is to:

- **link the capital programme with sources of funding;**
- **to ensure inter-departmental alignment; and**
- **to stimulate the confidence of provincial investors.**

9.1.2 CAPITAL PROGRAMME OVER FIVE YEARS

The 5 year capital investment programme focussed on:

- 5 year expenditure on housing and internal services; and
- 5 year expenditure on bulk and link services as well as upgrading of services;
- costing of surveys to be conducted and master plans to be prepared in order to implement the IDP; and
- costing for the establishment of certain committees to be established in order to implement the IDP.

9.1.2.1 Summary of capital funding needed over 5 years

Year	Housing & internal services	Bulk services and upgrading	Other	Total
1	R5,871	R14,326	R0,489	R20,686
2	R5,871	R21,104	-	R26,975
3	R5,871	R21,596	-	R27,467
4	R5,871	R10,125	-	R15,996
5	R5,871	R18,879	-	R24,75
	R29 355	R86,030	R0,489	R115,874

9.1.2.2 Detail analysis of the components of the programme

The following tables indicate on a yearly base the detail costing for:

- (i) Housing and internal services over 5 years;
- (ii) Costing for bulk services provision and the upgrading thereof for 5 years;
- (iii) Costing for master plans and surveys;
- (iv) Contribution from the local authority to the establishment of certain communities.

- (i) Costing for housing and internal services for 3 years

YEAR 1 (2011/12)

Project no.	Project description	Value R(m)	Provide funds
H1.1, p59	Provision of serviced erven (civil)and sites for 245 erven.	R4,964	H & LG
H1.2 p60	Provision of electricity to 245 residential erven.	R0,907	MIG DM & EA Eskom
	Total	R5,871	

YEAR 2 (2012/13)

Project no.	Project description	Value R(m)	Provide funds
H2.1 p64	Provision of serviced erven (civil) and houses for 245 erven.	R4,964	H & LG
H2.2 p65	Provide electricity to 245 erven.	R0,907	MIG

			DM & EA Eskom
	Total	R5,871	

YEAR 3 (2013/14)

Project no.	Project description	Value R(m)	Provide funds
H3.1 p66	Provision of serviced erven (civil) and houses for 245 erven.	R4,964	H & LG
H3.2 p67	Provide electricity to 245 erven.	R0,907	CMIP DM & EA Eskom
H3.3	Registration and licensing and commissioning of the landfill site in Hopetown	R12	DOE
S3.1	Registration and licensing and re-commissioning of the landfill site in Hopetown	R6	DOE
H3.4	De-commissioning of the existing landfill site in Hopetown	R2	DOE
	Total	R5,871	

YEAR 4 (2014/15)

Project no.	Project description	Value R(m)	Provide funds
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H4.1 p68	To provide civil services and houses to 245 erven.	R4,964	H & LG
H4.2 p69	To provide electricity to 245 erven.	R0,907	CMIP DM & EA Eskom
	Total	R5,871	

YEAR 5 (2015/16)

Project no.	Project description	Value R(m)	Provide funds
H5.1 p70	To provide civil services and houses to 245 erven.	R4,964	H & LG
H5.2 p71	To provide electricity for 245 erven.	R0,907	CMIP DM & EA Eskom
	Total	R5,871	

(ii) Costing for the provision and upgrading of bulk and link services over 5 years

Project no.	Project description	Value R(m)	Provide funds
Hpt Civil 3, p93	Install water management system (phase 1)	R0,080	DWAF
Hpt Civil 4, p94	Provision of prepaid meters in Steynville (phase 1)	R0,060	DWAF
Hpt Civil 5, p95	Replace existing old pipelines (phase 1)	R0,150	MIG DM
Hpt Civil 6, p96	Extend main sewer works to accommodate growth (phase 1)	R0,250	MIG

Hpt Civil 7, p97	New sewer pipeline to supply bulk facility to new development area (phase 1)	R0,680	MIG
Hpt Civil 8, p98	Replacement of the VIP Toilets	R0,176	COGHSTA
Hpt Civil 9, p99	Entrance road to new development area (phase 1)	R0,380	MIG
Hpt Civil 10, p100	Upgrade existing storm water facilities (phase 1)	R0,190	DM MIG
Hpt Civil 11, p101	Provision and upgrading of sport facilities (phase 1)	R0,460	Lotto
Hpt Elec 1, p102	Upgrade main intake substation	R1,5	DM & EA DM
Hpt Elec 2, p103	Upgrade existing low voltage system	R2,8	DM & EA DM
Stry Civil 1, p 111	Develop Witpoort bulk water system	R5,0	MIG DWAF
Stry Civil 2, p112	Upgrading main sewer works (phase 1)	R0,800	MIG DM
Stry Civil 3, p113	Replacement of VIP Toilets	R0,600	COGHSTA DM
Stry Civil 4, p114	Upgrade of internal streets	R0,600	COGHSTA
Stry Civil 5, p115	Resurface Strydenburg main street	R0,100	DM
Stry Elec 1, P123	Upgrading of present high voltage system	R0,200	DM & EA DM

Stry Elec 2, p124	Rehabilitation of existing low voltage system	R0,300	DM & EA DM
	Total	R14,326	

YEAR 2 (2012/13)

Project no.	Project description	Value R(m)	Provide funds
Hpt Civil 1, p91	New bulk water supply for Hopetown and Strydenburg (phase 2)	R4,250	RIG DWA
Hpt Civil 2, p92	Link road to new residential development (phase 1)	R0,620	EPWP
Hpt Civil 3, p93	Install water management system (phase 2)	R0,050	DWA
Hpt Civil 4, p94	Provision of pre-paid meters (phase 2)	R0,065	DWA
Hpt Civil 5, p95	Replacement of old water pipes (phase 2)	R0,162	MIG DM
Hpt Civil 6, p96	Upgrade main sewer works to accommodate growth (phase 2)	R6,600	MIG
Hpt Civil 7, p97	Sewer pipeline to new development area (phase 2)	R1,050	CMIP
Hpt Civil 8, p98	Eradication of bucket system (phase 2)	R0,190	DH & LG
Hpt Civil 9, p99	Entrance road to new development area (phase 2)	R0,680	CMIP
Hpt Civil 10, p100	Upgrade existing storm water and roads (phase 2)	R0,280	CMIP DM
Hpt Civil 11, p101	Upgrade and provide sport facilities (phase 2)	R0,497	Lotto
Hpt Elec 3,	Rehabilitation of existing low voltage system	R2,0	MSP

p104			DM & EA DM
Stry Civil 2, p 112	Upgrading of main sewer works (phase 2)	R1,7	CMIP DM
Stry Civil 3, p113	Eradication of the bucket system (phase 2)	R0,600	LG & H DM
Stry Civil 6, p116	Upgrade solid waste disposal site (phase 1)	R0,500	CMIP
Stry Civil 7, p117	Upgrade existing internal roads and storm water (phase 1)	R0,300	DM
Stry Civil 8, p118	Maintenance of existing streets	R0,100	DM
Stry Civil 10, p 120	Bulk water supply to new development area	R0,100	CMIP
Stry Civil 11, p121	Main sewer supply to new development area	R0,400	DM
Stry civil 12, p122	Upgrading and provision of sport facilities (phase 1)	R0,460	Lotto
Stry Elec 3, P125	Upgrading of existing low voltage supply	R0,300	MSP DM & EA
Stry Elec 4, p126	Provide bulk electricity to new development area	R0,200	MSP DM & EA DM
	Total	R21,104	

YEAR 3 (2013/14)

Project no.	Project description	Value R(m)	Provide funds
Hpt Civil 1, p91	New bulk water supply for Strydenbrug and Hopetown (phase 3)	R12,300	CMIP DWAf
Hpt civil 3, p93	Install water management sytem (phase 3)	R0,060	msp
Hpt Civil 4, p94	Provision of a pre-paid water meter system (phase 3)	R0,070	MSP
Hpt Civil 5, p95	Replacement of old water pipes (phase 3)	R0,175	CMIP DM
Hpt Civil 6, p96	Upgrade main sewer works to accommodate growth (phase 3)	R0,600	CMIP
Hpt Civil 7, p97	Sewer pipeline to the new development area (phase 3)	R0,200	CMIP
Hpt Civil 8, p98	Eradication of the bucket system (phase 3)	R0,205	DH & LG
Hpt Civil 9, p99	Entrance road to the new development area (phase 3)	R0,680	CMIP
Hpt Civil 10, p100	Upgrade existing storm water and roads (phase 3)	R0,220	CMIP DM
Hpt Civil 11, p101	Upgrade and provide sport facilities (phase 3)	R0,536	Lotto
Hpt Elec 4, p105	Provide bulk facilities to the new development area (electrical)	R0,500	DM & EA DM
Hpt elec 4, p105	Upgrade existing low voltage system	R1,5	MSP DM & EA DM
Stry Civil 2, p112	Upgrading of the main sewer works (phase 3)	R2,00	CMIP DM

Stry Civil 3, P113	Eradication of the bucket system (phase 3)	R0,600	LG & H DM
Stry Civil 6, p116	Upgrade solid waste disposal site (phase 2)	R0,500	CMIP
Stry Civil 7, p117	Upgrade existing storm water and roads (phase 2)	R0,300	DM
Stry Civil 9, p119	Tarring main entrance to Deetlefsville (phase 1)	R0,200	CMIP DRTPW
Stry Civil 11, p121	Upgrade existing internal sewer facility (phase 1)	R0,500	DM
Stry Civil 12, p122	Upgrading and provision of sport facilities (phase 2)	R0,200	Lotto
Stry Elec 5, p127	Upgrading of present low voltage system	R0,250	MSP DM & EA DM
		R21,596	

YEAR 4 (2014/15)

Project no.	Project description	Value R(m)	Provide funds
Hpt civil 1, p91	New bulk water supply to Hopetown and Strydenburg (phase 4)	R3,100	CMIP DWAF
Hpt Civil 2, p92	New link road to new residential development (phase 2)	R0,730	CMIP

Hpt Civil 3, p93	Install water management system (phase 4)	R0,070	MSP
Hpt Civil 4, p94	Provision of a pre-paid water meter facility (phase 4)	R0,075	MSP
Hpt Civil 5, p95	Replacement of old water pipes (phase 4)	R0,189	CMIP DM
Hpt Civil 6, p96	Upgrade main sewer works to accommodate growth (phase 4)	R0,400	CMIP
Hpt Civil 8, p98	Eradication of the bucket system (phase 4)	R0,222	CMIP
Hpt Civil 9, p99	Entrance road to the new development area (phase 4)	R0,350	CMIP
Hpt Civil 10, p100	Upgrade existing storm water and roads (phase 4)	R0,260	CMIP DM
Hpt Civil 11, p101	Upgrade and provide sport facilities (phase 4)	R0,579	Lotto
Hpt Elec 6, p107	Rehabilitation of the existing low voltage system	R1,0	MSP DM & EA DM
Stry Civil 3, p113	Eradication of the bucket system (phase 4)	R0,600	LG & H DM
Stry Civil 7, p117	Upgrade existing storm water and roads (phase 3)	R0,300	DM
Stry Civil 9, p119	Tarring of main entrance into Deetlefsville (phase 2)	R1,0	CMIP DM
Stry Civil 11, p121	Upgrade existing internal sewer facilities (phase 2)	R0,900	DM
Stry Civil 12, p122	Upgrading and provision of sport facilities (phase 3)	R0,100	Lotto
Stry Elec 6, p 128	Rehabilitation of present low voltage system	R0,250	MSP DM & EA

			DM
	Total	R10,125	

YEAR 5 (2015/16)

Project no.	Project description	Value R(m)	Provide funds
Hpt Civil 1, p91	New bulk water supply to Hopetown and Strydenburg (phase 5)	R14,500	DWAF MIG
Hpt Civil 3, p93	Install new water management system (phase 5)	R0,080	DWAF
Hpt Civil 4, p94	Provision of pre-paid water meters (phase 5)	R0,081	DWAF
Hpt Civil 5, p95	Replacement of old water pipes (phase 5)	R0,204	MIG DM
Hpt Civil 6, p96	Upgrade main sewer works to accommodate growth (phase 5)	R0,200	CMIP
Hpt Civil 8, p98	Eradication of the bucket system (phase 5)	R0,239	DH & LG
Hpt Civil 9, p99	Entrance road for new development area (phase 5)	R0,300	CMIP
Hpt Civil 10, p100	Upgrade existing storm water and roads (phase 5)	R0,300	CMIP DM
Hpt civil 11, p101	Upgrade and provision of sport facilities (phase 5)	R0,625	Lotto
Hpt Elec 7, p108	Upgrading of the present low voltage system	R1,0	MSP DM & EA

			DM
Stry Civil 3, p113	Eradication of the bucket system (phase 5)	R0,500	LG & H DM
Stry Civil 7, p117	Upgrade existing storm water and roads (phase 4)	R0,600	DM
Stry Elec 7, p129	Upgrading of present low voltage electrical system	R0,250	MSP DM & EA. DM
		R18,879	

9.2 Capital Investment Programme

Five year capital investment programme, master plans and business plans

Project no.	Project description	Value R	Provide funds
Sport S2, p84	Survey on the standard of sport facility and the cost to upgrade.	R8 000	LA DM
Economic Project Ec 1, p87	Appointment of consultant to conduct economic base study.	R35 000	LA DM
H1.3, p61	Survey on the needs of rural people	R150 000	Land Aff
H1.4, p62	Viability study for the development of small holdings	R60 000	LA DM
Stry Civil 8, p118	Master plan for streets and storm water Strydenburg	R100 000	CMIP
Hpt Elec 8, p109	Electrical master plan for Hopetown	R50 000	DM
Stry Elec 8, p130	Electrical master plan for Strydenburg	R30 000	DM
Other projects 1 dumping	Study into the selection of future dumping sites	R20 000	LA DM

site, p132			
Other projects 2 graveyards, p133	Study to identify future graveyards	R10 000	LA
Other projects 3 fire brigades, p134	Study into the provision of a proper fire brigade service.	R10 000	LA
		R473 000	

Five year capital investment programme contribution from the local authority to support co-ordination committees (per month for 6 months (year 1))

Project no.	Project description	Value R	Provide funds
En 1, p73	Establish an environmental management committee (R1 000/month for 6 months)	R6 000	LA
HIV/AIDS S4, p86	Support to the HIV/AIDS co-ordination committee to be established (R1 000/month for 6 months)	R6 000	LA
Social well-being S5, p87	Establishment of a social management forum R800/month for 6 months)	R4 800	LA
		R16 800	

10. Integrated Spatial Development Framework

SPATIAL DEVELOPMENT PROGRAMME

It should be noted that the following stats is base on the Census 2000 results. The municipality is in the process of conducting a Spatial Development Framework that will be

aligned with the NSDP, PGDS AND DGDS.

PURPOSE OF THE SPATIAL DEVELOPMENT PROGRAMME

The purpose of the spatial framework refers to the following:

- to provide land use zones;
- the purpose of the land use zones is not to be prescriptive but to co-ordinate land use;
- to provide guidelines on where to develop in the future;
- to ensure that proper spatial integration takes place according to the Chapter 1 principles of the Development Facilitation Act; and
- in order to manage future development by all relevant role players and decision makers;

ELEMENTS ISSUES TO BE INDICATED IN THE SPATIAL FRAMEWORK

The following issues/elements would be indicated on the plan:

- the local development areas proposed for the next five years;
- areas for which certain land uses are excluded; and
- an indication of the locality of certain projects during the 5-year development phases.

AREA (HA) NEEDED FOR FUTURE DEVELOPMENT 2001 - 2015

The council is of the opinion that although the IDP only addresses a five year period, the longer term land needed for development should also be determined. This prediction would put the local authority in a position to:

- project and evaluate the longer term projection/purchase of land; and
- to start for the future planning and locality of bulk services.

Population growth for the next 15 years

<i>Year</i>	White @ 1,5%/year	Coloured @ 4%/year	Black @ 4%/year	<i>Total</i>
2002	2033	12861	1638	16532
2003	2063	13375	1703	
2004	2093	13910	1771	
2005	2124	14466	1841	
2006	2155	15044	1914	
	(39 units)	(397 units)	(50 units)	
2007	2187	15645	1990	19822
2008	2219	16270	2069	
2009	2252	16920	2151	
2010	2285	17596	2237	
2011	2319	18299	2326	
	(43 units)	(482 units)	(61 units)	
2012	2353	19030	2419	23802
2013	2388	19791	2515	
2014	2423	20582	2615	
2015	2459	21405	2719	
2016	2495	22261	2827	
	(46 units)	(587 units)	(74 units)	

ii) Total number of erven needed for 15 year growth

<i>Year</i>	White	Coloured	Black	Total
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2002 – 2006	39	397	50	486
2007 – 2011	43	482	61	586
2012 – 2016	46	587	74	707
	128	1466	185	1779

iii) Erf differentiation including the housing backlog

Year	Low income 65%	Middle income 20%	High income 15%	Total
2002 – 2006				
Backlog	673			1159
Growth	316	97	73	
2007 – 2011	381	117	88	586
2012 – 2016	459	141	106	706
	1829	355	267	2451

iv) Net area (ha) for residential purposes

<i>Year</i>	Low 400m ²	Medium 500m ²	High 1000m ²	Total (ha)
2002 – 2006	39.56	4.85	7.30	51.71
2007 – 2011	15.24	5.85	8.80	29.89
2012 – 2016	18.36	7.05	10.60	36.01
	73.16	17.75	26.70	117.61

SUMMARY OF LAND USE NEEDS (2002 – 2016)

<i>Land use</i>	Erven	Ha
Residential		
400m ²	1 829	73.16
500m ²	355	17.75
1 000m ²	267	26.70
Educational		
Crèche	5	1.5
Primary	5	14.0
Secondary	2	11.20
Public Open Space		11.05
Cemetery		11.05
Retail		
Mid town		3.20
Neighbourhood		0.66
Corner Shops	8	0.88
Industrial		11.05
Churches	16	2.4
Roads 20%		46.15
	2 487	230.75

vii) **Land uses for the next 5 years**

The IDP addresses growth and strategic development over the next 5 years. In order to adhere to this principle, the detail projections of land uses for the next five years have been done.

The land uses are indicated on the next table. The number of erven needed and proposed directions of development have been used by the engineers to do their costing and need for services over the next 5 years in order to provide for bulk and internal services.

10.1 Integrated Environmental Programmes

ENVIRONMENTAL ANALYSIS

For many years the environmental issues and the impact of people thereon has been badly neglected. Environmental issues and nature conservation form an integral part of the IDP process. It is essential to be aware of environmental problems, threats but also potential thereof. These issues should be considered during the development process.

POLICIES & BY-LAWS THAT PROTECT THE ENVIRONMENT OR IN FACT METHODS THAT SPEAK TO ADDRESS THE CHALLENGES OF IT.

11. INTERGRATED HIV/AIDS PROGRAMME

11.1.1 INTRODUCTION

The HIV/AIDS programme of Thembelihle Municipality should ensure a broad approach and the involvement of many role players on many levels to deal with the problem. The Local Government structure is the level closest to the people and therefore accepts the responsibility to drive the issue in order to control the negative affects thereof. Thembelihle herewith accepts its responsibility in terms of the Constitution of the country to deal with this issue with reference to:

- the promotion of a healthy environment;
- provide a democratic and accountable local government system; and
- to stimulate and promote social upliftment.

The local authority defines this responsibility as part of the transformation process.

The following aspects/issues should be seen as a basic directive on or guidelines to be followed or implemented during the preparation of the AIDS policy.

11.1.2 ROLES OF THEMBELIHLE MUNICIPALITY IN THE PROCESS

The following responsibilities would be catered for:

- AIDS would be a core issue in all decision making processes;
- All the role players involved in the process would be assisted and guided by the local authority;
- The co-ordination of all role players at various levels; and
- Taking leadership in the battle against AIDS and the results thereof.

11.1.3 LEVELS OF COMMITMENT AND INVOLVEMENT BY THEMBELIHLE MUNICIPALITY

It is the intention of the municipality to fight against AIDS on two levels:

11.1.3.1 Internal or work place level

It would be the responsibility of the local authority as an employer to protect and respect its workers in this regard. The municipality would put in place:

- work place policies to protect all parties;
- communication systems to discuss AIDS related issues amongst all parties;
- a AIDS/HIV prevention programme; and
- a care programme for people involved.

11.1.3.2 External level

The approach here would be to mainstream HIV/AIDS as an epidemic in all its decision making processes and contact with all the role players involved.

The responsibility of certain role players and their positive inputs would be identified. Once again the following approaches within the wider society would be addressed:

- the way to prevent HIV/AIDS to be spread within the wider community; and
- to set up a system to care for the individuals already infected;

11.1.3.3 Key areas to be addressed

- Apply some strategic thinking processes;
- Target feed schemes at the correct groups;
- Correct application for funding and the application thereof;
- Co-ordination between all the role players;
- Correct and accurate statistics to be provided and maintained.
- Campaign to promote the testing and counselling of AIDS;
- Decrease the number of homeless children.

11.1.4 ROLE PLAYERS TO BE INVOLVED IN THE PROCESS

The plan of the municipality should be based on local experience and knowledge. The local residents and other sector departments would work together to solve local problems and change the mindset of local people.

11.1.4.1 Establish a local co-ordination committee

A local co-ordination committee would be established to be controlled and monitored by the council. A councillor and a nominated official (Health Officer) would sit on the committee, monitor activities and report back to the council. It would be the responsibility to drive the awareness campaign and to establish support groups in this regard. Proper communication amongst all role players is essential.

A manual would be prepared based on local experience.

11.1.4.2 Government and semi-government organisations

- District municipality;
- Department of Health;
- Department of Welfare; and
- The office of the Premiere.

11.1.4.3 NGO's and private companies

- Business sector and surrounding mines;
- Local churches;
- Local schools;
- Youth organisations;
- Women's organisations; and
- Private individuals with knowledge, experience and capacity to assist.

11.1.5 FUTURE IMPACT OF HIV/AIDS

During the preparation of an AIDS policy the impact of AIDS on the following levels should also be addressed.

Individual families

- The loss of bread winners result in financial insecurity;
- Costing for caring and look after infected people;
- Loss of a child is a difficult issue to deal with;

The community

- AIDS normally effects the present communities the worst;
- Cost of accommodating orphans.

The economy

- Decrease of family income due to AIDS;
- Trained and schooled workers are taken out of the market place.

On education

- Avoid school teachers to die from AIDS;

- No intercourse amongst teachers and pupils.
The municipality and service delivery

- The impact of AIDS on the provision of housing;'
- Reduced payment levels.

Health services

- Overcrowded health facilities;
- Demand for medicine and assistance increasing.

Social services

- Child and parents support.

11.2 COORDINATION WITH PROVINCIAL AIDS COUNCIL

A Provincial AIDS council has been established under the direct supervision of the Premier. It is essential that all anti-AIDS actions within the province are coordinated under this body.

In order to assist this body an interdepartmental committee has been established consisting of the relevant sections of the Departments of Education, Health and Social Services. This committee meets once a month and specializes in the distribution of life skills, funding and human assistance to fight AIDS.

It is proposed that the local AIDS coordination committee as proposed in par 5.2.4.1 should join forces with the abovementioned provincial bodies.

THEMBELIHLE MUNISIPALITEIT

12. RAMPBESTUUR PLAN

Ter inleiding van die Rampbestuursplan word dit nodig geag dat die volgende definisies omskryf word om as riglyne te dien met die oordeel van verskillende gevalle.

DEFINISIE VAN N HINDERNIS:

n Hindernis is n rare of uiterste gebeurtenis in die natuurlike of mensgemaakte omgewing, wat die menslike bestaan, eiendom of aktiwiteite sodanig beïnvloed dat 'n ramp veroorsaak word.

DEFINISIE VAN N RAMP:

'n Ramp is 'n ernstige ontwrigting van die funksionering van 'n samestelling wat wyd verspreide menslike, materiele of omgewingsverliese veroorsaak wat die vermoë van die geaffekteerde samelewing ontwig en verhoed o moor die weg te kom met sy eie hulpbronne.

DEFINISIE VAN NATUURVERSKYNSELS:

Natuurverskynsels is uiters klimatologiese hidrologiese of geologiese prosesse wat geen bedreiging vir mens, dier of eiendom inhou nie.

Voorbeeld: Massiewe aardbewing in 'n onbewoonde gebied met geen impak nie.

DEFINISIE VAN 'N NOODSITUASIE:

'n Ramp word verbind aan 'n sekere tydsbeskik waartydens lewens en noodsaaklike eiendomme en dienste bedreig word, kan 'n noodsituasie 'n meer algemene tydperk dek waarin:

1. Daar 'n duidelik en uitstaande verslegting in die vermoë van 'n goep of gemeenskap is om te oorlewe; of
2. Die vermoë om te oorleef slaegs aan die gang gehou kan word deur buitengewone inisiatiewe van 'n groep of gemeenskap of deur eksterne ingryping.

HOOFSTUK 1

1. GEBIEDSBESKRYWING:

Thembelihle Munisipaliteit binne die nuwe ge-amalgameerde Plaaslike Owerheid ingevolge die Afbakenings Wet bestaan uit Hopetown, Strydenburg en 'n gedeelte van die vorige landelike gebied.

1.1 Oppervlakte:

2. TOPOGRAFIESE LIGGING:

2.2 Beskrywing

Die dorpe en gebiede word hieronder afsonderlik omskryf:

a) Hopetown

Is gelee tussenenbreedte-lyne en tussenen.....lengte-lyne.

Die dorp le in 'n suidelike rigting op die N12 tussen Pretoria en Kaapstad en is die Hoof Setel binne die munisipale gebied. Die dorp is 1km tot 1,5km van die Oranjerivier se walle op die eerste paar koppies/hoogetjies en word die hoofdorp en Steynville deur die N12 verdeel. Gedeeltes van die Meentgrond bestaan uit platte wat teen die rivier gelee is. Omdat die area bultagtig is kom 'n paar afvoerslotte tussen die koppies af wat na die rivier lei. Die dorp is ook ±89km vanaf die Vanderkloof dam.

b) Strydenburg:

Is gelee tussen 23°41/15 en 23°39/45 breedte-lyne en tussen 29°56/15 en 29°56/40 lengte-lyne.

Die dorp le ook suid van Kimberley op die N12 tussen Kaapstad en Pretoria. Hoe koppies aan die Noordweste kant van die dorp kom voor. Die hoofdorp word deur die N12 geskei vanaf die subdorp Deetlefsville en Mandela Plein. Die subdorp le aan die Noordweste kant van die N12 en is hoer as die hoofdorp gelee.

c) Orania:

Die dorp is gelee tussenenbreedte-lyne en tussenenlengte-lyne.

Die dorp le op een van die hoof roetes na die Vanderkloof dam en is 32km vanaf Hopetown in 'n suidoostelike rigting. Tans funksioneer die dorp as 'n aparte entiteit en moet daar ingevolge die Afbakeningswet nog bepaal word wat die toekoms van hierdie dorp is. Die hoofroute na Vanderkloofdam en Petrusville loop deur die dorp. Die dorp is ook gebou op laagliggende dele, maar is daar ook 'n koppie aan die oostekant van die dorp wat gebruik word as die industriële gebied. Die Oranjerivier vloei by die dorp verby. Hierdie dorp bedien net blankes en as 'n volstaat beskou.

d) Landelike Gebied:

Die Thembelihle Landelike Gebied is gelee tussenenbreedte-lyne enenlengte-lyne.

Die verste deel le na die noordwestelike kant van Hopetown en eindig waar die Oranjerivier en die Vaalrivier in mekaar vloei. Die teerpad vanaf Kimberley via Douglas na Prieska kanaliseer deur hierdie gedeelte. Die hele Thembelihle gebied le aan die suidekant van die Oranjerivier tot en met die samevloei van die twee riviere, as ook 'n klein gedeelte aan die Noord, Noordooste en Oostekant, oorkant die brug by Oranjerus Vulstasie en eindig by die plaas Wicklow, Leinster tot en met kort anderkant die Oranjerivier Stasie. Aan die Ooste en Suidooste kant strek die landelike gebied tot en met ±1km buite Orania na die Havengabrug se kant. Die strek die landelike gebied tot Wag 'n bietjie, Strydkuil en na die Suidweste en Westelike gedeelte is die verste punte anderkant Strydenburg, Kalkkraal, Merwesrust en Swingelspan. Die landelike verdeling tussen Siyathemba en Thembelihle word getrek tussen plase soos volg:

e) Riviere:

Een van die land se hoofriviere, naamlik die Oranjerivier, vorm die Noordelike grense vloei van Suidoos na Noordwes. Die rivier vloei naby Orania en Hopetown verby en is 'n standhoudende rivier. 'n Nie-standhoudende rivier, die Brakrivier, wanneer in vloed, vloei ±23km suid van Strydenburg verby, maar resorteer nie onder Thembelihle se landelike gebied nie, maar kan

probleme veroorsaak tydens 'n vloed vir sekere plase aan die Suidwestelike en Westelike deel van die gebied.

f) Plantegroei:

Die plantegroei bestaan hoofsaaklik uit karoobossies en bebosde ranjies en in reenseisoene kom 'n redelike verskeidenheid van grasse voor, veral in die swaar sandvelde.

Min groot bome groei, maar bestaan daar groot probleme met indringende bomesoos die Prosopisboom en moet hierdie bome uitgeroei word.

3. **METROLOGIESE TOESTANDE:**

3.2 Reenval:

Thembelihle gebied kry in die somer tot laat herfs reen en in die Hopetown/Orania gebied waar plantegroei en ander faktore meer gunsitig is, is dit geneig om 'n hoer reenval te toon van ± 300 mm. Strydenburg aan die anderkant, omdat daar 'n tekort is aan boomrykheid is en ander gunstige faktore, ontvang net ± 120 mm tot 250mm reen in die somer.

3.3 Winde:

Sterk wind storms wat groot skade kan aanrig kom selde in hierdie gebied voor. Warrelwinde en stofstorms kom gereeld voor in droe seisoene, maar is die verskynsel van rukwinde in die minderheid. Die Noordewinde is ook 'n verskynsel wat reen bring na hierdie gebied.

4. **INFRASTRUKTUUR:**

4.1 Landbou:

Landbou vorm die hoofbron van inkomste en werkverskaffing binne die Thembelihle Munisipale Gebied. 'n Verskeidenheid van boerdery word bedryf, maar vorm steeds die hoogste werkverskaffingsbedryf.

Die volgende tipe boerderye word in hierdie gebied bedryf:

- Kleinvee boerdery (Skaap, bokke en selfs klein wild)
- Grootvee boerdery word in die mindermate bedryf (Bees)
- Pluimvee (met die ontwikkeling wat besig is om binne hierdie gebied plaas te vind, neem hoender boerdery toe)
- Besproeiing (verbouing van verskillende soorte mielies, koring, lusern ens. En in 'n mindere mate groente en ander gewasse)

4.2 Besighede:

Die sakesektor bestaan hoofsaaklik uit die plaaslike Kooperasie wat takke in al die betrokke dorpe het en is ook die grootste werkverskaffer in die sakesektor. Die Algemene handelaars wat in die gebied sake bedryf vorm 'n onmisbare deel van die ekonomiese bestaan en kompeteer baie goed met die stede se voedselverskaffers. Slaghuisse Kafees, Restaurante, Hotelle, Gastehuisse en Motorhawens en ander kleinsake dra ook by tot ekonomie van hierdie gebied.

4.3 Nywerhede en Fabrieke:

Daar bestaan reeds verskeie nywerhede en fabrieke soos meubelvervaardigers, Ingenieurswerke, Paneelkloppers ens en vorm 'n integrale deel van die ekonomie van Thembelihle Munisipale Gebied. Die gebied laat egter genoegsame infrastruktuur vir die ontwikkeling van nog nywerhede en fabrieke. Die verkoop van produkte buit die gebied dra by tot ekonomiese groei.

4.4 Skole en Kleuterskole:

Al die skole bedien die hele gemeenskap en vorm opvoeding ook 'n baie belangrike skakel in die ekonomie van die gebied. Skoolsale en skole word ook beskikbaar gestel vir huisvesting en plasing van mense en eiendom wat deur 'n ramp sou mag beïnvloed word.

4.5 Brue:

Die hoof toegang tot Thembelihle Munisipale Gebied is die brug by Hopetown op die N12 asook die Spoornet brug wat die spoor bedien by Oranjerivier Stasie.

Daar is egter ook verskeie ander brue wat binne die gebied val, hetsy van gedenkwaardige waarde en steeds in gebruik is.

4.6 Paaie:

Die naaste groot stede/dorpe wat redelik vinnig bereikbaar is, is die volgende:

Kimberley – N12 (± 120 km vanaf Hopetown, 176km vanaf Strydenburg en Orania)

Bloemfontein - ± 320 km vanaf die verste punt nl. Strydenburg

De Aar - ± 175 km vanaf verste punt nl. Hopetown

a) Hopetown

Hopetown – Kimberley	125km teerpad
Hopetown – Prieska	141km waarvan 102km grondpad is.
Hopetown – Strydenburg	55km teerpad
Hopetown – Vanderkloof/Petrusville	86km teerpad
Hopetown – Douglas	80km teerpad
Hopetown – Orania	40km
Hopetown – Oranjerivier Stasie	12km

b) Strydenburg

Strydenburg – Hopetown	55km
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Strydenburg – Douglas	130km
Strydenburg – Prieska	85km grondpad plus 38km teerpad
Strydenburg – Britstown/Prieska Prieska	70km na Britstown en 133km vanaf Britstown na Prieska
Strydenburg – De Aar via Potfontein	110km grondpad
Strydenburg – Petrusville via Kraankuil na Petrusville	121km grondpad na Kraankuilstasie en verder teerpad
Strydenburg – Vosburg via Sodium	136km grondpad
Strydenburg – De Aar via Britstown	130km teerpad

c) **Orania:**

Orania – Hopetown	40km teerpad
Orania – Strydenburg via Hopetown	95km teerpad
Orania – Vanderkloof via Petrusville	46km teerpad

4.7 **Spoorwee:**

Die hoof spoorlyn tussen Kimberley en De Aar kanaliseer deur Thembelihle gebied en is die naaste stasie Oranjerivierstasie wat al die dorpe binne hierdie gebied bedien. Andere kleinere stasies wat binne die gebied resorteer is Kraankuilstasie.

4.8 **Vliegvelde:**

Binne die Thembelihle Munisipale Gebied binne die nasionale route, die N12 vir georganiseerde busroutes le, doen die Greyhound, Interkaap en Translux by Hopetown en Strydenburg aan as optelpunte.

5. **RAMPBESTUUR: SAMESTELLING EN INSTANDHOUDING:**

1.1 **Infrastruktuur:**

Rampbestuur en beskermingsdienste is direk gesetel onder die Munisipale Bestuurder van Thembelihle Munisipaliteit en is die hanteering van rampbestuurfunksies binne die gebied van die geamalgameerde Plaaslike Owerheid, die van die Munisipale Bestuurder.

Die Rampbestuur, getaak binne die Munisipale funksinarisse, tesame met Departemente verantwoordelik vir Infrastruktuur Ontwikkeling, Finansiële Dienste, Strategiese Beplanning, onderskeie Brand Bestrydingskomitee en Vrywilliges word getaak om die lewering van rampbestuursdiens te help beplan en koördineer.

1.2 **Bevel en Beheer:**

Die onderskeie Hoofde van Departemente dra by tot die sleutel verantwoordelike:

a) Top-en Middelvlakbestuur:

Is verantwoordelik om te verseker dat die omgewingsinvloede, organisatoriese doelwitte, strategie, organisatoriese structure en 'n geboekstaafde verbindtenis tot 'n beleid van rampbestuur voortdurend gemonitor en aangepas word.

Dit is ook die verantwoordelikheid van hierdie verskeie vlakke van bestuur, om toe te sien dat die organisatoriese strategie gekoördineer en geïmplementeer word.

b) Laervlakbestuur:

Laervlakbestuur en werknemer is betrokke by die dag tot dag take en toesig van die rampbestuursafdeling. Hulle moet toesien dat dit wat tot insidente en rampe kan lei, daaglik onderhou en gemonitor word.

1.3 Rampbestuursspanne:

1.3.1 Verantwoordelikhede van Top-en Middelvlakbestuur

Dit is belangrik dat die Top-en Middelvlakbestuur aan die volgende sake aandag gee ten einde personeelfunksies te kan definieer:

- a) Aanstel van 'n Rampkoördineerder met 'n behoorlike omskrywing van sy funksies en verantwoordelikhede.
- b) Toesien dat 'n behoorlik beplande Bevelstruktuur en bestuursplan in plek is, wat insluit behoorlike delegasie van bevoeghede en omskrywing van parameters
- c) Toesien dat die beplannings- en vorderingsverslae aan die Topbestuur voorgele word.
- d) Aanstel van 'n goed gebalanseerde Koördinerende- en Beplanningskomitee vir die behoorlike bestuur van ramp- en noodsituasies en hierdie komitee moet verseker dat opvolgbeplanning gereeld toegepas word.

1.3.2 Laervlak en Werknemers se verantwoordelikhede

- a) Die Werknemer en Laervlakbestuur is verantwoordelik vir dissipline binne die bestuur asook koördinerings van departemente.

1.4 Delegasie van pligte en verantwoordelikhede

ALLE SPANLEIERS IS DIREK AAN DIE RAMPBESTUURDER VERANTWOORDELIK VIR HUL PLIGTE SOOS HIERONDER GENOEM WORD.

1.4.1 Munisipale Bestuurder

1. Word ingevolge die Wet op Rampbestuur geag te wees die Hoof Rampbestuurder van daardie munisipaliteit en moet uitvoering gee aan genoemde Wet en regulasies daarkragtens uitgevaardig vir die stigting en bedryf van 'n behoorlike Rampsbestuurplan.
2. Neem bevel van die Rampbestuur tydens 'n ramp, ramptoestand en of noodtoestand.
3. Tree op as die Voorsitter van die Koördinerings- en Beplanningskomitee.
4. Vorm deel van die Distrikskomitee en moet toesien dat die Distriks Munisipaliteit op hoogte gehou word van enige voorvalle, insidente of verandering in die Rampbestuur van Thembelihle Munisipaliteit.

5. Toesien dat nie-regerings instansies, Staatsdepartement en die Privaatsektor betrokke is by die opstel van 'n rampbestuursplan en ook ingevolge die Nasionale en Provinsiale raamwerk opgestel is.
6. Toesien dat 'n behoorlike toegeruste rampbestuursentrum/beheerkamer en ander noodfasiliteite in plek is.
7. Moet toesien dat daar genoegsaam fondse begroot word vir rampbestuur.
8. Moet toesien dat behoorlike werwing en opleiding van vrywilliges en werknemers geskied en spanleiers behoorlik opgelei is om hul pligte te vervul en gereeld inge oefen word.
9. Toesien dat die rampbestuursplan 'n integrale deel vorm van die Geïntegreerde Ontwikkelingsplan van die munisipaliteit.
10. Toesien dat die bestuursplan op 'n gereelde basis hersien word in samewerking met die Koordinering- en Beplanningskomitee.
11. Toesien dat vereiste toerusting gekom word en in 'n diensbare toestand gehou word en gereeld getoets word.
12. Toesien dat Noodfasiliteite geïdentifiseer is en in 'n behoorlike toestand onderhou word.
13. Toesien dat alle risiko's geïdentifiseer word en voorkomend optree.
14. Dat kommunikasie so doeltreffend soos moontlik is en dat instruksies aan die relevante personeel van die gebied met 'n minimum tydsvertraging deur gegee kan word.
15. Dat vir die veiligheid van alle personeel, bewoners, gestremdes en besoekers beplan word in ooreenstemming met die Wet op Beroepsgesondheid en Veiligheid.
16. Toesien dat Noodtoerusting, brandbestrydings-toerusting, ontruimroetes, uitgange, versamelplekke en voertuie behoorlik, duidelik en prominent op die vloerplan uitgebeeld word.
17. Toesien dat alle spanleiers op 'n maandelikse basis statusverslae indien en voorgehou word aan die Topbestuur.
18. Toesien dat sekretaresses, skakelbord-en ontvangspersoneel in besit is van noodnommers, opgelei is om noodsituasies te hanteer en die toepaslike nooddienste hetsy Medies, Welsyn of sekuriteit en veiligheid sonder verskuim te kan ontbied.
19. Vinnige en doeltreffende kommunikasie daar te stel om Koördinerende-en Beplanningskomitee en spanleiers te mobiliseer tydens nood.
20. Spanleiers en rampspanne skriftelik aanstel en pligtestate aangeheg word.
21. Toesien dat alle voorvalle en gebeurtenisse op 'n behoorlike manier en in gevolge die Wet rapporteer word.
22. Toesien dat gebeurlikheidsplanne opgestel is vir moontlike noodtoestande en rampe en voorkoming daarvan.

1.4.2 Adjunk Noodrampkoördineerder

Alle pligte en verantwoordelikhede van die Munisipale Bestuurder soos hierbo genoem sal van toepassing wees op die Adjunk Noodrampkoördineerder in die afwesigheid van die Rampbestuurder/Rampkoördineerder.

1.4.3 Koördinerende- en Beplanningskomitee

1. Toesien dat die Munisipale Bestuurder alle pligte soos hierbo in 5.4.1 uitoefen.
2. Toesien dat daar ten minste kwartaalik beraadslaging gehou word op alle vlakke en die rampbestuursplan aangepas word indien enige veranderinge sou plaas gevind het.

3. Moniteer dat alle toerusting, kommunikasiesistelsel, beheerkamer in 'n behoorlike toestand onderhou word.
4. Monitering van opleiding van noodpersoneel.
5. Toesien dat die Munisipale Bestuurder ophoogte is van enige afwesigheid van komiteede en kontak nommers beskikbaar is.
6. Monitering tydens enige noodgeval of gebeurtenis en toesien dat die nodige statistieke gehou word en aan die Distrik gerapporteer word.
7. Om hulp te verleen met opnames en gevallestudies.

1.4.4 Ontruimingshoof/Rampbeheerbeampte

1. Om veilige ontruimingsroetes in oorleg met Veiligheid en Sekuriteit en die Brandleier vas te stel en sodanige roetes prominent te alle tye uit te wys en te verlig.
2. Is verantwoordelik om beheer oor te neem op die toneel of gebied waar die ramp plaas gevind het en toesien dat area/toneel onmiddellik afgekordon word en beheer uitoefen van die in en uit beweeg vanuit die rampgebied/noodsituasie/toneel.
3. Om alternatiewe ontruimingsroetes te identifiseer en duidelik aan te toon.
4. Om genoegsame beamptes en inwoners op te lei in ontruimingsprosesse.
5. Om 'n lys van gestremde personeel en inwoners te hou vir bystand teen nood ontruiming en personeel op hoogte van die posisionering van hierdie werkers.
6. Om voorsiening te maak vir vinnige en veilige ontruiming van geboue wat dig bewoon word om opeenhoping te voorkom.
7. Toesien dat die nodige notules in die verband bygehou word wat tyd, datum, voertuig registrasienommer, name van noodhelpers en name van ongevallen aandui. Dit is ook belangrik dat daar behoorlik notule gehou word van die afvoer van ongevallen en waarheen vervoer is.
8. Om te verseker dat inwoners bewus gemaak word dat deure en vensters liewer tydens 'n brand toegemaak moet word en oop gemaak moet word in geval van 'n bomdreigement.
9. Om paniek tot die minimum te beperk tydens ontruiming en orde deurgans gehandhaaf word.
10. Om genoegsame versamelpunte te identifiseer in oorleg met Veiligheid en Sekuriteit en Brandleiers en Voedsel en verblyfhoofde.
11. Om toe te sien dat ontruimingskorps voldoende toerusting het om hul werk uit te voer en behoorlik opgelei is in die uitvoer van hul pligte. Beheer uit te oefen oor die opruimingsprosesse en beveiliging van die betrokke area/toneel.
12. Toe te sien dat ontruimingsprosedures vertroulik of in kodevorm gegee word om paniek te voorkom.
13. Toesien dat maandelikse verslae aan die Ramp-Bestuurder deurgegee word en die Rampbestuurder by te staan met die beplanning en bestuur van noodgevallen en rampe.
14. Om te verseker dat 'n behoorlike opgeleide adjunk aangestel word om beheer oor te neem tydens die ontruimingshoof se afwesigheid.
15. Toesien dat 'n Ontruimingskomitee wat hulp met beplanning kan bide saamgestel word uit personeel, lede van publiek en plaaslike departemente wat komiteede behoort tot 'n mate genoegsame kennis in op hierdie gebied te he.
16. 'n Gebeurlikheidsplan opstel vir hantering van enige noodtoestande of ramp.

1.4.5 Kommunikasiehoof

1. Om toe te sien dat noodsaaklike interne en eksterne kommunikasienetwerke in plek en getoets is om noodsaaklike kommunikasie daar te stel tydens noodsituasie en rampe.
2. Dat die kommunikasienetwerk 24 uur beman word deur hoogs opgeleide en verantwoordelike personeel.
3. Dat die kommunikasiepersoneel so opgelei word dat alle insidente en gevalle behoorlik te boek gestaan word vir die nodige statistiek en rapoterings doeleindes.
4. Om te verseker dat die kommunikasietoerusting doeltreffend, getoets en korrek geïnstalleer is.
5. Om te verseker dat genoegsame kommunikasiespanne opgelei is sodat daar tydens lang ure aflosspanne beskikbaar is.
6. Dat daar in oorleg met die Koördinerende-en Beplanningskomitee behoorlike toereikende en doeltreffende alarm-en waarskuwingstelsels is en dat voorsiening gemaak word vir behoorlike rugsteuningsfasiliteite.
7. Maandelikse verslae indien aan die Rampbestuurder en enige leemtes wat sou mag ontstaan.
8. Om toe te sien dat 'n behoorlike opgeleide adjunk aangestel is om beheer oor te neem tydens die kommunikasiehoof se afwesigheid.
9. Toesien dat 'n kommunikasiekomitee wat hulp met beplanning kan bide saamgestel word uit personeel, lede van die publiek en plaaslike departemente wat komiteeledes behoort tot 'n mate genoegsame kennis op hierdie gebied te he.
10. 'n Gebeurlikheidsplan opstel oor die hantering van probleme met kommunikasie en die voorkoming van hindernisse.

1.4.6 Mediese en Noodhulphoof

1. Dat bepaal word watter noodtoerusting op hand is en wat nog moet bekom word.
2. Om genoegsame noodshelpers te identifiseer entoe te sien dat hulle behoorlik opgelei is om 'n volgehoue nooddiens daar te stel. Pligte en verantwoordelikhede moet skriftelik oorgedra word.
3. Om die verspreiding van noodtoerusting te behou en toe te sien dat dit geredelik bekombaar is, maar higiënies en veilig bewaar word.
4. 'n behoorlike register van noodspanne te hou en opleiding ondergaan
5. Om geskikte ontruiming van ongevallen te identifiseer wat toeganklik vir ambulance en noodvoertuie sal wees.
6. Om te toetsien dat gegewens oor ontruiming van ongevallen behoorlik genotuleer word.
7. Om te verseker dat noodshelpers duidelik sigbaar en geïdentifiseer kan word en voldoende toegerus is om pligte uit te voer.
8. Om te sien dat begrafnisfasiliteite van noodtoerusting duidelik gemerk is en op die vloerplan prominent uitstaan.
9. Dat 'n lys van noodshelpers en vrywilliges gehou word om ontruimingspersoneel te help om spesialereelings te tref vir bystand tydens ontruiming.
10. Om toe te sien dat maandelikse verslae by die rampbestuurder ingedien word en die Rampbestuurder by te staan met beplanning in hierdie afdeling.

11. Dat n adjunk Noodhulphoof angestel word om die funksie van Noodhulphoof oor te neem tydens sy afwesigheid. Die adjunk moet behoorlik opgelei en op hoogte van prosedures wees.
12. Toesien dat n Noodhulperskommittee wat hulp met beplanning kan bide saamgestel word uit personeel, lede van die publiek en plaaslike departemente wat komiteeledede behoort tot 'n mate genoegsame kennis in op hierdie gebied te he.
13. 'n Gebeurlikheidsplan opstel van die voorkoming van epidermies en ander noodtoestande asook die hantering van epidermiese en noodsituasies en rampe.

1.4.7 Brandbestrydingshoof

1. Die brandbestrydingshoof moet behoorlik opgelei wees in die hantering van verskillende tipe brande en behoorlik kennis dra van optrede en prosedures om die veiligheid van sy span te verseker.
2. Moet behoorlik en doeltreffende brandvoorkomings-maatreels implementeer.
3. Effektiewe en opgeleide brandbestrydingspanne aanstel en hul pligte en verantwoordelikhede skriftelik delegeer.
4. 'n Ewerdige verspreiding van opgeleide spanne in die gebied verseker met doeltreffende leiers.
5. Aanbevelings van noodzaklik brandbestrydings-toerusting wat benodig word om veilige effektiewe diens daar te stel aan die Raampbestuurder deur gee.
6. Om veilige en doeltreffende ontruimingsplanne en roetes in oorleg met die Ontruimingshoof te beplan en by geboue in te oefen.
7. Om die gemeenskap bewus te maak van veiligheid en indien 'n brand sou ontstaan, bewus te maak van hoe ontruiming moet geskied en watter veiligheidsmaatreels toegepas moet word.
8. Om te verseker dat brandtrappe en roetes nie geblokkeer word nie en so gesluit is dat dit in noodgevalle gebruik kan word.
9. Om te verseker dat brandgevaareuitgeskakel en geminimaliseer word.
10. Om waar moontlik te verseker dat waardevolle dokumente en register veilig bewaar word en vinnigverwyder kan word.
11. Verseker dat brandbestrydingtoerusting veilig, doeltreffende versprei is en in behoorlike werking toestand is. Die ligging van toerusting en brandkrane en blussers moet op die vloerplan duidelik en prominent gemerk wees.
12. Brandkrane en blussers moet gereeld gediens word en in geboue duidelik gemerk wees.
13. Verseker dat geen brandbestryder alleen mag werk nie tydens 'n noodsituasie of ramp en daar op 'n gereelde basis verslag gedoen word waar hulle in die gebied werk verrig. Daar moet toegesien word dat die brandbestryders in spanne werk en 'n register van die spanne beskikbaar is.
14. 'n Behoorlike register van die nasien en instandhouding van brandtoerusting moet gehou word en indien enige toerusting foutief is, moet dit dadelik rapporteer word.
15. Maandelikse verslagdoening moet aan die rampbestuurder voorgehou word oor die brandbestrydingsafdeling wat ook insluit toerusting, opleidingsbehoefte en potensiele hindernisse.
16. Die Rampkoördineerder by te staan met beplanning en bestuur tydens 'n noodsituasie of ramp.
17. Om 'n adjunk aan te stel om beheer oor te neem tydens die Brandbestrydingshoof se afwesigheid.

18. Toesien dat 'n Brandbestrydingskomitee wat hulp met beplanning kan bide saamgestel word uit personeel, lede van die publiek en plaaslike departemente. Komiteede behoort tot 'n mate genoegsame kennis in op hierdie gebied te he.
19. 'n Gebeurlikheidsplan opstel vir die bekamping en hantering van verskillende brande.

1.4.8 Veiligheid en Sekuriteitshoof

Daar in samewerking met die Rampbestuurder, SAPD, Weermag en die Koördineerende en Beplaningskomitee 'n toegangs en verliesbeheerplan opgestel en geïmplementeer word.

'n Prosedure vir bomdreigemente en die hantering daarvan op te stel.

Om genoegsame opgeleide sekuriteitspanne toereikend deur die gebied te versprei en alle opleiding en spanne gelys word.

Die sekuriteitspanne skriftelik van hul pligte en verantwoordelikhede verwittig.

Maandelikse verslae aan die Rampbestuurder deur gee oor die algehele gebied se veiligheid en bystaan met beplanning en bestuur tydens rampe en noodsituasies.

Nou saamwerk met die plaaslike SAPD.

Toesien dat 'n veiligheid en sekuriteitskomitee wat hulp met beplanning kan bide saamgestel word uit personeel, lede van die publiek en plaaslike departemente. Komiteede behoort tot 'n mate genoegsame kennis in op hierdie gebied te he.

'n Gebeurlikheidsplan opstel rondom veiligheid en sekuriteit.

1.4.9 Voedsel en Versorgingshoof

1. Om in samewerking met die Rampbestuurder nood versamelpunte en alternatiewe versamelpunte te identifiseer vir die doel om doeltreffende voedsel en versorging van geaffekteerde gemeenskappe te verseker.
2. Om 'n versorgingskomitee te stig wat die afdeling kan bystaan met beplanning, aankope en versorging op liggaamlike en geestelike gebied.
3. Toesien dat genoegsame opgeleide aflosspanne in plek is om versorging en voedsel te voorsien.
4. Met die plaaslike handelaars en publiek te onderhandel vir die verskaffing van noodsaaklike voedsel en ander benodighede om die geaffekteerde gemeenskappe higienies en gesond te hou.
5. Moet met die gemeenskap kan onderhandel oor skenkings vir die versorging van geaffekteerde inwoners.
6. Toesien dat alle geaffekteerdes wat opgeneem word, gelys word en aangedui word by watter versamelpunt hulle geplaas is.
7. Toesien dat daar moontlik die veiligheid van vroue en kinders te alle tye voorrang geniet en plasings so geskied dat misbruik van vroue en kinders verhoed word. Gesinne so ver moontlik by mekaar geplaas word behalwe waar meer as een gesin in 'n kamer of vertrek geplaas word.
8. Toesien dat genoegsame voedsel voorsien word en behoorlik record gehou word van aankope en verspreiding van voedsel.
9. 'n Bronnelys saamstel van beskikbare benodighede en verblyf en duidelik aantoon op die vloerplan.
10. Enige tekorte wat as noodsaaklik beskou word lys en aan die Rampbestuurder deur gee.
11. Maandelikse statistieke en verslae aan die Rampbestuurder deur gee.

2. RAMPBESTUURSENTRUM/BEHEERKAMER

2.1 Hoof Beheerkamer

‘n Hoof beheerkamer moet tot stand gebring word vanuit die Hoofsetel te Hopetown waar noodsaaklike toerusting, kommunikasienetwerke en fasiliteite in plek is om koördineering, beheer en beplanning volhoudend te kan doen. Hier moet direksies van operasies verskaf kan word ten einde noodsituasies en rampe doeltreffend binne die jurisdiksie gebied van Thembelihle Munisipaliteit te kan beheer.

Daar moet drie gebiedskermingsdienste lede die beheerkamer bedien. ‘n GOS sentrum sal dan inwerking gestel word en op die GSKOK vlak opereer.

Lede wat op die GOS dien is as volg:

- Hoof Rampbestuurder (Munisipale Bestuurder of Koördineerder)
- SAPD Hopetown/Strydenburg
- Hopetown Kommando

‘n Lys van kantoor nommers, Ramphoofde, Vrywilliges en die vloerplan moet beskikbaar wees binne die beheerkamers.

2.2 Sataliet Beheerkamers

Die munisipaliteitskantore van Orania en Strydenburg moet voorsien word van ‘n sataliet beheerkamer met die nodige kommunikasienetwerk, noodtoerusting en ‘n volledige vloerplan van die wyk.

‘n Adjunk Wykshoof moet aangestel word wat toesien dat tydens ‘n noodtoestand of ramp in sy Wyk genoegsame personeel gemobiliseer kan word om die situasie tydelik te beheer tot die hoof spanne die toneel kan bereik.

Die Adjunk Spanleier moet behoorlik opgelei wees en ‘n skriftelike pligtestaat ontvang.

Daar moet ook toegesien word dat die nodige bronnestate bygehou word.

HOOFSTUK II

OPLEIDING IN RAMPBESTUUR

Dit is die verantwoordelikheid van die Rampbestuurder/koördineerder om toe te sien dat al die verskeie Afdelingshoofde en Noodspanne behoorlik opgelei word in hul onderskeie pligte. Dit is uiters belangrik dat alle spanne presies weet hoe om te reageer op verskillende ramptoestande.

Daar moet begrip wees van die volgende:

1. Die belangrikheid van personeel betrokkeheid en behoorlike koördinering van situasies.
2. Die verskil ken tussen noodsituasie, insidente en rampsituasies. Hulle moet presies weet wat die statutere vereistes is en die gedragskodes goed ken.
3. Die samestelling van noodsituasies, die ramplan en die faktore wat in ag geneem moet word asook die belangrikheid van elke afdeling en faktor.
4. Hulle moet weet hoe om die aard en ingewikkeldheid van probleme voor en na ‘n noodsituasie/ramp wat opduik te kan hanteer.
5. Moet presies weet watter hulpbronne tot hul beskikking is in die onderskeie situasies en waar elkeen bekom kan word.

6. Die betrokkenes moet hul rolle en pligte behoorlik ken om sodoende so min soos moontlik foute te maak en daardeur te verseker dat lewens gered kan word.
7. Om te verseker dat 'n situasie suksesvol en doeltreffend uitgevoer kan word is dit uiters belangrik dat oefensessies gehou word om die paraatheid van die spanne te toets en om te verseker dat die implementering van die noodplan haalbaar is.
8. Daar moet voortdurende opleiding en oefenprogramme geskied om te verseker dat noodspanne te alle tye paraat en voldoende is om 'n ramp te kan hanteer.
9. Te verseker dat die publiek en gemeenskap kennis dra van optredes tydens noodsituasies/rampe en presies weet hoe om op te tree en wat om te doen. Hulle moet ook bewus wees om basiese stappe te neem om op 'n gereedheidsgrondslag te alle tye te wees.
10. Daar moet genoegsame inligting beskikbaar wees vir die publiek en gemeenskap deur die gemeenskap op te lei en ook gebruik te maak van televisie, omsendskrywes en inligtingsboekies.
11. Daar moet toegesien word dat daar 'n vinnige doeltreffende manier is waardeur die gemeenskap in noodgevalle vinnig bereik kan word om 'n boodskap deur te gee.

INSTANDHOUDING EN EVALUASIE:

Dit is uiters belangrik dat daar voortdurend oefeninge en opleidingsprogramme binne 'n gemeenskap gehou word om die paraatheid van 'n gemeenskap tydens 'n nood/rampsituasie te verskerp.

PARAATHEID VIR RAMPE

DOEL:

Om ten tye van noodrampsituasies deur doeltreffende maatreels, organisering en lewering van noodreaksie die impak van 'n ramp se nadelige uitwerking en hindernisse so te minimaliseer dat daar so min ontwrigting en lewens verliese is. Dit kan alleenlik behaal word indien daar 'n behoorlike getoetste stelsel, prosedures en beskikbare hulpbronne bestaan sodat mense in staat sal wees om hulself te kan help.

Die paraatheidsraamwerk behoort uit die volgende komponente te bestaan:

1. Behoorlike beplanning met alle betrokkenes
2. Evaluering en identifisering van kwespeunte en kwesbaarheid van gemeenskappe
3. Samewerkingsraamwerk tussen alle departemente
4. Behoorlike opleiding en inligtingstelsel
5. Identifisering van noodsaaklike hulpbronne in instandhouding daarvan
6. Kommunikasie en waarskuwingstelsels
7. Reaksiemeganismes
8. Inoefening en opgradering

HOOFSTUK III

1. IDENTIFISERING VAN MOONTLIKE RAMPTOESTANDE

1.1 Mensgemaakte Rampe

- a) Gesondheids Epidemies
- b) Omgewingsbesoedeling
- c) Pad-vlieg-en Spoorongelukke
- d) Sosiale en Politieke Onrus
- e) Chemiese en Industriële Ongelukke

1.2 **Natuurrampe:**

- a) Droogte
- b) Oorstromings
- c) Springkaan en Muggieplae
- d) Veldbrande
- e) Rukwinde
- f) Plaagbesmeting
- g) Aardbewings

ANEXXURE E: SDBIP

	Electricity	R 12 768 245	R 15 954 662	25%		50%	75 %		10 0%		MM			
	Water	R 12 231 282	R 6 592 668	25%		50%	75 %		10 0%		MM			
	Sewerage	R 4 042 277	R 2 995 090	25%		50%	75 %		10 0%		MM			
	PMU	R 450 900	R 447 285	25%		50%	75 %		10 0%		MM			
	Public Works	R 31 021	R 8 204 947	25%		50%	75 %		10 0%		MM			
	Financial Services													
	Financial Services	R 2 809 824	R 12 866 003	25%		50%	75 %		10 0%		MM			
	Assesment Rates	R 3 578 412	R -	25%		50%	75 %		10 0%		MM			
	Corporate Services													
	Corporate Services	R 525 376	R 4 405 996	25%		50%	75 %		10 0%		MM			
	Properties	R 5 307 080	R 1 289 733	25%		50%	75 %		10 0%		MM			

	Electricity (INEP)		R -			100 %								
	Electricity (Upgrading of main Intake)		R -	25%		50%		75 %		10 0%		MM		
	PMU		R -	25%		50%		75 %		10 0%		MM		
	Refuse/ Solid Waste		R -	25%		50%		75 %		10 0%		MM		
Water	RBI Grant	R -	R 8 362 000	25%		50%		75 %		10 0%		MM		
Financial Services	Financial Services(interns)	R -	R 70 000	25%		50%		75 %		10 0%		MM		
Community Services	MIG Projects	R -	R 8 824 550	25%		50%		75 %		10 0%		MM		
	Library			25%		50%		75 %		10 0%		MM		
	Traffic		R -	25%		50%		75 %		10 0%		MM		
		R -	R 17 256 550											
TOTAL		TOTAL		100%										
		KPA Weight		10%										

KPA 1: Local Economic Development IDP Objective	Indicator of Performance	Baseline	Measurement source	Annual target	Target						Indicator custodian	Snapshot assessment (annual target)	Progress / deviation	Corrective measures
					Q 1	Q 2	Q 3	Q 4						
To ensure sustainable local economic development	Number of jobs created by municipality on capital and job creation projects (short term)	To increase black participation in agricultural production and related potentials to maximise economic opportunities of the municipality by 2013	Quarterly report	100%	25%	50%	75%	100%		MM				
	Report on the number of bids awarded to HDIs		Quarterly report to Council	100%	25%	50%	75%	100%		MM				
	Tourism	To improved long range planning for the growth of tourism and related sectors	Quarterly report to Council	100%	25%	50%	75%	100%		MM				
	Number of tourism establishment graded and registered with NCTB		Quarterly report to Council	100%	25%	50%	75%	100%		MM				
	Development/ Review of SMME strategy		Quarterly report to Council	100%	25%	50%	75%	100%		MM				

		Continue negotiations with River Destiny for acquisition	Quarterly report to Council	100%	25%		50%	75%		100%				
		Development of local cooperative strategy	Quarterly report to Council	100%	25%		50%	75%		100%		MM		
	Emerging Farmers	Identification of one or more Emerging Farmers who can be encouraged to acquire farms	Quarterly report to Council	100%	25%		50%	75%		100%		MM		
		Identifying and facilitating purchasing processes for land or farms	Quarterly report to Council	100%	25%		50%	75%		100%		MM		
		Report on payment culture of Emerging Farmers	Quarterly report to Council	100%	25%		50%	75%		100%				
		Identification of more commonage land for Emerging Farmers	Quarterly report to Council	100%	25%		50%	75%		100%		MM		
		LED Strategy	Inviting stakeholders in implementing identified LED processes	Attendance Registers	100%	25%		50%	75%		100%		MM	

		Implementatio n of the LED Strategy	Report on the LED Strategy	100%	25%		50%	75 %		10 0%		MM		
		Review of the LED Strategy	Report on reviewed document	100%	25%		50%	75 %		10 0%		MM		
	Paving Project	Ensure Paving Project is financed and operational	Quarterly report to Council	100%	25%		50%	75 %		10 0%		MM		
				KPA Weight		30%								
KPA 2: Basic Service Delivery IDP Objective	Indicator of Performanc e	Baseline	Measureme nt source	Annual target	Targets						Indica tor custod ian	snapsho t assessm ent (annual target)	Progress / deviation	Correcti ve measure s
							Q1		Q2					
	To improve water quality and continuity of water services to residents	Provision of sustainable water to residents	Quarterly reports to Council	100%	25%		50%	75 %		10 0%		MM		
To improve and provide basic services of good quality to the residents		Number of blue drops achieved	Quarterly reports to Council and DWA	100%	25%		50%	75 %		10 0%		MM		
		To ensure proper management of Bulk Water Supply project	Quarterly reports to Council	100%	25%		50%	75 %		10 0%		MM		
		To ensure proper management of water provision	Quarterly reports to Council	100%	25%		50%	75 %		10 0%		MM		

		agreements.																
		Report on the percentage of households with access to basic level of water	Quarterly reports to Council	100%	25%		50%	75%		100%			MM					
		Drafting and submission of long term bulk infrastructure investment plan	Quarterly reports to Council	100%	25%		50%	75%		100%			MM					
		Number of water leaks detected/reported and repaired	Quarterly reports to Council	100%	25%		50%	75%		100%			MM					
		Report on number of hours Orange River and Borehole BWSupply Line are down due to leaks	Quarterly reports to Council	100%	25%		50%	75%		100%			MM					
		Report on the number of hours the Borehole system are down	Quarterly reports to Council	100%	25%		50%	75%		100%			MM					
		Report on the number hours each borehole is down	Quarterly reports to Council	100%	25%		50%	75%		100%			MM					

		Report on the number of hours pumpstation duty and standby pumps are down	Quarterly reports to Council	100%	25%		50%	75%		100%		MM		
		Report on amount of funds spend on maintenace in accordance with allocated budget	Quarterly reports to Council	100%	25%		50%	75%		100%		MM		
		100% Compliance with SANS 241 for E.coli	Quarterly reports to Council and MHS	100%	25%		50%	75%		100%		MM		
		Equip WTW laboratory to carry out chemical tests on water	Quarterly reports to Council and DWA	100%	25%		50%	75%		100%		MM		
		To ensure effective and efficient operation of CWTW	Quarterly reports to Council and DWA	100%	25%		50%	75%		100%		MM		
		Review WSCDBP	Quarterly reports to Council	100%	25%		50%	75%		100%		MM		
		Report on percentage reticulation losses and implementation of remedial actions to	Quarterly reports to Council	100%	25%		50%	75%		100%		MM		

		reduce losses by 5%															
		Provision of temporary water services for areas without water	Quarterly reports to Council	100%	25%		50%	75%		100%		MM					
		Installation of meters on communal taps system	Quarterly reports to Council	100%	25%		50%	75%		100%		MM					
		Installation of bulk meters to calculate water losses	Quarterly reports to Council	100%	25%		50%	75%		100%		MM					
		Report on meters repaired/replaced	Quarterly reports to Council	100%	25%		50%	75%		100%		MM					
		Report on meters made readable on list from Finance	Quarterly reports to Council	100%	25%		50%	75%		100%		MM					
		To improve sanitation quality and continuity of services to residents	Number of green drops achieved	Quarterly reports to Council and DWA	100%	25%		50%	75%		100%		MM				
			To ensure that sanitation backlogs is 5%	Quarterly reports to Council	100%	25%		50%	75%		100%		MM				
			Report on the percentage of households with access to basic level of sanitation	Quarterly reports to Council	100%	25%		50%	75%		100%		MM				

		Drafting and submission of long term bulk infrastructure investment plan	Quarterly reports to Council	100%	25%		50%	75%		100%		MM		
		Number of sewerage spills/blockages detected/reported and repaired	Quarterly reports to Council	100%	25%		50%	75%		100%		MM		
		Report on amount of funds spend on maintenance in accordance with allocated budget	Quarterly reports to Council	100%	25%		50%	75%		100%		MM		
		Investigate and report on alternative sanitation system to replace VIP's	Quarterly reports to Council	100%	25%		50%	75%		100%		MM		
		To ensure that sanitation backlogs is less than 5%	Quarterly reports to Council	100%	25%		50%	75%		100%		MM		
		Provision of temporary sanitation services	Quarterly reports to Council	100%	25%		50%	75%		100%		MM		
		Prepare business plan and mobilise funds for	Quarterly reports to Council	100%	25%		50%	75%		100%		MM		

		Strydenburg sewerage network															
	To ensure full implement the MIG and housing development programme	100 % expenditure of MIG funds	MIG Provincial office	100%	25%		50%	75 %		10 0%		MM					
		Drafting and submission of of long term bulk infrastructure investment plan	Quarterly report to Council	100%	25%		50%	75 %		10 0%		MM					
		Submission of compliant reports on MIG expenditure	MIG Provincial office and DWA	100%	25%		50%	75 %		10 0%		MM					
		Drafting, submission and approval of infrastructure business plan	MIG Provincial office	100%	25%		50%	75 %		10 0%		MM					
		Develop intergrated housing development plan - allignment of different master plans	Quarterly report to Council	100%	25%		50%	75 %		10 0%		MM					

		Monitoring and signing off of payment certificates certified as correct and value for money	Quarterly report to Council	100%	25%		50%	75%		100%		MM				
	To improve road infrastructure and related facilities to support the economic and social requirement of the municipality by 2013	Report on amount of funds spend on maintenance in accordance with allocated budget	Quarterly report to Council	100%	25%		50%	75%		100%		MM				
		Report on Km of dirt streets graded or rebuilt and surfaced roads repaired	Quarterly report to Council	100%	25%		50%	75%		100%		MM				
		Review Transport plan	Quarterly report to Council	100%	25%		50%	75%		100%		MM				
		Report on maintenance and repair of storm water systems	Quarterly report to Council	100%	25%		50%	75%		100%		MM				
		Report on dirt roads bladed	Quarterly report to Council	100%	25%		50%	75%		100%		MM				
		Report on roads re-gravelled	Quarterly report to Council	100%	25%		50%	75%		100%		MM				
		Report on upgrading of dirt roads to other surfaces	Quarterly report to Council	100%	25%		50%	75%		100%		MM				

		Report on the number of transformers and substation serviced	Quarterly report to Council	100%	25%		50%	75%		100%		MM		
		Report on the servicing of control gear at boreholes and pumpstations	Quarterly report to Council	100%	25%		50%	75%		100%		MM		
		Report on the number of street and public lighting repaired	Quarterly report to Council	100%	25%		50%	75%		100%		MM		
		Report on amount of funds spend on maintenace in accordance with allocated budget	Quarterly report to Council	100%	25%		50%	75%		100%		MM		
		Report on percentage reticulation losses and implementation of remedial actions to reduce losses by 10%	Quarterly report to Council	100%	25%		50%	75%		100%		MM		
		Drafting and submission of business plan for the electrification of houses not electrified by Eskom yet.	Quarterly report to Council	100%	25%		50%	75%		100%		MM		

		Provision of electrical services and submission of M/Report	Quarterly report to Council	100%	25%		50%	75%		100%		MM		
		Draft, submit and obtain approval for increased maximum demand with Eskom	Approval from Eskom	100%	25%		50%	75%		100%		MM		
		Identification of large consumers to be transferred to maximum demand meters	Submission of report	100%	25%		50%	75%		100%		MM		
		Drafting of business plan for replacement of high mast lights with ordinary street lights (Only problematic high mast to be operation)	Submission of report	100%	25%		50%	75%		100%		MM		
	To maintain and upgrade municipal infrastructure and municipal buildings	Scrutining building plan application for conforment to all legislation	Quarterly report to Council	100%	25%		50%	75%		100%		MM		
		Rendering inspections on RDP houses built	Quarterly report to Council	100%	25%		50%	75%		100%		MM		

		Manage and administer site allocation and surveying process	Quarterly report to Council	100%	25%		50%	75%		100%		MM			
		Ensure the appointment of OHS officers on all projects	Quarterly report to Council	100%	25%		50%	75%		100%		MM			
		Report on buildings maintained/repaired	Quarterly report to Council	100%	25%		50%	75%		100%		MM			
		Identification and stopping of illegal building actions	Quarterly report to Council	100%	25%		50%	75%		100%		MM			
	To improve water quality to residents	Number of water samples taken	Quarterly report to Council	100%	25%		50%	75%		100%		MM			
To improve and provide quality and basic services to the residents	To provide Town Planning and Township Development	Monitoring of all development implementation projects	Quarterly report to Council	100%	25%		50%	75%		100%		MM			
		Draft and submit development plan for new cemeteries in Hopetown and Strydenburg	Quarterly report to Council	100%	25%		50%	75%		100%		MM			

	To improve refuse removal services and continuity of services to residents	Drafting of services delivery plan to inform community when services cannot be rendered	Quarterly repor to Council	100%	25%		50%	75%		100%		MM		
		Manage and administer waste disposal sites in Hopetown and Strydenburg	Quarterly repor to Council	100%	25%		50%	75%		100%		MM		
	Housing Development and Housing Services	Ensure building of houses.	Quarterly repor to Council	100%	25%		50%	75%		100%		MM		
		Facilitate surveying of Council owned erven in the municipal area.	Quarterly repor to Council	100%	25%		50%	75%		100%		MM		
		Compile a Housing Register for municipality	Quarterly repor to Council	100%	25%		50%	75%		100%		MM		
		Report to Council and Finance on the number of service applications for new houses to create debtor accounts	Quarterly repor to Council	100%	25%		50%	75%		100%		MM		

		Report to Council and Finance on the number of ownership changes from municipality to private individuals to create rates accounts	Quarterly repor to Council	100%	25%		50%	75%		100%		MM		
	To focus on the improvement of delivery of core powers and functions of local government	Report on number of registered local municipal sites compliant and maintained	Quarterly repor to Council	100%	25%		50%	75%		100%		MM		
		% establishment of fire and emergency service policy framework	Quarterly repor to Council	100%	25%		50%	75%		100%		MM		
		Number of public facilities monitored on a regular basis	Quarterly repor to Council	100%	25%		50%	75%		100%		MM		
	Management of commonage , parks,	Manage and administer existing grave sites	Quarterly report to Council	100%	25%		50%	75%		100%		MM		

	Disaster management	Review of disaster risk management plan	Quarterly report to Council	100%	25%		50%	75%		100%		MM		
		Establish disaster response teams	Quarterly report to Council	100%	25%		50%	75%		100%		MM		
		Ensure establishment of a disaster satellite office	Quarterly report to Council	100%	25%		50%	75%		100%		MM		
		Development of fire plans	Quarterly report to Council	100%	25%		50%	75%		100%		MM		
				KPA Weight	20%									
KPA 3: Municipal Transformation and institutional development	Indicator of Performance	Baseline	Measurement source	Annual target	Target						Indicator custodian	snapshot assessment (annual target)	Progress / deviation	Corrective measures
IDP Objective					Q 1	Q 2	Q 3	Q 4						
	Skills Development and Training	100% expenditure spend on training budget	Quarterly report to Council	100%	25%		50%	75%		100%		MM		
To effectively and efficiently manage transformation and institutional		Full percentage of claimable funds to be claimed from	Quarterly report to Council	100%	25%		50%	75%		100%		MM		

development in the municipality		SETA																	
		Annual submission of WSP implementation report	Proof of submission to LGSETA	100%	25%		50%	75%		100%		MM							
		Annual submission of WSP for next financial year	Proof of submission to LGSETA	100%	25%		50%	75%		100%		MM							
		Submission of WSP monthly report	Proof of submission to LGSETA	100%	25%		50%	75%		100%		MM							
		Quarterly report to Council on execution of archive procedures and processes	Quarterly report to Council	100%	25%		50%	75%		100%		MM							
		Draft and submit personal development for S57 and training programme for personnel	Approval by Council	100%	25%		50%	75%		100%		MM							
		Occupational Health and Safety	Draft and submit an Occupational Health and Safety plan for municipality	Quarterly report to Council	100%	25%		50%	75%		100%		MM						

		Manage and keep up to date all personnel records, leave, etc. on a weekly basis	Quarterly report to Council	100%	25%		50%	75%		100%		MM			
		All critical posts to advertised and filled	Quarterly report to Council	100%	50%		90%	0%		100%		MM			
		Approval of HR Development plan	Approval by Council	100%	50%		100%			100%		MM			
		Recruitment of personnel in all post levels and advise for compliance with EE plan	Quarterly report to Council	100%	25%		50%	75%		100%		MM			
	Employee Wellness programme	Development of a workplace aids plan	Approval by Council	100%	20%		40%	60%		100%		MM			
		Development of an Employee Wellness Programme	Approval by Council	100%	25%		50%	75%		100%		MM			
		Availing of municipal speakers on funeral on invitation of families of deceased employees	Quarterly report to Council	100%	25%		50%	75%		100%		MM			

	Labour relations	Schedule LLF meetings with agenda and minutes	Minutes to Council	100%	25%		50%		75%		100%		MM		
		Submission of report to Council on compliance with labour legislations	Report on compliance to Council	100%	25%		50%		75%		100%		MM		
		Number of disciplinary cases successfully finalized	Report to Council	100%	25%		50%		75%		100%		MM		
		Facilitate refresher courses on labour relations	Quarterly report to Council	6 dealing with labour matters	25%		50%		75%		100%		MM		
		Institute and manage attendance registers and avail same monthly to Finance for payroll purposes	Report to Council	100%	25%		50%		75%		100%		MM		
		Number of litigation matters successfully finalized	Report to Council	100%	25%		50%		75%		100%		MM		
	Organizational structure	Review organizational structure in line with municipal goal	Proof of approval	100%	0%		50%		0%		100%		MM		

	Performance management System	Draft and submit the 2012/13 Annual report	Approval by Council	100%	25%		50%	75%		100%		MM		
		Draft and submit the 2012/13 Mid-Year report	Approval by Council	100%	25%		50%	75%		100%		MM		
		Draft and submit S 46 report	Approval by Council	100%	25%		50%	75%		100%		MM		
		Compliance with performance agreements	Quarterly report to Council	100%	25%		50%	75%		100%		MM		
		Cascading of performance KPA's, KPI's and Baseline tasks to lower levels of management	Quarterly report to Council	100%	25%		50%	75%		100%		MM		
		Shedule monthly departmental meetings with agenda and minutes	Quarterly report to Council	12	25%		50%	75%		100%		MM		
		Administrative support at performance evaluation meetings	Quarterly report to Council	4	25%		50%	75%		100%		MM		
		Draft and submit performance audit reports to Council	Approval by Council	100%	25%		50%	75%		100%		MM		

	Legislative interface	Schedule with agenda and minutes Portfolio, Council and Special Council meetings	Proof of council meetings	4 Council, 4 Portfolio and 8 Special	25%		50%	75%		100%		MM		
		Ensure that managers meet and brief political heads of Portfolio Committees on agenda items and keep same updated on departmental issues	Proof of meetings	1	25%		50%	75%		100%		MM		
		Quarterly report to Council on execution of Council resolutions	Quarterly report to Council	100%	25%		50%	75%		100%		MM		
	Development of By-Laws, policies, procedures, delegation of powers and strategies	Develop and or review By-Laws, policies, procedures, delegation of powers and strategies and delegate powers to subordinates	Quarterly report to Council	100%	25%		50%	75%		100%		MM		
		Development of Institutional Disaster risk strategy	Approval by Council of strategy	100%	25%		50%	75%		100%		MM		

		Development of Standard Operating Procedures	Top management approval	100%	25%		50%	75%		100%		MM		
		Submission of Human Resources Policies	Approved policy	100%	25%		50%	75%		100%		MM		
		Development of a leave plan for the municipality	Leave Plan	100%	25%		50%	75%		100%		MM		
		Review of efficiency of implementation of Human Resources SOP's	Adopted SOP's	100%	25%		50%	75%		100%		MM		
		Submission of risk review report	Submitted responses	100%	25%		50%	75%		100%		MM		
		Review Delegation of Powers and Council Rules of Order	Proof of approval of delegation of Powers	100%	25%		50%	75%		100%		MM		
		Submission of PMS and SDBIP reports	Proof of submitted Quarterly report to Council	100%	25%		50%	75%		100%		MM		
	Administration and Auxilliary services	Manage, safekeep and update all contracts entered into by municipality	Proof of submitted Quarterly report to Council	100%	25%		50%	75%		100%		MM		

		Ensure support services to all departments (Cleaning, beverages, telephone, reception, typing, reproduction, maintenance of copy machines and fax machines)	Proof of submitted Quarterly report to Council	100%	25%		50%	75%		100%		MM		
		Ensure an effective and efficient registry system (Collection, opening, reproduction distribution of mail, filing and retrieval on a daily basis)	Proof of submitted Quarterly report to Council	100%	25%		50%	75%		100%		MM		
	Employment Equity	Submission of Employment Equity report to Department of Labour by 1 October	Proof of submission to DOL	100%	25%		50%	75%		100%		MM		

	Social infrastructure management	Ensure maintenance problems are addressed and leased properties are inspected for damage by lessees, i.e. Halls, sport Stadiums, etc.	Checklists for damage to Financial and Technical department	100%	25%		50%	75%		100%		MM		
		Ensuring that social infrastructure is safeguarded by alarms where installed and in working order	Appointment of security firm	100%	25%		50%	75%		100%		MM		
	Fleet management	Management of use of departmental vehicles	Quarterly report to Council	100%	25%		50%	75%		100%		MM		

KPA Weight 20%

KPA 4: Financial viability and management IDP Objective	Indicator of Performance	Baseline	Measurement source	Annual target	Target								Indicator custodian	Snapshot assessment (annual target)	Progress / deviation	Corrective measures
					Q 1	Q 2	Q 3	Q 4								

	Local municipality to obtain a clean audit report by 2017	Ensure that all documentation is available on acquisition and disposal processes undertaken by the department.	AG Report	100%	25%		50%	75%		100%		MM		
To improve the Financial Viability and Financial Management of the municipality;	Local municipality to obtain a clean audit report by 2017	GAMAP - GRAP conversion	Bid compliance sign-off	100%	25%		50%	75%		100%		MM		
		Prepare timeous comments on internal and external audit reports	Quarterly report to Council	100%	25%		50%	75%		100%		MM		
		Timeous preparation and submission of AFS to AG in new GRAP format	31-Aug-12	100%	25%		50%	75%		100%		MM		
		Budget and IDP Preparation	Draft and submit Budget and IDP Time Table	Report to Council	100%	25%		50%	75%		100%		MM	
	Develop and monitor Service Delivery and Budget Implementation Plan (SDBIP)	Report to Council	100%	100%		100%	100%		100%		MM			
	Development of draft budget	Report to Council	100%	25%		75%	100%		100%		MM			

		Timously approval of annual budget per MFMA timeframe	Report to Council	100%	25%		100%	100%	100%		MM			
		Preparation and approval of Adjustments budget	Report to Council	100%	25%		75%	100%	100%		MM			
		Ensure 100% collection and receipt of grant funding as per DoRA	Report to Council	100%	25%		50%	75%	100%		MM			
	Indigent management	Verify and register households earning less than R3 751 annually	Quarterly report	100%	100%		100%	100%	100%		MM			
		Monitor indigents on a monthly basis	Quarterly report	100%	100%		100%	100%	100%		MM			
	Budget Control & monitoring	Items to Finance Standing Committee and Council	Quarterly report	100%	100%		100%	100%	100%		MM			
		Submission of Section 71 and other financial reports	Quarterly report	100%	100%		100%	100%	100%		MM			

		Submission of Mid-Year report to Council, National- and Provincial Treasury as per MFMA requirement	Mid-Year Report	100%				100%				MM		
		Report on % of allocated budget spent year to date, excluding staff - not to exceed 5%	Report to Council	5% variance	25%		50%	75%		100%		MM		
		Proper implementation of the SCM policy and ensure functionality of Bid Committees	Report to Council	100%	100%		100%	100%		100%		MM		
		Complying with the awarding of tenders	Report to Council	100%	100%		100%	100%		100%		MM		
	Financial management	Monthly budget control, reconciliation of general ledger accounts and report accordingly	Report to Council	100%	100%		100%	100%		100%		MM		

		Performance review with financial personnel	Report to Council	100%	25%		50%	75%		100%		MM		
		Implement an effective system of revenue collection and safekeeping of data as per MFMA	Report to Council	100%	100%		100%	100%		100%		MM		
		Development of Investment Strategy and management thereof	Report to Council		100%		100%	100%		100%		MM		
		Compile and implement a Supplementary valuation Roll	Proof of implementation	100%	25%		100%	100%		100%		MM		
		Report on the implementation Priorities MFMA	Report to Council	100%	100%		100%	100%		100%		MM		
		Management of Investment accounts	Report to Council		100%		100%	100%		100%		MM		
		Debtors management	Annual review and implementation of approved credit control and debt collection policy	Report to Council	100%	25%		50%	100%		100%		MM	
	Writing off of bad debt		Report to Council	100%	25%		50%	75%		100%		MM		

		Management and implementation of cutting off list on a mothly basis	Report to Council	100%	25%		50%	75%		100%		MM		
		Handing over of all collectable debtors older than 120 days for collection	Report to Council	100%	100%		100%	100%		100%		MM		
	Asset management	Installation of new Financial System	Report to Council	100%	25%		50%	75%		100%		MM		
		Draft and maintain a GRAP compliant asset register	Report to Council	100%	25%		50%	75%		100%		MM		
	Implementation of the SCM policy	Implement SCM policy in department	Compliance report submitted to council	100%	25%		50%	75%		100%		MM		

KPA Weight **20%**

KPA 5: Good governance and Public participation	Indicator of Performance	Baseline	Measurement source	Annual target	Target						Indicator custodian	Snapshot assessment (annual target)	Progress / deviation	Corrective measures
					Q 1	Q 2	Q 3	Q 4						
IDP Objective	Public communication and participatio	Draft quarterly newsletter on local government	Proof of information leaflet	4	25%		50%	75%		100%		MM		

	n with community on local government matters	matters and current issues within the municipality																	
To strengthening Good Governance, Community Participation and Ward Committee Systems in local government		Ensure distribution of communication plan in the entire municipality	Report to Council	1	25%		50%	75%		100%		MM							
		Workshop local government legislation with communities to empower them to understand local government legislation	Proof of workshop	2	25%		50%	75%		100%		MM							
		Schedule quarterly Council Meets the People meetings	Minutes approved by Council	4	25%		50%	75%		100%		MM							
		Submit report on public participation expenditure	Quarterly report to Council	100%	25%		50%	75%		100%		MM							
		Publicate performance plans for comments and inputs	Approval by Council	1	25%		50%	75%		100%		MM							
		Publicate SDBIP for comments and inputs	Approval by Council	1	25%		50%	75%		100%		MM							

		Publicate IDP for comments and inputs	Approval by Council	1	25%		50%	75%		100%		MM				
		Ensure adoption and publication of Budget, SDBIP, Performance plans and IDP for comments and inputs	Approval by Council	1	25%		50%	75%		100%		MM				
		Establishment of Ward Committee Helpdesk to handle complaints	Approval by Council	1	25%		50%	75%		100%		MM				
		Schedule budget and IDP consultative meetings	Proof of meetings	6	25%		50%	75%		100%		MM				
		Workshop all newly adopted policies and By-Laws	Proof of communication	1	25%		50%	75%		100%		MM				
		Train Ward Committee members	Proof of training	50	25%		50%	75%		100%		MM				
	Functionality of Ward Committees	Schedule Ward Committee meetings with agenda and minutes	Proof of meetings	20	25%		50%	75%		100%		MM				

		Quarterly report to Council on Ward Committee meetings to Council	Proof of submission	4	25%		50%	75%		100%		MM			
	Functioning of IGR systems	Schedule Local IGR meetings	Quarterly report to Council	4	25%		50%	75%		100%		MM			
	Management of CDW's	To facilitate transfer of CDW's to the municipal payroll (Funds and authority)	Report to Council	100%	25%		50%	75%		100%		MM			
		Develop and submit working guidelines of CDW's to Council	Report to Council	0	25%		50%	75%		100%		MM			
	Develop a Front Desk Interface area	Develop front desk interface	Report to Council	100%	25%		50%	75%		100%		MM			
		Procure and display banners with mission and vision in front desk office	Report to Council	100%	25%		50%	75%		100%		MM			
	Management of complaints and community	Develop and institute a complaints management system	Quarterly report to Council		25%		50%	75%		100%		MM			

	feedback	Develop a system to give instant feedback to community members on disruption of services	Aproval by Council	100%	25%		50%	75%		100%		MM		
		Develop an information leaflet on registering of complaints	Aproval by Council	100%	25%		50%	75%		100%		MM		

THEMBELIHLE MUNICIPALITY: FINANCIAL SERVICES: SDBIP SCORECARD

RESPONSIBLE OFFICIAL: BB SITHOLE

Our mission is to improve the lives of citizens of Thembelihle Municipal Area, through Quality Service Delivery, Communication, environment for Economic growth and intergrated Human Settlements...

Our vision: We as Thembelihle Municipality, commit ourselves to a better life for all through sound economic growth, provision of basic infrastructure, disciplined social welfare, a sound and participative institutional management system, as we stand united...

OPERATIONAL BUDGET

Budget name		Total Budget		Targets							Indicator custodian	Snapshot assessment (annual target)	Progress / deviation	Corrective measures
		Income	Expenditure	Q 1	Q 2	Q 3	Q 4							
Directorate Financial Services	Financial Services	R 3 129 724	R 15 790 785	25%	50%	75%	100%				CFO			
	Assesment Rates	R 4 654 122	R -	25%	50%	75%	100%				CFO			

TOTAL				R 783 846	R 15 790 785											
CAPITAL BUDGET																
Budget name				Total Budget		Targets						Indicator custodian	Snapshot assessment (annual target)	Progress / deviation	Corrective measures	
				Income	Expenditure	Q1		Q2		Q3						Q4
Directorate Financial Services	Financial Services			R -	R 70 000	25%		50%		75%		100%		CFO		
TOTAL				R -	R 70 000											
				TOTAL	100%											
KPA 1: Local Economic Development					KPA Weight			10%								
IDP Objective	Indicator of Performance	Baseline	Measurement source	Annual target	Targets						Indicator custodian	Snapshot assessment (annual target)	Progress / deviation	Corrective measures		
					Q1		Q2		Q3						Q4	
To effect local economic development	Capacitating of HDI's	Report on number of bids awarded to HDI's in compliancy with the policy	Quarterly report to Council	60%	60%		60%		60%		60%		FS			
KPA 3: Municipal Transformation and institutional development					KPA Weight			20%								
IDP Objective	Indicator of Performance	Baseline	Measurement source	Annual target	Target						Indicator custodian	Snapshot assessment	Progress / deviation	Corrective measures		
					Q1		Q2		Q3						Q4	

									3				an	ent (annual target)	ion	es
To effectively and efficiently manage transformation and institutional development in the municipality	Skills Development and Training	100% Budget spend on training	Quarterly report to Council	100%	25%		50%		75%		100%		FS			
		Full percentage of claimable funds to be claimed from SETA	Quarterly report to Council	100%	25%		50%		75%		100%		FS			
		Provide 1% of salary bill for training	Quarterly report to Council	100%	25%		50%		75%		100%		FS			
		Draft and submit personal development for S57 and training programme for personnel	Approval by Council	100%	25%		50%		75%		100%		FS			
		Appoint Health and Safety Representative and attend HOS meetings	Quarterly report to Council	100%	100%		100%		100%		100%		FS			
	Human Resource management	All critical posts to advertised and filled	Quarterly report to Council	100%	50%		90%		100%		100%		FS			

	Employee Wellness programme	Assistance with development of an Employee Wellness Programme with regard to financial matters	Approval by Council	100%	25%		50%		75%		100%		FS			
		Availing of departmental speakers on funeral on invitation of families of deceased employees	Quarterly report to Council	100%	100%		100%		100%		100%		FS			
	Labour relations	Attend LLF meetings	Minutes to Council	100%	100%		100%		100%		100%		FS			
		Institute and manage attendance registers and avail same monthly to Finance for payroll purposes	Report to Council	100%	100%		100%		100%		100%		FS			
		Proper management of leave	Quarterly report to Council	100%	100%		100%		100%		100%		FS			

		Attendance of refresher courses on labour relations	Quarterly report to Council	6 dealing with labour matters	100%		100%		100%		100%								FS			
	Organization al structure	Review of departmental organization al structure	Proof of approval	100%	100%		100%		100%		100%								FS			
	Performance management System	Draft and submit the 2012/13 Annual report	Approval by Council	100%	100%		100%		100%		100%								FS			
		Draft and submit the 2013/14 Mid-Year report	Approval by Council	100%	25%		100%		100%		100%								FS			
		Compliance with performance agreements	Quarterly report to Council	100%	100%		100%		100%		100%								FS			
		Cascading of performance KPA's, KPI's and Baseline tasks to lower levels of management: SCM, Budget and Treasury, Income and Expenditure	Quarterly report to Council	100%	100%		100%		100%		100%								FS			

		Schedule monthly departmental meetings with agenda and minutes	Quarterly report to Council	12	100%		100%		100%		100%		FS			
		Submission of SDBIP and PMS Reports	Quarterly report to Council	1	100%		100%		100%		100%		FS			
		Attending CFO forums of Prov. Treasury	Quarterly report to Council	1	100%		100%		100%		100%		FS			
		Quarterly report to Council on the submission of Financial reports	Quarterly report to Council	2	100%		100%		100%		100%		FS			
	Legislative interface	Attend Portfolio, Council and Special Council meetings	Proof of council meetings	4 Council, 4 Portfolio and 8 Special	100%		100%		100%		100%		FS			

		Ensure that meetings are scheduled with political heads of Portfolio Committees to brief same on agenda items and to keep same updated on departmental issues	Proof of meetings	100%	100%		100%		100%		100%		FS			
		Quarterly report to Council on execution of Council resolutions	Quarterly report to Council	100%	100%		100%		100%		100%		FS			
	Development of By-Laws, policies, procedures, delegation of powers and strategies	Develop and or review By-Laws, policies, procedures, delegation of powers and strategies and delegate powers to sub-ordinates	Quarterly report to Council	100%	100%		100%		100%		100%		FS			
		Development of in Institutional Disaster risk strategy	Approval by Council of strategy	100%	25%		50%		75%		100%		FS			

		Development of Standard Operating Procedures	Top management approval	100%	25%		50%		75%		100%		FS		
		Submission of risk review report	Submitted responses	100%	25%		50%		75%		100%		FS		
		Submission of PMS and SDBIP reports	Proof of submitted Quarterly report to Council	100%	100%		100%		100%		100%		FS		
	Employment Equity	Advice on Employment Equity implementation with recruitment	Proof of submission to DOL	100%	25%		50%		75%		100%		FS		

KPA 4: Financial management and viability

KPA Weight

50%

IDP Objective	Indicator of Performance	Baseline	Measurement source	Annual target	Targets								Indicator or custodian	Snapshot assessment (annual target)	Progress / deviation	Corrective measures
					Q1	Q2	Q3	Q4								
Improvement in the Financial Viability and Financial Management of local government;	Local municipality to obtain a clean audit report by 2017	Ensure that all documentation is available on acquisition and disposal processes undertaken by the department.	AG Report	100%	25%		50%		75%		100%		FS			

		Preparation and approval of Adjustments budget	Report to Council	100%	25%		75%		100%		100%		FS			
		Ensure 100% collection and receipt of grant funding as per DoRA	Report to Council	100%	25%		50%		75%		100%		FS			
	Indigent management	Verify and register households earning less than R3 751 annually	Quarterly report	100%	100%		100%		100%		100%		FS			
		Monitor indigents on a monthly basis	Quarterly report	100%	100%		100%		100%		100%		FS			
	Budget Control & monitoring	Items to Finance Standing Committee and Council	Quarterly report	100%	100%		100%		100%		100%		FS			
		Submission of Section 71 and other financial reports	Quarterly report	100%	100%		100%		100%		100%		FS			

		Submission of Mid-Year report to Council, National- and Provincial Treasury as per MFMA requirement	Mid-Year Report	100%				100%							
		Report on % of allocated budget spent year to date, excluding staff - not to exceed 5%	Report to Council	5% variance	25%		50%		75%		100%		FS		
		Proper implementation of the SCM policy and ensure functionality of Bid Committees	Report to Council	100%	100%		100%		100%		100%		FS		
		Complying with the awarding of tenders	Report to Council	100%	100%		100%		100%		100%		FS		
	Financial management	Monthly budget control, reconciliation of general ledger accounts and report accordingly	Report to Council	100%	100%		100%		100%		100%		FS		

		MFMA S 71 monthly reports to Council, National Treasury, Provincial Treasury	Report to Mayor, Municipal Manager, Provincial and National Treasury	100%	25%		50%		75%		100%		FS				
		MFMA quarterly reports to Council, National Treasury, Provincial Treasury	Report to Council	100%	25%		50%		75%		100%		FS				
		Performance review with financial personnel	Report to Council	100%	25%		50%		75%		100%		FS				
		Implement an effective system of revenue collection and safekeeping of data as per MFMA	Report to Council	100%	100%		100%		100%		100%		FS				
		Development of Investment Strategy and management thereof	Report to Council		100%		100%		100%		100%		FS				

		Compile and implement a Supplementary valuation Roll	Proof of implementation	100%	25%		100%		100%		100%		FS			
		Report on the implementation Priorities MFMA	Report to Council	100%	100%		100%		100%		100%		FS			
		Management of Investment accounts	Report to Council		100%		100%		100%		100%		FS			
	Debtors management	Annual review and implementation of approved credit control and debt collection policy	Report to Council	100%	25%		50%		100%		100%		FS			
		Writing off of bad debt	Report to Council	100%	25%		50%		75%		100%		FS			
		Management and implementation of cutting-off list on a monthly basis	Report to Council	100%	25%		50%		75%		100%		FS			
		Handing over of all collectable debtors older than 120 days for collection	Report to Council	100%	100%		100%		100%		100%		FS			

	Asset management	Installation of new Financial System	Report to Council	100%	25%		50%		75%		100%		FS			
		Draft and maintain a GRAP compliant asset register	Report to Council	100%	25%		50%		75%		100%		FS			

KPA 5: Good governance and Public participation

KPA Weight

20%

IDP Objective	Indicator of Performance	Baseline	Measurement source	Annual target	Target								Indicator or custodian	Snapshot assessment (annual target)	Progress / deviation	Corrective measures
					Q 1		Q 2		Q 3		Q 4					
To strengthening Good Governance, Community Participation and Ward Committee Systems in local government	Public communication and participation with community on local government matters	Draft quarterly newsletter on finance matters and current issues within the municipality	Proof of information leaflet	4	25%		50%		75%		100%		FS			
		Attend quarterly Council Meets the People meetings	Minutes approved by Council	12	25%		50%		75%		100%		FS			
		Submit report on public participation expenditure	Quarterly report to Council	1	25%		50%		75%		100%		FS			

		Schedule budget and IDP consultative meetings	Proof of meetings	6	25%		50%		75%		100%		FS				
		Workshop all newly adopted policies and By-Laws with personnel	Proof of communication	1	100%		100%		100%		100%		FS				
	Functionality of Ward Committees	Quarterly report to Council on matters raised by Ward Committee	Proof of submission	4	100%		100%		100%		100%		FS				
	Functioning of IGR systems	Attend Local IGR meetings	Quarterly report to Council	4	100%		100%		100%		100%		FS				
	Management of complaints and community feedback	Ensure registration and handling of service delivery complaints	Quarterly report to Council	100%	25%		50%		75%		100%		FS				
		Give instant feedback to community members on disruption of services	Approval by Council	100%	100%		100%		100%		100%		FS				

THEMBELIHLE MUNICIPALITY: CORPORATE SERVICES: SDBIP SCORECARD

RESPONSIBLE OFFICIAL: NE MGUYE

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Our vision: We as Thembelihle Municipality, commit ourselves to a better life for all through sound economic growth, provision of basic infrastructure, disciplined social welfare, a sound and participative institutional management system, as we stand united...

OPERATIONAL BUDGET

Budget name	Vote	Total		Targets						Indicator custodian	snapshot assessment (annual target)	Progress / deviation	Corrective measures	
		Income	Expenditure	Q 1		Q 2		Q 3						Q 4
Directorate Corporate Services	Corporate Services	R 140 515	R 4 153 623	25%		50%		75%		100 %		CS		
	Properties	R 1 380 501	R 503 818	25%		50%		75%		100 %		CS		
TOTAL		R 1 521 016	R 4 657 441									CS		

CAPITAL BUDGET

Budget name		Total		Target						Indicator custodian	snapshot assessment (annual target)	Progress / deviation	Corrective measures
		Income	Expenditure	Q 1		Q 2		Q 3						Q 4

Directorate Corporate Services	Corporate Services	R 0	R 0	25%		50%		75%		100%		CS			
				TOTAL	100%										
				KPA Weight	10%										
KPA 1: Local Economic Development	Indicator of Performance	Baseline	Measurement source	Annual target	Target						Indicato r custodia n	snapshot assessmen t (annual target)	Progress / deviatio n	Correctiv e measures	
IDP Objective					Q 1		Q 2		Q 3		Q 4				
	Capacitating of HDI	Report on number of bids awarded to HDI's in compliance with the policy	Quarterly report to Council	60%	60%		60%		60%		100%		CS		
To effect local economic development															
				KPA Weight	45%										
KPA 3: Municipal Transformatio n and institutional development	Indicator of Performance	Baseline	Measurement source	Annual target	Target						Indicato r custodia n	snapshot assessmen t (annual target)	Progress / deviatio n	Correctiv e measures	

IDP Objective					Q 1		Q 2		Q 3		Q 4				
To effectively and efficiently manage transformation and institutional development in the municipality	Skills Development and Training	100% expenditure spend on training budget	Quarterly report to Council	100%	25%		50%		75%		100%		CS		
		Full percentage of claimable funds to be claimed from SETA	Quarterly report to Council	100%	25%		50%		75%		100%		CS		
		Annual submission of WSP implementation report	Proof of submission to LGSETA	100%	25%		50%		75%		100%		CS		
		Annual submission of WSP for next financial year	Proof of submission to LGSETA	100%	25%		50%		75%		100%		CS		
		Submission of WSP monthly report	Proof of submission to LGSETA	100%	25%		50%		75%		100%		CS		
		Quarterly report to Council on execution of archive procedures and processes	Quarterly report to Council	100%	25%		50%		75%		100%		CS		
		Draft and submit personal development for S57 and	Approval by Council	100%	25%		50%		75%		100%		CS		

		training programme for personnel													
	Occupational Health and Safety	Draft and submit an Occupational Health and Safety plan for municipality	Quarterly report to Council	100%	25%		50%		75%		100%		CS		
		Schedule Health and Safety meetings with agenda and minutes	Quarterly report to Council	100%	25%		50%		75%		100%		CS		
		Appoint Health and Safety Representative and attend HOS meetings	Quarterly report to Council	100%	25%		50%		75%		100%		CS		
		Conduct and submit a quarterly Occupational Health and Safety audit for all workplaces	Quarterly report to Council	100%	25%		50%		75%		100%		CS		
		Recruitment of personnel and personnel management	Render administrative support to all departments to facilitate the recruitment process	Quarterly report to Council	100%	25%		50%		75%		100%		CS	

		Manage and administer all records in relation to recruitment process and employee records	Quarterly report to Council	100%	25%		50%	75%	100%	CS			
		Manage and keep up to date all personnel records, leave, etc. on a weekly basis	Quarterly report to Council	100%	25%		50%	75%	100%	CS			
		All critical posts to advertised and filled	Quarterly report to Council	100%	50%		90%	0%	100%	CS			
		Approval of HR Development plan	Approval by Council	100%	50%		100%		100%	CS			
		Recruitment of personnel in all post levels and advise for compliance with EE plan	Quarterly report to Council	100%	25%		50%	75%	100%	CS			
	Employee Wellness programme	Development of a workplace aids plan	Approval by Council	100%	20%		40%	60%	100%	CS			
		Development of an Employee Wellness Programme	Approval by Council	100%	25%		50%	75%	100%	CS			

		Availing of municipal speakers on funeral on invitation of families of deceased employees	Quarterly report to Council	100%	100%		100%		100%		CS				
	Labour relations	Schedule LLF meetings with agenda and minutes	Minutes to Council	100%	25%		50%		75%		100%	CS			
		Submission of report to Council on compliance with labour legislations	Report on compliance to Council	100%	25%		50%		75%		100%	CS			
		Number of disciplinary cases succesfully finalized	Report to Council	100%	25%		50%		75%		100%	CS			
		Institute and manage attendance registers and avail same monthly to Finance for payroll purposes	Report to Council	100%	25%		50%		75%		100%	CS			
		Facilitate refresher courses on labour relations	Quarterly report to Council	6 dealing with labour matters	25%		50%		75%		100%	CS			

		Number of litigation matters successfully finalized	Report to Council	100%	25%		50%	75%	100%	CS			
	Organizational structure	Review organizational structure	Proof of approval	100%	0%		50%	0%	100%	CS			
	Performance management System	Draft and submit the 2011/12 Annual report	Approval by Council	100%	25%		50%	75%	100%	CS			
		Draft and submit the 2011/12 Mid-Year report	Approval by Council	100%	25%		50%	75%	100%	CS			
		Draft and submit S 46 report	Approval by Council	100%	25%		50%	75%	100%	CS			
		Compliance with performance agreements	Quarterly report to Council	100%	25%		50%	75%	100%	CS			
		Cascading of performance KPA's, KPI's and Baseline tasks to lower levels of management	Quarterly report to Council	100%	25%		50%	75%	100%	CS			
		Shedule monthly departmental meetings with agenda and minutes	Quarterly report to Council	12	25%		50%	75%	100%	CS			

		Maintain and update an encroachment register and contact per application	Proof of register and contracts	100%	25%		50%	75%	100%		CS		
	Legislative interface	Schedule with agenda and minutes Portfolio, Council and Special Council meetings	Proof of council meetings	4 Council, 4 Portfolio and 8 Special	25%		50%	75%	100%		CS		
		Ensure that meetings are scheduled with political heads of Portfolio Committees to brief same on agenda items and to keep same updated on departmental issues	Proof of meetings	100%	25%		50%	75%	100%		CS		
		Quarterly report to Council on execution of Council resolutions	Quarterly report to Council	100%	25%		50%	75%	100%		CS		
	Development of By-Laws, policies, procedures, delegation of powers and	Develop and or review By-Laws, policies, procedures, delegation of	Quarterly report to Council	100%	25%		50%	75%	100%		CS		

	strategies	powers and strategies and delegate powers to subordinates												
		Development of Institutional Disaster risk strategy	Approval by Council of strategy	100%	25%	50%	75%	100%	CS					
		Development of Standard Operating Procedures	Top management approval	100%	25%	50%	75%	100%	CS					
		Submission of Human Resources Policies	Approved policy	100%	25%	50%	75%	100%	CS					
		Development of a leave plan for the municipality	Leave Plan	100%	25%	50%	75%	100%	CS					
		Review of efficiency of implementation of Human Resources SOP's	Adopted SOP's	100%	25%	50%	75%	100%	CS					
		Submission of risk review report	Submitted responses	100%	25%	50%	75%	100%	CS					
		Review Delegation of Powers and Council Rules of Order	Proof of approval of delegation of Powers	100%	25%	50%	75%	100%	CS					

		Submission of PMS and SDBIP reports	Proof of submitted Quarterly report to Council	100%	25%		50%	75%	100%	CS			
	Administration and Auxilliary serices	Manage, safekeep and update all contracts entered into by municipality	Proof of submitted Quarterly report to Council	100%	25%		50%	75%	100%	CS			
		Ensure support services to all departments (Cleaning, beverages, telephone, reception, typing, reproduction, maintenance of copy machines and fax machines)	Proof of submitted Quarterly report to Council	100%	25%		50%	75%	100%	CS			
		Ensure an effective and efficient registry system (Collection, opening, reproduction distribution of mail, filing and retrieval on a daily basis)	Proof of submitted Quarterly report to Council	100%	25%		50%	75%	100%	CS			

	Employment Equity	Submission of Employment Equity report to Department of Labour by 1 October	Proof of submission to DOL	100%	25%		50%	75%	100%		CS			
	Social infrastructure management	Ensure maintenance problems are addressed and leased properties are inspected for damage by lessees, i.e. Halls, sport Stadiums, etc.	Checklists for damage to Financial and Technical department	100%	25%		50%	75%	100%		CS			
		Ensuring that social infrastructure is safeguarded by alarms where installed and in working order	Appointment of security firm	100%	25%		50%	75%	100%		CS			
	Fleet management	Management of use of departmental vehicles	Quarterly report to Council	100%	25%		50%	75%	100%		CS			
				KPA Weight	20%									
KPA 4: Financial viability and management	Indicator of Performance	Baseline	Measurement source	Annual target	Target						Indicator custodian	snapshot assessment (annual target)	Progress / deviation	Corrective measures

IDP Objective					Q 1		Q 2		Q 3		Q 4						
To improve the Financial Viability and Financial Management of local government;	Local municipality to obtain clean Audit Report	Ensure that all audit performance indicators are in place	AG Report	100%	25%		50%		75%		100%		CS				
		Prepare timeous departmental comment on internal and external audit reports	Quarterly report to Council	100%	25%		50%		75%		100%		CS				
		Ensure that all documentation is available on acquisition and disposal processes undertaken by the department.	Quarterly report to Council	100%	25%		50%		75%		100%		CS				
		Budget preparation and expenditure management	Percentage of operating budget spent in line with allocated budget - not to exceed 5% - excluding personnel costs	Quarterly report to Council	100%	25%		50%		75%		100%		CS			
			Percentage of capital budget spent in line with allocated budget	Quarterly report to Council	100%	25%		50%		75%		100%		CS			

		Drafting of departmental budget	Approval by Council	100%	25%		50%	75%	100%	CS				
		Management of overtime worked and paid in the department	Quarterly report to Council	100%	25%		50%	75%	100%	CS				
	Asset management	Verification of all assets to be insured at replacement value	Approval by Council	100%	25%		50%	75%	100%	CS				
		Verification of assets in department	Compliance report submitted to council	100%	25%		50%	75%	100%	CS				
	Implementation of the SCM policy	Implement SCM policy in department	Compliance report submitted to council	100%	25%		50%	75%	100%	CS				
				KPA Weight	25%									
KPA 5: Good governance and Public participation	Indicator of Performance	Baseline	Measurement source	Annual target	Target					Indicator custodian	snapshot assessment (annual target)	Progress / deviation	Corrective measures	
IDP Objective					Q 1		Q 2		Q 3		Q 4			
	Public communication and participation with community on local	Draft quarterly newsletter on local government matters and current issues	Proof of information leaflet	4	25%		50%		75%		100%		CS	

	government matters	within the municipality												
To strengthening Good Governance, Community Participation and Ward Committee Systems in local government		Ensure distribution of communication plan in the entire municipality	Quarterly report to Council	100%	25%	50%	75%	100%		CS				
		Workshop local government legislation with communities to empower them to understand local government legislation	Proof of workshop	100%	25%	50%	75%	100%		CS				
		Schedule quarterly Council Meets the People meetings	Minutes approved by Council	12	25%	50%	75%	100%		CS				
		Submit report on public participation expenditure	Quarterly report to Council	100%	25%	50%	75%	100%		CS				
		Publicate performance plans for comments and inputs	Approval by Council	1	25%	50%	75%	100%		CS				
		Publicate SDBIP for comments and inputs	Approval by Council	1	25%	50%	75%	100%		CS				

		Committee meetings to Council												
	Functioning of IGR systems	Schedule Local IGR meetings	Quarterly report to Council	4	25%		50%	75%	100%		CS			
	Management of CDW's	To facilitate transfer of CDW's to the municipal payroll (Funds and authority)	Report to Council	100%	25%		50%	75%	100%		CS			
		Develop and submit working guidelines of CDW's to Council	Report to Council	1	25%		50%	75%	100%		CS			
	Develop a Front Desk Interface area	Develop front desk interface	Report to Council	100%	25%		50%	75%	100%		CS			
		Procure and display banners with mission and vision in front desk office	Report to Council	100%	25%		50%	75%	100%		CS			
	Management of complaints and community feedback	Develop and institute a complaints management system	Quarterly report to Council	100%	25%		50%	75%	100%		CS			
		Develop a system to give instant feedback to community members on disruption of services	Aproval by Council	100%	25%		50%	75%	100%		CS			

		Develop an information leaflet on registering of complaints	Aproval by Council	100%	25%		50%		75%		100%		CS			
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THEMBELIHLE MUNICIPALITY: COMMUNITY SERVICES: SDBIP SCORECARD

RESPONSIBLE OFFICIAL: E MGUYE

Our mission is to improve the lives of citizens of Thembelihle Municipal Area, through Quality Service Delivery, Communication, environment for Economic growth and intergrated Human Settlements...

Our vision: We as Thembelihle Municipality, commit ourselves to a better life for all through sound economic growth, provision of basic infrastructure, disciplined social welfare, a sound and participative institutional management system, as we stand united...

OPERATIONAL BUDGET

Budget name	Vote	Total		Target						Indicat or custodi an	snapshot assessme nt (annual target)	Progres s / deviati on	Correcti ve measure s
		Income	Expenditure	Q1	Q2	Q3	Q4						
Communit y Services													
	Cemetaries	R -	R -	25%	50%	75%	100%			ComS			
	Libraries	R 603 000	R 846 809	25%	50%	75%	100%			ComS			
	Community Services	R 333 900	R 578 492	25%	50%	75%	100%			ComS			
	Disaster Management	R -	R 18 175	25%	50%	75%	100%			ComS			
	Traffic	R 4 974 262	R 2 787 049	25%	50%	75%	100%			ComS			

	Parks and Recreation	R -	R -	25%		50%		75%		100 %		ComS			
	LED	R 9 824 550	R 1 641 238	20%		35%		60%		90%					
	Solid Waste	R -	R -	25%		50%		75%		100 %		ComS			
	Refuse/ Solid Waste	R 1 539 165	R 2 234 175	25%		50%		75%		100 %		ComS			
TOTAL		R 17 274 877	R 8 105 938	25%		50%		75%		100 %		ComS			

CAPITAL BUDGET

Budget name	Vote	Total		Target				Indicat or custodi an	snapshot assessme nt (annual target)	Progres s / deviati on	Correcti ve measure s				
		Income	Expenditure	Q1	Q2	Q3	Q4								
Communit y Services															
	Libraries	R -	R -	25%		50%		75%		100 %		ComS			
	Community Services	R -	R -	25%		50%		75%		100 %		ComS			
	Disaster Management	R -	R -	25%		50%		75%		100 %		ComS			
	Traffic	R -	R -	25%		50%		75%		100 %		ComS			
	Parks and Recreation	R -	R -	25%		50%		75%		100 %		ComS			
	Support Services	R -	R -	25%		50%		75%		100 %		ComS			
	Refuse/ Solid Waste	R -	R -	25%		50%		75%		100 %		ComS			
TOTAL		R 34 549 754	R 16 211 876	25%		50%		75%		100 %		ComS			

CAPITAL BUDGET

Budget name		Total		Target						Indicator or custodian	snapshot assessment (annual target)	Progress / deviation	Corrective measures
		Income	Expenditure	Q1	Q2	Q3	Q4						
Community Services	MIG Projects	R -	R 8 824 550	25%	50%	75%	100%			ComS			
	Library			25%	50%	75%	100%			ComS			
	Traffic	R -	R -	25%	50%	75%	100%			ComS			

	Total	100%	
KPA 1: Local Economic Development	KPA weight	20%	

IDP Objective (*)	Indicator of Performance	Baseline	Measurement source	Annual target	Target						Indicator or custodian	snapshot assessment (annual target)	Progress / deviation	Corrective measures
					Q1	Q2	Q3	Q4						
To ensure sustainable local economic development	Number of jobs created by municipality on capital and job creation projects (short term)	To increase black participation in agricultural production and related potentials to maximise economic opportunities of the municipality by 2017	Quarterly report	100%	25%	50%	75%	100%			ComS			
		% of tenders awarded to HDIs	Quarterly report to Council	100%	25%	50%	75%	100%			ComS			

	Tourism	To improved long range planning for the growth of tourism and related sectors	Quarterly report to Council	100%	25%		50%		75%		100%		ComS				
		Number of tourism establishment graded and registered with NCTB	Quarterly report to Council	100%	25%		50%		75%		100%		ComS				
		Development/Review of SMME strategy	Quarterly report to Council	4	25%		50%		75%		100%		ComS				
		Continue negotiations with River Destiny for acquisition	Quarterly report to Council	100%	25%		50%		75%		100%		ComS				
		Development of local cooperative strategy	Quarterly report to Council	100%	25%		50%		75%		100%		ComS				
	Emerging Farmers	Identification of one or more Emerging Farmers who can be encouraged to acquire farms	Quarterly report to Council	100%	25%		50%		75%		100%		ComS				
		Identifying and facilitating purchasing processes for land or farms	Quarterly report to Council	100%	25%		50%		75%		100%		ComS				
		Report on payment culture of Emerging Farmers	Quarterly report to Council	100%	25%		50%		75%		100%		ComS				

		Identification of more commonage land for Emerging Farmers	Quarterly report to Council	100%	25%		50%		75%		100%		ComS			
	LED Strategy	Inviting stakeholders in implementing identified LED processes	Attendance Registers	100%	25%		50%		75%		100%		ComS			
		Implementation of the LED Strategy	Report on the LED Strategy	100%	25%		50%		75%		100%		ComS			
		Review of the LED Strategy	Report on reviewed document	1	25%		50%		75%		100%		ComS			
	Paving Project	Ensure Paving Project is financed and operational	Quarterly report to Council	100%	25%		50%		75%		100%		ComS			
KPA 2: Service Delivery						KPA weight	25%									
IDP Objective (*)	Indicator of Performance	Baseline	measurement source	Annual target	Target					Indicator or custodian	snapshot assessment (annual target)	Progress / deviation	Corrective measures			
					Q1	Q2	Q3	Q4								
To improve and provide quality and basic services to the residents	To improve water quality to residents	Number of water samples taken	Quarterly report to Council	100%	25%		50%		75%		100%		ComS			
	To provide Town Planning and Township Development	Monitoring of all development implementation projects	Quarterly report to Council	100%	25%		50%		75%		100%		ComS			

		Draft and submit development plan for new cemeteries in Hopetown and Strydenburg	Quarterly report to Council	100%	25%		50%		75%		100%		ComS			
	To improve refuse removal services and continuity of services to residents	Drafting of services delivery plan and communicate to residents to promptly inform them when services cannot be rendered	Quarterly report to Council	100%	25%		50%		75%		100%		ComS			
		Manage and administer waste disposal sites in Hopetown and Sydenburg	Quarterly report to Council	100%	25%		50%		75%		100%		ComS			
	Housing Development and Housing Services	Ensure building of 600 houses.	Quarterly report to Council	100%	25%		50%		75%		100%		ComS			
		Facilitate surveying of Council owned erven in the municipal area.	Quarterly report to Council	100%	25%		50%		75%		100%		ComS			
		Compile a Housing Register for municipality	Quarterly report to Council	100%	25%		50%		75%		100%		ComS			
		Report to Council and Finance on the number of service applications for new houses to	Quarterly report to Council	100%	25%		50%		75%		100%		ComS			

		create debtor accounts												
		Report to Council and Finance on the number of ownership changes from municipality to private individuals to create rates accounts	Quarterly report to Council	100%	25%	50%	75%	100%	ComS					
	To focus on the improvement of delivery of core powers and functions of local government	Report on number of registered local municipal sites compliant and maintained	Quarterly report to Council	100%	25%	50%	75%	100%	ComS					
		% establishment of fire and emergency service policy framework	Quarterly report to Council	100%	25%	50%	75%	100%	ComS					
		Number of public facilities monitored on a regular basis	Quarterly report to Council	100%	25%	50%	75%	100%	ComS					
	Management of commonage, parks, gardens and open spaces	Manage and administer existing grave sites	Quarterly report to Council	100%	25%	50%	75%	100%	ComS					
		Ensure that only municipal officials allocates graves sites and be available on every Thursday to show	Quarterly report to Council	100%	25%	50%	75%	100%	ComS					

		grave sites													
		Engage owners of sites in Hopetown and Strydenburg where rubble has been dumped with a view to ensure removal of rubble	Quarterly report to Council	100%	25%	50%	75%	100%	ComS						
		Maintenance and administration of gardens, parks and open spaces	Quarterly report to Council	100%	25%	50%	75%	100%	ComS						
		Update register of informal areas and number of households	Quarterly report to Council	100%	25%	50%	75%	100%	ComS						
		Maintenance and administration of commonage land	Quarterly report to Council	100%	25%	50%	75%	100%	ComS						
	Disaster management	Review of disaster risk management plan	Quarterly report to Council	100%	25%	50%	75%	100%	ComS						
		Establish disaster response teams	Quarterly report to Council	100%	25%	50%	75%	100%	ComS						
		Ensure establishment of a disaster satellite office	Quarterly report to Council	100%	25%	50%	75%	100%	ComS						
		Development of fire plans	Quarterly report to Council	100%	25%	50%	75%	100%	ComS						
	KPA 3: Municipal Transformation and institutional development			KPA Weight	20%										

	Employee Wellness programme	Assistance with development of an Employee Wellness Programme with regard to financial, social and spiritual matters	Aproval by Council	100%	25%		50%		75%		100%		ComS				
		Availing of departmental speakers on funeral on invitation of families of deceased employees	Quarterly report to Council	100%	100%		100%		100%		100%		ComS				
	Labour relations	Institute prompt disciplinary actions against ill disciplined employees	Quarterly report to Council	100%	100%		100%		100%		100%		ComS				
		Proper management of leave	Quarterly report to Council	100%	100%		100%		100%		100%		ComS				
		Institute and manage attendance registers and avail same monthly to Finance for payroll purposes	Report to Council	100%	100%		100%		100%		100%		ComS				
		Attendance of refresher courses on labour relations	Quarterly report to Council	6 dealing with labour matters	100%	100%		100%		100%		100%		ComS			

	Organizational structure	Review of departmental organizational structure in line with departmental goal	Proof of approval	100%	100%		100%		100%		100%		ComS			
	Performance management System	Draft and submit the 2016/15 Annual report before August 2016	Approval by Council	100%	100%		100%		100%		100%		ComS			
		Draft and submit the 2012/13 Mid-Year report	Approval by Council	100%	0%		0%		100%		100%		ComS			
		Compliance with performance agreements	Quarterly report to Council	100%	100%		100%		100%		100%		ComS			
		Cascading of performance KPA's, KPI's and Baseline tasks to lower levels of management - Libraries, Traffic, LED, etc	Quarterly report to Council	100%	100%		100%		100%		100%		ComS			
		Submission of PMS and SDBIP inputs for department	Quarterly report to Council	100%	100%		100%		100%		100%		ComS			
		Schedule monthly departmental meetings with agenda and minutes	Quarterly report to Council	12	100%		100%		100%		100%		ComS			

	Legislative interface	Attend Portfolio, Council and Special Council meetings	Proof of council meetings	4 Council, 4 Portfolio and 8 Special	100 %		100 %	100 %	100 %	ComS			
		Ensure that meetings are scheduled with political heads of Portfolio Committees to brief same on agenda items and to keep same updated on departmental issues	Proof of meetings	100%	100 %		100 %	100 %	100 %	ComS			
		Quarterly report to Council on execution of Council resolutions	Quarterly report to Council	100%	100 %		100 %	100 %	100 %	ComS			
	Development/Review of By-Laws, policies, procedures, delegation of powers and strategies	Develop and or review By-Laws, policies, procedures, delegation of powers and strategies and delegate powers to sub-ordinates	Quarterly report to Council	100%	25%		50%	75%	100 %	ComS			
		Review Delegation of powers and delegated to sub-ordinates	Proof of approval of delegation of Powers	100%	100 %		100 %	100 %	100 %	ComS			
	Employment Equity	Advice on Employment Equity implementation	Attendance of interviews	100%	100 %		100 %	100 %	100 %	ComS			

		on recruitment process												
	Fleet management	Management and reporting of use of departmental vehicles: Running cost and maintenance	Quarterly report to Council	100%	100%	100%	100%	100%	100%	ComS				
		Accident report on damaged vehicles and repair of damage	Quarterly report to Council	100%	25%	50%	75%	100%	100%	ComS				
KPA 4: Financial management and viability				KPA Weight	20%									
IDP Objective	Indicator of Performance	Baseline	Measurement source	Annual target	Target					Indicator or custodian	Snapshot assessment (annual target)	Progress / deviation	Corrective measures	
					Q1	Q2	Q3	Q4						
Improvement in the Financial Viability and Financial Management of local government ;	Ensure that the municipality obtains a clean audit report by 2017	Ensure that all documentation is available on acquisition and disposal processes undertaken by the department.	AG Report	100%	25%	50%	75%	100%	100%	ComS				
		Prepare timeous departmental comment on internal and external audit reports	Quarterly report to Council	100%	25%	50%	75%	100%	100%	ComS				

		Ensure that department adheres to legal compliances on issues such as overtime, filling in of leave forms, etc.	Quarterly report to Council	100%	25%		50%		75%		100%		ComS			
	Budget and IDP Preparation	Draft and submit departmental budget needs	Quarterly report to Council	100%	25%		50%		75%		100%		ComS			
		Develop and monitor Service Delivery and Budget Implementation Plan (SDBIP)	Quarterly report to Council	100%	25%		50%		75%		100%		ComS			
		Draft and submit departmental IDP inputs for department for financial year.	Quarterly report to Council	100%	25%		50%		75%		100%		ComS			
		Guide prioritizing process during IDP Rep Forums	Quarterly report to Council	100%	25%		50%		75%		100%		ComS			
		Budget Control & monitoring	Submission of overtime control overspending not to be in excess of 5%	Quarterly report	100%	25%		50%		75%		100%		ComS		
		100% of allocated capital budget spent year to date not to exceed 5%	Quarterly report	100%	25%		50%		75%		100%		ComS			
		95% of allocated budget spent year to date, excluding staff	Quarterly report	100%	25%		50%		75%		100%		ComS			

		Implementation of the SCM policy and adhere to processes	Report to Council	100%	25%	50%	75%	100%	ComS			
		Updating of departmental of asset register to reflect assets acquired and disposed	Report to Council	100%	25%	50%	75%	100%	ComS			
		Ensure that all assets are insured at replacement value.	Report to Council	100%	25%	50%	75%	100%	ComS			
		Review departmental insurance portfolio on annual basis	Report to Council	100%	25%	50%	75%	100%	ComS			
		Timeously reporting of all insurance claims on all assets	Report to Council	100%	25%	50%	75%	100%	ComS			
		Complying with the awarding of tenders	Report to Council	100%	25%	50%	75%	100%	ComS			
		Ensure representation of department on all SCM Committees and implementation of SCM policy in department	Report to Council	100%	25%	50%	75%	100%	ComS			

KPA 5: Good governance and Public participation

KPA Weight

15 %

IDP	Indicator of	Baseline	Measurement	Annual	Target	Indicat	snapshot	Progres	Correcti
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Objective	Performance		source	target	Q 1		Q 2		Q 3		Q 4		or custodi an	assessme nt (annual target)	s / deviati on	ve measure s
To strengthenin g Good Governance , Community Participatio n and Ward Committee Systems in local government	Public communication and participation with community on local government matters	Draft quarterly newsletter on Community Services matters and current issues within the municipality	Proof of information leaflet	4	25%		50%		75%		100 %		ComS			
		Attend quarterly Council Meets the People meetings	Minutes approved by Council	4	25%		50%		75%		100 %		ComS			
		Schedule IDP consultative meetings with agenda and minites	Proof of meetings	6	25%		50%		75%		100 %		ComS			
		Ensure compilation of IDP and annual review	Submission of IDP review	1	25%		50%		75%		100 %		ComS			
		Attend budget and IDP consultative meetings	Attendance register and minites	3	25%		50%		75%		100 %		ComS			
		Ensure that all projects have a functional steering committee	Proof of meetings	100%	25%		50%		75%		100 %		ComS			
		Workshop all newly adopted policies and By- Laws with personnel	Proof of communication	100%	25%		50%		75%		100 %		ComS			

	Functionality of Ward Committees	Quarterly report to Council on matters raised by Ward Committee	Proof of submission	4	25%		50%		75%		100%		ComS			
	Functioning of IGR systems	Attend Local IGR meetings	Quarterly report to Council	4	25%		50%		75%		100%		ComS			
	Management of complaints and community feedback	Ensure registration and handling of service delivery complaints	Quarterly report to Council	100%	25%		50%		75%		100%		ComS			
		Give instant feedback to community members on disruption of services	Approval by Council	100%	25%		50%		75%		100%		ComS			

TOTAL			R 29 093 708	R 31 126 900	25%	50%	75%	100%	TS			
CAPITAL BUDGET												
Budget name	Vote	Total		Targets				Indicator or custodian	snapshot assessment (annual target)	Progress / deviation	Corrective measures	
		Income	Expenditure	Q1	Q2	Q3	Q4					
Technical Services												
	PMU		R -	25%	50%	75%	100%	TS				
	Refuse/ Solid Waste		R -	25%	50%	75%	100%	TS				
Water	RBIG		R 8 362 000	25%	50%	75%	100%	TS				
TOTAL		R -	R 8 362 000									
			TOTAL	100%								
KPA 1: Local Economic Development			KPA Weight		5%							
IDP Objective	Indicator of Performance	Baseline	Measurement source	Annual target	Targets				Indicator or custodian	snapshot assessment (annual target)	Progress / deviation	Corrective measures
					Q1	Q2	Q3	Q4				
To effect local economic development	Number of jobs created by LM capital projects (short term)	Report on number of temporary jobs created on capital projects	Quarterly report	35 full time equivalents	25%	50%	75%	100%	TS			
	% of tenders awarded to HDIs	Report on number of projects awarded to HDI contractors	Quarterly report	R 500 000	25%	50%	75%	100%	TS			

KPA 2: Basic Service Delivery				KPA Weight	40%									
IDP Objective	Indicator of Performance	Baseline	Measurement source	Annual target	Targets					Indicator custodian	snapshot assessment (annual target)	Progress / deviation	Corrective measures	
					Q1	Q2	Q3	Q4						
To improve and provide basic services of good quality to the residents	To improve water quality and continuity of water services to residents	Provision of sustainable water to residents	Quarterly reports to Council	100%	25%	50%	75%	100%	TS					
		Blue Drop status as indicated on DWA website	Quarterly reports to Council. Data inserted into DWA website	90%	25%	50%	75%	100%	TS					
		To ensure proper management of Bulk Water Supply projects	Quarterly reports to Council	100%	25%	50%	75%	100%	TS					
		To ensure proper management of water provision agreements.	Valid agreements	100%	25%	50%	75%	100%	TS					
		Report on the percentage of households with access to basic level of water	Quarterly reports to Council	100%	25%	50%	75%	100%	TS					
		Updating of Water Services Development Plan	Annual report to Council for approval	100%	25%	50%	75%	100%	TS					
		Number of water leaks detected/reported and repaired	Quarterly reports to Council	100%	25%	50%	75%	100%	TS					

		Report on number of hours Orange River and Borehole BWSupply Line are down due to leaks	Quarterly reports to Council	100%	25%		50%		75%		100%		TS					
		Report on amount of funds spend on maintenace in accordance with allocated budget	Quarterly reports to Council	100%	25%		50%		75%		100%		TS					
		100% Compliance with SANS 241 for E.coli	Quarterly reports to Council and MHS	100%	25%		50%		75%		100%		TS					
		Equip WTW laboratory to carry out chemical tests on water	Quarterly reports to Council	100%	25%		50%		75%		100%		TS					
		To ensure effective and efficient operation of WTW	Quarterly reports to Council	100%	25%		50%		75%		100%		TS					
		Report on percentage reticulation losses and implementation of remedial actions to reduce losses by 20% per annum	Monthly reports to DWA. Quarterly reports to Council	100%	25%		50%		75%		100%		TS					
		Provision of temporary water services for areas without water	Quarterly reports to Council	100%	25%		50%		75%		100%		TS					

		certificates certified as correct and value for money											
	To improve road infrastructure and related facilities to support the economic and social requirement of the municipality by 2013	Report on amount of funds spend on maintenace in accordance with allocated budget	Quarterly report to Council	100%	25%		50%	75%	100%	TS			
		Report on Km of dirt streets graded or re-built and surfaced roads repaired	Quarterly report to Council	100%	25%		50%	75%	100%	TS			
		Develop Transport plan	Plan	100%	25%		50%	75%	100%	TS			
		Report on maintenace and repair of roads and storm water systems	Reports available for inspection at Technical offices	100%	25%		50%	75%	100%	TS			
		Report on dirt roads bladed	Quarterly report to Council	100%	25%		50%	75%	100%	TS			
		Report on roads re-gravelled	Quarterly report to Council	100%	25%		50%	75%	100%	TS			
		Report on upgrading of dirt roads to other surfaces	Quarterly report to Council	100%	25%		50%	75%	100%	TS			
		Report on repairing of potholes	Quarterly report to Council	100%	25%		50%	75%	100%	TS			
		To improve electrical infrastructure and	Develop Electrical Master Plan for	Quarterly report to Council	100%	25%		50%	75%	100%	TS		

	related services of the municipality	Hopetown and Strydenburg												
		Drafting and submission of long term bulk infrastructure investment plan	Quarterly report to Council	100%	25%		50%		75%		100%		TS	
		Assist in the development of a policy regarding step tariffs and penalties for exceeding Maximum Demenad Levels	Quarterly report to Council	100%	25%		50%		75%		100%		TS	
		Revision of SLA between LM and Escom (areas supplied by Escom)	Quarterly report to Council	100%	25%		50%		75%		100%		TS	
		Report on the number of hours the electrical MV and LT distribution network is down	Quarterly report to Council	100%	25%		50%		75%		100%		TS	
		Report on the number of transformers and substation serviced	Quarterly report to Council	100%	25%		50%		75%		100%		TS	
		Report on the servicing of control gear at all pump stations	Quarterly report to Council	100%	25%		50%		75%		100%		TS	
		Report on the number of street and public	Quarterly report to Council	100%	25%		50%		75%		100%		TS	

		lighting repaired												
		Report on amount of funds spend on maintenace in accordance with allocated budget	Quarterly report to Council	100%	25%		50%	75%	100%		TS			
		Report on percentage reticulation losses and implementation of remedial actions to reduce losses by 20% per annum	Quarterly report to Council	100%	25%		50%	75%	100%		TS			
		Drafting and submission of business plan for the electrification of houses not electricied by Eskom yet.	Quarterly report to Council	100%	25%		50%	75%	100%		TS			
		Provision of electrical services and submission of M/Report	Quarterly report to Council	100%	25%		50%	75%	100%		TS			
		Develop plan for increasing maximum demand with Eskom	Approval from Eskom	100%	25%		50%	75%	100%		TS			
		Identification of large consumers to be transferred to maximum demand meters	Submission of report	100%	25%		50%	75%	100%		TS			

		Drafting of business plan for replacement of high mast lights with ordinary street lights (Only problematic high mast to be operation)	Submission of report	100%	25%		50%	75%	100%	TS			
	To maintain and upgrade municipal social infrastructure and municipal buildings	Scrutinizing building plan applications for conformance to all legislation	Quarterly report to Council	100%	25%		50%	75%	100%	TS			
		Rendering inspections on RDP houses built	Quarterly report to Council	100%	25%		50%	75%	100%	TS			
		Manage and administer site allocation and surveying process	Quarterly report to Council	100%	25%		50%	75%	100%	TS			
		Ensure the appointment of OHS officers on all projects	Quarterly report to Council	100%	25%		50%	75%	100%	TS			
		Report on municipal buildings maintained/repai red	Quarterly report to Council	100%	25%		50%	75%	100%	TS			
		Identification and stopping of illegal building actions	Quarterly report to Council	0%	25%		50%	75%	100%	TS			
		KPA 3: Municipal Transformation and institutional development			KPA Weight	20%							

	Employee Wellness programme	Assistance with development of an Employee Wellness Programme with regard to financial, social and spiritual matters	Aproval by Council	100%	25%		50%	75%	100%		TS			
		Availing of departmental speakers on funeral on invitation of families of deceased employees	Quarterly report to Council	100%	25%		50%	75%	100%		TS			
	Labour relations	Institute prompt disciplinary actions against ill disciplined employees	Quarterly report to Council	100%	25%		50%	75%	100%		TS			
		Management of leave records properly	Quarterly report to Council	100%	25%		50%	75%	100%		TS			
		Institute and manage attendance registers and avail same monthly to Finance for payroll purposes	Report to Council	100%	25%		50%	75%	100%					
		Attendance of refresher courses on labour relations	Quarterly report to Council	100%	25%		50%	75%	100%		TS			

	Organizational structure	Review of departmental organizational structure	Proof of approval	100%	25%		50%	75%	100%		TS			
	Performance management System	Draft and submit the 2012/13 Annual report before August 2013	Approval by Council	100%	25%		50%	75%	100%		TS			
		Draft and submit the 2012/13 Mid-Year report	Approval by Council	100%	25%		50%	75%	100%		TS			
		Compliance with performance agreements	Quarterly report to Council	100%	25%		50%	75%	100%		TS			
		Cascading of performance KPA's, KPI's and Baseline tasks to lower levels of management - Technicians and Building Inspector	Quarterly report to Council	100%	25%		50%	75%	100%		TS			
		Submission of PMS and SDBIP reports	Quarterly report to Council	100%	25%		50%	75%	100%		TS			
		Schedule monthly departmental meetings with agenda and minutes	Quarterly report to Council	100%	25%		50%	75%	100%		TS			
	Legislative interface	Attend Portfolio, Council and Special Council meetings	Proof of council meetings	100%	25%		50%	75%	100%		TS			

		Ensure that meetings are scheduled with political heads of Portfolio Committees to brief same on agenda items and to keep same updated on departmental issues	Proof of meetings	100%	25%		50%	75%	100%		TS			
		Quarterly report to Council on execution of Council resolutions	Quarterly report to Council	100%	25%		50%	75%	100%		TS			
	Development/Review of By-Laws, policies, procedures, delegation of powers and strategies	Develop and or review By-Laws, policies, procedures, delegation of powers and strategies and delegate powers to sub-ordinates	Proof of delegations and review	100%	25%		50%	75%	100%		TS			
		Review Delegation of Powers	Proof of approval of delegation of Powers	100%	25%		50%	75%	100%		TS			
		Submission of PMS and SDBIP reports	Proof of submitted Quarterly report to Council	100%	25%		50%	75%	100%		TS			
	Employment Equity	Advice on Employment Equity implementation on recruitment	Attendance of interviews	100%	25%		50%	75%	100%		TS			

		process												
	Fleet management	Management and reporting of use of departmental vehicles: Running costs and maintenance	Quarterly report to Council	100%	25%		50%	75%	100%		TS			
		Accident reports on damaged vehicles and repair of damage	Quarterly report to Council	100%	25%		50%	75%	100%		TS			

KPA 4: Financial management and viability

KPA Weight

20%

IDP Objective	Indicator of Performance	Baseline	Measurement source	Annual target	Targets				Indicator or custodian	Snapshot assessment (annual target)	Progress / deviation	Corrective measures
					Q1	Q2	Q3	Q4				
Improvement in the Financial Viability and Financial Management of local government;	Ensure that the municipality obtains a clean audit report by 2017	Ensure that all documentation is available on acquisition and disposal processes undertaken by the department.	AG Report	100%	50%	75%	100%	100%	TS			
		Ensure availability on all compliance reports	Quarterly report to Council	100%	50%	75%	100%	100%	TS			
		Prepare timeous departmental comment on internal and external audit	Submission of comments	100%	50%	75%	100%	100%	TS			

		reports														
		Ensure that department adheres to legal compliances on issues such as overtime, filling in of leave forms, etc.	Quarterly report to Council	100%	50%		75 %	100 %	100 %		TS					
	Budget and IDP Preparation	Draft and submit departmental budget needs	Quarterly report to Council	100%	50%		75 %	100 %	100 %		TS					
		Develop and monitor Service Delivery and Budget Implementation Plan (SDBIP)	Adoption by Council	100%	50%		75 %	100 %	100 %		TS					
		Draft and submit departmental IDP inputs for financial year.	Adoption by Council	100%	50%		75 %	100 %	100 %		TS					
		Guide prioritizing process during IDP Rep Forums	Adoption by Council	100%	50%		75 %	100 %	100 %		TS					
		Give technical assistance at all times	Quarterly report to Council	100%	50%		75 %	100 %	100 %		TS					
		Budget Control & monitoring	Submission of overtime control - overspending not to be in excess of 5%	Quarterly report	100%	50%		75 %	100 %	100 %		TS				

		Submission of budget control - overspending not to be in excess of 5%	Quarterly report	100%	50%		75 %	100 %	100 %	TS			
		100% of allocated capital budget spent year to date not to exceed 5%	Quarterly report	100%	50%		75 %	100 %	100 %	TS			
		95% of allocated budget spent year to date, excluding staff	Quarterly report	100%	50%		75 %	100 %	100 %	TS			
		Implementation of the SCM policy and adhere to processes	Exception reports to Council	100%	50%		75 %	100 %	100 %	TS			
		Updating of departmental of asset register to reflect assetsacquired and disposed	Report to Council	100%	50%		75 %	100 %	100 %	TS			
		Ensure that all assets are insured at replacement value.	Report to Council	100%	50%		75 %	100 %	100 %	TS			
		Review departmental insurance porfolio on annual basis	Report to Council	100%	50%		75 %	100 %	100 %	TS			
		Timeosly reporting of all insurance claims on all assets	Report to Council	100%	50%		75 %	100 %	100 %	TS			
		Complying with the awarding of tenders	Report to Council	100%	50%		75 %	100 %	100 %	TS			

		Ensure representation of department on all SCM Committees and implementation of SCM policy in department	Report to Council	100%	50%		75%	100%	100%		TS				
KPA 5: Good governance and Public participation				KPA Weight	15%										
IDP Objective	Indicator of Performance	Baseline	Measurement source	Annual target	Target						Indicator or custodian	snapshot assessment (annual target)	Progress / deviation	Corrective measures	
					Q 1		Q 2		Q 3						Q 4
To strengthening Good Governance, Community Participation and Ward Committee Systems in local government	Public communication and participation with community on local government matters	Draft quarterly newsletter on technical matters and current issues within the municipality	Proof of information leaflet	4	25%		50%		75%		100%		TS		
		Attend quarterly Council Meets the People meetings	Minutes approved by Council	4	25%		50%		75%		100%		TS		
		Attend budget and IDP consultative meetings	Proof of meetings	6	25%		50%		75%		100%		TS		
		Ensure that all projects have a functional steering committee	Proof of meetings	1	25%		50%		75%		100%		TS		
		Workshop all newly adopted policies and By-	Proof of communication	1	25%		50%		75%		100%		TS		

ANNEXURE F: MFMA CIRCULAR NO. 82

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NATIONAL TREASURY

MFMA Circular No. 82

Municipal Finance Management Act No. 56 of 2003

Cost Containment Measures

Purpose

Section 62(1)(a) of the Municipal Finance Management Act No. 56 of 2003 (MFMA) stipulates that the accounting officer of a municipality is responsible for managing the financial administration of a municipality and must for this purpose take all reasonable steps to ensure that the resources of the municipality are used effectively, efficiently and economically.

In terms of the legal framework, the elected councils and accounting officers are required to institute appropriate measures to ensure that the limited resources and public funds are appropriately utilized to ensure value for money is achieved.

The purpose of this Circular is to guide municipalities and municipal entities on cost containment measures that must be implemented in an effort to address the impact of the country's economic challenges and to promote growth, address unemployment and equality, amongst others.

Background

The national government has been aware of the need to contain costs and Cabinet resolved that all spheres of government, including municipalities and municipal entities must implement measures to contain operational costs and eliminate all non-essential expenditure.

In the 2016 State of the Nation Address, cost containment measures were re-emphasised. It was highlighted that excessive and wasteful expenditure has to be reduced, and that increased action be taken to manage unnecessary expenditure. The following measures were among those announced:

- Curtailment of overseas trips;
- The submission of strong motivation to MM's, Mayors and, where necessary, oversight mechanisms at local, provincial and national spheres of Government by those requesting permission to travel either locally or abroad: i.e. their detailed report including research which argues the necessity of the trip and the benefit the country will achieve in undertaking the journey;
- The institutionalization of further restrictions on conferences, catering, entertainment and social functions.

In reinforcing the above, the Minister of Finance also announced further cost containment measures in his budget speech on 24 February 2016, and urged Mayors of municipalities to exercise and oversee the elimination of wasteful

expenditure in government. SALGA supported the call for cost containment measures to be implemented in municipalities as per the Budget Forum engagements and commitments.

Municipalities must make clear and quantified commitments in this regard when tabling their upcoming budgets, and to reference these commitments when submitting budget documentation to the National and Provincial Treasuries, as required by the MFMA.

Annexure A of this circular presents cost containment measures that accounting officers and chief finance officers must consider in order to contain operational costs and eliminate non-essential expenditure. In addition, municipalities are advised to refer to MFMA Budget Circular No. 70 and other relevant Circulars on the elimination of non-priority spending. (<http://mfma.treasury.gov.za/Circulars/Pages/default.aspx>).

Enforcement of cost containment measures

SALGA recently expressed concern over the lack of enforcement of such measures and municipal councils are herewith reminded of Section 171(1) of the MFMA whereby the accounting officer of a municipality commits an act of financial misconduct if that accounting officer deliberately or negligently contravenes a provision of the Act, or fails to comply with a duty imposed by the Act on the accounting officer of the municipality.

Failure to fulfill the duty outlined in section 62(1) (a) of the MFMA may result in the accounting officer committing an act of financial misconduct and that disciplinary or criminal proceedings are instituted against any official who has allegedly committed an act of financial misconduct or an offence in terms of chapter 15. The accounting officer also has a duty to ensure that unauthorized, irregular or fruitless and wasteful expenditure and other losses are prevented.

In addition, section 167 of the MFMA provides that a municipality may only remunerate its office bearers within the parameters set out in that section. In particular, sub-section 167(2) provides that any benefit paid that is outside the parameters set out in subsection (1) is irregular expenditure and must be recovered from the political office-bearer concerned.

Details of precisely what a municipality may pay or remunerate its political office bearers are set out in the Notices issued in terms of the Political Office Bearers Act by the Minister of Cooperative Governance and Traditional Affairs.

Municipalities are reminded that the National Treasury will soon be conducting municipal budget benchmark engagements with non-delegated municipalities during which all municipal budgets will be assessed against the cost containment measures outlined in this Circular. Provincial Treasuries will be conducting similar engagements and budget assessments with delegated municipalities.

Consideration has been given to the lack of enforcement measures and therefore it is envisaged that regulations will be issued to align these measures with financial misconduct regulations. Disclosure of cost containment measures applied by the municipality and entity must be included in the Municipal Budget and Annual Report.

ANNEXURE G: LOCK CERTIFICATE

Certification that the adopted budget for 2016/17 is correctly captured and locked on the municipality's financial management system

(as requested by National Treasury in terms of section 74 of the MFMA, with reference to paragraph 6.3 of MFMA Budget Circular 59 dated 16 March 2012)

I, AM MOGALE in my capacity as accounting officer of the municipality, hereby certify that:

- The adopted annual budget has been captured on the municipality's financial system;
- There is 100 per cent reconciliation between the budget on the system and the budget adopted by council;
- The adopted annual budget on the municipality's financial system is locked and will not be changed as it serves as the baseline against which to monitor and measure performance; and
- The relevant budget return forms have been submitted to the local government database.

I, further certify that the municipality has in place controls to ensure that any changes to the adopted budget will be captured separately and only in accordance with:

- a virement authorised by the municipal manager, or duly delegate official, in terms of a council approved virements policy; and
- an adjustments budget approved by council.

Print Name AM Mogale

Municipal manager of Thembelihe Municipality NC076
(name and demarcation code of municipality)

Signature

Date



This certificate must be submitted to National Treasury by close of business **2016** at the following email address: lqdocuments@treasury.gov.za.

Also send copies to the *Auditor General* and the relevant provincial treasury