
Metsimaholo Local Municipality



Draft Medium Term Revenue and Expenditure Framework (MTREF) 2023/2024, 2024/25 and 2025/26

Budget Document

May 2023

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Abbreviations and Acronyms

AMR	Automated Meter Reading	MFMA	Municipal Financial Management Act
ASGISA	Accelerated and Shared Growth Initiative	MIG	Municipal Infrastructure Grant
BPC	Budget Planning Committee	MM	Municipal Manager
CFO	Chief Financial Officer	MMC	Member of Mayoral Committee
CPI	Consumer Price Index	MPRA	Municipal Properties Rates Act
CRRF	Capital Replacement Reserve Fund	MSA	Municipal Systems Act
DBSA	Development Bank of South Africa	MTEF	Medium-term Expenditure Framework
DoRA	Division of Revenue Act	MTREF	Medium-term Revenue and Expenditure Framework
DWA	Department of Water Affairs	NERSA	National Electricity Regulator South Africa
EE	Employment Equity	NGO	Non-Governmental organisations
EEDSM	Energy Efficiency Demand Side Management	NKPI	National Key Performance Indicator
EM	Executive Mayor	OHS	Occupational Health and Safety
FBS	Free basic services	OP	Operational Plan
GDP	Gross domestic product	PBO	Public Benefit Organisations
GFS	Government Financial Statistics	PHC	Provincial Health Care
GRAP	General Recognised Accounting Practice	PMS	Performance Management System
HR	Human Resources	PPE	Property Plant and Equipment
HSRC	Human Science Research Council	PPP	Public Private Partnership
IDP	Integrated Development Strategy	PTIS	Public Transport Infrastructure System
IT	Information Technology	RG	Restructuring Grant
IBT	Inclining Block Tariff	RSC	Regional Services Council
kl	kilolitre	SALGA	South African Local Government Association
KPA	Key Performance Area	SAPS	South African Police Service
KPI	Key Performance Indicator	SDBIP	Service Delivery Budget Implementation Plan
kWh	kilowatt	SMME	Small Micro and Medium Enterprises
ℓ	litre		
LED	Local Economic Development		
mSCOA	Municipal Standard Chart of Accounts		
MEC	Member of the Executive Committee		

Part 1 – Annual Budget

1.1. Mayor's Report

The Mayor will table his report as a separate document at the Council meeting of 31 May 2023

1.2. Council Resolutions

The Council approved the annual budget of the municipality for the financial year 2023/2024 and indicative budgets for the two projected outer years 2024/2025 and 2025/2026 as set out, subject to the following resolutions:

The Council, in terms of Section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts the following resolutions

1.2.1. The annual budget of the municipality for the 2023/24 financial year and the multi-year and single-year capital appropriations as set out in the following tables:

- 1.2.1.1. Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table 18
- 1.2.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table 19;
- 1.2.1.3. Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table 21; and
- 1.2.1.4. Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table 22

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

- 1.2.2.1. Budgeted Financial Position as contained in Table 23;
- 1.2.2.2. Budgeted Cash Flows as contained in Table 24
- 1.2.2.3. Reserves and accumulated surplus reconciliation as contained in Table 25
- 1.2.2.4. Asset management as contained in Table 26; and
- 1.2.2.5. Basic service delivery measurement as contained in Table 27.

1.2.3. The Council, in terms of Section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approve the tariffs with effect (billing) from 1 July 2023

- 1.2.3.1. The tariffs for property rates – as set out in Table 5 on page 15
- 1.2.3.2. The tariffs for electricity – as set out in Table 7 on page 20 - 21
- 1.2.3.3. The tariffs for the supply of water – as set out in Table 6 on page 19
- 1.2.3.4. The tariffs for sanitation services – as set out in Table 9 on page 22-23
- 1.2.3.5. The tariffs for solid waste services – as set out in Table 10 on page 24
- 1.2.3.6. The tariffs for sundry charges – as set out in Table 12 on page 26 - 61

- 1.2.4. The Council, in terms of 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approve with effect (billing) from 1 July 2023 the tariffs for other services, as set out on page 15 to 61 respectively.
- 1.2.5. The reviewed Budget Related Policies be approved
- 1.2.6. Council approves that the municipality raise an overdraft facility of R10 million with its primary bank to be utilized in the 2023/2024 financial year
- 1.2.7. That the vehicle finance loan amounting to R38,1 million to purchase the vehicle to improve service delivery be approved,
- 1.2.8. The option be investigated by the Municipal Manager to take up external borrowing to finance the capital projects
- 1.2.9. The option be investigated by the Municipal Manager to take up external borrowing to finance the rehabilitation / resurfacing of roads. (it will be implemented over a period of 3 years)
- 1.2.10. Revenue Enhancement Strategy be presented to Council and Operation Patala be implemented in order to obtain 80% collection rate
- 1.2.11. A report regarding the fleet of the municipality be submitted to Council
- 1.2.12. The community be informed through email and social media of the Property Rates Policy, Indigent Policy, Tariff Policy and Debt Collection and Credit Control Policy after approval by Council

1.3. Executive Summary

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

The Municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low to high priority programmes so as to maintain sound financial stewardship. A critical review was also undertaken of expenditures on non-core and 'nice to have' items.

The Municipality will embark on preparing and implementing a comprehensive Revenue Enhancement Strategy. Furthermore, the Municipality will undertake various customer care initiatives to ensure that the municipality truly involves all citizens in the process of ensuring a people lead government.

National Treasury's MFMA Circular No. 51, 54, 58, 59, 64, 66, 67, 70, 72, 74, 75, 78, 79, 85, 86, 89, 91, 93, 94, 98, 99, 107, 108, 112, 115, 116, 122 and 123 were used to guide the compilation of the 2023/24 MTREF Budget.

The challenges in preparing the 2023/2024 MTREF Budget are as follows:

Infrastructure and capital items

- Ageing and poorly maintained water, electricity and roads infrastructure
- A lack of proper implementation of the maintenance master plans,
- Inability to fund capital projects from own funds,
- The need to reprioritize projects and expenditure within the existing limited resources given the cash flow realities,
- Plant hire on a regular basis is costly and alternative methods need to be explored – purchasing of own equipment (subject to affordability),

Increased costs and decreasing margins on trading activities

- Increased prices of goods and services above the inflation rate,
- The increased cost of bulk water and electricity as well sewer treatment services due to tariff increases from Rand Water, Eskom and SASOL, which places constant upward pressure on service tariffs to the community,
- Tariffs are not cost reflective,
- Some private developments and industries receive services direct from Eskom and Rand Water with no direct benefit to the municipality,
- The need to reprioritize projects and expenditure within the existing limited resources given the cash flow realities,
- Tariffs of businesses and industries relating to waste and waste water services,

- Ratio of property rates between households and industries should be 1:3

Irregular expenditure

- Expired tenders need to be regularised to avoid recurring irregular expenditure

Staffing and personnel costs

- Wage increases which is equal to the inflation target (As per the Bargaining Council Agreement)
- Critical vacancies can only be phased in over period of 3 to 5 years based on the affordability – subject to the organizational review. The long-term effect must be taken into account,
- Organisational review – process has commenced in line with the staff regulation the process is not yet completed. This impacts on the critical vacancies and unfilled posts,
- Post evaluation to address disparities on job and post levels,
- Overtime cost in certain departments appear to be too high – requires a minimization strategy.
- Lack of proper plan between filling of posts and trade of tools

Distribution losses

- Distribution losses - water and electricity require a minimization strategy that is practical and implementable,
- Illegal connections to be addressed and eliminated altogether,

Fleet management

- Fleet management (Cost of repairs and fuel) - needs to be addressed,

Other matters

- Linking of each item to the IDP - the votes will reflect the link to IDP.
- Tariff applications and approvals not submitted on time,
- No additional revenue to explored.
- Changes in mSCOA and reporting,

The following budget principles and guidelines directly informed the compilation of the 2023/2024 MTREF:

- The 2023/24 Budget priorities and targets,
- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;

- Tariff and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of bulk water and electricity;
- Tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;
- The water and electricity budget made provision for water distribution losses and electricity distribution unchanged (technical and non-technical losses).

Operating Budget (OPEX)

- Zero based budgeting and incremental budgeting was used, based on historical trends, plus inflation in line with Treasury guidelines
- All increases more than the inflation rate has to be properly motivated
- All expenditure must be in line with Cost containment measures
- Projects identified and divided into different items such as
- Public programs into projects and items
- Repairs and maintenance into projects and items
- Linkages to the IDP

Capital Budget (CAPEX)

- Commitment letters for external funding will be a pre-requisite for budgeting,
- External funding not paid directly to the Municipality may not to be reflected in the Budget, until after the asset is handed over to the municipality as a donation,
- Projects requiring external approvals will not to be included without such approvals being obtained.
- Shifting of funds to be in line with the approved Virement Policy
- Own funding to be in line with anticipated cash flows and affordability.
- Own funding of capital projects not to exceed the surplus on Operating Budget before revenue from capital grants are taken into account.
- *Implementation of Capital expenditure from the municipalities own funds will be subject to the actual cash flows and will have to be carefully managed to avoid making commitments that may not be affordable*
- Option investigated to obtain borrowing funds for vehicles.
- Option investigated to obtain borrowing or Private Public Partnership funds for installation of infrastructure in new areas
- Option investigated to obtain borrowing funds for resurface of road infrastructure.

In view of the aforementioned, the following table is a consolidated overview of the proposed 2023/2024 Medium-term Revenue and Expenditure Framework:

Table 1 Consolidated Overview of the 2023/24 MTREF

Description R thousands	2021/22	Current Year 2022/23		2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
	R'000	R'000	R'000	R'000	R'000	R'000
Operational Revenue	1 430 281	1 673 585	1 560 778	1 789 824	1 892 985	2 024 281
Expenditure	1 414 960	1 646 928	1 560 575	1 728 741	1 805 704	1 878 178
Total sources of capital funds	157 894	309 640	238 894	208 792	88 822	81 855

Total operating revenue

- The expected revenue for the financial year 2023/24 amount to R1,790 billion funded from both municipal service charges and grant funding, the projection for the two outer years (2024/25 and 2025/26) amounting to R1,893 billion and R2,024 billion respectively,
- Revenue has increase by 14.68% or R229 million for the 2023/24 financial year when compared to the 2022/2023 Adjustment Budget.
- For the two outer years (2024/25 and 2025/26), operational revenue will increase by 5,76% and 6.94% respectively, equating to a total revenue growth of R235 million over the MTREF.

Total operating expenditure

- The operating expenditure for the financial year 2023/24 amount to R1,728 billion an increase of 11.04% or R172 million as compared to the previous financial year,
- The operating expenditure for the two outer years of the MTREF, is expected to grow by 4,72% and 4,7% respectively, which translate to the rand value growth of R162 million over the MTREF.
- The operating surplus for the 2023/24 MTREF amount to R56 million, and the expected surplus for the two outer years amount to R87 million and R146 million respectively.

Total capital expenditure

- The capital budget for the financial year 2023/2024 amount to R209 million, indicating a decline of 14,57% or R34,8 million as compare to the previous year adjustment budget.
- The capital expenditure for the two outer years of the MTREF also show signs of decline amounting to R115 million and R7 million respectively,

- The capital expenditure over the MTREF put a tremendous strains on our ability to improve or renew service delivery infrastructure, there's a need to explore other grant funding to ease the pressure on infrastructure.
- The capital budget remains relatively flat over the medium-term due to constraints on internally funded capital projects due to cash flow considerations and the level of government grants that are approved for the municipality.

1.4. Operating Revenue Framework

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

Cost cutting measures must also be implemented as per guidelines of National Treasury

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

- National Treasury's guidelines and macroeconomic policy;
- Growth in the Municipality and continued economic development;
- Efficient revenue management, which aims to ensure a 80% annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the Municipality.
- Tariffs to be aligned to inflation target, except where input cost for services are beyond the control of the municipality.
- Water and electricity losses of 15% and 10% respectively (technical and non-technical)
- Historical debt collection rates taken into account in determining the collection rate.
- Establishment of an in-house debt management department
- Implementation of strict credit control measures
- Operation Patala must intensify
- Formalising the informal settlements
- Reviewing the tax holiday incentives that were granted in the past

The following table is a summary of the 2023/24 MTREF (classified by main revenue source):

Table 2 Summary of revenue classified by main revenue source

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement.

FS204 Metsimaholo - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description R thousand	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue											
Exchange Revenue											
Service charges - Electricity	2	298 686	324 189	328 061	455 022	412 878	412 878	222 999	493 443	517 622	541 950
Service charges - Water	2	407 802	402 104	441 926	529 970	493 862	493 862	295 529	551 182	578 190	605 365
Service charges - Waste Water Management	2	28 185	35 829	68 269	88 738	79 823	79 823	42 910	85 615	89 877	94 581
Service charges - Waste Management	2	32 860	35 300	41 960	44 239	44 197	44 197	30 113	43 671	45 903	74 266
Sale of Goods and Rendering of Services		6 488	9 245	6 922	27 613	9 383	9 383	4 686	23 882	25 052	26 255
Interest earned from Receivables		37 983	31 400	51 553	43 400	43 400	43 400	51 089	45 600	47 840	50 093
Interest earned from Current and Non Current Assets		4 491	3 045	5 160	3 000	4 800	4 800	6 260	5 054	5 302	5 551
Dividends		123	111	123	100	100	100	-	100	105	110
Rental from Fixed Assets		5 983	5 916	6 691	6 319	6 571	6 571	4 343	6 919	7 258	7 573
Operational Revenue		183	146	239	280	380	380	124	290	304	319
Non-Exchange Revenue											
Property rates	2	199 277	214 081	211 196	194 330	194 330	194 330	141 043	234 276	245 756	257 307
Fines, penalties and forfeits		2 508	4 307	4 285	13 600	4 080	4 080	326	4 296	4 507	4 719
Licences or permits		56	10	15	105	105	105	6	111	116	122
Transfer and subsidies - Operational		213 846	245 218	236 230	254 009	254 009	254 009	184 221	283 025	312 188	342 496
Interest		7 944	7 706	9 669	9 000	9 000	9 000	9 841	9 841	10 323	10 808
Operational Revenue		-	-	2 245	3 860	3 860	3 860	2 519	2 519	2 642	2 766
Gains on disposal of Assets		-	247	-	-	-	-	-	-	-	-
Other Gains		41	194	15 736	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		1 246 457	1 319 049	1 430 281	1 673 585	1 560 778	1 560 778	996 009	1 789 824	1 892 985	2 024 281

Table 3 Percentage growth in revenue by main revenue source**FS204 Metsimaholo - Table A4 Budgeted Financial Performance (revenue and expenditure)**

Description R thousand	Ref	Adjusted Budget		Medium Term Revenue & Expenditure Framework					
		2022/23	%	Budget Year 2023/24	%	Budget Year +1 2024/25	%	Budget Year +2 2025/26	%
Revenue									
Exchange Revenue									
Service charges - Electricity	2	412 878	26,5%	493 443	27,6%	517 622	27,3%	541 950	26,8%
Service charges - Water	2	493 862	31,6%	551 182	30,8%	578 190	30,5%	605 365	29,9%
Service charges - Waste Water Management	2	79 823	5,1%	85 615	4,8%	89 877	4,7%	94 581	4,7%
Service charges - Waste Management	2	44 197	2,8%	43 671	2,4%	45 903	2,4%	74 266	3,7%
Sale of Goods and Rendering of Services		9 383	0,6%	23 882	1,3%	25 052	1,3%	26 255	1,3%
Interest earned from Receivables		43 400	2,8%	45 600	2,5%	47 840	2,5%	50 093	2,5%
Interest earned from Current and Non Current Assets		4 800	0,3%	5 054	0,3%	5 302	0,3%	5 551	0,3%
Dividends		100	0,0%	100	0,0%	105	0,0%	110	0,0%
Rental from Fixed Assets		6 571	0,4%	6 919	0,4%	7 258	0,4%	7 573	0,4%
Operational Revenue		380	0,0%	290	0,0%	304	0,0%	319	0,0%
Non-Exchange Revenue									
Property rates	2	194 330	12,5%	234 276	13,1%	245 756	13,0%	257 307	12,7%
Fines, penalties and forfeits		4 080	0,3%	4 296	0,2%	4 507	0,2%	4 719	0,2%
Licences or permits		105	0,0%	111	0,0%	116	0,0%	122	0,0%
Transfer and subsidies - Operational		254 009	16,3%	283 025	15,8%	312 188	16,5%	342 496	16,9%
Interest		9 000	0,6%	9 841	0,5%	10 323	0,5%	10 808	0,5%
Operational Revenue		3 860	0,2%	2 519	0,1%	2 642	0,1%	2 766	0,1%
Discontinued Operations									
Total Revenue (excluding capital transfers and contributions)		1 560 778		1 789 824		1 892 985		2 024 281	

Revenue generated from rates and services charges forms a significant percentage of the revenue basket for the Municipality. Rates and service charge revenues comprise nearly three quarters of the total revenue mix. In the 2023/24 financial year, revenue from rates and services charges totalled R1,408 billion or 78.68% of the total operating revenue.

The rates and services charges for the outer two year increases to R1,477 billion and 1,573 billion respectively for the MTREF, this translates to the percentage revenue contribution of 78.04% in 2024/25 and 77.73% in 2025/26.

Operating grants and transfers totals R283 million in the 2023/24 financial year and the percentage contribution to the overall operating revenue is 16%. The operating grants for the two outer years increase by R29 million and R30 million respectively, and the percentage contribution to the overall operating revenue remain insignificant 17%.

The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:

Table 4: Operating Transfers and Grant Receipts

Description R thousand	Ref	2023/24 Medium Term Revenue & Expenditure Framework			Condition of use
		Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	
RECEIPTS:	1, 2				
<u>Operating Transfers and Grants</u>					
National Government:		282 525	311 688	341 996	
Local Government Equitable Share		276 178	306 175	336 224	Administrative support and Free Basic Services
Expanded Public Works Programme Integrated Grant		950	–	–	Salaries / Stipend for EPWP Workers
Local Government Financial Management Grant		2 750	2 750	2 888	NT MFMA Reforms (mSCOA, GRAP, Interns, Compliance)
Municipal Infrastructure Grant		2 647	2 763	2 884	Project Management Unit remuneration cost and tools of trade
Other grant providers:		500	500	500	
<i>Local Government Water and Related Service SETA</i>		500	500	500	Training / stipend for learners
Total Operating Transfers and Grants	5	283 025	312 188	342 496	

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

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Municipalities must justify in their budget documentation all increases in excess of the 3 to 6 per cent upper limit of the South African Reserve Bank's inflation target. Excessive increases are likely to be counterproductive, resulting in higher levels of non-payment.

The percentage increases of both **Eskom (18.7%)**, Rand Water bulk tariffs (7.3%) and SASOL sewer treatment are above the mentioned inflation target. Given that these tariff increases are determined by external agencies, the impact they have on the municipality's expenditure and these tariffs are largely outside the control of the Municipality. Discounting the impact of these price increases in lower consumer tariffs will erode the Municipality's future financial position and viability.

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilised for the calculation of the CPI consist of items such as food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity and water, petrol, diesel, chemicals, etc.

The current challenge facing the Municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions. Within this framework the Municipality has undertaken the tariff setting process relating to service charges as follows.

1.4.1. Property Rates

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

National Treasury's MFMA Circular No. 51 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009. The Property Rates Policy of the Municipality is in keeping with the Circular 51. Tariffs must be in line with Government Gazette no 32061, Regulations on the Property Rates Act, 2004.

A new valuation roll was implemented from 1 July 2019.

The following stipulations in the Property Rates Policy are highlighted:

- The first R15 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17(h) of the MPRA). In addition to this rebate, a further **R50 000** reduction on the market value of a property will be granted in terms of the Municipality's own Property Rates Policy;
- Maximum of R50 subsidy is granted to registered indigents in terms of the Indigent Policy and free basic service as per Council resolution;
- For pensioners, physically and mentally disabled persons, *a maximum/total rebate of 30 per cent will be granted to owners of rate-able property if the total gross income does not exceed **R9 000** per month of the applicant and/or his/her spouse, if any.* In this regard the following stipulations are relevant:
 - The rate-able property concerned must be occupied only by the applicant and his/her spouse, if any, and by dependants without income;
 - The applicant must submit proof of his/her age and identity and, in the case of a physically or mentally handicapped person, proof of certification by a Medical Officer of Health, also proof of the annual income from a social pension;

- The applicant's account must be paid in full, or if not, an arrangement to pay the debt should be in place; and
 - The property must be categorized as residential.
- The Municipality may award up to 100 percent grant-in-aid on the assessment rates of rate-able properties of certain classes such as registered welfare organizations, institutions or organizations performing charitable work, sports grounds used for purposes of amateur sport. The owner of such a property must apply to the Chief Financial Officer in the prescribed format for such a grant.

The categories of rate-able properties for purposes of levying rates and the proposed rates form the 2023/24 financial year as per valuation roll and categories, based on an increase between 5,3% increase for the other categories from 1 July 2023 is contained in table 5:

Table 5 Comparison of proposed rates to levy for the 2023/2024 financial year

	Approved 2022/23 MTREF	Proposed 2023/24 MTREF
Industries	0,030524	0,032142
Businesses	0,020083	0,021147
Residential	0,010175	0,010714
Agricultural	0,002508	0,002641

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

The rebate allocated to approve indigents for Assessment Rates is a *maximum* of R50.00 per month. For budget purposes the assumption was made that there will be **13 000** approved indigents registered by the end of the 2023/2024 financial year.

1.4.2. Sale of Water and Impact of Tariff Increases

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

- Water tariffs must be fully cost-reflective – including the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;

- The detailed analysis of the cost of supplying water should be embarked upon in the 2023/24 financial year.
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and
- Water tariffs are designed to encourage efficient and sustainable consumption.

In addition, National Treasury has urged all municipalities to ensure that water tariff structures are cost reflective.

Better maintenance of infrastructure, new reservoir construction and cost-reflective tariffs will ensure that the supply challenges are managed in future to ensure sustainability.

Rand Water has undertaken a critical assessment of its capital infrastructure requirements which **has led to Rand Water's increase of 7.3%, effective from 1 July 2023**. The assessment indicates that Rand Water's current infrastructure is unlikely to sustain its long-term ability to supply water and they had no other choice but to enter capital markets to raise funding for infrastructure upgrades, hence the significant increase in the bulk cost of water.

An inclining block tariff from 1 July 2014 for water was implemented. The effect thereof is that the higher the consumption, the higher the cost per kilolitre. The aim is to subsidise the lower consumption users (mostly the poor).

Water tariff at housing complexes is a challenge. An example of 10 households per complex, the consumption will be recalculated to 1 (consumption divided by 10). Consumption is then charged according to the tariff of the inclining blocks.

The consumption tariff increase for water is set at 5.3% for both inclining block water tariff and flat rate water tariff. Although the input cost from Rand Water is 7.3%, but, the cost of other inputs increasing and a surplus generated on the water service, together with the need to save water, were considered in the tariff setting process.

Municipality over the years has failed to maintain its infrastructure which has led to dysfunctional of the affected sections.

An availability charge for water service charge of R28,16 per month is levied to each household. In addition, 6 kℓ water for 30-days period (72 kℓ free basic water per annum) will only be granted to approved / registered indigents. The availability charge for water to approved indigent households will fully be subsidised.

A summary of the proposed tariffs for households (residential) and non-residential are as follows:

Table 6 Proposed Water Tariffs (excluding VAT)

Availability Charges	Approved 2022/23 MTREF	Proposed 2023/24 MTREF
	R	R
Churches	44,35	46,70
Businesses	175,54	184,84
Light Industries	227,47	239,53
Heavy Industries		
Up to 20 000 kl	295,27	310,92
Up to 40 000 kl	1 483,56	1 562,19
Above 40 000 kl	3 705,00	3 901,37
Residential		
Vacant stands	87,70	92,35
All other residential stands	26,74	28,16
Oranjeville		
Co-operatives	1 765,15	1 858,70

Water consumption tariff (VAT exclusive)

	Approved 2022/23 MTREF	Proposed 2023/24 MTREF
	Rand / Kl	Rand / Kl
Domestic		
>0 up to and including 6 kl	9,93	10,46
>6 up to and including 12 kl	23,05	24,27
>12 up to and including 20 kl	26,61	28,02
>20 up to and including 30 kl	37,65	39,65
>30 up to and including 45 kl	46,34	48,80
>45 kl	52,67	55,46
Schools	31,87	33,56
State property (excl. residential properties)	31,87	33,56
Businesses	31,87	33,56
Light Industries	33,91	35,71
Heavy Industries	34,50	36,33

NB: Guest houses are operated as businesses and are levied as businesses.

1.4.3. Sale of Electricity and Impact of Tariff Increases

NERSA has announced the revised bulk electricity pricing structure for Eskom, **18,7% increase in the Eskom bulk electricity tariff to municipalities used from 1 July 2023.**

NERSA has not issued guideline for municipal tariff indicative adjustment as such an estimate increase of 15% based on Eskom marginal increase is used from budgeting purpose.

Furthermore, it should be noted that the input costs are increasing at a higher rate than the rate of increases passed on to consumers, this is due to cable theft, substation vandalism, high maintenance cost etc. The declining margins will impact negatively on the budget of the municipality.

Free basic electricity is only given to registered indigents. Availability charges for electricity have also been introduced to all households from 1 July 2016. Approved indigent households are fully subsidised.

Approval must be obtained by the Director Technical Services (Electricity department) from NERSA for the increase of 15% in tariff as projected.

The service reflects a **surplus of R89 million**, without taking into account the indirect cost such as administration cost, repairs and maintenance cost, other overheads cost.

Table 7 Proposed Electricity Tariffs

Availability charges for Electricity (VAT exclusive)

BASIC CHARGES	Approved 2022/23 MTREF	Proposed 2023/24 MTREF
Schools, Churches, Halls	R280,94	R323,08
Businesses, Offices, Hotels, clubs	R276,41	R317,87
Single phase	R276,41	R317,87
Three phase	R248,00	R285,20
Four meters	R527,22	R606,30
Bulk Supply >50Kva	R562,41	R646,77
Bulk Supply >11kW	R544,89	R626,62
Residential		
Vacant stands	R142,91	R164,35
Domestic only consumers conventional meters	R83,76	R96,32
Domestic only consumers that have prepaid meters	R31,61	R36,35

Consumption charges for Electricity (VAT exclusive)

Tariff (VAT exclusive)	kWh	Approved 2022/23 MTREF	Proposed 2023/24 MTREF
Domestic Off peak (September to May)	>0 up to and including 50 >50 up to and including 350 > 350 up to and including 600 >600	R1.3087/kWh R1.7030/kWh R2.3960/kWh R2.7645/kWh	R1,5050/kWh R1,9585/kWh R2,7554/kWh R3,1792/kWh
Domestic Peak (June, July, August)	>0 up to and including 50 >50 up to and including 350 > 350 up to and including 600 >600	R1.3739/kWh R1.8731/kWh R2.8202/kWh R3.1790/kWh	R1,5780/kWh R2,1541/kWh R3,2432/kWh R3,6559/kWh
Schools and churches Business–Single Phase Three Phase Four Phase Bulk >50kVA Bulk > 11kVA Demand > 50 KVA Demand> 11 kVA Street lightning		R2.6287/kWh R2.6099/kWh R2.3206/kWh R2.6347/kWh R1.3910/kWh R1.3910/kWh R251.77/kVA R243.46/kVA R2.5435/kWh	R3,0230/kWh R3,0014/kWh R2,6687/kWh R3,0299/kWh R1,5997/kWh R1,5997/kWh R289,54/kVA R279,98/kVA R2,9250/kWh
Subject to NERSA approval			

The following table shows the impact of the proposed increases in electricity tariffs on the charges for domestic customers:

Table 8 Comparison between current electricity charges and increases (Domestic)

Monthly Consumption	Current Amount Payable	Proposed Amount Payable			
kWh	R	R	Increase R	% Change	Peak / Off Peak
100	150,59	173,18	22,59	15	Off Peak
	162,35	186,70	24,35	15	Peak
500	935,74	1 076,10	140,36	15	Off Peak
	1 053,66	1 211,71	158,05	15	Peak
1000	2 281,14	2 623,31	342,17	15	Off Peak
	2 607,28	2 998,37	391,09	15	Peak

An inclining block tariff structure was implemented from 1 July 2011. This was implemented and the effect thereof will be that the higher the consumption, the higher the cost per kWh. The aim is to subsidise the lower consumption users (mostly the poor).

The Municipality furthermore implemented of a “Peak” and “Off-peak” tariff as the Municipality is subjected to this type of tariff by Eskom during the period between June, July and Aug.

The Main Substation for the supply of electricity for the Sasolburg area must be addressed as a matter of urgency and is expected that the upgrading should be done in the near future due to load growth. This investigation is long overdue and must be done not later than 2024 in order to make provision for the necessary funding.

It is also a recommendation by NERSA that a certain percentage of the revenue collected from the sale of electricity be utilized for the maintenance of the electrical network to ensure that it is maintained to the correct standard.

1.4.4. Sanitation and Impact of Tariff Increases

A tariff increase for sanitation is still unknown from Sasol (PTY) LTD. Sasol Chemical Industries operate the purification plant and the charges are based on the water influx.

A detailed analysis of the cost of sanitation must be done.

A tariff increase of 5.3% for households. Tariffs for **light industries and business** change to R8.29 and based on 75% of water consumption. Tariff of heavy industries changed in 2021/2022 to R8.29 and based on 75% of water consumption. *The percentage variation is informed by the current non-compliance of influent discharged by industries to the network resulting in critical damages of infrastructure.* The tariff of R8.29 stay unchanged.

The availability charges of sewer for approved indigent residents (households) will be fully subsidised by Council. An amount of R2.9 million is allocated from Equitable Share for this purpose. A further amount of R14.2 million is allocated from Equitable Share for additional sewer to all approved indigents.

Table 9 Proposed Sanitation Tariffs

Tariffs (VAT exclusive)

	Approved 2022/23 MTREF	Proposed 2023/24 MTREF
Domestic - Basic based on Stand size		Increase 5,3%
Residential vacant stand	18,58	19,56
Sasolburg		
Basic charges		
Heavy Industries	Actual cost by	Actual cost by
Businesses	SCI plus 40%	SCI plus 40%

Additional		
Residential sewer	150,90	158,90
Business sewer	R8,29/kl as per 75% of water usage	R8,73/kl as per 75% of water usage
Flats	11,27	11,87
2 nd Dwelling	150,90	158,90
Industries sewer	R8,29/kl as per 75% of water usage	R8,73/kl as per 75% of water usage
Day schools and Crèches	51,69	54,43
Flats sewer	150,90	158,90
Add units flats	88,81	93,52
Suction tank per service	677,21	13,10
Oranjeville Business	153,10	161,21
Metsimaholo Businesses	153,10	161,21
<i>Additional sewer</i>		
Water borne sewer Oranjeville/Metsimaholo	104,10	109,62
Basic sewer		
Refengkgotso/Phomolong:		
Businesses	153,10	161,21
Water borne sewer	104,10	109,62
Refengkgotso/Phomolong		
Bucket services system	45,64	48,06
Rural areas: Suction Tank Services		
Areas that are not included in the disestablished towns (No Rates Payable)	Rand per service	
Normal working hours	2 505,48	2 638,27
After hours	5 010,98	5 276,56
Areas with discounted rates:		
Normal working hours	2 505,48	2 638,27
After hours	5 010,98	5 276,56

NB: Guest houses are levied at the same rates as business.

The total revenue expected to be generated from rendering this service amounts to R92 million for the 2023/24 financial year.

1.4.5. Waste Removal and Impact of Tariff Increases

An increase of 5.3 per cent on households and 5.3 per cent on businesses in the waste removal tariff is proposed from 1 July 2023.

In order to economise the service the same tariff is charged where there is a service once a week. All residents in all areas receive a service once a week. Therefore the tariff must be uniform.

The waste tariff for business and light industries should increase by more than 5.3%. Refuse is removed 5 days a week or 20 days a month (light industries) and 6 days a week or 24 days a month (business) per week.

The following table compares current and proposed tariffs payable from 1 July 2023:

Table10 Proposed Waste

Removal Tariffs (VAT exclusive)

	Approved 2022/23 MTREF	Proposed 2023/24 MTREF
Dwellings/Single flats	151,65	159,69
Joint flats (one service point)	151,65	159,69
Private Hostels	151,65	159,69
Businesses per point	312,86	329,44
Schools per point	312,86	329,44
Churches	151,65	159,69
Dumping ground: All tariffs for dumping is per cubic meter or part of cubic meter		
Industries and Contractors and	192,80	203,02
Garden Services	192,80	203,02
Approved indigents	FREE	FREE

NB: Guest houses are levied at the same rates as business.

1.4.6. Overall impact of tariff increases on households

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

Note that in all instances the overall impact of the tariff increases on household's bills has been kept to between 6 and 4 per cent, with the increase for indigent households to 6.1 per cent.

Table 11

FS204 Metsimaholo - Supporting Table SA14 Household bills

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24 % incr.	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Rand/cent											
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates		496,68	627,14	559,93	580,82	580,82	580,82	5,3%	611,60	640,35	671,73
Electricity: Basic levy		24,16	24,23	29,41	31,61	31,61	31,61	15,0%	36,35	38,06	39,92
Electricity: Consumption		1 734,84	1 726,75	2 122,56	2 281,14	2 281,14	2 281,14	15,0%	2 623,31	2 746,61	2 881,19
Water: Basic levy		23,55	24,92	25,69	26,74	26,74	26,74	5,3%	28,16	29,48	30,93
Water: Consumption		690,38	727,56	756,26	787,26	787,26	787,26	5,3%	828,98	867,95	910,48
Sanitation		122,89	129,52	162,83	169,51	169,51	169,51	5,3%	178,49	186,88	196,04
Refuse removal		132,15	139,28	145,68	151,65	151,65	151,65	5,3%	159,69	167,19	175,39
Other											
sub-total		3 224,65	3 399,40	3 802,36	4 028,73	4 028,73	4 028,73	10,9%	4 466,59	4 676,52	4 905,67
VAT on Services		409,20	415,84	486,36	517,19	517,19	517,19	–	578,25	605,43	635,09
Total large household bill:		3 633,85	3 815,24	4 288,72	4 545,92	4 545,92	4 545,92	11,0%	5 044,84	5 281,94	5 540,76
% increase/-decrease			5,0%	12,4%	6,0%	–	–		11,0%	4,7%	4,9%

FS204 Metsimaholo - Supporting Table SA14 Household bills

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24 % incr.	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Rand/cent											
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates		351,67	453,84	399,95	411,24	411,24	411,24	5,3%	433,04	453,39	475,60
Electricity: Basic levy		24,16	24,23	29,41	31,61	31,61	31,61	15,0%	36,35	38,06	39,92
Electricity: Consumption		715,35	714,25	870,69	935,74	935,74	935,74	15,0%	1 076,10	1 126,68	1 181,88
Water: Basic levy		23,55	24,92	25,69	26,74	26,74	26,74	5,3%	28,16	29,48	30,93
Water: Consumption		526,33	556,94	575,41	599,01	599,01	599,01	5,3%	630,76	660,40	692,76
Sanitation		122,89	129,52	162,83	169,51	169,51	169,51	5,3%	178,49	186,88	196,04
Refuse removal		132,15	139,28	145,68	151,65	151,65	151,65	5,3%	159,69	167,19	175,39
Other											
sub-total		1 896,10	2 042,98	2 209,66	2 325,50	2 325,50	2 325,50	9,3%	2 542,58	2 662,09	2 792,53
VAT on Services		231,66	238,37	271,46	287,14	287,14	287,14	–	316,43	331,30	347,54
Total small household bill:		2 127,76	2 281,35	2 481,12	2 612,64	2 612,64	2 612,64	9,4%	2 859,02	2 993,39	3 140,07
% increase/-decrease			7,2%	8,8%	5,3%	–	–		9,4%	4,7%	4,9%
				0,21	- 0,39	- 1,00	-				

Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates		–	–	–	–	–	–	–	–	–	–
Electricity: Basic levy		390,57	391,61	475,38	510,90	510,90	510,90	15,0%	587,54	615,15	645,29
Electricity: Consumption											
Water: Basic levy		307,26	325,07	337,32	351,18	351,18	351,18	5,3%	369,79	387,17	406,14
Water: Consumption											
Sanitation											
Refuse removal											
Other											
sub-total		697,83	716,68	812,70	862,08	862,08	862,08	11,0%	957,33	1 002,32	1 051,44
VAT on Services		104,67	107,50	121,91	129,31	129,31	129,31	–	143,60	150,35	157,72
Total small household bill:		802,50	824,18	934,61	991,39	991,39	991,39	(100,0%)	1 100,93	1 152,67	1 209,15
% increase/-decrease			2,7%	13,4%	6,1%	–	–		11,0%	4,7%	4,9%

References

1. Use as basis property value of R700 000, 1 000 kWh electricity and 30kl water
2. Use as basis property value of R500 000 and R700 000, 500 kWh electricity and 25kl water
3. Use as basis property value of R 300 000, 350kWh electricity and 20kl water (50 kWh electricity and 6 kl water free)
4. Note this is for a SINGLE household.

1.4.7. Sundry Tariffs**Table12 Proposed Sundry Tariffs**

That the following miscellaneous tariffs are proposed for increase equal to CPIX forecast of 5.3% (VAT exclusive) with exception to fines and penalties for bridged meters, the tariff will be implemented from 1 July 2023

Financial Services	Approved 2022/23 MTREF	Proposed 2023/24 MTREF
New Consumers who move into municipal area		
Connection fee per meter:		
- Water	239,00	251,67
- Electricity	239,00	251,67
Delivery of warning notices	274,00	288,52
Non-payment fees for defaulters		
- Normal reconnection fee	506,00	532,82
- After hours' reconnection fee (additional)	376,00	395,93
- Reduce water supply	506,00	532,82
- Cut electric cable	609,00	641,28
- Remove electric cable	1 012,00	1 065,64

- Replace electric cable	1 012,00	1 065,64
- Final Notice Fee	145,00	152,69
- Dishonoured Cheques R/D (admin / bank fee)	449,00	472,80
- Dishonoured Credit cards (payment return by bank) ex. easy pay	449,00	472,80
Illegal Connection (Bypass/tampering of meters)		
Household (Water or Electricity) - First Offence	31 849,00	7 962,25
Household (Water or Electricity) - Second Offence		15 924,50
Household (Water or Electricity) - Third Offence		23 886,75
Household Illegal connection after disconnection (switch on of meter)		3 500,00
Business	40 586,00	42 737,06
Business Illegal connection after disconnection (switch on of meter)	6 509,00	6 853,98
Loss of units calculated for up to 1 year average plus tampering penalty	Number of units x tariff applicable	
Clearances and Valuation Clearance certificates		
Normal collection	304,00	320,11
Registered mail	348,00	366,44
Valuation Roll per Town (Residential Area) or part thereof	799,00	841,35
Valuation Roll electronic format	362,00	381,19
Valuation Objection Fee (only for review and appeal)	643,00	677,08
Valuation Certificate	232,00	244,30
Address list per 500 pages or part thereof	799,00	841,35
Search Fees	103,00	108,46
Other Fees		
Testing of electricity meters	724,00	762,37
Replacement of padlock	506,00	532,82
Duplicate Accounts	18,00	18,95
Duplicate tenant's Accounts sent to owners	37,00	38,96
Duplicate IRP 5	40,00	42,12
Fee for block/unblock of Prepaid electricity meters	174,00	183,22
Replacement of prepaid card	91,00	95,82
Reprint of payslip		

Original payslip	12,00	12,64
Normal paper	5,00	5,27
Selling of wood (= LDV load)	159,00	167,43
Cutting of trees (per tree)	1 060,00	1 116,18
Threshold for indigent	2 x state old age pension plus R1500	2 x state old age pension plus R1500
Parking for Officials		
Single Parking in basement of Civic Centre	70,00	70,00
Share Parking in basement of Civic Centre	55,00	55,00
Shelter Parking in outside parking area	45,00	45,00
<u>Deposits</u>		
Flats/Town houses		
Owners (without pre-paid meters)	3 700,00	3 700,00
Owners (with pre-paid meter)	1 850,00	1 850,00
Where body corporate pay other services	-	
Houses		
with pre-paid meters	2 650,00	2 650,00
without pre-paid meters	5 300,00	5 300,00
Minimum Deposit charged when applying for clearance figures	5 300,00	5 300,00
Businesses		
With pre-paid meters	5 300,00	5 300,00
Without pre-paid meters	10 600,00	10 600,00
based on twice monthly consumption		
based on the type of business		
Light Industries	Twice monthly consumption	Twice monthly consumption
based on twice the monthly consumption based on the type of business		
Heavy Industries	Twice monthly consumption	Twice monthly consumption
Government	Same as businesses	Same as businesses

Water, Electricity and Sewer connection tariffs increases

Connections to be done	Approved 2022/23 MTREF	Proposed 2023/24 MTREF
SEWER		
100mm diameter -3m length	6 285,73	6 618,87
All other longer than 100mm diameter or longer than 3m	To be calculated	To be calculated
Water		
15mm - 3m max	2 898,00	3 051,59
20mm - 3m max	3 406,00	3 586,52
80/20 COMBO meter	Cost plus 10 %	Cost plus 10 %
50/20 COMBO meter	Cost plus 10 %	Cost plus 10 %
40 mm	Cost plus 10 %	Cost plus 10 %
longer than 3m and domestic meters	Cost plus 10%	Cost plus 10%
longer than 3m and larger meters	Cost plus 10%	Cost plus 10%
Closing of network valves for water connections done by contractor at request of owner or when Council cannot execute work due to strikes or unavailability of meters	400,00	421,20
Water and Sewer - general		
Water and Sewer road crossings (gravel)	7 402,00	7 794,31
Water and Sewer road crossings	14 802,00	15 586,51
Relocating Water meters(labour only)	1 479,00	1 557,39
Stolen Water meter	Cost of Meter plus 20%	Cost of Meter plus 20%
Testing of water meters		
20mm to 50 mm size meters	Cost price plus 10%	Cost price plus 10%
All other to be calculated	Cost of plus 20%	Cost of plus 20%
New single phase connection	7 486,06	7 882,82
Upgrading from 60 – 80 ampere	7 014,83	7 386,62
New three phase connection up to design load	8 084,63	8 513,12
New three phase connection larger than design load	Estimated cost plus network strengthening cost plus R1,144.55 / kVA	Estimated cost plus network strengthening cost plus R1,205.16 / kVA
Single phase prepaid meter	Cost plus 20%	Cost plus 20%
Three phase prepaid meter	Cost plus 20%	Cost plus 20%

Moving of kWh meter from house to stand boundary	Cost plus 20%	Cost plus 20%
Moving of connection	R2,518 (subject to change due to distance of the area)	R2,651.45 (subject to change due to distance of the area)
New ready board and keypad	2 761,20	2 907,54
Replacement of cable	Cost price plus 20% per meter	Cost price plus 20% per meter
Repair of cable (damaged by owner)	Cost price plus 20% per meter	Cost price plus 20% per meter
Temporary connection if service is available: Single Phase (max 60 amp)	Cost price plus 20% per meter	Cost price plus 20% per meter
Three phase (town houses)	Cost price plus 20% per meter	Cost price plus 20% per meter
Testing of kWh meter	682,73	718,91
Testing of prepaid meter	452,58	476,57
Damaged keypad prepaid meter	Cost plus 20%	Cost plus 20%
Damaged single phase prepaid meter	Cost plus 20%	Cost plus 20%
Damaged three phase prepaid meter	Cost plus 20%	Cost plus 20%
Damage relay	Cost plus 20%	Cost plus 20%
Cost of prepaid meter and relay for town houses	Cost plus 20%	Cost plus 20%
Cost for second electrical installation test (1 st free)	452,58	476,57
Replacement of broken or stolen ripple relay	Cost of relay and labour	Cost of relay and labour
Ripple relay	1 054,22	1 110,09
Ripple relay (damaged)	1 515,94	1 596,28
Network strengthening	1 126,67	1 186,38

Capital Contributions (once off payment)

Water	Approved 2022/23 MTREF	Proposed 2023/24 MTREF
Per kilolitre day usage-supply	8 093,00	8 521,93
Residential per added building or unit		
Low density	15 441,00	16 259,37
Middle density	11 561,00	12 173,73
High density	4 853,00	5 110,21

Guest houses and hotels: per room(existing developments consider in calculation)(normal household norm 1kl/day)	0,3 kl per room per day x kilolitre rate	0,3 kl per room per day x kilolitre rate
Sewer		
Per kiloliter day usage- effluent	8 672,00	9 131,62
Residential per added building or unit		
Low density	10 402,00	10 953,31
Middle density	8 672,00	9 131,62
High density	4 337,00	4 566,86
Unblocking of sewer		
Normal unblocking in the yard		
Unblocking with tree roots and foreign substances	Labour plus material cost on site	Labour plus material cost on site
Unblocking with repairs to the in yard pipes		
Guest houses and hotels: treatment of sewer effluent. (normal household runoff norm 0.8kl/day)	0,25 kl per room per day x kilolitre rate	0,25 kl per room per day x kilolitre rate

Printing price list - Technical Services

	Approved 2022/23 MTREF	Proposed 2023/24 MTREF
PAPER		
A0	47,30	49,81
A1	24,11	25,39
A2	15,77	16,61
A3	4,64	4,89
A4	2,80	2,95

Social Services

D P de Villiers Stadium	Approved 2022/23 MTREF	Proposed 2023/24 MTREF
Rental of halls		
Stadium Hall		
Resident : meetings	R325,00 per hour	R342,00 per hour
Non-Resident : meetings	R683,00 per hour	R719,00 per hour
Functions	924,00	972,97
Churches and schools	half price	half price
Deposit	800,00	842,40
Club complex Hall		
Resident : meetings	R 126,00/ hour	R 133,00 / hour
Non-Resident : meetings	R242,00/hour	R 254,00 /hour

Functions	504,00	530,71
Churches and schools	50% of R504,00	50% of R531
Deposit	840,00	884,52
Athletics		
Schools sport meeting		
Morning session 07:00 - 13:00	1 533,00	1 614,25
Afternoon session 13:00 - 19:00	1 533,00	1 614,25
Lights to switch on first 2 hours	683,00	719,20
Then per half hour	195,00	205,34
Deposit	3 896,00	4 102,49
Non Residents (Invitational/Zones)		
Morning session 07:00 - 13:00	4 284,00	4 511,05
Afternoon session 13:00 - 19:00	4 284,00	4 511,05
Lights to switch on first 2 hours	683,00	719,20
Then per half hour	200,00	210,60
Deposit	3 896,00	4 102,49
Provincial Meetings		
Morning session 07:00 - 13:00	5 628,00	5 926,28
Afternoon session 13:00 - 19:00	5 628,00	5 926,28
Lights to switch on first 2 hours	683,00	719,20
Then per half hour	200,00	210,60
Deposit	3 570,00	3 759,21
Schools in Gauteng		
Morning session 07:00 - 13:00	5 628,00	5 926,28
Afternoon session 13:00 - 19:00	5 628,00	5 926,28
Lights to switch on first 2 hours	683,00	719,20
Then per half hour	200,00	210,60
Deposit	3 570,00	3 759,21
Provincial Meetings		
Morning session 07:00 - 13:00	3 570,00	3 759,21
Afternoon session 13:00 - 19:00	3 570,00	3 759,21
Lights to switch on first 2 hours	756,00	796,07
Then per half hour	210,00	221,13
National Meetings		
Morning session 07:00 - 13:00	7 025,00	7 397,33
Afternoon session 13:00 - 19:00	7 025,00	7 397,33
Lights to switch on first 2 hours	525,00	552,83
Then per half hour	189,00	199,02
Deposit	3 885,00	4 090,91
Rental of Electronic Timing Equipment		
Electronic Timing Equipment per session	1 544,00	1 625,83

Training sessions		
Pre-determined practice periods		
Training at the stadium will only be allowed after payment of R280, 00 per annum as well as purchase of proxy card at R50, 00 per athlete training. Cards will only be sold to contributing schools/clubs/instances.		
Purchase card at R50.00 for student and other person.		
Pre –determined practice periods		
Trainer (5 and less athletes)	R420 p/a	442 p/a
Trainer (6 to 20 athletes)	R840 p/a	885 p/a
Trainer (21 and more athletes)	R1 407 p/a	1,482 p/a
School Rugby, School league all rugby fields as available.		
Resident per session/season	462,00	486,49
Non-resident per session/season	683,00	719,20
Provincial Games	R2 283,00 per day	2,404 per day
Lights to switch on first 2 hours	683,00	719,20
Then per half hour	200,00	210,60
Deposit	2 804,00	2 952,61
National and International Games	4 977,00	5 240,78
Soccer meetings (outside stadium)		
Resident per session/season	4 977,00	5 240,78
Non-resident per session/season	735,00	773,96
Soccer meetings (inside stadium)		
Morning session 07:00 - 13:00	1 239,00	1 304,67
Afternoon session 13:00 - 19:00	1 239,00	1 304,67
Lights to switch on first 2 hours	683,00	719,20
Then per half hour	200,00	210,60
Cross Country		
A Field	861,00	906,63
Outside Field	462,00	486,49
Stadium Hall	1 250,00	1 316,25
Rental of stadium for Church service	R2 804 p/d	2,953 p/d
Deposit	3 455,00	3 638,12
Rental of stadium for non-sports related events	R14 0814,00p/d	
Deposit	6 699,00	7 054,05

Dog show		
Resident per session	494,00	520,18
Non-resident per session	725,00	763,43
Deposit	8 033,00	8 458,75
Sasolburg show ground Cricket pitch (High Performance)		
Sports facilities		
Penny Heyns :		
Adults: Season tickets	276,00	290,63
: Day tickets	37,95	39,96
Children : Season tickets	138,00	145,31
: Day tickets	25,30	26,64
School Galas		
Morning session 07:00 - 13:00	276,00	290,63
Afternoon session 13:00 - 19:00	37,95	39,96
Lights to switch on first 2 hours	138,00	145,31
Then per half hour	25,30	26,64
Clubs/ Social clubs		
Occasion	R1 863,00 without touch pad	R1 962,00 without touch pad
Training sessions		
Pre-determined practice periods	Training at the swimming pool will only be allowed after payment of R621,00 per annum as well as	Training at the swimming pool will only be allowed after payment of R621,00 per annum as well as
Clubs	purchase of seasonal tickets per swimmers training	purchase of seasonal tickets per swimmers training
Zamdela Swimming Pool		
Adults : Season tickets	147,00	154,79
: Day tickets	23,00	24,22
Children : Season tickets	95,00	100,04
: Day tickets	18,00	18,95
School Galas		
Morning session 07:00 - 13:00	576,00	606,53
Afternoon session 13:00 - 19:00	576,00	606,53
Lights to switch on first 2 hours	452,00	475,96
Then per half hour	189,00	199,02
Clubs/ Social clubs		

Occasion	R1 390,00 without touch pad	R1 464,00 without touch pad
Clubs/ Social clubs for Courts (soccer, Basketball, Netball and Volleyball)		
Morning session 07:00 - 13:00		
Afternoon session 13: - 19:00	641,00	674,97
Lights to switch on first 2 hours	641,00	674,97
Then per half hour	452,00	475,96
	189,00	199,02
Training sessions		
	Training at the swimming pool will only be allowed after payment of R504,00per annum as well as purchase of seasonal tickets per participants	Training at the swimming pool will only be allowed after payment of R531,00per annum as well as purchase of seasonal tickets per participants
Pre-determined practice periods		
Cemeteries		
Zamdela : Adult : Resident	588,00	619,16
:Non resident	2 205,00	2 321,87
Children : Resident	462,00	486,49
: Non resident	1 859,00	1 957,53
Deneysville/Refengkgotso / Metsimaholo :		
: Adults : Resident	525,00	552,83
: Non Resident	2 153,00	2 267,11
: Children :Resident	399,00	420,15
:Non-Resident	1 638,00	1 724,81
Sasolburg:		
: Adults : Resident	1 544,00	1 625,83
: Non Resident	5 985,00	6 302,21
: Children :Resident	1 071,00	1 127,76
:Non- Resident	3 707,00	3 903,47
Oranjeville:		
: Adults : Resident	525,00	552,83
: Non Resident	2 055,00	2 163,92
: Children :Resident	399,00	420,15
:Non -Resident	1 638,00	1 724,81
Indigents Approved as per Metsimaholo Local Municipality policy	Free	Free

Urns in Walls of Remembrance		
Residents	576,00	606,53
Non Residents	5 709,00	6 011,58
Placing of urn in existing grave:		
Residents	252,00	265,36
Non Residents	462,00	486,49
Stack Burials:		
Two coffins in one grave		
Residents	One and half price (1.5)	One and half price (1.5)
	One and half price (1.5)	One and half price (1.5)
Oversize Grave	Extra R71	Extra R75
Halls		
Zamdela/Refengkgotso/		
Metsimaholo		
Church Service and meetings		
Morning session 07:00 - 13:00	662,00	697,09
Afternoon session 13:00 - 19:00	662,00	697,09
Extra hour	242,00	254,83
Kitchen use	242,00	254,83
Music/Jazz and others		
Morning session 07:00 - 13:00	1 239,00	1 304,67
Afternoon session 13:00 - 19:00	1 239,00	1 304,67
Extra hour	336,00	353,81
Kitchen use	336,00	353,81
Training and Practice	R273,00 p/m	
Seasonal meetings	1 323,00	1 393,12
Funeral service and memorial service		
Morning session 07:00 - 13:00	567,00	597,05
Afternoon session 13:00 - 19:00	567,00	597,05
Extra hour	262,00	275,89
Kitchen use	273,00	287,47
Political meetings		
Morning session 07:00 - 13:00	336,00	353,81
Afternoon session 13:00 - 19:00	336,00	353,81
Extra hour	116,00	122,15
Kitchen use	116,00	122,15
Season 2 meetings per month	683,00	719,20
Government structures		
Morning session 07:00 - 13:00	378,00	398,03
Afternoon session 13:00 - 19:00	378,00	398,03

Extra hour	105,00	110,57
Kitchen use	105,00	110,57
Welfare	704,00	
Deposit		
Music/Jazz and others	2 709,00	2 852,58
All other	525,00	552,83

Moses Kotane Stadium - when applicable	Approved	Proposed
Rental of halls	2022/23	2023/24
Stadium Hall	MTREF	MTREF
Resident: meetings	340,00	358,02
Non-Resident: meetings	680,00	716,04
Functions	510,00	537,03
Churches and Schools	Half price	Half price
Political Rally	63 000,00	66 339,00
Athletics		
In-house school sport		
Morning	370,00	389,61
Afternoon	370,00	389,61
Lights to switch on first 2 hours	300,00	315,90
Then per half hour	130,00	136,89
Practice session	R120,00/ school/ season	
Non Residents (Free State)		
Morning	740,00	779,22
Afternoon	740,00	779,22
Lights to switch on first 2 hours	300,00	315,90
Then per half hour	130,00	136,89
Schools in Gauteng		
Morning	860,00	905,58
Afternoon	860,00	905,58
Lights to switch on first 2 hours	300,00	315,90
Then per half hour	130,00	136,89
Provincial Meetings		
Morning session 07:00 - 13:00	2 380,00	2 506,14
Afternoon session 13:00 - 19:00	2 380,00	2 506,14
Lights to switch on first 2 hours	300,00	315,90
Then per half hour	130,00	136,89
National Meetings		
Morning session 07:00 - 13:00	3 700,00	3 896,10
Afternoon session 13:00 - 19:00	3 700,00	3 896,10

Lights to switch on first 2 hours	510,00	537,03
Then per half hour	130,00	136,89
Rental of Electronic Timing Equipment		
Electronic Timing Equipment per session	1 070,00	1 126,71
Soccer		
Soccer meetings (inside stadium)		
Morning session 07:00 - 13:00	300,00	315,90
Afternoon session 13:00 - 19:00	300,00	315,90
Lights to switch on first 2 hours	300,00	315,90
Then per half hour	130,00	136,89
Rental of stadium for events	15 750,00	16 584,75
Deposit	7 350,00	7 739,55
Entrance income	15% of entrance fee minimum or R1 780,00	15% of entrance fee minimum or R1 874,34
Refundable damage fee	1 050,00	1 105,65
Schools	R2900,00/ school/ season	R3,53.70/ school/ season
Other soccer games	15% of entrance fee minimum or R1 650,00	15% of entrance fee minimum or R1 737.45
Morning	350,00	368,55
Afternoon	350,00	368,55
Evening	350,00	368,55
Lights to switch on first 2 hours	290,00	305,37
Then per half hour	120,00	126,36
Practice inside stadium	R180,00/per hour	R189,54/per hour
Coaching development and soccer clinics	R110,00 per occasion	R157,95/ season twice weekly
Practice outside fields	R180,00/ season twice weekly	R189,54/per hour
Schools	R150,00/ season twice weekly	R157,95/ season twice weekly
Social games	R180,00 per occasion	R189,54/per hour
Other facilities		-
Netball/Basketball and Tennis		-
Morning session	110,00	115,83
Afternoon session	110,00	115,83
Stadium Hall		-
Sports clubs and cultural groups (by pre-arrangement)	180,00	189,54
Residents: Meetings	130,00	136,89

Non-residents: Meetings	650,00	684,45
Functions	490,00	515,97
Churches and schools	Half price	Half price
Non sporting events inside stadium		-
Rental of stadium for events(pre-approve by MM)	73 500,00	77 395,50
Deposit for the events	31 500,00	33 169,50
Multipurpose Sports Centre Hall		
Church Service and meetings		
Morning session 07:00 - 13:00	725	763,43
Afternoon session 13:00 - 19:00	725	763,43
Extra hour	116	122,15
Kitchen use	284	299,05
Music/Jazz and others		
Morning session 07:00 - 13:00	1 271	1 338,36
Afternoon session 13:00 - 19:00	1 271	1 338,36
Extra hour	116	122,15
Kitchen use	347	365,39
Funeral service and memorial service		
Morning session 07:00 - 13:00	588	619,16
Afternoon session 13:00 - 19:00	588	619,16
Extra hour	116	122,15
Kitchen use	284	299,05
Political meetings		
Morning session 07:00 - 13:00	378	398,03
Afternoon session 13:00 - 19:00	378	398,03
Extra hour	116	122,15
Kitchen use	284	299,05
Season 2 meetings per month	683	719,20
Political Rally	93 800	98 771,40
Deposit	44 100	46 437,30
Government structures		
Morning session 07:00 - 13:00	378	398,03
Afternoon session 13:00 - 19:00	378	398,03
Extra hour	116	122,15
Kitchen use	284	299,05
Welfare	378	398,03
Deposit		
Music/Jazz and others	258 300	271 989,90
All other	496	522,29

Sports Facility		
Soccer/ Rugby and Cricket		
Morning session 07:00 - 13:00	221	232,71
Afternoon session 13:00 - 19:00	221	232,71
Extra hour	116	122,15
Seasonal meetings	1 323	1 393,12
Kitchen	273	287,47
Netball/ Basketball and Tennis		
Morning session 07:00 - 13:00	231	243,24
Afternoon session 13:00 - 19:00	231	243,24
Seasonal meetings	1 323	1 393,12
Extra hour	116	122,15
Kitchen	273	287,47
Schools		
Morning session 07:00 - 13:00	168	176,90
Afternoon session 13:00 - 19:00	168	176,90
Extra hour	95	100,04
Kitchen	95	100,04
Indoor Games		
Morning session 07:00 - 13:00	273	287,47
Afternoon session 13:00 - 19:00	273	287,47
Seasonal meetings	1 323	1 393,12
Extra hour	116	122,15
Kitchen use	273	287,47
Coaching development and practice		
Morning session 07:00 - 13:00	168	176,90
Afternoon session 13:00 - 19:00	157	165,32
Kitchen	273	287,47
Booking of 2 sports ground for events	5 573	5 868,37

Fire and Rescue	Approved	Proposed
	2022/23	2023/24
	MTREF	MTREF
Extinguishing of fires (excluding grass-bush and rubbish fires)		
Call out fee		
Industrial fire (High risk)	1 672,76	1 761,42
Industrial fire (Low risk)		
Residential		
Institutions	463,00	487,54
Public assembly	463,00	487,54
Commercial	463,00	487,54
Storage	463,00	487,54
Shack or Informal housing (Flat rate) all costs included		

Heavy motor vehicle fire	463,00	487,54
Motor vehicle, Motor bike, trailer with content		
Lamp or Electrical Poles (Council property excluded)	180,00	189,54
Transformers (Council property excluded)	463,00	487,54
Personnel (tariff per hour)		
Per Senior Officer	227,00	239,03
Per Officer	196,00	206,39
Per Senior Fireman	180,00	189,54
Per Fireman	150,00	157,95
(Times to be calculated from the time that the personnel left the Station until the fire has been reported as extinguished).		
Vehicles		
Per vehicle or per fire pump per hour or part thereof calculated from the time that the vehicle has left the Station until the fire has been reported extinguished.	605,00	637,07
Material used		
Real cost of the fire extinguishing material used including VAT and as certified by the Chief Fire Officer plus 20%.		
Grass, bush and rubbish fires		
Rubbish Fires		
Bales of feed or Hay stack (up to 50 cubic meters)	907,00	955,07
Bales of feed or Hay stack (more than 50 cubic meters)	1 814,00	1 910,14
Personnel(tariff per hour)		
Per Senior Officer	227,00	239,03
Per officer	196,00	206,39
Per Senior Fireman	180,00	189,54
Per Fireman (Times to be calculated from the time that the personnel left the Station until the fire has been reported as extinguished)	150,00	157,95
Vehicles		

Per vehicle or per fire pump per hour or part thereof calculated from the time that the vehicle has left the Station until the fire has been reported extinguished.	605,00	637,07
Material used		
Real cost of the fire extinguishing material used including VAT and as certified by the Chief Fire Officer plus 20%.		
Special services (Dangerous goods etc).		
Call out Fee	1 814,00	1 910,14
Personnel(tariff per hour)		
Per Senior Officer	298,00	313,79
Per officer	379,00	399,09
Per Senior Fireman	328,00	345,38
Per Fireman	269,00	283,26
Vehicles		
Where the services of a Fire Pump is needed (per hour or part thereof calculated from the time the vehicle left the station until the service is reported to be completed.	1 213,00	1 277,29
Per kilometre (Travelled to and from the time of pump per hour)	15,00	15,80
Per portable pump (Real working time of pump per hour)	199,00	209,55
Per Fire Hose (per hour of part thereof)	38,00	40,01
Per ladder used per call	196,00	206,39
Real cost (VAT) inclusive for consumable material used plus 20% as certified by the Chief Fire Officer.		
Protection services (Standby Services)		
Where the presence of the Fire Department is compulsory with Fire pump and crew, the company responsible for the situation will be liable for the account.		
Call out Fee	1 813,00	1 909,09
Personnel(tariff per hour)		

Per Senior Officer	463,00	487,54
Per officer	427,00	449,63
Per Senior Fireman	379,00	399,09
Per Fireman	298,00	313,79
Vehicles		
Where the services of a Fire Pump is needed (per hour or part thereof calculated from the time the vehicle left the station until the service is reported to be completed.	1 213,00	1 277,29
Per kilometre (Travelled to and from the incident per utility vehicle)	15,00	15,80
Per portable pump (Real working time of pump per hour)	196,00	206,39
Per Fire Hose (per hour of part thereof)	38,00	40,01
Per ladder used per call	196,00	206,39
Real cost (VAT) inclusive for consumable material used plus 20% as certified by the Chief Fire Officer.		
Filling of swimming pools and water tanks		
Hydrants must be within 90m from swimming or tank basic levy	379,00	399,09
Per Fire Hose per hour period or part thereof	38,00	40,01
Per Officer	196,00	206,39
Per Senior Fireman	180,00	189,54
Per Fireman	150,00	157,95
Per kilometre (calculated to and from the address per utility vehicle)	15,00	15,80
If a fire truck is required per hour or part thereof	605,00	637,07
The cost of the water as per ruling levy on residences on Sundays and Public holidays.	(Double the normal tariffs)	
Other Services		
Attendance of Fireman in terms of section 14 of the standard by-laws relating to Fire Brigade Services:		

Per entertainment, recreation meeting or other event provided that in the case of any variety entertainment or stage show conducted on schools premises or in a public hall in aid of school funds, no charges shall be charged for the attendance of a Fireman.	463	487,54
Per Officer(tariff per hour)	427	449,63
Per Senior Fireman(tariff per hour)	379	399,09
Per Fireman(tariff per hour)	298	313,79
Pumping of water from property:		
Light pump with a capacity of up to 1125 l/min per hour or part thereof	1 213	1 277,29
Medium pump with a capacity of up to 2250 l/min per hour or part thereof	1 281	1 348,89
Heavy pump with a capacity of up to 4500 l/min per hour or part thereof	1 350	1 421,55
Per Officer(tariff per hour)	379	399,09
Per Senior Fireman(tariff per hour)		
Per Fireman(tariff per hour)	350	368,55
	196	206,39
Using Compressor per hour or part thereof		
Per Officer(tariff per hour)	379	399,09
Per Senior Fireman(tariff per hour)	350	368,55
Per Fireman(tariff per hour)	196	206,39
Emergency Rescue unit per hour or part thereof		
Per Officer(tariff per hour)	330	347,49
Per Senior Fireman(tariff per hour)	350	368,55
Per Fireman(tariff per hour)	298	313,79
Any other duty not mentioned under item VI per hour or part thereto		
Where the services of a Fire pump is needed (per hour or part thereof calculated from the time the vehicle left the station until the service is reported to be completed).	1 213	1 277,29
Per kilometre (Travelled to and from the incident per utility vehicle)	15	15,80

Per Officer(tariff per hour)	379	399,09
Per Senior Fireman(tariff per hour)	341	359,07
Per Fireman(tariff per hour)	300	315,90
Firebreaks per hour or part thereof		
Where the services of a Fire pump is needed (per hour or part thereof calculated from the time the vehicle left the station until the service is reported to be completed).	828	871,88
Per Officer(tariff per hour)	605	637,07
Per Senior Fireman(tariff per hour)	379	399,09
Per Fireman(tariff per hour)	298	313,79
Special Service		
Refilling of cylinders(SCBA)	52	54,76
Issuing of Dangerous Goods Certificate	431	453,84
Issuing of Fire Certificate in business	431	453,84
Basic Fire Fighter Training	463	487,54
Renting of Lecture Room	527	554,93
Extra hour	154	162,16
Kitchen use	156	164,27
Traffic Services	Approved 2022/23 MTREF	Proposed 2023/24 MTREF
Abnormal loads escorts and excavations		
Per Officer (Per hour or part thereof)	203,70	214,50
Per Officer Overtime (Per hour or part thereof)	428,30	451,00
Sport Meetings		
Per Officer (Per hour or part thereof)	307,30	323,59
Per Officer Overtime (Per hour or part thereof)	427,50	450,16
Impounded Vehicles		
Hitching of vehicles	857,80	903,26
Towing of the vehicle	524,10	551,88
Tracing of the owner	1 205,60	1 269,50

Storage Fees(per day including first and last day)	137,80	145,10
Erection of posters DEPOSIT	403,80	425,20
COST PER POSTER	24,00	25,27
Street Trading OUTSKIRTS	166,00	174,80
CBD	146,00	153,74
Events		
Per Officer (Per hour as part thereof)	304,30	320,43

Housing and Property Management Services (& Economic Development)	Approved 2022/23 MTREF	Proposed 2023/24 MTREF
Leases - General:		
- Rental arrangements as agreed per contract	Contractual Arrangements	Contractual Arrangements
	Status quo	Status quo
Leases:		
Sec 112(1)(d)&(e) MFMA Act 56 of 2003 Incentives to Entrepreneurs in Business Cubicles of approximately 70 m ²	R1,05 m2 / p,m	R1,11 m2 / p,m
Leases:		
Sec 112(1)(d)&(e) MFMA Act 56 of 2003 Incentives to Entrepreneurs on Serviced Light Industrial Stands (Stand sizes differ – average approximately 350 m ²)	R1,05 m2 / p,m	R1,11 m2 / p,m
Leases: Two Farm Houses (Mooirdraai) Incentive R1`000 pm since 2008 – Approximately 220 m ² Each	Incentive	
(Market Related Rent = R3`300.00 p.m.)	R1`760 p,m,	R1 853.28 p,m,
Leases: Cell phone Communication Towers (Vodacom, etc)	R5 250 p,m,	R5 528.25 p,m,
Leases: Crèche (Such as Erf 11711 Zamdela Ext 9)	Incentive	
Market Related Rent for a similar crèche = R5`000 pm	R1 350 p,m,	R1 421.55 p,m,
Leases: Temporary allocation of land not exceeding 21 days (such Circuses / Churches for spiritual revivals / church outreaches)	R66,00 / day	R69,50 / day

For commercial use – entertainment event)	R1 050/day	R1 105.65 p/day
Unauthorised Land Use: Public Open Space / Community Facility / Business erven	R260 p,m (0m ² - 500m ²)	
	R520 p,m (exceeding 501 m ²)	
Social use (NPO) – Crèches, Churches, Place of Instruction		
	R520 p,m (0m ² – 500m ²)	R547.56 p,m (0m ² – 500m ²)
Any commercial purpose	R1050 p,m (exceeding 501 m ²)	R1 105.65 p,m (exceeding 501 m ²)
Leases: Initiation Schools not exceeding 50days	R1 267,00 (fixed)Water provision to be agreed with Civil Engineering	R1 334.15 (fixed)Water provision to be agreed with Civil Engineering
Temporary leases for parking purposes on open portions of land	R30,00/per day per parking bay of 40 m ²	R31,59/per day per parking bay of 40 m ²
Leases: Cattle owners Leases - grazing	R397,00 p,m, per cattle owner	R397,00 p,m, per cattle owner
Deposit Payments at Hostels / Thembaletu	Not a requirement	
The Council re-confirm that since September 1994 deposit payments was not a requirement and /or will not be a requirement for beneficiaries / tenants moving onto residential stands and / or into municipal dwelling / rental units , either:	Status quo	
1 A rental deposit and / or		
2 Other deposit payments such as consumer services deposit payments		
Leases: Assisted Sub-Economic Rental Stock		

Six (6) semi-detached - / row houses in Sasolburg Extension 1 one and (1) house in Sasolburg Extension 19 reserved / earmarked as rental stock for the elderly, disabled and poor households restricted to households in the deep down-market range earning between R800.00 per month to R3,500.00 per month		
Market related rent for a similar house = R3100 pm		
Note: Pre-paid meters to be installed in ALL rental stock units to recover electrical services costs	Calculated at 20% of monthly household income implying that the average monthly rental should not exceed R615,00 per month (excluding consumer services) for qualifying beneficiaries	Calculated at 20% of monthly household income implying that the average monthly rental should not exceed R615,00 per month (excluding consumer services) for qualifying beneficiaries
Erf 1499 Sasolburg Ext 1 (83 m²) Grobler 12 Sasolburg X 1		
Erf 1500 Sasolburg Ext 1 (83 m²) Grobler 14 Sasolburg X 1		
Erf 1501 Sasolburg Ext 1 (83 m²) Grobler 16 Sasolburg X 1		
Erf 1502 Sasolburg Ext 1 (83 m²) Philip Botha 2 Sasolburg X 1		
Erf 1503 Sasolburg Ext 1 (98 m²) Philip Botha 4 Sasolburg X 1		
Erf 1504 Sasolburg Ext 1 (98m²) Philip Botha 6 Sasolburg X 1		
Erf 12884 Sasolburg Ext 1 (128 m²) Candlewood 6 Sasolburg X 19		
Leases: Thembaletu Hostel (141 x 101,02 m² units)		
Pre-paid meters to be installed in all rental stock units to recover electrical services cost		
Block A - 24 x units (shower & bath)	Incentive	
Market Related Rent for three bedroom units = R2`500 pm	R1`540 p,m,	1621.62 p.m
Block B - 18 x units (shower & bath)	R1`540 p,m,	1621.62 p.m
Market Related Rent for three bedroom units = R2`500 pm		
Block C - 24 x units (shower)	R1 360,00 p,m,	1432.08 p.m
Market Related Rent for two bedroom units = R2`000 pm		
Block D - 18 x units (shower)	R1 360,00 p,m,	1432.08 p.m

Market Related Rent for two bedroom units = R2`000 pm		
Block E - 30 x units (shower)	R1 360,00 p,m,	1432.08 p.m
Market Related Rent for two bedroom units = R2`000 pm		
Block F - 9 x units (shower)	R1 360,00 p,m,	1432.08 p.m
Market Related Rent for two bedroom units = R2`000 pm		
Single Units - 18 x beds (6 x flats with 3 x bedrooms)	R630,00 p,m	663.39 p.m
Market Related Rent for Bachelor Flats = R1`200 pm		
(Other)		
Tariffs are in accordance to size of the property		
(Tuck shop / Churches / others)		
(0m2 -25m2)	R120,90 p,m	127.31 p.m
(26m2 – 80m2)	R242,50 p,m	255.35 p.m
(exceeding 80m2)	R280,30 p,m	295.16 p.m
Tuck shop / Churches (62 m²)	R242,50 p,m	255.35 p.m
Tuck shop / Milk depot (13 m²)	R120,90 p/day	127.31 p.m
Tuck shop / F Shai (22 m²)	R120,90 p,m	127.31 p.m
Tuck shop / M Kok (22 m²)	R120,90 p,m	127.31 p.m
Tuck shop / L Tau (22 m²)	R120,90 p,m	127.31 p.m
Tuck shop / Dry Cleaners (37 m²)	R120,90 p,m	127.31 p.m
Tuck shop / Hair Saloon (41 m²)	R242,50 p,m	255.35 p.m
Tuck shop / Upholsterer (46 m²)	R242,50 p,m	255.35 p.m
Tuck shop / Dressmaking (80 m²)	R242,50 p,m	255.35 p.m
Tuck shop / Crèche (197 m²)	R242,50 p,m	255.35 p.m
Tuck shop / Video Shop (207 m²)	R280,30 p,m	295.16 p.m
Former kitchen/Hall per activity	R280,30 p,m	295.16 p.m
Recycling Business	R480,00 p/day	505.44 p/day
Thembaletu Community Hall	R1 494,00 p,m	1573.18 p/day
Thembaletu Lapa	R375,00 p,day/	394.88 p/day
	as per agreement concluded with Rejuvenation	
Thembaletu Community	R126,00 p,day	R132,68 p,day
Job Establishment Office		
HOSTELS		
Market Related Rent for a similar Hostel Unit = R500.00 pm		

Hostel 1 = 317 units		
Hostel 2 = 330 units		
Hostel 3 = 389 units		
Hostel 4 = 112 units (In process of re-development to CRU`s - hereinafter)		
Phomolong = 14 units		
Hostel at Refengkgotso (Erf 842 From date of subdivision)	As per Hostel Tariff	
- Fixed Hostel Rent / Tariff		
- Fixed Hostel Rent / Tariff for purposes of a maximum of 4 single persons sharing a rental unit, that each single should contribute individually and that the rental amount of R80.00 pm. plus water consumption calculated @ 30.00 p.m. be divided by the number of persons sharing / occupying the unit	R208,90 pm	R219,97 pm
	While corrective measures are taken regarding maintenance and upgrading of services	
Note: Pre-paid meters to be installed in ALL rental stock units to recover electrical services costs	Then	
	R380,10 pm	R400.25 pm
	Divided by the number of people sharing)	
CRU,s (Hostel 4 Zamdela)		
Phase 1 = 128 Units	Status Quo	Status Quo
Phase 2 = 296 Units	Rent determined by	Rent determined by
	MEC Human Settlement	MEC Human Settlement
	AS REPLACEMENT OF	AS REPLACEMENT OF
(Community Residential Units – Replacement of Hostel 4 Zamdela)	RECOMMENDED TARIFFS	RECOMMENDED TARIFFS

Note: Pre-paid meters to be installed in ALL rental stock units to recover electrical services costs		
Tenants in excess of R50`000 monthly income should NOT be considered for CRU`s and be accommodated conditional		
Bachelor	R 595,00 p,m	R 626,54 p,m
1 Bedroom self-contained	R 787,50 p,m	R 827.13 p,m
1,5 bedroom	R 985,90 p,m	R 1,038.15 p,m
2 Bedroom interchangeable	R 1 267,00 p,m	R 1 334.15 p,m
2 Bedroom self-contained	R 1 267,00 p,m	R 1 334.15 p,m
Tenants in excess of R15`000 monthly income to pay a market related rent and tenant in access of a threshold of R30`000 monthly income should NOT be considered for CRU`s and be accommodated conditional to vacate and be accommodated in facilities such as Thembaletu	R2`899,00 pm	R3 052.65 pm
(And / Or as amended by Provincial Government / MEC Human Settlements		
ASSET MANAGEMENT INCENTIVES		
(EXEMPTED ASSETS)		
Allocation of Stands to the Poor		
Allocation of municipal owned residential stands included the following:		
(a) (1) First time allocation of vacant stands		
(b) (2) Second allocation of abandoned stands		
(c) (3) Third confirmation and allocation of stands occupied		
(d) (4) Re-allocation of stands in Estate cases & identified vacant municipal erven declared as `abandoned / dead` property		

On date of application and submission of an approved IGG Registered Certificate - not older than 12 months – and for households within a threshold income not exceeding R3`000.00 p.m., NO payment will be required to a first time allocation of a residential stand	-	
For income categories not exceeding a monthly income of R1`500.00 including the aged earning less than R3`500 pm an unrepeatable and one-time "allocation- / occupational land site fee"	115,00	121,10
For income categories exceeding R1501.00 not exceeding a monthly income of R3`500.00 an unrepeatable and one-time "allocation- / occupational land site fee"	346,00	364,34
For income categories from R3`501.00 not exceeding a monthly income of R7`000.00 an unrepeatable and one- time "allocation- / occupational land site fee" (FLISP)	694,00	730,78
For income categories from R7`001.00 not exceeding a monthly income of R15`000.00 threshold an unrepeatable and one-time "allocation- / occupational land site fee" (FLISP)	1 278,00	1 345,73
Exempted stands earmarked for housing delivery projects (RDP/BNG)for first time home owners and income categories not exceeding a monthly income of R3`500 pm	R1 102 per stand	R1 160.41 per stand
AUCTIONS: The Councils attorneys be given full power of attorney to act on behalf of the Council at the sale in execution of land / erven (public auction) of defaulters property and if stands are not bought to buy the properties on behalf of the Council	R11,50 / erf	R12,11 / erf
INCENTIVE LAND PRICES		
Business Erven		
Up to R8`000	R18,38/m ²	R19,35/m ²
R8001 to R12`000	R39,90/m ²	R42,01/m ²
R12`001 to R15`000	R54,00/m ²	R56,86/m ²

Kiosk (CBD)	R1 156,67 pm / subject to market valuation	R1 217.97 pm / subject to market valuation
Community Facility (Church) Erven	R9,35/m ²	R9,85/m ²
Residential Erven		
Up to R2`500	R3,30/m ²	R3,47/m ²
R2`501 to R5`000	R6,80/m ²	R7,16/m ²
R5`001 to R7`500	R15,70/m ²	R16,53/m ²
R7`501toR10`000	R22,00/m ²	R23,17/m ²
R10`001toR12`500	R34,00/m ²	R35,80/m ²
R12`501toR15`000	R40,00/m ²	R42,12/m ²
Exceeding R15`001	R53,00/m ²	R55,81/m ²
Servitudes over municipal owned land in terms of Sections 60 and 116 of Act 32 of 2000	R3 980,00/ Servitude	R4 191,00/ Servitude
Integrated Human Settlement Plan (IHSP)		
Hard Copies	440,00	463,32
(Per Chapter / Selection or in Whole)		
Electronic Format	126,00	132,68
Map Fragments(Inquiries for available data)		
Hard Copies	254,00	267,46
(A4 Format)		
Electronic Format	126,00	132,68
Application for identification of Corner Pegs / Erf Boundaries		
Informal Identification by means of General Plan Data	639,00	672,87
Formal Identification per SG Diagram	As per Quotation of Service Provider (Land Surveyor)	As per Quotation of Service Provider (Land Surveyor)
DEEDS OFFICE SEARCHES (Public / Private request on Ownership)	R35,00 / search	R36,86 / search
Attorneys, Notaries & Conveyancers (Inquiries for a certificate on occupational status of land (Sec 52(4) Act 4 of 1984)	R35,00 / search	R36,86 / search
LETTERS OF AUTHORITY (Application i.t.o Sec 18(3) of	Exempted	Exempted

Estates Act 66 of 1965 of occupational / ownership status)		
Confirmation of addresses by Housing	R26,00 per inquiry	R27,38 per inquiry
High Value Assets	Status Quo	Status Quo
	In excess of	In excess of
	R50 million	R50 million

**THE FOLLOWING
RECOMMENDED AS SPLUMA
GUIDELINE TARIFFS**

Urban Planning	Approved 2022/23 MTREF	Proposed 2023/24 MTREF
SPLUMA Act		
<u>Category 1: Application Type</u>		
Township Establishment 0 - 500	4 419,54	4 653,78
501 - 1000	5 804,09	6 111,71
1000 and more	6 859,38	7 222,93
Amendment of General Plan	1 582,92	1 666,81
Permanent closure of public open spaces (Street, Road Reserve, Open Space, Park)	6 067,91	6 389,51
Sasolburg Town Planning Scheme 1/1993 Amendments	6 067,89	6 389,49
Vaal River Guide Plan applications	2 638,21	2 778,04
Application for extension of boundaries of an approved township	3 957,34	4 167,08
Application for phasing of a Township	3 994,15	4 205,84
Preparation of a Town-planning Scheme on a township establishment application if prepared by Council	3 693,51	3 889,27
<u>Category 2: Application Type</u>		-
Removal, amendment or suspension of restrictive title conditions	1 055,28	1 111,21
Rezoning/De-zoning	3 165,86	3 333,65
Special Consent Use	1 582,92	1 666,81
Subdivision	1 055,28	1 111,21
Per additional 5 th	88,34	93,02
Consolidation	1 055,28	1 111,21
Per additional 5 th	88,34	93,02

<u>Additional Fees / Tariffs</u>		
Zoning Certificates	161,13	169,67
The withdrawal of an approved application for subdivision/consolidation	633,17	666,73
The amendment of the conditions on which the subdivision/consolidation was approved	685,93	722,28
The amendment of an approved consolidation or subdivision plan	685,93	722,28
Application for amendment of the conditions on which consent was given in terms of the Townships Ordinance and / or Act 4 of 1984 (Annexure F & Land Use Regulations)	633,17	666,73
Request for duplicate approval of any land use and land development application previously approved by the Municipality	685,93	722,28
Section 23 certificates (per certificate) for lodging of title deed with the Registrar of Deeds	369,47	389,05
Regulation Certificate: Subdivision / Consolidation (per subdivided portion)	369,47	389,05
Request for extension of time/validity period on approved land use and land development application	844,22	888,96
Appeal on decision	3 165,86	3 333,65
Building Line Relaxation	369,47	389,05
Servitude registration	840,00	884,52
Notarial tie registration	577,05	607,63
Consent application (Tuck shop)	316,57	333,35
Spatial Development Framework (SDF)		-
Hard Copies	158,28	166,67
Electronic Format	79,13	83,32
Land Use Management- or Town Planning Scheme		-
Hard Copies	316,57	333,35
Electronic Format	150,74	158,73

Fine- Conducting illegal land use without approved land use rights	R5 250,00 plus R525,00 monthly after a compliance notice had been issued provided that the maximum fine may not exceed R 21000,00 or 24 months imprisonment or both,	R5 528.25 plus R552,83 monthly after a compliance notice had been issued provided that the maximum fine may not exceed R 21000,00 or 24 months imprisonment or both,
Fine- Building without approved land use rights	R5 485,20 plus R525,00 monthly after a compliance notice had been issued provided that the maximum fine may not exceed R 21 000,00 or 24 months imprisonment or both,	R5 775.92 plus R577,60 monthly after a compliance notice had been issued provided that the maximum fine may not exceed R 21 000,00 or 24 months imprisonment or both,
<u>Building Plan Fees / Tariffs</u>		
Building Plan: Approval Fee	<i>R446,25 / application</i>	<i>R469,90 / application</i>
	<i>R30,23 / 10m2 for the first 1`000m2</i>	<i>R31,83 / 10m2 for the first 1`000m2</i>
	<i>R29,00/ 10m2 for the following 1`000m2 – namely 1`001 to 2`000m2</i>	<i>R30,54/ 10m2 for the following 1`000m2 – namely 1`001 to 2`000m2</i>
	<i>R20,50 / 10m2for the following 1`000m2 – namely 2`001m2 to 4000m2</i>	<i>R21,59 / 10m2for the following 1`000m2 – namely 2`001m2 to 4000m2</i>
Site Development Plans (SDP)	1 346,21	1 417,56
Internal alterations on building plans	435,89	458,99
Swimming pools	435,89	458,99
Shade nets	435,89	458,99
Boundary walls	435,89	458,99
Permits	435,89	458,99
Signage	435,89	458,99
Inspection fee (farms / plots)	435,89	458,99
Building clause certificates	435,89	458,99

Billboards (Contracts)	67,49	71,07
Demolition certificate	1 142,08	1 202,61
Unauthorized building, worked stopped on instruction ("as built fees")	685,73	722,07
If building occupied prior to receiving Occupational Certificate		
Extension of approved building plan (for example approved building plan validity. Extensions must be applied for prior to lapse. 50% of the current applicable building plan fees (maximum 12 months)	2 058,42	2 167,52
	50% of building fees	50% of building fees
Erection of building in contravention of the conditions of Act 103 of 1977 (Building regulation)	R315,00 daily (Unless evidence is provided that the amended building plan is approved)	R331,00 daily (Unless evidence is provided that the amended building plan is approved)
Deviating from approved building plan	R315,00 daily (Unless evidence is provided that the amended building plan is approved)	R331,00 daily (Unless evidence is provided that the amended building plan is approved)
Failure to comply with the notice in terms of Regulation A25	R315,00 daily (Unless evidence is provided that the amended building plan is approved)	R331,00 daily (Unless evidence is provided that the amended building plan is approved)

Economic Development	Approved 2022/23 MTREF	Proposed 2023/24 MTREF
Containers at Zamdela Taxi Rank	R155,00 p,m,	R161,00 p,m,
LED Strategy		
Hard Copies		
(Per Chapter / Selection or in Whole)	R420,00 p,m,	R442,00 p,m,
Electronic Format	R115,00 p,m,	R121,00 p,m,
Application for SMME / Corporate Promotions	R115,00 p,m,	R121,00 p,m,
DAY VISIT ORANJEVILLE AND DENEYSVILLE	Approved 2022/23 MTREF	Proposed 2023/24 MTREF

Season tickets (only residents)	R166,00 per annum/motor vehicle/	R175,00 per annum/motor vehicle/
(Excluding public holidays)	motor cycle powerboat	motor cycle powerboat
	R161,00/ second motor vehicle/ motorcycle	R170,00/ second motor vehicle/ motorcycle
Season ticket holders		
	Free (Once off annual pay-out)	Free (Once off annual pay-out)
Entrance fees	(vehicle & 5 passengers, 1 visit per day	(vehicle & 5 passengers, 1 visit per day
(Day visits)		
(Excluding public holidays)		
Pensioners (age 60 years)	R80,00 for 1 ticket per family(one car allowed & 1 pass a day)	R84,00 for 1 ticket per family(one car allowed & 1 pass a day)
Metsimaholo workers and Councillors with proof	R100,00 for 1 ticket per family(one car allowed & 1 pass a day)	R105,00 for 1 ticket per family(one car allowed & 1 pass a day)
Employee Seasonal ticket	R106,00 per annum	R112,00 per annum
Metsimaholo workers and Councillors with proof	vehicle/	vehicle/
(Pass excludes public holidays)	motor cycle/ powerboat	motor cycle/ powerboat
	R85,00/ second motor vehicle/ motorcycle/powerboat	R90,00/ second motor vehicle/ motorcycle/powerboat
	(one pass/visit per day for each vehicle/powerboat/motor cycle)	(one pass/visit per day for each vehicle/powerboat/motor cycle)
Entrance fees (Day visitors)		
· Entrance fee per person	R43 per person per day	R45 per person per day
· Entrance fee per car	R43 per car per day	R45 per car per day

· Entrance fee per boat	R46 per boat per day	R48 per boat per day
· Entrance fee per (2-6 year olds) family only	Free child 2-6 years per day	Free child 2-6 years per day
· Groups (2-6 years)	R20 per child 2-6 years per day	R21 per child 2-6 years per day
· Groups (7-14 years)	R30,00 per child 7-14 years per day	R32,00 per child 7-14 years per day
Entrance fee for group bookings of more than 50 people	Discount on tariffs approved by Director LED & Planning using	Discount on tariffs approved by Director LED & Planning using
	his/her discretion (prior arrangements)	his/her discretion (prior arrangements)
Local schools	R30 per person/student	R32 per person/student
	335,00	352,76
Caravan and tent sites without Power	(R395 VAT inclusive)	(R416 VAT inclusive)
Season ticket holders		
(Pass excludes public holidays)	(Once off annual pay-out)	(Once off annual pay-out)
	(vehicle, caravan & 5 passengers, 1 visit per day)	(vehicle, caravan & 5 passengers, 1 visit per day)
	1st day is free	1st day is free
	2nd day or more days the daily entrance fee of R210 will apply	2nd day or more days the daily entrance fee of R221 will apply
Caravan and tent sites without Power		
· Caravan and tent sites without power	R210,00 per day	R221,00 per day
sockets/not exceed 4 people	without power	without power
Seasonal Tickets:	R380,00/ annum per	R400,00/ annum per
· Non Residents/	Motor vehicle/motorcycle/ powerboat	Motor vehicle/motorcycle/ powerboat

Non-residents registered power boat/		
caravan owners:	R320,00/second vehicle/motorcycle/	R337,00/second vehicle/motorcycle/
	Powerboat	Powerboat
Rental of resort for event	R79 300 per event	R83,503 per event
(Excluding public holidays)		
Deposit for event	R39 650 per event	R41 751 per event
LOCAL BUSINESS SEASONAL TICKETS		
(Oranjeville and Deneysville)		
Season tickets (local businesses)	Pack of 10 seasonal tickets at R166,00 each per annum	Pack of 10 seasonal tickets at R174.89 each per annum
(Pass excludes public holidays)	1 660,00	1 748,00
	(R1900,00) VAT inclusive and school holidays)	(R1900,00) VAT inclusive and school holidays)
	(Once off annual pay-out)	(Once off annual pay-out)
	(1 vehicle & 5 passenger per day visit)	(1 vehicle & 5 passenger per day visit)
	(1 pass/visit per day per ticket number)	(1 pass/visit per day per ticket number)
Highveld Gardens	Approved 2022/23 MTREF	Proposed 2023/24 MTREF
Entrance fees (Day visitors)		
Entrance fee per person	R43 per person per day (R50 inclusive)	R45 per person per day (R50 inclusive)
Entrance fee per car- kids with family is free	R34 per car per day (R40 inclusive)	R36 per car per day (R40 inclusive)

Groups (2-5 years)	Free child 2-5 years per day (with Family)	Free child 2-5 years per day (with Family)
Groups (2-5 years)	R17 per child 2-5 years per day (R20 inclusive)	R18 per child 2-5 years per day (R20 inclusive)
Groups (6-14 years)	R26,00 per child 6-14 years per day (R30 inclusive)	R27,00 per child 6-14 years per day (R30 inclusive)
Local Residents only	R166,00 per annum	R175,00 per annum
Entrance fees (Day visit)	(Once off annual pay-out)	(Once off annual pay-out)
Season ticket holders	(one access per family/	(one access per family/
(Pass excludes public holidays)	one car allowed & 1 pass per day)	one car allowed & 1 pass per day)
Metsimaholo workers and Councillors with the proof	R100,00 for 1 ticket per family	R105,00 for 1 ticket per family
(Pass excludes public holidays)	(one car allowed & 1 pass a day)	(one car allowed & 1 pass a day)
Lapa		
With shelter per function Party	660,00	694,98
Wedding	1 100,00	1 158,30
Church	550,00	579,15
Schools	550,00	579,15
Meetings	285,00	300,11
Crèche	210,00	221,13
Lapa without shelter	330,00	347,49

1.5. Operating Expenditure Framework

The Municipality's expenditure framework for the 2023/24 budget and MTREF is informed by the following:

- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- Zero based budgets and incremental method based on historical information, plus inflation in line with Treasury guidelines
- All increases more than the inflation to be properly motivated.
- The filling of vacancies should support challenges identified and key priorities as adopted at the strategic workshop. The organisational structure is in the process of being revised. The evaluation of jobs must also be addressed to minimize disparities and grievance raised by employees.
- mSCOA implemented from 1 July 2017
- Changes on mSCOA on annual basis,

The following table is a high level summary of the 2023/24 budget and MTREF (classified per main type of operating expenditure):

Table 13: Summary of operating expenditure by standard classification item

FS204 Metsimaholo - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2021/22	Current Year 2022/23		2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Expenditure							
Employee related costs	2	335 632	434 807	399 157	450 539	472 601	494 799
Remuneration of councillors		19 384	20 870	20 870	21 705	22 768	23 838
Bulk purchases – electricity	2	333 806	363 153	353 653	403 671	423 450	443 353
Inventory consumed	8	159 229	236 487	230 487	245 050	253 709	253 709
Debt impairment	3	342 903	274 862	274 862	284 001	297 917	311 919
Depreciation and amortisation		72 789	86 279	86 279	90 287	95 001	99 466
Interest		9 354	5 816	449	5 391	5 655	5 921
Contracted services		74 647	119 231	95 105	121 356	121 607	127 323
Transfers and subsidies		334	378	427	379	398	416
Irrecoverable debts written off		15 669	10 828	10 828	11 244	11 795	12 349
Operational costs		49 703	61 871	56 112	61 631	65 044	68 137
Losses on disposal of Assets		1 043	-	-	-	-	-
Other Losses		466	32 346	32 346	33 640	35 288	36 947
Total Expenditure		1 414 960	1 646 928	1 560 575	1 728 893	1 805 234	1 878 178

The following table gives a breakdown of the main expenditure categories for the 2023/24 year.

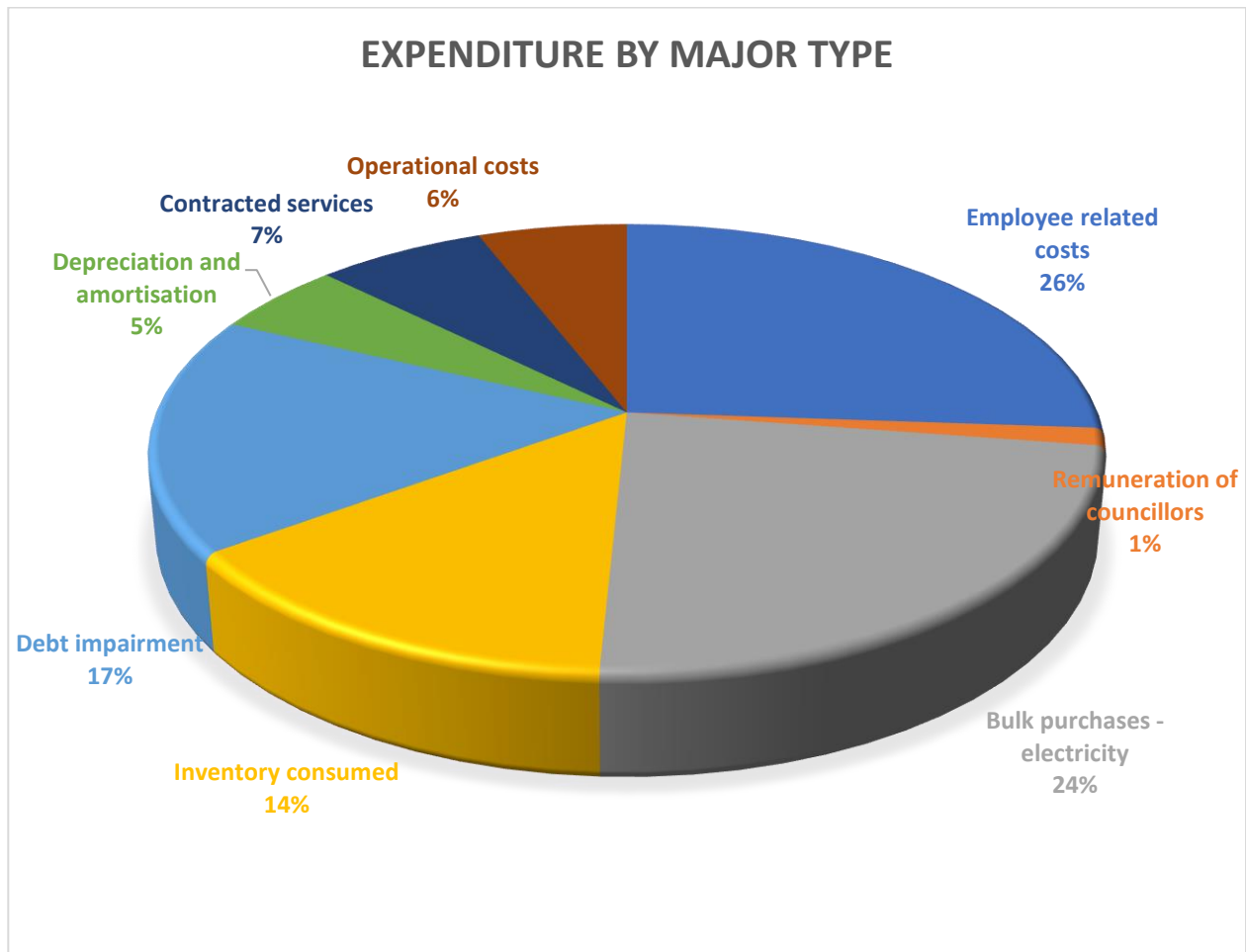


Figure 1: Expenditure by major type

Employee Related Cost:

The budgeted allocation for employee related costs for the 2023/24 financial year remains the highest expenditure totalling to R450 million, which equates to 26% of the total operating expenditure.

The three year collective SALGBC agreement has implemented for the period 1 July 2021 to 30 July 2023.

Salary increases have been factored into this budget at a percentage increase of 5.3% for the 2023/24 financial year.

An annual increase of 4.9% and 4.7% have been included in the two outer years of the MTREF.

The staff employed in February 2023 is used as basis line. All posts vacancy post not filled by 01 March 2023 has be included in the vacancy list.

Provision is made for vacancies to the effect of **R63 million** in 2023/2024 that still to be filled in 2023/2024 (after March 2023) and for additional vacancies in the two outer years will be determined as and when a need arise.

Remuneration of councillors:

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998).

The most recent proclamation in this regard has been taken into account in compiling the Municipality's budget.

Provision for increase of 4 percent on the remuneration of Councillors.

Debt impairment (Impairment of the Debtors Book)

The provision of debt impairment was determined based on an annual collection rate of 75% and the Debt collection and Credit Control Policy of the Municipality.

For the 2023/24 financial year this amount equates to R284 million and increases to R297 million and R312 million for the two outer years. It included impairment and bad debts written off.

Depreciation:

Provision for depreciation and asset impairment has been informed by the Accounting Standards. Depreciation is widely considered a proxy for the measurement of the rate of asset consumption.

The budget appropriation totals R90.3 million for the 2023/24 financial and equates to 5% of the total operating expenditure.

Finance charges:

Finance charges consist primarily of the repayment of interest on long-term finance leases (cost of capital), use of the overdraft facility. The finance charges provision amount to R5,3 million which makes up to 0.4% of the total operating expenditure (excluding annual redemption for 2023/24) and increases to R5.3 million and R5,9 million for the two outer years (excluding annual redemption) by 2024/25 and 2025/26.

Bulk purchases Electricity:

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

Inventory consumed: (Other Materials):

Inventory consumed comprise of amongst others, materials for maintenance, cleaning materials and chemicals, stationery as well as fuel and oil for the fleet and equipment. The bulk purchase for water purchase from Rand Water and Department of Water are also included in the inventory. It excludes the water distribution loss.

For 2023/24 the appropriation against this group of expenditure has increased to R245 million or 3.62% as compare to the prior year. A further increase of 3.53% and 3,5% for the two outer years of which budget allocation is in excess of R253 million and R253 by 2024/25 and 2025/26.

Contracted services:

In the 2023/24 financial year, contracted services are budgeted at R121 million and increase of R32 million or 34,7% as compare to the previous budget. For the two outer years' a decline of 2,2% and growth to 4,7% respectively. Further details relating to contracted services can be seen in Table 50 MBRR SA1.

General expenses:

Other expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. The budgetary provision for general expenditure is R62 million an increase of 5,63% as compare to the prior year. For the two outer years' growth has been limited to 4,9% and 4,7% respectively. Further details relating to other expenditure can be seen in Table 50 MBRR SA1.

1.5.1. Priority given to repairs and maintenance

Aligned to the priority being given to preserving and maintaining the Municipality's current infrastructure, the 2023/24 budget and MTREF provide for extensive growth in the area of asset maintenance. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services. Remuneration is still included in Employee cost but in the table the employees cost of Technical Services is added to reflect the repair and maintenance cost. Considering these cost drivers, the following table is a consolidation of all the expenditures associated with repairs and maintenance:

Table 14: Operational repairs and maintenance

FS204 Metsimaholo - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
Repairs and Maintenance by Expenditure Item	8									
Employee related costs		71 862	78 126	81 777	101 151	94 017	94 017	106 500	111 955	117 854
Inventory Consumed (Project Maintenance)		36 639	11 359	30 242	19 791	22 939	22 939	24 106	26 841	26 843
Contracted Services		7 619	6 705	16 491	22 986	23 423	23 423	24 837	37 339	24 840
Other Expenditure		3 116	4 277	5 699	4 670	3 170	3 170	5 565	5 442	6 000
Total Repairs and Maintenance Expenditure	9	119 236	100 467	134 209	148 598	143 549	143 549	161 008	181 577	175 537

During the compilation of the 2023/24 MTREF operational budget repairs and maintenance was identified as a strategic imperative owing to the ageing infrastructure and historic deferred maintenance.

As part of the 2023/24 MTREF this strategic imperative remains a priority as can be seen by the budget appropriations over the MTREF. The total allocation for 2023/24 equates to R161 million, an increase of 12% percent in relation to the Budget and then continues to grow at 13% and negative growth of 3% per cent over the MTREF.

The table below further indicates that close onto 75.4% of the repairs and maintenance goes towards roads, electricity, water and sanitation infrastructure.

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

Table 15 Repairs and maintenance per asset class

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
Repair and maintenance per asset class	8									
Infrastructure Roads		22 323	19 211	29 891	31 835	26 817	26 817	30 132	37 953	33 419
Infrastructure Electricity		27 168	22 548	33 830	35 146	39 805	39 805	36 673	39 119	40 676
Infrastructure Water		18 280	19 725	23 156	23 833	22 762	22 762	26 204	26 980	28 269
Infrastructure Sanitation		24 272	15 654	22 233	21 204	19 758	19 758	25 948	28 500	29 396
Community		-	-	-	-	-	-	-	-	-
Other assets		27 192	23 329	25 100	36 580	34 407	34 407	42 050	49 025	43 777
Total Repairs and Maintenance Expenditure	9	119 235	100 467	134 210	148 598	143 549	143 549	161 007	181 577	175 537

For the 2023/24 financial year, 74% or R119 million of total repairs and maintenance will be spent on infrastructure assets. Electricity infrastructure has received 23% (R36.6 million), road infrastructure 19% (R30.1 million), water 16% (R26.2 million) and sanitation 16% (R25.9 million). These repair and maintenance **excluded** maintenance that is classified under capital projects and renewal of assets.

1.5.2. Free Basic Services: Basic Social Services Package

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services, the households are required to register in terms of the Municipality's Indigent Policy. It is anticipated that there would 13 000 indigent households during the 2023/24 financial year. Details relating to free services, cost of free basic services, revenue lost owing to free basic services as well as basic service delivery measurement is contained in Table 27 MBRR A10 (Basic Service Delivery Measurement).

The threshold to qualify as indigent is that the household income does not exceed two times the state old age pension plus R1 500.

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

1.6. Capital expenditure

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

Table 16: 2022/2023 Medium-term capital budget per vote

Vote Description R thousand	Ref	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Capital expenditure – Vote Multi-year expenditure to be appropriated	2								
Vote 01 - Executive & Council		–	538	–	–	535	–	–	–
Vote 02 - Municipal Manager		2 361	3 118	–	–	439	5 330	–	–
Vote 03 - Corporate Services		368	1 461	–	–	–	3 500	–	–
Vote 04 - Social Services		4 547	29 954	22 515	22 515	816	29 556	1 541	–
Vote 05 - Technical Services		147 286	271 369	215 855	215 855	64 847	164 990	87 281	81 855
Vote 06 - Financial Services		–	402	177	177	–	272	–	–
Vote 07 - Local Economic Development And Planning		–	1 683	323	323	–	544	–	–
Capital multi-year expenditure sub-total	7	154 563	308 525	238 869	238 869	66 638	204 192	88 822	81 855

The biggest single portion of capital expenditure is allocated to Technical Services which amounts to **R165 million** in 2023/2024 decrease over the two outer years to **R87 million** and **R81 million** respectively.

Majority of the capital expenditure is allocated to the following:

PROJECTS	VALUE	PERCENTAGE
Electrification	33 580 000	20%
Roads and stormwater	50 000 000	30%
Sports complex	2 382 615	1%
Waste Water	30 232 465	18%
Water	22 294 920	14%
Vehicles	16 682 603	10%
Other	9 827 397	6%
TOTAL	165 000 000	

Further detail relating to asset classes and proposed capital expenditure is contained in Table 26 MBRR A9 (Asset Management). In addition to the MBRR Table A9, MBRR Tables 47; 48 and 49 SA34a, b, e, c provides a detailed breakdown of the capital programme relating to new asset construction, capital asset renewal as well as operational repairs and maintenance by asset class.

Some of the salient projects to be undertaken over the medium-term includes, amongst others:

Conditional Grants

		Medium Term Revenue & Expenditure Framework		
Project Name	Funding source	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Themba khubeka electrification	INEP	29 780 000		
Oranjeville Waste Water Treatment Plant	WSIG	10 617 000		
Oranjeville water Treatment Plant Phase 2	WSIG	10 000 000		
Refengkgotso Waste Water Works	RBIG	9 000 000		
Refengkgotso/Deneysville: Construction of Sports Complex (MIS215549)	MIG	2 382 615	1 540 560	
Zamdela: Construction 2.1km paved roads and storm water Drainages Phase 2 (Ward 8) (MIS:422185)	MIG	12 500 000	1 857 502	
Sasolburg: Upgrading of water pump station (MIS:422536)	MIG	12 294 920		
Gortin: Construction of 2.05km paved roads and storm water drainage Phase 1 (MIS:422196)	MIG	12 500 000	2 410 295	
Gortin: Construction of 2000 toilet structures Phase 1 (MIS:460855)	MIG	10 615 465	33 419 185	
Zamdela: Upgrading of rusted galvanized water pipes to Upvc Ward 09 (MIS:422232)	MIG		13 274 208	29 013 783
Zamdela: Upgrading of Rusted galvinised pipes to UPVC ward 12 (MIS 422332)	MIG			25 789 817
TOTAL		109 690 000	52 501 750	54 803 600

The municipality is highly dependent on conditional grant funding for its capital expenditure.

The cash flow of the municipality is under strain and there is a limited surplus on the operating budget which could be used for capital expenditure.

Own funding

DEPARTMENT	Section	Description	Estimated Budget
TECHNICAL SERVICES	Electricity	Upgrading of Street lighting fittings and High Mast Networks in Sasolburg, Deneysville and Oranjeville.	2 000 000
	Electricity	Installation of 4 High Mast lights in Themba Khubeka	1 800 000
	Electricity	Installation of diesel generators in Deneysville and Oranjeville abstraction points & WTW	4 000 000
	Electricity	Fencing of Electrical Substations in Zamdela, Sasolburg, Deneysville and Oranjeville	1 200 000
	Electricity	Replacement of substation doors in all towns	500 000
	Electricity	Construction of Ring Feeds	1 000 000
	Sanitation	Building of ablution facilities at pump stations	1 000 000
	Roads & SW	Re-sealing of roads in Sasolburg & Vaalpark	5 000 000
	Roads & SW	Re-sealing of roads in Zamdela	8 000 000
	Roads & SW	Re-sealing of roads in Deneysville	5 000 000
	Roads & SW	Re-sealing of roads in Oranjeville	1 500 000
	Roads & SW	New gravel roads in Zamdela Extensions, Refengkgotso, Themba Khubeka and Metsimaholo	4 500 000
	Building	Refurbishment of Zamdela municipal offices	3 500 000
	Electricity	Prepaid meter	2 000 000
	water	Water Purification	500 000
	Electricity	Replacement of cable for indigent	1 000 000
	Electricity	Maintenance of high mast light in all town	1 500 000
	Electricity	Upgrading of Leitrim substation	1 500 000
	Total		45 500 000
MUNICIPAL MANAGER	ICT	Computer Equipment (Servers, desktops, laptops, projectors etc.)	1 500 000
	ICT	Network Cabling and Equipment (Switches, Radios etc.)	380 000
	ICT	Printers (Multifunction desk printers, slip printers, high function printers etc.)	3 450 000
	Total		5 330 000
CORPORATE SERVICES		Office furniture	2 500 000
		Building Refurbishment / Maintenance	1 000 000
	Total		3 500 000
COMMUNITY SERVICES	Cleansing Services	Landfill site	5 000 000
		Lowbed Truck	1 000 000
	Fire Service	Fire Department Call Centre System	500 000
	Total		6 500 000
SPEAKERS OFFICE	Public Participation Office	PA System	100 000
OWN FUNDING			60 930 000

Borrowings / Finance lease

DEPARTMENT	TYPEP	QUANTITY	Estimated Price	Maximum Price Total	Funding
COMMUNITY SERVICES	Refuse compactor	4	2 900 000,00	11 600 000,00	VEHICLE FINANCE
	Tipper Truck	2	2 164 983,68	4 329 967,36	VEHICLE FINANCE
	Single Cab Bakkie	5	271 769,15	1 358 845,75	VEHICLE FINANCE
	Sedan (traffic)	5	311 124,45	1 555 622,25	VEHICLE FINANCE
	Tracktor	6	304 875,00	1 829 250,00	VEHICLE FINANCE
SUB-TOTAL COMMUNITY SERVICES				20 673 685,36	
TECHNICAL SERVICES	Grader	1	2 995 589,78	2 995 589,78	VEHICLE FINANCE
	TLB	1	998 200,00	998 200,00	VEHICLE FINANCE
	Tipper Truck	2	2 164 983,68	4 329 967,36	VEHICLE FINANCE
	Single Cab Bakkie	5	271 769,15	1 358 845,75	VEHICLE FINANCE
	Excavator	1	3 500 000,00	3 500 000,00	VEHICLE FINANCE
	Combination Truck Mounted Jetting and Vacuum Systems	1	3 500 000,00	3 500 000,00	VEHICLE FINANCE
SUB-TOTAL TECHNICAL SERVICES				16 682 602,89	
FINANCIAL SERVICES	Single Cab Bakkie	1	271 769,15	271 769,15	VEHICLE FINANCE
SUB-TOTAL FINANCIAL SERVICES				271 769,15	
SPEAKERS OFFICE - PUBLIC PARTICIPATION					
	Single Cab Bakkie	1	271 769,15	271 769,15	VEHICLE FINANCE
SUB-TOTAL SPEAKERS OFFICE PUBLIC PARTICIPATION				271 769,15	
DIRECTOR: ECONOMIC DEVELOPMENT					
	Single Cab Bakkie	2	271 769,15	543 538,30	VEHICLE FINANCE
SUB-TOTAL DIRECTOR: ECONOMIC DEVELOPMENT				543 538,30	
				38 443 364,85	

1.7. Annual Budget Tables

The following pages present the ten main budget tables as required in terms of Section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2023/24 budget and MTREF as approved by the Council.

Each table is accompanied by explanatory notes on the facing page.

Table 17 MBRR: Table A1 - Budget Summary

FS204 Metsimaholo - Table A1 Budget Summary

Description R thousands	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Financial Performance										
Property rates	199 277	214 081	211 196	194 330	194 330	194 330	141 043	234 276	245 756	257 307
Service charges	767 533	797 422	880 216	1 117 969	1 030 760	1 030 760	591 550	1 173 911	1 231 592	1 316 162
Investment revenue	4 491	3 045	5 160	3 000	4 800	4 800	6 260	5 054	5 302	5 551
Transfer and subsidies - Operational	213 846	245 218	236 230	254 009	254 009	254 009	184 221	283 025	312 188	342 496
Other own revenue	61 310	59 283	97 479	104 277	76 879	76 879	72 934	93 557	98 147	102 764
Total Revenue (excluding capital transfers and contributions)	1 246 457	1 319 049	1 430 281	1 673 585	1 560 778	1 560 778	996 009	1 789 824	1 892 985	2 024 281
Employee costs	307 824	331 982	335 632	434 807	399 157	399 157	230 315	450 539	472 601	494 799
Remuneration of councillors	19 380	19 380	19 384	20 870	20 870	20 870	13 282	21 705	22 768	23 838
Depreciation and amortisation	46 368	124 139	72 789	86 279	86 279	86 279	62 751	90 287	95 001	99 466
Finance charges	9 386	759	9 354	5 816	449	449	11	5 391	5 655	5 921
Inventory consumed and bulk purchases	272 714	315 049	493 035	599 640	584 140	584 140	306 861	648 720	677 159	697 061
Transfers and subsidies	176	98	334	378	427	427	37	379	398	416
Other expenditure	361 108	251 587	484 432	499 139	469 254	469 254	309 296	511 872	531 652	556 675
Total Expenditure	1 016 955	1 042 993	1 414 960	1 646 928	1 560 575	1 560 575	922 552	1 728 893	1 805 234	1 878 178
Surplus/(Deficit)	229 502	276 056	15 322	26 656	203	203	73 457	60 931	87 751	146 103
Transfers and subsidies - capital (monetary allocations)	35 658	49 110	77 712	106 165	111 265	111 265	47 171	100 690	88 822	81 855
Transfers and subsidies - capital (in-kind)	6 626	1 765	97 593	50 000	50 000	50 000	28 656	9 000	–	–
Surplus/(Deficit) after capital transfers & contributions	271 787	326 931	190 626	182 821	161 468	161 468	149 283	170 621	167 298	210 907
Share of Surplus/Deficit attributable to Associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	271 787	326 931	190 626	182 821	161 468	161 468	149 283	170 621	167 298	210 907
Capital expenditure & funds sources										
Capital expenditure	53 147	47 218	157 894	309 640	238 894	238 894	66 638	109 690	88 822	81 855
Transfers recognised – capital	42 605	45 159	154 451	156 165	161 265	161 265	64 480	109 690	88 822	81 855

Borrowing	–	–	–	77 504	77 504	77 504	–	38 172	–	–
Internally generated funds	10 542	2 059	3 443	75 971	125	125	2 157	60 930	–	–
Total sources of capital funds	53 147	47 218	157 894	309 640	238 894	238 894	66 638	208 792	167 298	210 907
<u>Financial position</u>										
Total current assets	987 565	1 693 547	2 823 031	1 181 209	1 186 209	1 186 209	1 654 050	1 163 267	1 216 632	6 732
Total non current assets	1 679 722	1 409 197	1 566 730	1 825 346	1 754 600	1 754 600	1 605 862	1 844 472	1 920 789	81 855
Total current liabilities	1 035 943	1 144 098	1 288 039	998 394	998 394	998 394	1 315 712	1 115 556	1 218 677	–
Total non current liabilities	–	–	–	–	–	–	–	–	–	–
Community wealth/Equity	1 762 780	1 634 487	1 680 374	1 771 524	1 711 842	1 711 842	1 815 362	1 763 944	1 755 989	464 145
<u>Cash flows</u>										
Net cash from (used) operating	–	(334 769)	(63 229)	286 179	286 179	286 179	43 462	178 546	237 225	–
Net cash from (used) investing	45	(47 218)	(156 084)	(311 450)	(309 640)	(309 640)	(66 372)	(199 138)	(211 661)	45
Net cash from (used) financing	–	–	(493)	53 036	53 036	53 036	(38)	39 947	46 523	–
Cash/cash equivalents at the year end	17 562	(334 586)	(168 831)	93 793	95 603	95 603	(22 948)	27 714	99 800	99 845
<u>Cash backing/surplus reconciliation</u>										
Cash and investments available	1 496 366	1 983 287	3 207 275	1 999 957	1 929 712	1 929 712	1 950 512	2 052 024	2 201 176	81 855
Application of cash and investments	275 110	176 060	135 186	183 351	172 272	172 272	(80 067)	209 703	258 160	–
Balance - surplus (shortfall)	1 221 256	1 807 228	3 072 090	1 816 606	1 757 439	1 757 439	2 030 579	1 842 321	1 943 016	81 855
<u>Asset management</u>										
Asset register summary (WDV)	1 384 267	1 072 785	1 181 935	1 488 934	1 418 188	1 418 188	1 508 060	1 584 377	81 855	–
Depreciation	46 368	124 139	72 789	86 279	86 279	86 279	90 287	95 001	99 466	–
Renewal and Upgrading of Existing Assets	3 621	6 690	16 108	111 685	67 482	67 482	46 027	59 721	65 421	–
Repairs and Maintenance	47 374	22 342	52 433	47 447	49 532	49 532	54 507	69 622	57 683	–
<u>Free services</u>										
Cost of Free Basic Services provided	40 563	53 010	50 599	68 413	136 826	136 826	71 150	74 280	48 568	–
Revenue cost of free services provided	38 151	34 014	39 673	41 411	41 411	41 411	150 255	156 749	155 225	–
<u>Households below minimum service level</u>										
Water:	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	2	2	–	–	2	2	–	–	–	–
Energy:	40	40	–	–	41	41	–	–	–	–
Refuse:	30	30	–	–	76	76	–	–	–	–

Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the Municipality's budget from all of the major financial perspectives (operating revenue and expenditure, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasises the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
 - a. The operating surplus/deficit (after Total Expenditure) is positive over the MTREF
 - b. Capital expenditure is balanced by capital funding sources, of which
 - i. Transfers recognised is reflected on the Financial Performance Budget;
 - ii. Borrowing is incorporated in the net cash from financing on the Cash Flow Budget
 - iii. Internally generated funds are financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. If the municipality's cash flow is positive, and is improving it indicates that the necessary cash resources are available to fund the Capital Budget. Capital from own funding (accumulated surplus) will only be used based on the availability of cash.
4. Even though the Council is placing great emphasis on financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of Free Services shows that the amount spent on Free Basic Services and the cost of free services provided by the municipality continues to increase. In addition, the municipality continues to make progress in addressing service delivery backlogs.

5. Table 18 MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)**FS204 Metsimaholo - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)**

Functional Classification Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue - Functional										
<i>Governance and administration</i>		156 114	193 334	194 282	206 051	189 706	189 706	248 532	279 046	317 953
Executive and council		–	–	–	–	–	–	–	–	–
Finance and administration		156 114	193 334	194 282	206 051	189 706	189 706	248 532	279 046	317 953
<i>Community and public safety</i>		228 134	245 125	247 433	234 704	230 571	230 571	274 143	289 212	286 901
Community and social services		795	1 538	4 346	716	721	721	728	4 730	461
Sport and recreation		5 741	5 245	3 486	2 784	7 965	7 965	2 639	1 807	21
Public safety		3 082	5 197	6 933	13 958	4 638	4 638	4 944	4 881	4 414
Housing		218 515	233 144	232 667	217 246	217 246	217 246	265 833	277 795	282 005
<i>Economic and environmental services</i>		10 659	17 607	36 457	30 841	31 449	31 449	29 301	8 135	3 990
Planning and development		2 846	3 072	3 211	4 189	4 189	4 189	4 298	3 864	3 987
Road transport		7 813	14 535	33 246	26 652	27 260	27 260	25 003	4 271	3
<i>Trading services</i>		893 834	913 859	1 127 414	1 358 153	1 270 317	1 270 317	1 347 538	1 396 139	1 480 241
Energy sources		324 841	344 184	375 251	511 657	469 513	469 513	540 459	544 063	570 899
Water management		446 700	449 956	500 977	601 178	564 443	564 443	610 564	649 824	700 129
Waste water management		73 249	63 032	185 144	173 098	164 183	164 183	129 830	131 513	110 618
Waste management		49 044	56 687	66 042	72 220	72 178	72 178	66 684	70 740	98 596
<i>Other</i>	4	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	1 288 741	1 369 924	1 605 586	1 829 750	1 722 043	1 722 043	1 899 514	1 972 532	2 089 084
Expenditure - Functional										
<i>Governance and administration</i>	-	230 140	274 816	237 019	201 984	177 486	177 486	219 305	266 650	276 970
Executive and council		54 173	50 217	46 565	50 402	46 605	46 605	51 634	53 607	55 711
Finance and administration		173 319	221 783	187 532	151 041	130 355	130 355	167 070	212 359	220 397
Internal audit		2 648	2 816	2 922	541	526	526	601	684	861
<i>Community and public safety</i>		130 580	84 760	161 505	188 322	170 863	170 863	193 159	218 846	228 576
Community and social services		5 721	5 406	4 512	7 314	6 915	6 915	7 414	7 627	7 621
Sport and recreation		34 765	33 383	33 639	47 005	37 777	37 777	43 092	52 543	42 431
Public safety		39 581	47 345	48 893	60 882	55 437	55 437	65 250	66 779	71 918

Housing		50 513	(1 373)	74 461	73 122	70 734	70 734	77 403	91 896	106 606
Economic and environmental services		50 292	68 856	66 840	86 055	75 409	75 409	84 828	95 007	88 430
Planning and development		14 765	15 355	14 748	22 503	19 010	19 010	20 426	18 921	20 262
Road transport		35 527	53 501	52 092	63 553	56 400	56 400	64 403	76 086	68 168
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		826 962	823 882	1 004 764	1 164 379	1 136 040	1 136 040	1 230 777	1 222 080	1 293 204
Energy sources		312 954	336 951	412 779	509 851	501 816	501 816	551 002	574 176	592 040
Water management		392 973	385 273	462 521	478 175	470 348	470 348	492 748	446 923	458 664
Waste water management		67 629	57 963	61 278	101 526	95 147	95 147	108 972	125 456	150 971
Waste management		53 408	43 694	68 186	74 827	68 730	68 730	78 056	75 524	91 530
Other	4	2 121	2 535	3 862	6 188	5 166	5 166	6 162	5 999	6 428
Total Expenditure - Functional	3	1 240 095	1 254 850	1 473 990	1 646 928	1 564 965	1 564 965	1 734 231	1 808 582	1 893 608
Surplus/(Deficit) for the year		48 646	115 074	131 596	182 821	157 079	157 079	165 283	163 950	195 477

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

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
2. Note the Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table A4 before capital grants.
3. Note that as a general principle the revenues for the Trading Services should exceed their expenditures. The table highlights that this is the case for Electricity, Water, Waste management and Waste Water Management
4. This function to explore ways of improving efficiencies and provide a basis for re-evaluating the function's tariff structure.
5. Other functions that show a deficit between revenue and expenditure are being financed from rates revenues and other revenue sources reflected under the Financial Services.

Table 19 MBRR TableA3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)**FS204 Metsimaholo - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)**

Vote Description R thousand	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue by Vote	1									
Vote 01 - Executive & Council		–	–	–	–	–	–	–	–	–
Vote 02 - Municipal Manager		2 118	2 161	3 320	3 138	3 138	3 138	3 247	3 363	3 484
Vote 03 - Corporate Services		812	2 188	807	758	858	858	818	832	847
Vote 04 - Social Services		58 662	68 667	80 808	89 678	85 503	85 503	74 994	82 157	103 491
Vote 05 - Technical Services		852 603	871 707	1 094 618	1 312 586	1 225 399	1 225 399	1 305 857	1 329 670	1 381 648
Vote 06 - Financial Services		367 660	417 279	418 336	396 361	398 836	398 836	491 703	532 034	572 745
Vote 07 - Local Economic Development And Planning		6 885	7 923	7 698	27 229	8 309	8 309	22 895	24 475	26 869
Total Revenue by Vote	2	1 288 741	1 369 924	1 605 586	1 829 750	1 722 043	1 722 043	1 899 514	1 972 532	2 089 084
Expenditure by Vote to be appropriated	1									
Vote 01 - Executive & Council		41 987	43 023	41 019	48 246	47 445	47 445	48 259	50 149	51 603
Vote 02 - Municipal Manager		59 419	61 773	61 046	84 598	78 146	78 146	90 204	93 846	93 333
Vote 03 - Corporate Services		41 193	44 034	43 258	57 844	50 612	50 612	57 563	57 197	60 868
Vote 04 - Social Services		134 381	130 687	156 365	188 305	167 260	167 260	192 458	200 815	212 078
Vote 05 - Technical Services		826 461	856 165	1 008 329	1 073 580	1 042 523	1 042 523	1 139 244	1 208 050	1 249 969
Vote 06 - Financial Services		112 991	68 291	133 374	146 741	138 531	138 531	161 154	161 146	180 042
Vote 07 - Local Economic Development And Planning		23 663	50 877	30 599	47 614	40 447	40 447	45 349	37 380	45 715
Total Expenditure by Vote	2	1 240 095	1 254 850	1 473 990	1 646 928	1 564 965	1 564 965	1 734 231	1 808 582	1 893 608
Surplus/(Deficit) for the year	2	48 646	115 074	131 596	182 821	157 079	157 079	165 283	163 950	195 477

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

Table 21 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)**FS204 Metsimaholo - Table A4 Budgeted Financial Performance (revenue and expenditure)**

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1										
Revenue											
Exchange Revenue											
Service charges - Electricity	2	298 686	324 189	328 061	455 022	412 878	412 878	222 999	493 443	517 622	541 950
Service charges - Water	2	407 802	402 104	441 926	529 970	493 862	493 862	295 529	551 182	578 190	605 365
Service charges - Waste Water Management	2	28 185	35 829	68 269	88 738	79 823	79 823	42 910	85 615	89 877	94 581
Service charges - Waste Management	2	32 860	35 300	41 960	44 239	44 197	44 197	30 113	43 671	45 903	74 266
Sale of Goods and Rendering of Services		6 488	9 245	6 922	27 613	9 383	9 383	4 686	23 882	25 052	26 255
Interest earned from Receivables		37 983	31 400	51 553	43 400	43 400	43 400	51 089	45 600	47 840	50 093
Interest earned from Current and Non Current											
Assets		4 491	3 045	5 160	3 000	4 800	4 800	6 260	5 054	5 302	5 551
Dividends		123	111	123	100	100	100	-	100	105	110
Rental from Fixed Assets		5 983	5 916	6 691	6 319	6 571	6 571	4 343	6 919	7 258	7 573
Operational Revenue		183	146	239	280	380	380	124	290	304	319
Non-Exchange Revenue											
Property rates	2	199 277	214 081	211 196	194 330	194 330	194 330	141 043	234 276	245 756	257 307
Surcharges and Taxes											
Fines, penalties and forfeits		2 508	4 307	4 285	13 600	4 080	4 080	326	4 296	4 507	4 719
Licences or permits		56	10	15	105	105	105	6	111	116	122
Transfer and subsidies - Operational		213 846	245 218	236 230	254 009	254 009	254 009	184 221	283 025	312 188	342 496
Interest		7 944	7 706	9 669	9 000	9 000	9 000	9 841	9 841	10 323	10 808
Operational Revenue		-	-	2 245	3 860	3 860	3 860	2 519	2 519	2 642	2 766
Gains on disposal of Assets		-	247	-	-	-	-	-	-	-	-
Other Gains		41	194	15 736	-	-	-	-	-	-	-
Discontinued Operations											
Total Revenue (excluding capital transfers and contributions)		1 246 457	1 319 049	1 430 281	1 673 585	1 560 778	1 560 778	996 009	1 789 824	1 892 985	2 024 281

Expenditure											
Employee related costs	2	307 824	331 982	335 632	434 807	399 157	399 157	230 315	450 539	472 601	494 799
Remuneration of councillors		19 380	19 380	19 384	20 870	20 870	20 870	13 282	21 705	22 768	23 838
Bulk purchases - electricity	2	270 113	311 989	333 806	363 153	353 653	353 653	204 558	403 671	423 450	443 353
Inventory consumed	8	2 601	3 060	159 229	236 487	230 487	230 487	102 303	245 050	253 709	253 709
Debt impairment	3	230 763	110 595	342 903	274 862	274 862	274 862	206 147	284 001	297 917	311 919
Depreciation and amortisation		46 368	124 139	72 789	86 279	86 279	86 279	62 751	90 287	95 001	99 466
Interest		9 386	759	9 354	5 816	449	449	11	5 391	5 655	5 921
Contracted services		79 498	73 802	74 647	119 231	95 105	95 105	26 523	121 356	121 607	127 323
Transfers and subsidies		176	98	334	378	427	427	37	379	398	416
Irrecoverable debts written off		(0)	12 033	15 669	10 828	10 828	10 828	5 920	11 244	11 795	12 349
Operational costs		49 830	53 020	49 703	61 871	56 112	56 112	27 948	61 631	65 044	68 137
Losses on disposal of Assets		-	2 011	1 043	-	-	-	13 646	-	-	-
Other Losses		1 016	127	466	32 346	32 346	32 346	29 112	33 640	35 288	36 947
Total Expenditure		1 016 955	1 042 993	1 414 960	1 646 928	1 560 575	1 560 575	922 552	1 728 893	1 805 234	1 878 178
Surplus/(Deficit)		229 502	276 056	15 322	26 656	203	203	73 457	60 931	87 751	146 103
Transfers and subsidies - capital (monetary allocations)	6	35 658	49 110	77 712	106 165	111 265	111 265	47 171	100 690	79 548	64 804
Transfers and subsidies - capital (in-kind)	6	6 626	1 765	97 593	50 000	50 000	50 000	28 656	9 000	-	-
Surplus/(Deficit) after capital transfers & contributions		271 787	326 931	190 626	182 821	161 468	161 468	149 283	170 621	167 298	210 907
Income Tax											
Surplus/(Deficit) after income tax		271 787	326 931	190 626	182 821	161 468	161 468	149 283	170 621	167 298	210 907
Share of Surplus/Deficit attributable to Joint Venture											
Share of Surplus/Deficit attributable to Minorities											
Surplus/(Deficit) attributable to municipality		271 787	326 931	190 626	182 821	161 468	161 468	149 283	170 621	167 298	210 907
Share of Surplus/Deficit attributable to Associate	7										
Intercompany/Parent subsidiary transactions											
Surplus/(Deficit) for the year	1	271 787	326 931	190 626	182 821	161 468	161 468	149 283	170 621	167 298	210 907

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

1. Total revenue (excluding capital transfers)

Total revenue projection for 2023/24 amount to **R1,790** billion and the projection over the two outer years increase to **R1,893** billion and **R2,025** billion respectively, this represents a year-on-year increase of 14,67% for the 2023/24 financial year and the two outer years 5.8% and 6,9% respectively.

2. Property Rates

Revenue to be generated from property rates is **R234 million** in the 2023/24 financial year and the projection over the two outer years increase to **R246 million** and **R257 million** respectively.

The property rates and taxes remains relatively constant over the medium-term and tariff increases have been factored in at between 5.3%, 4.9% and 4.7% for all categories for each of the respective financial years of the MTREF. The new valuation roll and classification of property was implemented from 1 July 2019

3. Service charges – electricity, water, sanitation, refuse

Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the revenue basket of the municipality totalling **R1 173 million** for the 2023/24 financial year and increasing of 13.89% as compare to the previous year. The total contribution toward revenue basket is that is 65.59% of the total revenue base and increases over the medium-term to 65%.

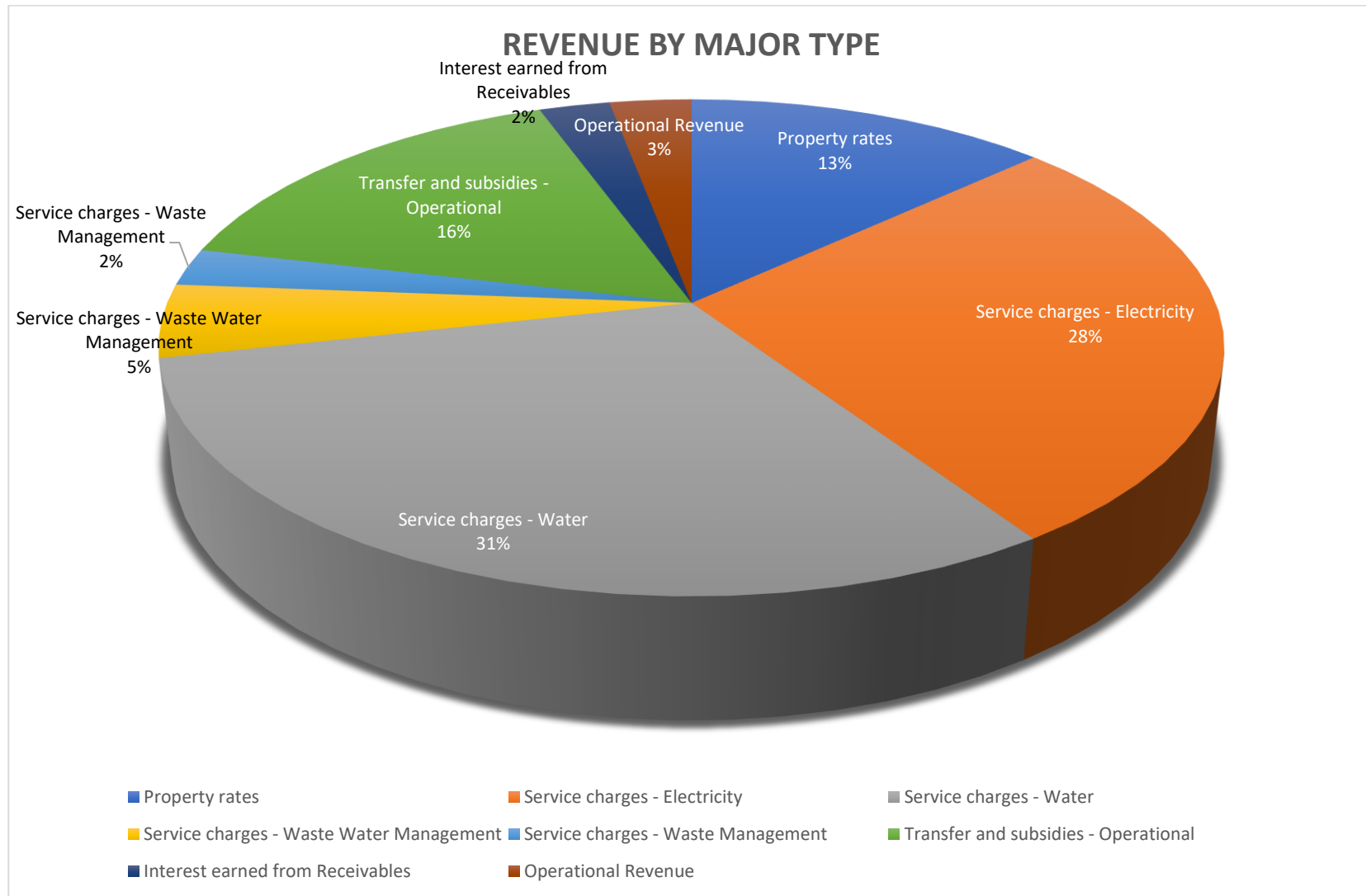
4. Transfers – operational revenue

Transfers recognised – operating includes the local government equitable share and other operating grants from national and provincial government. It needs to be noted that in real terms the grants receipts from national government are growing over the MTREF by positive growth of 11.4% and 10.3% and 9.7% for the two outer years. The percentage share of this revenue source inclines due to the relative slow growth in service charge revenues.

5. Budget surplus and Capital transfers

The budget reflects a surplus before transfer of capital grants of R55.4 million, R87.2 million and R133.7 million for the years related to MTREF. Capital transfers are done in terms of GRAP and Circular 42. After accounting for capital transfers the budget reflects a surplus of R175.2 million, R176.1 million and R215.6 million respectively.

The following graph illustrates the major revenue items per type.



7. Employee related costs, bulk purchases and water inventory are the main cost drivers within the municipality and alternative operational gains and efficiencies will have to be identified to lessen the impact of wage and bulk tariff increases in future years.
8. **Bulk purchases** have significantly increased over the 2022/23 to 2024/25 period escalating from **R 353 million to R404 million**. This represents an increase of 14.1% from 2022/23 to 2023/24, the increase which is in excess of the inflation rate in each of the years.

These increases can be attributed to the substantial increase in the cost of bulk electricity from Eskom.

9. Employee related costs, bulk purchases and water inventory are the main cost drivers within the municipality and alternative operational gains and efficiencies will have to be identified to lessen the impact of wage and bulk tariff increases in future years.

Table 22 MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

Vote Description R thousand	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Capital expenditure - Vote											
<u>Multi-year expenditure to be appropriated</u>	2										
Vote 01 - Executive & Council		–	–	–	538	–	–	535	–	–	–
Vote 02 - Municipal Manager		507	350	2 361	3 118	–	–	439	5 330	–	–
Vote 03 - Corporate Services		40	–	368	1 461	–	–	–	3 500	–	–
Vote 04 - Social Services		4 546	7 303	4 547	29 954	22 515	22 515	816	29 556	1 541	–
Vote 05 - Technical Services		47 978	39 564	147 286	271 369	215 855	215 855	64 847	164 990	87 281	81 855
Vote 06 - Financial Services		77	–	–	402	177	177	–	272	–	–
Vote 07 - Local Economic Development And Planning		–	–	–	1 683	323	323	–	544	–	–
Capital multi-year expenditure sub-total	7	53 147	47 217	154 563	308 525	238 869	238 869	66 638	204 192	88 822	81 855
<u>Single-year expenditure to be appropriated</u>	2										
Vote 01 - Executive & Council		–	–	–	–	–	–	–	–	–	–
Vote 02 - Municipal Manager		–	–	763	–	–	–	–	–	–	–
Vote 03 - Corporate Services		–	–	–	1 103	–	–	–	–	–	–
Vote 04 - Social Services		–	1	2 568	13	25	25	–	–	–	–
Vote 05 - Technical Services		–	–	–	–	–	–	–	–	–	–
Vote 06 - Financial Services		–	–	–	–	–	–	–	–	–	–
Vote 07 - Local Economic Development And Planning		–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total		–	1	3 331	1 115	25	25	–	–	–	–
Total Capital Expenditure - Vote		53 147	47 218	157 894	309 640	238 894	238 894	66 638	109 690	88 822	81 855
<u>Capital Expenditure - Functional</u>											
Governance and administration		796	350	3 493	8 112	177	177	974	12 602	–	–

Executive and council		-	-	-	538	-	-	535	-	-	-
Finance and administration		796	350	3 493	7 574	177	177	439	12 602	-	-
Internal audit											
Community and public safety		4 546	5 294	7 115	14 112	15 307	15 307	740	2 383	1 541	-
Community and social services		49	431	5 950	545	5 373	5 373	785	-	-	-
Sport and recreation		4 497	4 861	715	4 641	3 037	3 037	-	2 383	1 541	-
Public safety		-	1	450	8 603	6 575	6 575	(46)	-	-	-
Housing		-	-	-	323	323	323	-	-	-	-
Economic and environmental services		1 897	10 804	26 209	82 339	65 332	65 332	7 736	61 824	4 268	-
Planning and development		-	-	-	110	-	-	-	-	-	-
Road transport		1 897	10 804	26 209	82 229	65 332	65 332	7 736	61 824	4 268	-
Housing											
Trading services		45 908	30 770	121 077	203 827	158 077	158 077	57 188	121 596	83 013	81 855
Energy sources		14 831	9 356	28 531	82 533	56 233	56 233	16 584	41 824	10 000	10 000
Water management		2 992	8 352	6 907	36 232	28 705	28 705	9 269	33 182	62 396	61 238
Waste water management		28 085	11 052	85 640	68 885	65 585	65 585	31 259	24 661	10 617	10 617
Waste management		-	2 011	-	16 177	7 555	7 555	77	21 930	-	-
Other		-	-	-	1 250	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	53 147	47 218	157 894	309 640	238 894	238 894	66 638	204 192	88 822	81 855
Funded by:											
National Government		42 004	43 394	141 806	156 165	161 265	161 265	64 480	109 690	88 822	81 855
Provincial Government											
District Municipality		-	-	763	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind)		601	1 765	11 882	-	-	-	-	-	-	-
Transfers recognised - capital	4	42 605	45 159	154 451	156 165	161 265	161 265	64 480	109 690	88 822	81 855
Borrowing	6	-	-	-	77 504	77 504	77 504	-	38 443	-	-
Internally generated funds		10 542	2 059	3 443	75 971	125	125	2 157	60 930	-	-
Total Capital Funding	7	53 147	47 218	157 894	309 640	238 894	238 894	66 638	208 792	88 822	81 855

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

1. Table A5 is a breakdown of the capital program in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations.
3. Multi-year capital expenditure has been appropriated at R204.1 million for the 2023/24 financial year and decrease over the MTREF at levels of R88.8 million and R81.9 million respectively for the two outer years.
4. Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of vehicles and specialized tools and equipment. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the Municipality. For the purpose of funding assessment of the MTREF, these appropriations have been included but no commitments will be incurred against single-year appropriations for the two outer-years.
5. The capital programs will be funded from grants and transfers, borrowing and internally generated funds from current year surpluses. For 2023/24, capital transfers (grants) totals R109.7 million and decreases to R88.8 million by 2024/25 and R81.9 million over the two outer years.
6. Internally generated funding will solely depends on council ability to collect revenue to the maximum of 80% of the projected budget and the borrowing will be decided during the budget consultation processes.

Table 23 MBRR Table A6 -Budgeted Financial Position

FS204 Metsimaholo - Table A6 Budgeted Financial Position

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand											
ASSETS											
Current assets											
Cash and cash equivalents		47 402	491 956	1 553 031	100 318	100 318	100 318	172 418	133 999	207 659	–
Trade and other receivables from exchange transactions	1	223 150	330 421	334 609	316 067	316 067	316 067	419 565	311 360	307 314	–
Receivables from non-exchange transactions	1	1 145	49 015	(10 978)	(28 585)	(28 585)	(28 585)	76 502	(45 499)	(51 749)	–
Current portion of non-current receivables		–	–	–	–	–	–	–	–	–	–
Inventory	2	1 183	1 347	1 732	1 732	6 732	6 732	1 275	6 732	6 732	6 732
VAT		698 951	806 427	938 387	777 867	777 867	777 867	977 905	742 867	732 867	–
Other current assets		15 734	14 382	6 250	13 808	13 808	13 808	6 371	13 808	13 808	–
Total current assets		987 565	1 693 547	2 823 031	1 181 209	1 186 209	1 186 209	1 654 036	1 163 267	1 216 632	6 732
Non current assets											
Investments		–	–	–	–	–	–	–	–	–	–
Investment property		444 879	240 182	242 260	238 173	238 173	238 173	241 303	237 169	236 165	–
Property, plant and equipment	3	1 225 814	1 160 910	297,90	1 583 572	1 513 326	1 513 326	1 358 515	1 606 666	1 686 203	81 855
Biological assets											
Living and non-living resources											
Heritage assets		4 428	4 428	270	4 428	4 428	4 428	270	4 428	4 428	–
Intangible assets		4 556	3 632	2 709	(872)	(1 372)	(1 372)	3 919	(3 836)	(6 052)	–
Trade and other receivables from exchange transactions		45	45	1 855	45	45	45	1 855	45	45	–
Non-current receivables from non-exchange transactions											
Other non-current assets											
Total non current assets		1 679 722	1 409 197	1 566 730	1 825 346	1 754 600	1 754 600	1 605 862	1 844 472	1 920 789	81 855
TOTAL ASSETS		2 667 287	3 102 744	4 389 760	3 006 555	2 940 809	2 940 809	3 259 899	3 007 739	3 137 421	88 587
LIABILITIES											
Current liabilities											

Bank overdraft											
Financial liabilities		3 288	493	38	4 053	4 053	4 053	(0)	4 477	4 943	–
Consumer deposits		25 477	26 905	28 101	28 105	28 105	28 105	28 919	28 105	31 005	–
Trade and other payables from exchange transactions	4	275 110	298 545	288 871	301 368	301 368	301 368	191 184	313 705	358 244	–
Trade and other payables from non-exchange transactions	5	27 116	273	9 991	–	–	–	45 619	–	–	–
Provision		8 085	1 156	2 501	1 156	1 156	1 156	2 501	1 156	1 156	–
VAT		694 916	813 527	956 252	660 511	660 511	660 511	1 045 203	764 912	820 129	–
Other current liabilities		1 951	3 200	2 285	3 200	3 200	3 200	2 285	3 200	3 200	–
Total current liabilities		1 035 943	1 144 098	1 288 039	998 394	998 394	998 394	1 315 710	1 115 556	1 218 677	–
Non current liabilities											
Financial liabilities	6	541	38	–	73 451	73 451	73 451	–	112 974	159 031	–
Provision	7	141 705	146 249	140 603	163 833	163 833	163 833	140 603	172 503	181 173	–
Long term portion of trade payables											
Other non-current liabilities											
Total non current liabilities		–	–	–	–	–	–	–	–	–	–
TOTAL LIABILITIES		1 035 943	1 144 098	1 288 039	998 394	998 394	998 394	1 315 710	1 115 556	1 218 677	–
NET ASSETS		1 631 344	1 958 646	3 101 721	2 008 161	1 942 415	1 942 415	1 944 188	1 892 184	1 918 744	88 587
COMMUNITY WEALTH/EQUITY											
Accumulated surplus/(deficit)	8	1 762 780	1 634 487	1 680 374	1 771 524	1 711 842	1 711 842	1 815 350	1 716 681	1 696 809	375 499
Reserves and funds	9	–	–	–	–	–	–	–	–	–	–
Other											
TOTAL COMMUNITY WEALTH/EQUITY	10	1 762 780	1 634 487	1 680 374	1 771 524	1 711 842	1 711 842	1 815 350	1 716 681	1 696 809	375 499

Explanatory notes to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understand ability for councillors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.

3. Table 52 is supported by an extensive table of notes (SA3 which can be found on page 206) providing a detailed analysis of the major components of a number of items, including:
 - Call investments deposits;
 - Consumer debtors;
 - Property, plant and equipment;
 - Trade and other payables;
 - Provisions non- current;
 - Changes in net assets; and
 - Reserves
4. The municipal equivalent of equity is Community Wealth/Equity.
The justification is that ownership and the net assets of the municipality belong to the community.
5. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition, the funding compliance assessment is informed directly by forecasting the statement of financial position.

Table 24 MBRR Table A7 - Budgeted Cash Flow Statement**FS204 Metsimaholo - Table A7 Budgeted Cash Flows**

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		–	187 298	191 717	153 091	153 091	153 091	85 450	159 943	167 757	167 757
Service charges		–	813 973	943 373	959 588	959 588	959 588	351 384	969 247	1 009 920	1 019 865
Other revenue		–	(74 319)	376 435	288 451	288 451	288 451	876 325	32 550	22 420	(17 579)
Transfers and Subsidies - Operational	1	–	217 324	221 575	7 261	7 261	7 261	33 393	282 025	312 139	342 188
Transfers and Subsidies - Capital	1	–	26 607	180 096	156 165	156 165	156 165	83 748	85 497	89 293	89 293
Interest		–	3 045	1 798	–	–	–	–	–	–	–
Dividends		–	111	123	100	100	100	–	100	105	110
Payments											
Suppliers and employees		–	(1 508 808)	(1 978 347)	(1 270 444)	(1 270 444)	(1 270 444)	(1 386 837)	(1 248 120)	(1 306 807)	(1 306 145)
Finance charges		–	–	–	(8 032)	(8 032)	(8 032)	–	(17 217)	(4 000)	(4 000)
Transfers and Subsidies	1								–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		–	(334 769)	(63 229)	286 179	286 179	286 179	43 462	264 025	290 827	291 489
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE									–	–	–
Decrease (increase) in non-current receivables		45	–	1 810	(1 810)	–	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–	–
Payments											
Capital assets		–	(47 218)	(157 894)	(309 640)	(309 640)	(309 640)	(66 372)	(86 780)	(55 403)	(56 065)
NET CASH FROM/(USED) INVESTING ACTIVITIES		45	(47 218)	(156 084)	(311 450)	(309 640)	(309 640)	(66 372)	(86 780)	(55 403)	(56 065)

CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans									–	–	–
Borrowing long term/refinancing		–	–	–	56 000	56 000	56 000	–	44 000	51 000	51 000
Increase (decrease) in consumer deposits									–	2 900	2 900
Payments											
Repayment of borrowing		–	–	(493)	(2 964)	(2 964)	(2 964)	(38)	(4 053)	(4 477)	(4 477)
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	–	(493)	53 036	53 036	53 036	(38)	39 947	49 423	49 423
NET INCREASE/ (DECREASE) IN CASH HELD		45	(381 988)	(219 806)	27 765	29 575	29 575	(22 948)	217 193	284 847	284 847
Cash/cash equivalents at the year begin:	2	17 517	47 402	50 975	66 028	66 028	66 028	–	8 360	225 553	510 400
Cash/cash equivalents at the year end:	2	17 562	(334 586)	(168 831)	93 793	95 603	95 603	(22 948)	225 553	510 400	795 247

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

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

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

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. As part of the 2022/23 mid-year review and the Budget the cash position had to be addressed as a matter of urgency and various interventions were implemented such as the reduction of expenditure allocations and rationalization of spending priorities.
4. A Funding Plan was approved by Council in October 2021 and there's a need to review the funding plan to align the target with the MTREF Budget 2023/24 and the two outer years.
5. In addition, the Municipality will undertake an extensive debt collection drive.
6. A Revenue Enhancement Strategy will be developed and implemented.
7. The 2022/23 MTREF has been informed by the planning principle of ensuring adequate cash reserves over the medium-term.
8. Cash and cash equivalents totals a projected favourable R27.7 million as at the end of the 2023/24 financial year and increase to a favourable cash and cash equivalents of R99 million by 2024/25 and increase to R99.8 million in 2025/26.
9. Provision is made for long outstanding creditors – Department of Water, Government Garage and Compensation Commissioner. The outstanding debt will be redeemed over a few years.
10. **The municipality must enter into formal agreements with Department of Water, Government Garage and Compensation Commissioner.**

Table 25 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

FS204 Metsimaholo - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Cash and investments available											
Cash/cash equivalents at the year end	1	17 562	(334 586)	(168 831)	93 793	95 603	95 603	(22 948)	27 714	99 800	99 845
Other current investments > 90 days		252 990	1 156 963	2 056 470	322 592	320 782	320 782	614 931	417 645	415 173	(99 845)
Investments - Property, plant and equipment	1	1 225 814	1 160 910	1 319 636	1 583 572	1 513 326	1 513 326	1 358 515	1 606 666	1 686 203	81 855
Cash and investments available:		1 496 366	1 983 287	3 207 275	1 999 957	1 929 712	1 929 712	1 950 499	2 052 024	2 201 176	81 855
Application of cash and investments											
Trade payables from Non-exchange transactions: Other		-	-	-	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2										
Other working capital requirements	3	275 110	176 060	135 186	183 351	172 272	172 272	(80 073)	207 527	256 061	-
Other provisions											
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		275 110	176 060	135 186	183 351	172 272	172 272	(80 073)	207 527	256 061	-
Surplus(shortfall)		1 221 256	1 807 228	3 072 090	1 816 606	1 757 439	1 757 439	2 030 572	1 844 497	1 945 115	81 855

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

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of noncompliance with the MFMA requirements that the municipality's budget must be "funded".

4. Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.
5. Considering the requirements of section 18 of the MFMA, it can be concluded that the adopted 2022/23 MTREF was funded owing to the significant surplus.
6. As part of the budgeting and planning guidelines that informed the compilation of the 2023/24 MTREF the end objective of the medium-term framework was to ensure the budget is funded aligned to section 18 of the MFMA. The budget is funded in all three financial years, although National Treasury indicated the budget is not funded.
7. Unspent conditional transfers (grants) are automatically assumed to be an obligation as the municipality has received government transfers in advance of meeting the conditions. Ordinarily, unless there are special circumstances, the municipality is obligated to return unspent conditional grant funds to the national revenue fund at the end of the financial year. In the past these have been allowed to 'roll-over' and be spent in the ordinary course of business, but this practice has been discontinued.

Table 26 MBRR Table A9 - Asset Management

FS204 Metsimaholo - Table A9 Asset Management

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
CAPITAL EXPENDITURE										
<u>Total New Assets</u>	1	49 527	40 529	141 786	197 955	171 412	171 412	123 964	29 101	16 434
<i>Roads Infrastructure</i>		5 829	11 847	25 166	46 229	41 750	41 750	11 300	–	–
<i>Storm water Infrastructure</i>		–	–	–	–	–	–	12 500	1 858	–
<i>Electrical Infrastructure</i>		10 299	8 097	29 402	39 631	35 631	35 631	30 280	10 000	10 000
<i>Water Supply Infrastructure</i>		2 318	4 685	5 934	22 693	14 745	14 745	10 000	15 703	6 434
<i>Sanitation Infrastructure</i>		25 215	6 641	73 971	52 000	50 000	50 000	9 000	–	–
<i>Solid Waste Infrastructure</i>		–	–	–	–	–	–	5 000	–	–
<i>Rail Infrastructure</i>		–	–	–	–	–	–	–	–	–
<i>Coastal Infrastructure</i>		–	–	–	–	–	–	–	–	–
<i>Information and Communication Infrastructure</i>		–	–	–	200	–	–	380	–	–
Infrastructure		43 661	31 270	134 474	160 753	142 126	142 126	78 460	27 561	16 434
Community Facilities		4 497	4 952	3 804	3 400	7 980	7 980	2 383	1 541	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Community Assets		4 497	4 952	3 804	3 400	7 980	7 980	2 383	1 541	–
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	1 200	–	–	1 000	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		–	–	–	1 200	–	–	1 000	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	200	–	–	–	–	–
Intangible Assets		–	–	–	200	–	–	–	–	–
Computer Equipment		507	350	792	950	–	–	3 450	–	–
Furniture and Office Equipment		11	–	266	1 594	25	25	500	–	–

Machinery and Equipment	250	1 945	1 999	7 849	4 277	4 277	-	-	-
Transport Assets	601	2 011	450	21 709	17 004	17 004	38 172	-	-
Land	-	-	-	300	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Mature	-	-	-	-	-	-	-	-	-
Immature	-	-	-	-	-	-	-	-	-
Living Resources	-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	3 621	6 690	16 108	95 638	53 284	53 284	44 817	23 891	39 631
Roads Infrastructure	-	-	-	25 000	13 000	13 000	20 500	-	-
Storm water Infrastructure	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	-	216	171	40 400	20 000	20 000	4 200	-	-
Water Supply Infrastructure	673	2 063	972	3 561	4 843	4 843	-	13 274	29 014
Sanitation Infrastructure	2 869	4 410	11 659	17 566	15 316	15 316	11 617	10 617	10 617
Solid Waste Infrastructure	-	-	-	-	-	-	-	-	-
Rail Infrastructure	-	-	-	-	-	-	-	-	-
Coastal Infrastructure	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-
Infrastructure	3 543	6 690	12 802	86 527	53 159	53 159	36 317	23 891	39 631
Community Facilities	-	-	2 568	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
Community Assets	-	-	2 568	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	3 500	-	-
Housing	-	-	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-	3 500	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	300	-	-	-	-	-
Intangible Assets	-	-	-	300	-	-	-	-	-
Computer Equipment	-	-	540	1 165	59	59	1 500	-	-
Furniture and Office Equipment	78	-	198	693	66	66	2 500	-	-
Machinery and Equipment	-	-	-	100	-	-	-	-	-
Transport Assets	-	-	-	6 853	-	-	1 000	-	-

Land										
Zoo's, Marine and Non-biological Animals										
Mature										
Immature										
Living Resources										
Total Upgrading of Existing Assets	6				16 047	14 322	14 322	35 410	35 829	25 790
Roads Infrastructure					5 420	5 507	5 507	12 500	2 410	
Storm water Infrastructure										
Electrical Infrastructure					1 000					
Water Supply Infrastructure					9 627	8 815	8 815	22 910	33 419	25 790
Sanitation Infrastructure										
Solid Waste Infrastructure										
Rail Infrastructure										
Coastal Infrastructure										
Information and Communication Infrastructure										
Infrastructure					16 047	14 322	14 322	35 410	35 829	25 790
Community Facilities										
Sport and Recreation Facilities										
Community Assets										
Heritage Assets										
Revenue Generating										
Non-revenue Generating										
Investment properties										
Operational Buildings										
Housing										
Other Assets										
Biological or Cultivated Assets										
Servitudes										
Licences and Rights										
Intangible Assets										
Computer Equipment										
Furniture and Office Equipment										
Machinery and Equipment										
Transport Assets										
Land										
Zoo's, Marine and Non-biological Animals										

Mature	-	-	-	-	-	-	-	-	-
Immature	-	-	-	-	-	-	-	-	-
Living Resources	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	53 147	47 218	157 894	309 640	239 019	239 019	204 192	88 822	81 855
Roads Infrastructure	5 829	11 847	25 166	76 649	60 257	60 257	44 300	2 410	-
Storm water Infrastructure	-	-	-	-	-	-	12 500	1 858	-
Electrical Infrastructure	10 299	8 313	29 573	81 031	55 631	55 631	34 480	10 000	10 000
Water Supply Infrastructure	2 992	6 748	6 907	35 881	28 404	28 404	32 910	62 396	61 238
Sanitation Infrastructure	28 085	11 052	85 630	69 566	65 316	65 316	20 617	10 617	10 617
Solid Waste Infrastructure	-	-	-	-	-	-	5 000	-	-
Rail Infrastructure	-	-	-	-	-	-	-	-	-
Coastal Infrastructure	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure	-	-	-	200	-	-	380	-	-
Infrastructure	47 204	37 960	147 277	263 327	209 608	209 608	150 187	87 281	81 855
Community Facilities	4 497	4 952	6 372	3 400	7 980	7 980	2 383	1 541	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
Community Assets	4 497	4 952	6 372	3 400	7 980	7 980	2 383	1 541	-
Heritage Assets	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	1 200	-	-	4 500	-	-
Housing	-	-	-	-	-	-	-	-	-
Other Assets	-	-	-	1 200	-	-	4 500	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	500	-	-	-	-	-
Intangible Assets	-	-	-	500	-	-	-	-	-
Computer Equipment	507	350	1 332	2 115	59	59	4 950	-	-
Furniture and Office Equipment	89	-	464	2 287	91	91	3 000	-	-
Machinery and Equipment	250	1 945	1 999	7 949	4 277	4 277	-	-	-
Transport Assets	601	2 011	450	28 562	17 004	17 004	39 172	-	-
Land	-	-	-	300	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Mature	-	-	-	-	-	-	-	-	-
Immature	-	-	-	-	-	-	-	-	-

Living Resources		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		53 147	47 218	157 894	309 640	239 019	239 019	204 192	88 822	81 855
ASSET REGISTER SUMMARY - PPE (WDV)	5	1 384 267	1 072 785	1 181 935	1 488 934	1 418 313	1 418 313	1 770 687	1 584 377	1 615 904
Roads Infrastructure		220 883	211 984	139 617	335 569	319 177	319 177	444 207	361 167	358 756
Storm water Infrastructure		29 433	12 215	44 190	12 215	12 215	12 215	24 715	14 073	12 215
Electrical Infrastructure		214 609	203 187	206 595	315 154	289 754	289 754	336 514	338 495	338 495
Water Supply Infrastructure		176 662	138 206	141 257	162 951	155 473	155 473	264 329	232 608	269 943
Sanitation Infrastructure		59 386	50 495	158 220	166 043	161 793	161 793	179 355	184 167	184 167
Solid Waste Infrastructure		5 698	4 160	364	2 841	2 841	2 841	6 572	304	304
Rail Infrastructure										
Coastal Infrastructure										
Information and Communication Infrastructure		-	-	-	270	70	70	640	450	450
Infrastructure		706 671	620 248	690 243	995 043	941 323	941 323	1 256 333	1 131 263	1 164 330
Community Assets		143 834	127 441	179 946	140 958	145 537	145 537	140 771	142 766	141 225
Heritage Assets		4 428	4 428	270	4 428	4 428	4 428	4 428	4 428	4 428
Investment properties		444 879	240 182	242 260	238 173	238 173	238 173	237 169	236 165	236 165
Other Assets		32 358	34 979	27 566	28 578	27 378	27 378	26 154	15 720	15 720
Biological or Cultivated Assets										
Intangible Assets		4 556	3 632	2 709	(872)	(1 372)	(1 372)	(3 836)	(6 052)	(6 052)
Computer Equipment		5 170	3 898	3 482	4 701	2 645	2 645	7 767	2 381	2 381
Furniture and Office Equipment		2 745	2 020	3 047	3 239	1 043	1 043	4 507	1 054	1 054
Machinery and Equipment		23 513	21 435	18 958	25 582	21 911	21 911	14 905	5 933	5 933
Transport Assets		16 114	14 523	13 455	48 604	37 046	37 046	81 990	50 220	50 220
Land		-	-	-	500	200	200	500	500	500
Zoo's, Marine and Non-biological Animals										
Living Resources										

TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	1 384 267	1 072 785	1 181 935	1 488 934	1 418 313	1 418 313	1 770 687	1 584 377	1 615 904
EXPENDITURE OTHER ITEMS		93 741	146 480	125 222	133 727	135 157	135 157	150 828	164 623	157 149
Depreciation	7	46 368	124 139	72 789	86 279	86 279	86 279	90 287	95 001	99 466
Repairs and Maintenance by Asset Class	3	47 374	22 342	52 433	47 447	48 877	48 877	60 542	69 622	57 683
<i>Roads Infrastructure</i>		6 773	3 304	12 963	8 859	5 859	5 859	6 731	13 294	7 477
<i>Storm water Infrastructure</i>		–	50	372	1 150	1 150	1 150	418	458	458
<i>Electrical Infrastructure</i>		9 807	3 322	11 235	8 357	14 524	14 524	12 966	9 405	9 405
<i>Water Supply Infrastructure</i>		674	695	4 389	1 710	1 710	1 710	2 919	2 668	2 669
<i>Sanitation Infrastructure</i>		14 363	3 531	10 591	5 958	5 958	5 958	9 043	11 595	11 595
<i>Solid Waste Infrastructure</i>		–	–	–	–	–	–	–	–	–
<i>Rail Infrastructure</i>		–	–	–	–	–	–	–	–	–
<i>Coastal Infrastructure</i>		–	–	–	–	–	–	–	–	–
<i>Information and Communication Infrastructure</i>		–	–	–	–	–	–	–	–	–
Infrastructure		31 617	10 902	39 551	26 034	29 201	29 201	32 078	37 421	31 605
Community Facilities		455	536	286	1 140	990	990	1 218	1 154	1 001
Sport and Recreation Facilities		–	–	–	262	112	112	325	232	–
Community Assets		455	536	286	1 402	1 102	1 102	1 543	1 386	1 001
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		424	282	511	2 496	2 496	2 496	7 582	8 105	1 856
Housing		–	–	–	–	–	–	–	–	–
Other Assets		424	282	511	2 496	2 496	2 496	7 582	8 105	1 856
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		997	1 096	–	1 000	1 000	1 000	1 000	1 000	1 000
Intangible Assets		997	1 096	–	1 000	1 000	1 000	1 000	1 000	1 000
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		3 933	6 061	7 028	6 608	5 493	5 493	8 020	8 130	8 698
Machinery and Equipment		5 372	57	9	888	883	883	849	941	936
Transport Assets		4 575	3 407	5 048	9 019	8 702	8 702	9 470	12 639	12 587
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–

Immature Living Resources		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		93 741	146 480	125 222	133 727	135 157	135 157	150 828	164 623	157 149
<i>Renewal and upgrading of Existing Assets as % of total capex</i>		6,8%	14,2%	10,2%	36,1%	28,3%	28,3%	39,3%	67,2%	79,9%
<i>Renewal and upgrading of Existing Assets as % of deprecn</i>		7,8%	5,4%	22,1%	129,4%	78,4%	78,4%	88,9%	62,9%	65,8%
<i>R&M as a % of PPE & Investment Property</i>		3,4%	2,0%	4,4%	3,1%	3,4%	3,4%	3,4%	4,3%	3,5%
<i>Renewal and upgrading and R&M as a % of PPE and Investment Property</i>		3,6%	2,6%	5,8%	10,6%	8,2%	8,2%	7,9%	8,1%	7,5%

Explanatory notes to Table A9 - Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
2. National Treasury has recommended that municipalities should allocate At least 40 per cent of their capital budget to the renewal of existing assets. Allocations to repairs and maintenance should be 8 per cent of PPE.

The requirements on repairs and maintenance are under 8% when the employee related cost is not added to materials, the repairs and maintenance allocation for 2023/24 amount to R69.6 million, which represent 4% of the overall expenditure and for the two outer years R57.7 million and Rxxx.

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

Table 27 MBRR Table A10 - Basic Service Delivery Measurement**FS204 Metsimaholo - Table A10 Basic service delivery measurement**

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Household service targets	1									
<u>Water:</u>										
Piped water inside dwelling		13 945	13 945	–	–	15 945	15 945	15 945	15 945	15 945
Piped water inside yard (but not in dwelling)		30 955	30 955	–	–	34 433	34 433	34 433	34 433	34 433
Using public tap (at least min.service level)	2	2 500	2 500	–	–	2 000	2 000	2 000	2 000	2 000
Other water supply (at least min.service level)	4	10	10	–	–	10	10	10	10	10
<i>Minimum Service Level and Above sub-total</i>		47 410	47 410	–	–	52 388	52 388	52 388	52 388	52 388
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	47 410	47 410	–	–	52 388	52 388	52 388	52 388	52 388
<u>Sanitation/sewerage:</u>										
Flush toilet (connected to sewerage)		33 591	33 591	–	–	37 591	37 591	37 591	37 591	37 591
Flush toilet (with septic tank)		1 200	1 200	–	–	1 500	1 500	1 500	1 500	1 500
Chemical toilet		–	–	–	–	–	–	–	–	–
Pit toilet (ventilated)		1 200	1 200	–	–	1 500	1 500	1 500	1 500	1 500
Other toilet provisions (> min.service level)		9 387	9 387	–	–	10 287	10 287	10 287	10 287	10 287
<i>Minimum Service Level and Above sub-total</i>		45 378	45 378	–	–	50 878	50 878	50 878	50 878	50 878
Bucket toilet		2 000	2 000	–	–	1 500	1 500	1 500	1 500	1 500
Other toilet provisions (< min.service level)		–	–	–	–	–	–	–	–	–
No toilet provisions		–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>		2 000	2 000	–	–	1 500	1 500	1 500	1 500	1 500
Total number of households	5	47 378	47 378	–	–	52 378	52 378	52 378	52 378	52 378
<u>Energy:</u>										
Electricity (at least min.service level)		–	–	–	–	–	–	–	–	–
Electricity - prepaid (min.service level)		–	–	–	–	–	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>		–	–	–	–	–	–	–	–	–
Electricity (< min.service level)		720	720	–	–	730	730	730	730	730

Electricity - prepaid (< min. service level)		39 239	39 239	–	–	40 280	40 280	40 280	40 280	40 280
Other energy sources		–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>		39 959	39 959	–	–	41 010	41 010	41 010	41 010	41 010
Total number of households	5	39 959	39 959	–	–	41 010	41 010	41 010	41 010	41 010
<u>Refuse:</u>										
Removed at least once a week		55 000	55 000	–	–	56 000	56 000	56 000	56 000	56 000
<i>Minimum Service Level and Above sub-total</i>		55 000	55 000	–	–	56 000	56 000	56 000	56 000	56 000
Removed less frequently than once a week		10 000	10 000	–	–	56 000	56 000	56 000	56 000	56 000
Using communal refuse dump		–	–	–	–	10	10	10	10	10
Using own refuse dump		–	–	–	–	–	–	–	–	–
Other rubbish disposal		10 000	10 000	–	–	10 000	10 000	10 000	10 000	10 000
No rubbish disposal		10 000	10 000	–	–	10 000	10 000	10 000	10 000	10 000
<i>Below Minimum Service Level sub-total</i>		30 000	30 000	–	–	76 010	76 010	76 010	76 010	76 010
Total number of households	5	85 000	85 000	–	–	132 010	132 010	132 010	132 010	132 010
<u>Households receiving Free Basic Service</u>	7									
Water (6 kilolitres per household per month)		12 000	12 000	–	–	13 000	13 000	13 000	13 000	13 000
Sanitation (free minimum level service)		12 000	12 000	–	–	13 000	13 000	13 000	13 000	13 000
Electricity/other energy (50kwh per household per month)		12 000	12 000	–	–	13 000	13 000	13 000	13 000	13 000
Refuse (removed at least once a week)		12 000	12 000	–	–	13 000	13 000	13 000	13 000	13 000
<i>Informal Settlements</i>		–	–	–	–	–	–	–	–	–
<u>Cost of Free Basic Services provided - Formal Settlements (R'000)</u>										
Water (6 kilolitres per indigent household per month)		9 845	16 854	9 861	13 788	13 788	13 788	14 340	14 985	14 985
Sanitation (free sanitation service to indigent households)		11 393	12 830	13 478	17 092	17 092	17 092	17 776	18 576	18 576
Electricity/other energy (50kwh per indigent household per month)		5 652	7 790	7 993	13 875	13 875	13 875	14 430	15 007	15 007
Refuse (removed once a week for indigent households)		13 632	15 536	19 267	23 658	23 658	23 658	24 604	25 711	–
<u>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</u>		41	–	–	–	68 413	68 413	71 150	74 279	74 279
Total cost of FBS provided	8	40 563	53 010	50 599	68 413	136 826	136 826	142 300	148 559	122 847
<u>Highest level of free service provided per household</u>										

Property rates (R value threshold)		50 000	50 000	–	–	50 000	50 000	50 000	50 000	50 000
Water (kilolitres per household per month)		6	6	–	–	6	6	6	6	6
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)		124	124	–	–	167	167	167	167	167
Electricity (kwh per household per month)		50	50	–	–	50	50	50	50	50
Refuse (average litres per week)		132	132	–	–	152	152	152	152	152
Revenue cost of subsidised services provided (R'000)										
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)	9	38	38	–	–	–	–	–	–	–
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA		38 113	33 976	30 503	41 411	41 411	41 411	150 255	156 749	155 225
Water (in excess of 6 kilolitres per indigent household per month)		–	–	–	–	–	–	–	–	–
Sanitation (in excess of free sanitation service to indigent households)		–	–	9 170	–	–	–	–	–	–
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	6									
Housing - top structure subsidies										
Other										
Total revenue cost of subsidised services provided		38 151	34 014	39 673	41 411	41 411	41 411	150 255	156 749	155 225

Explanatory notes to Table A10 - Basic Service Delivery Measurement

- Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.
- The Municipality continues to make good progress with the eradication of backlogs:
 - Water services – in process to contrasted a water reservoir.
 - Sanitation services – backlog will be partially reduced in 2023/24
 - Electricity services – the municipality is in process to build a new substation and the backlog will be reduced after the completion of the substation.

3. Refuse services – additional refuse removal trucks will assist in delivering 4. more efficient and extended services
5. The budget provides for a total 13 000 households to be registered as indigent in 2023/2024 and therefore entitled to receive Free Basic Services. The number is set to increase given the rapid rate of in-migration to the Municipality, especially by poor people seeking economic opportunities.
6. It is anticipated that Free Basic Services to indigent will cost the municipality R71.1 million in 2023/24 and it increases to R74.2 million in 2024/25. The rates rebates are excluded. This is covered by the municipality's equitable share allocation from national government.

Part 2 – Supporting Documentation

2.1 Overview of the annual budget process

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

2.1.1 Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2022) a time schedule that sets out the process to revise the IDP and prepare the budget.

The Council approved the IDP and budget time schedule on **August 2022**. Key dates to the time table for IDP and Budget process applicable to the process were:

TABLE: SUMMARISED BUDGET PREPARATION PROCESS

Timelines	Summary of Activities and Key Deliverables
October - November 2022	Detail departmental budget proposals (capital and operating) submitted to the Budget and Treasury Office for consolidation and assessment against the financial planning guidelines;
January - February 2023	Review of the financial strategy and key economic and financial planning assumptions. This included financial forecasting and scenario considerations
	Council considers the 2022/23 Mid-year Budget and Performance Review
	Council considers the 2021/22 Annual Budget:
	Multi-year budget proposals are submitted to the Portfolio Committee;
March 2023	Recommendations are communicated to the respective departments
	Recommendations are communicated to Informal Council Meeting, and on to the respective departments. The draft 2023/24 MTREF is revised accordingly,
	Tabling in Council of the draft 2023/24 IDP and 2023/24 MTREF for public consultation;
April 2023	Draft Budget Public consultation
May 2023	Closing date for written comments on Draft 2023/23 IDP & 2023/24 Budget

Timelines	Summary of Activities and Key Deliverables
	Finalization of the 2023/24 IDP and 2023/24 MTREF, taking into consideration comments received from the public, comments from National Treasury, and updated information from the most recent Division of Revenue Bill and financial framework
	Informal Council meeting to consider the 2023/24 IDP and the 2023/24 Budget
	Tabling of the 2022/23 IDP and 2023/24 MTREF before Council for consideration and approval.

IDP Consultation per ward

Ward	Date	Time	Venue	Ward Councillor		Progress
Ward 15 Ward 16 Ward 17	05/09/2022 Monday	18h00	Municipal Council Foyer 2 nd Floor Finance Building	Clrr LJ Van Heerden Clrr JJ Barnard Clrr TK Rankoe	EXECUTIVE MAYOR CLLR ZJ ZWANE	Achieved
Ward 14 Ward 18 Ward 22 (Vaal Park)	06/09/2022 Tuesday	18h00	Vaalpark Primary School	Clrr FJ v/d Merwe Clrr L Day Clrr R Meyer	EXECUTIVE MAYOR CLLR ZJ ZWANE	Achieved
Ward 3	07/09/2022 Wednesday	17h00	Refengkgotso Community Hall	Clrr MS Poho	EXECUTIVE MAYOR CLLR ZJ ZWANE	Achieved
Ward 8 Ward 9 Ward 10	08/09/2022 Thursday	17h00	Iketsetseng Secondary School	Clrr LW Nhlapo Clrr ME Mqwathi Clrr NM Mtshali	EXECUTIVE MAYOR CLLR ZJ ZWANE	Achieved
WEEK 2						
Ward 11 Ward 12	12/09/2022 Monday	17h00	Zamdela Community Hall	Clrr DV Rani Clrr LA Makhefu	EXECUTIVE MAYOR CLLR ZJ ZWANE	Achieved
Ward 5	13/09/2022 Tuesday	18h00	Metsimaholo Community Hall	Clrr SM Mofokeng	EXECUTIVE MAYOR CLLR ZJ ZWANE	Achieved
Ward 4 Ward 20	14/09/2022 Wednesday	18h00	Deneysville Primary School	Clrr TL Soetsang Clrr L Fisher	EXECUTIVE MAYOR CLLR ZJ ZWANE	Achieved
Ward 7 Ward 13	15/09/2022 Thursday	17h00	Sakubusha Secondary School	Clrr P Mahlaela Clrr FD Mosokweni	IDP EXECUTIVE MAYOR CLLR ZJ ZWANE	Achieved
WEEK 3						
Ward 5	19/09/2022 Monday	18h00	Oranjeville Primary School	Clrr SM Mofokeng	EXECUTIVE MAYOR CLLR ZJ ZWANE	Achieved
Ward 6 Ward 13 Ward 21	20/09/2022 Tuesday	17h00	Multipurpose Sports Centre	Clrr M Nkheloane Clrr FD Mosokweni Clrr TG Sehaole	EXECUTIVE MAYOR CLLR ZJ ZWANE	Achieved
Ward 23 Ward 19	21/09/2022 Wednesday	17h00	Bekezela Secondary School	Clrr MB Mozolo Clrr L Mthetho	EXECUTIVE MAYOR CLLR ZJ ZWANE	Achieved

Ward 1 (Phase 3& 4)	22/09/2022 Thursday	17h00	Open Space: Zakwe	Cllr MJ Radebe	EXECUTIVE MAYOR CLLR ZJ ZWANE	Achieved
WEEK 4						
Ward 2	26/09/2022 Monday	17h00	Lehutso Primary School Cllr M Molawa		EXECUTIVE MAYOR CLLR ZJ ZWANE	Achieved
Ward 7(Snake Park)	27/09/2022 Tuesday	17h00	Ditamating	Cllr P Mahlaela	EXECUTIVE MAYOR CLLR ZJ ZWANE	Achieved
Ward 23 Mooidraai	28/09/2022 Wednesday	17h00	Huising(Plot 44)	Cllr MB Mozolo	EXECUTIVE MAYOR CLLR ZJ ZWANE	Achieved
Ward 4	29/09/2022 Thursday	17h00	Ntai Mokoena Library	Cllr TL Soetsang	EXECUTIVE MAYOR CLLR ZJ ZWANE	Achieved
WEEK 5						
Ward 20	03/09/2022 Monday	17h00	Themba Kubheka Sports Ground	Cllr L Fisher	EXECUTIVE MAYOR CLLR ZJ ZWANE	Achieved
Ward 22 (Lethabo)	04/10/2022 Tuesday	17h00	Lethabo Community Hall	R Meyer	EXECUTIVE MAYOR CLLR ZJ ZWANE	Achieved
Ward 1 (Phase 5)	05/10/2022 Wednesday	17h00	Kopanelang Thuto Primary School	Cllr MJ Radebe	EXECUTIVE MAYOR CLLR ZJ ZWANE	Achieved
Business, Farmers, NPOs & Religious Groups	06/10/2022 (Thursday)	10h00	Harry Gwala Multi- Purpose Sports Centre	ALL Councillors	EXECUTIVE MAYOR CLLR ZJ ZWANE ALL COUNCILLORS	Achieved

2.1.2 IDP and Service Delivery and Budget Implementation Plan

The Local Government: Municipal Systems Act, Act 32 of 2000 requires that each Council must within a prescribed period after the start of its elected term, adopt a single, inclusive, and strategic plan for the development of the Municipality which-

- Link, integrate and coordinate plans and consider proposals for the development of the municipality.
- Align the resources and capacity of the municipality with the implementation for the plan.
- Form the policy framework and general basis on which annual budgets must be based.
- Be compatible with national and provincial development plans and planning requirements that are binding on the municipality in terms of legislation.

As a results to this, the Council of Metsimaholo has developed a five-year Integrated Development Plan (IDP) covering the period 2022/23 to 2026/27. Council has approved the Process Plan which informs the planning activities that will be undertaken to review the developed IDP for 2023/24.

The reviewed IDP for 2023/24 will be tabled in Council before the end of March 2023, together with the 2022/23 MTREF.

It should be noted that the review of Integrated development planning will be a product of extensive consultation and participatory process to ensure credible and legally compliant IDP. Planning in general and the IDP, is a critically important management tool to help transformation, growth and development at local government level. It is an approach to planning that involves the entire municipality and its citizens in finding the best solutions to achieve good long-term development,

The contents of this Five -Year Plan have been aligned to the Revised IDP Framework for Municipalities outside Metros and Secondary Cities, issued by the Department of Cooperative Governance and Traditional Affairs (CoGTA) in June 2012 and 2021 Framework. It further includes the data from Census 2011, 2016 Community Survey, Statssa on 2021 Municipal Boundaries and revised service delivery targets for 2021/22, where appropriate

2.1.3 Financial Modelling and Key Planning Drivers

As part of the compilation of the 2023/24 MTREF, extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2023/24 MTREF:

- Municipality growth
- Policy priorities and strategic objectives
- Asset maintenance
- Economic climate and trends (i.e. inflation, Eskom increases, household debt, migration patterns)
- Performance trends
- The approved 2022/23 budget and performance against the SDBIP
- Cash Flow Management Strategy
- Debtor payment levels
- Loan and investment possibilities
- The need for tariff increases versus the ability of the community to pay for services;
- Improved and sustainable service delivery
- Water and electricity losses be minimised
- Ownership versus lease of vehicles
- Funding Plan

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 51, 51, 58, 64, 66, 67, 70, 72,74 ,75, 78,79,85,86,89, 91, 93, 94, 98, 99, 107 108, 112, 115, 116, 122 and 123 has been taken into consideration in the planning and prioritisation process.

2.1.4 Community Consultation

Community participation was being done in September 2022

The following inputs were received:

COMMUNITY DEVELOPMENT WORKER		Ms. Vuyelwa Joyce Malindi	
COMMUNITY ISSUES RAISED			
February 2022 (Five Year Development)	Sept/Oct. 2022 (1 st IDP Review)	Sept.2023 (2 nd IDP Review)	Sept 2024 (3 rd IDP Review)
• Resurfacing and grading of roads • Graveling of roads • Maintenance of pump station • Maintenance of the bridge next to Spoornet (accident and crime zone) • Job creation for locals • Fencing of Steenpan (dam) • Provide sewer manhole to channel sewer capacity • Reparation of electricity boxes • Residential sites • Bursaries • Upgrade water supply (too many interruptions in the supply of water) • Library • High mast lights • Installation of sewer connections (eradication of pit toilets) • Provisioning of RDP houses • Youth Development Centre • Improvement of the IGG system • Upgrading of water pressure • Establishment of a community centre in the Multipurpose centre (SAPS)	• Graveling of roads • Paved road in the main road to allow Taxi movement • Sewer connections to certain yards • Complete sewer lines/connections to yards (or provide material for community to assist with connections) • Build outside Toilets • Attend to issue of Water supply interruptions (got water 1-2 hrs limited time) • Maintain pumpstations to increase water pressure • Provide Water at Scott Farm Section • Address Cable Theft during loadshedding • Illegal Electricity connections • Provide Water & Electricity connections at Baiphehi Section (32 stands) and rezone those stands • Masakeng Section is a wetlands area (relocate/soil infill)		

NAME OF WARD		1 (Phase 4 & 5)	
WARD POPULATION		12 315	
WARD COUNCILLOR		Cllr Matthews Jabulani Radebe	
WARD SECTIONS		Somerspost, Walter Sisulu, part of Amelia & 10 farms	
STATUS OF WARD COMMITTEE		Established in 2022, trained & functional	
COMMUNITY DEVELOPMENT WORKER		Ms. Vuyelwa Joyce Malindi	
COMMUNITY ISSUES RAISED			
February 2022 (Five Year Development)	Sept/Oct. 2022 (1 st IDP Review)	Sept.2023 (2 nd IDP Review)	Sept 2024 (3 rd IDP Review)
The Community members agreed that the following issues are to be prioritised as their immediate priorities in the Integrated Development Plan (IDP): - Sewer (Toilets) - Roads resurfacing - There is a need for high mast lights and the maintenance of those in existence	- Need Infills for G5 (soil) nearby Kopanelang Thuto Primary to enable movement of kids during rainy days - Draining of sceptic tanks(sewer) at school - Increase capacity of sewer pipes to avoid spillages - Connect paved road to Provincial tarred road to Koppies - Introduce security measures to curb cable theft - Increase Electricity bulk supply to avoid interruptions - Deal with faulty electricity metres - Play oversight on contractors - Fix High mast lights to increase quality of brightness - Build sewer Toilets. - Install a High mast Light in the main road nearby Zondo Church and Sekwati area.		
Other Issues Raised			
- Rebuilding of toilets and installation of outstanding sewer connections to yards - Eradication of bucket system and pit toilets - Provisioning of flushing toilets - Taxi rank - Bus/taxi stop (shelter) - Library with Wi-Fi - Water connection (disaster park) - Electricity connection (disaster park) - Building of roads (disaster park) - RDP houses (disaster park)			

• Storm water drainage (ka Tshimong) • Storm water drainage next to taxi rank • Erect speed hump next to taxi rank • Resurfacing of the paved main road. • Job creation for locals • Fencing of Stenmpane • Review of Integrated Environmental Management Plan (IEMP) and consider public participation (consider effects of pollution) • Youth Development centre • Consider building a university • Erect speed limit road signages on the Koppies road • Regulation of the quality of contractor workmanship during projects			
Amelia	Amelia	Amelia	Amelia
• Need sewer installations/flushing toilets • Move away Informal settlement • Issuing of Title Deeds • There is a need for a clinic that will be operating 24 hours	Need Toilets with with sewer system Need 24 hrs Clinic Resolve informal Settlements		

NAME OF WARD		2	
WARD POPULATION		5 975	
WARD COUNCILLOR		Cllr Morena Molawa	
WARD SECTIONS		Mpumelelo, Topia, Luhutso & Restoration Church	
STATUS OF WARD COMMITTEE		Established in 2022, trained & functional	
COMMUNITY DEVELOPMENT WORKER		Mr. Moya R. Mokoena	
COMMUNITY ISSUES RAISED			
February 2022 (Five Year Development)	Sept/Oct. 2022 (1 st IDP Review)	Sept.2023 (2 nd IDP Review)	Sept 2024 (3 rd IDP Review)
- Provisioning of residential stands - Maintenance of storm water channels - Streets are in a bad condition and need to be maintained - Maintenance of high mast lights - Provisioning of a mobile clinic - Creation of job opportunities - Construction of a bridge across the railways at the train station (Spoornet) - Provisioning of ambulance services - Provisioning of Early Childhood Development centres (creches) - Provisioning of sports facilities - Projects be given to local businesses - Skills development for the youth	- Business sites for NPOs and small businesses - Residential sites - Introduce Youth Development programmes - Need Clinic or mobile one		

NAME OF WARD		3	
WARD POPULATION		5 975	
WARD COUNCILLOR		Cllr Mosioa Solomon Pooho	
WARD SECTIONS		Slovo, Ramaphosa, Madiba, Tshepiso 1 & 2 and Di Four Rooms	
STATUS OF WARD COMMITTEE		Established in 2022, trained & functional	
COMMUNITY DEVELOPMENT WORKER		Ms. Moleboheng Rampai	
COMMUNITY ISSUES RAISED			
February 2022 (Five Year IDP Development)	Sept/Oct. 2022 (1 st IDP Review)	Sept.2023 (2 nd IDP Review)	Sept 2024 (3 rd IDP Review)
- Fixing of potholes - Resealing of roads - Reopen storm water channel in Madiba (closed due to illegal dumping) - Fencing of graveyard as it is filled to its capacity (next to Thomas’ shop) - Paving of roads in Tshepiso - Appoint local contractors in local projects to create employment - High crime rate - Improve public services (SAPS) - Establishment of a rehabilitation centre for the youth who are struggling with drug abuse - Fixing of paving in Rampuru Street - Stands for churches - High Electricity billing	- Revamping of sportsgrounds - Constant Water Interruptions - Increase water pressure - High Electricity billing - Need Solar panels to reduce high electricity demand & cost - Need Paved Roads - Need Shopping Complex/Centre - Promote Events Management to promote tourism facilities(revenue) - Complete the incomplete paved road near Lutheran Church - Need Road signs - Refurbish Police station and increase capacity - Intensify Crime fighting programmes - Need Youth Development Centre and support programmes - Improve access and provision of services at Clinic - Need Ambulance at Clinic - Erect speed humps in main roads - Ensure proper control on water metre reading - Monitor quality (contractor poor workmanship) of RDP Houses - Curb Water leaks - Fix paved roads and ensure proper storm water drainage		

NAME OF WARD		4	
WARD POPULATION		5 308	
WARD COUNCILLOR		Cllr Thandiwe Linah Soetsang	
WARD SECTIONS		Phomolong & Letamong	
STATUS OF WARD COMMITTEE		Established in 2022, trained & functional	
COMMUNITY DEVELOPMENT WORKER		Ms. Sofia Mkhuma	
COMMUNITY ISSUES RAISED			
February 2022 (Five Year IDP Development)	Sept/Oct. 2022 (1 st IDP Review)	Sept.2023 (2 nd IDP Review)	Sept 2024 (3 rd IDP Review)
Refengkgotso	Refengkgotso	Refengkgotso	Refengkgotso
• Maintain(reopen) all storm water channels including the one in the main street between Phomolong & Mbeki • Maintain sewer system and reconfigure/remove the manhole outside the township • Erect speed humps • Paving of roads • Effective utilisation of the Disaster Relief Grant without delays (responsive) • Establishment of Youth Development Centre and skills development programmes • Health clinic that will be operating 24 hours. • Reconstruction/upgrading of internal gravel roads and tarred roads(potholes) • Establishment of family - and recreational parks • Establishment of a monitoring system for reservoir overflowing • Job creation initiatives for locals and improvement of recruitment strategies to avoid nepotism and corruption • Consider local graduates for job opportunities • Improve service delivery in all public services centres (clinic, police station)	• Youth Employment • Shortage of water in Mbeki & Phomolong (delivery of tankers) • Control flowing of water from reservoir to avoid uncontrollable overflowing • Cable Theft • Deal with illegal occupancy of sites(churches) and rezone them for residential sites/community centre • Fix High mast lights • Yard infills with G5 as a results of water drainage • Increase capacity at Police station (only 12 officers) • Regulation of local taverns • Address sewer spillage in graveyards • Provide land for residential sites • Fix roads in Wonke Wonke section • Establish rehabilitation centre		

• Improve safety measures to guard against cable theft • Establishment of a shopping complex • Reopening of a greenbelt (passage) to allow free flowing of water • Building of a bridge across the road from Oranjeville to allow pedestrian to cross safely (esp. scholars) • Review the bad debt write-off policy to safeguard the poorest against legal actions. • Address the issue of non-functional water meters			
Ward 4 Deneysville	Ward 4 Deneysville	Ward 4 Deneysville	Ward 4 Deneysville
• Water: installation of a generator and additional pumps are needed for efficiency at the Water Treatment Works • Additional street lights are needed (West Street) • Sewer reticulation (modernize 2 pump stations) • Crime Prevention programmes: grass cutting on vacant stands & side walks • Replace overhead electrical wiring electricity with underground electrical wiring and modernize the reticulation • Rebuild streets and storm water drainage (West & Union streets) • Resurface Asphalt roads: Main, Horace, Island, Wall & High streets • Soil cushioning & storm water management of all gravel roads in Deneysville	• Fencing of reservoir • Resurfacing of the Deneysville main road • R549 road from Deneysville to Sasolburg be maintained as it is in a hazardous state • Fixing of stormwater drainage in main road near short street/bus stop (its been open and left that that since 2014) • High mast lights should be fixed as its only few that are functional • Rehabilitation Centre be in Phomolong to eradicate drug abuse and to create jobs for our graduates • Autostart/Generator at our water plant to keep water pressure up • Maintenance of our infrastructure to accommodate growing townships as we heard there will be Refengkgotso Extension 10		

NAME OF WARD		5 METSIMAHOLO	
WARD POPULATION		6 048	
WARD COUNCILLOR		Cllr Sara Mapule Mofokeng	
WARD SECTIONS		Oranjeville town and Metsimaholo Township.	
STATUS OF WARD COMMITTEE		Established in 2022, trained & functional	
COMMUNITY DEVELOPMENT WORKER		Sozabile Nebulane	
COMMUNITY ISSUES RAISED			
February 2022 (Five Year IDP Development)	Sept/Oct. 2022 (1 st IDP Review)	Sept.2023 (2 nd IDP Review)	Sept 2024 (3 rd IDP Review)
METSIMAHOLO	METSIMAHOLO	METSIMAHOLO	METSIMAHOLO
- Residential sites are needed - Sports Centre - Ablution facilities (toilets) and paved road in the graveyard - Commonage: Land - Family Parks - Storm water drainage - Create job creation opportunities and employment - Erect speed humps - Establish business sites - Establish Public services offices/sites to allow community access (SASSA, Department of Labour & Police station) - Improve services and capacity in the library - Establish Skills Development centre and programmes to capacitate the youth - Revamp Jim Fouche - Promote Local Economic Development and Tourism - Attend to incomplete RDP houses (fix and investigate) - Improve capacity in the Municipal Offices for efficient service delivery	- Fast track issuing of residential sites - Monitor projects under construction to curb vandalism and material theft - Deal with nepotism in awarding projects and job opportunities and investigate alleged maladministration thereof - Deal with shortage of water in Zonke and Phahameng Sections-timeous delivery of water tanks in Zonke) - Municipality to play oversight on projects taking place - Reopen Municipal Offices to provide services dispatch competent staff - Promote Economic Development for Youth and create opportunities - Fix High mast lights - Fix roads in cemetery (mud roads) - Build roads in informal settlements to allow access by SAPS & Ambulances) - Need Police Station - Provide title deeds - Improve turnaround time to attend electricity outages - Need Sports and Recreation facilities		
ORANJEVILLE	ORANJEVILLE	ORANJEVILLE	ORANJEVILLE
Upgrading of Water supply system	Promote Tourism		

• Upgrading of roads (Scott, Malan, Van Nie Kerk, Cnr Routes & Alberts) • Upgrading of Electricity network system • Upgrading of sewer system and wastewater treatment plant • Upgrading of dumping site and improve refuse removal system • Purchasing of a new sewer truck • Purchasing of a new refuse removal truck • Establishment of a satellite fire station • Grass cutting • Purchasing of Tractor-Loader-Backhoe (TLB) • Upgrading of facilities at Waterfront	• Street Markings/signs • Prioritize Fixing of Storm water drainage • Grading of roads (need dedicated grader) • Ensure pump stations are regularly maintained to avoid spillages • Resurfacing of roads in CBD (Scott, Malan) • Need interim water tanker • Fix streetlights in Malan street • Install light in the Orangeville Bridge • Need Fire Engine & Ambulance • Revamp Waterfront for revenue collection and recreation (fencing & ablution facilities) • Reopen Municipal Offices to render services • Fix potholes on the Provincial Road to Sasolburg • Fix Electricity transformer (next to hotel) • Need Cherry picker		
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NAME OF WARD		6	
WARD POPULATION		4 278	
WARD COUNCILLOR		Cllr Mahadi Nkheloane	
WARD SECTIONS			
STATUS OF WARD COMMITTEE		Established in 2022, trained & functional	
COMMUNITY DEVELOPMENT WORKER		Vacant	
COMMUNITY ISSUES RAISED			
February 2022 (Five Year IDP Development)	Sept/Oct. 2022 (1 st IDP Review)	Sept.2023 (2 nd IDP Review)	Sept 2024 (3 rd IDP Review)
• High mast lights • Maintenance of blocked storm water channels • Provisioning of residential sites to curb Informal settlements • Create job opportunities (apply fairness) • Remove Illegal dumping • Paved roads	• Paved roads • High mast lights • residential sites		

NAME OF WARD		7	
WARD POPULATION		6 428	
WARD COUNCILLOR		Cllr Portia Mahlaela	
WARD SECTIONS		Snake Park, part of Coalbrook, commonly known as Spoornet and part of Gortin: Phase 2.	
STATUS OF WARD COMMITTEE		Established in 2022, trained & functional	
COMMUNITY DEVELOPMENT WORKER		Mr. Willie Mareletse	
COMMUNITY ISSUES RAISED			
February 2022 (Five Year IDP Development)	Sept/Oct. 2022 (1 st IDP Review)	Sept.2023 (2 nd IDP Review)	Sept 2024 (3 rd IDP Review)
SNAKE PARK	SNAKE PARK	SNAKE PARK	SNAKE PARK
- Erect storm water drainage in internal and main roads - Unblock sewer drainage systems - Erect storm water channels towards Ward 10 (Theha Sechaba) - Paved Roads - Create job opportunities and local economic development (engage SEDA) - Upgrade sewer system (in the main road next to Litamating) - Upgrade pump station - Upgrade water pressure - Upgrade Electricity supply - Erect fire hydrants that will be used in times of fire emergencies - Allocation of residential sites - Grading of streets - Toilets in Phase 2 - Facilitate social amenities (housing ownership change, IGGs) - Maintain high mast lights - Community project to reinstall electricity boxes in the houses - Resolve illegal occupation of RDP houses - Construction of way bridge connecting Wards 1,6 & 7 - Improve the Free Basic Services system	- Consider Youth employment during local projects in the Ward (fibre, paving) - Immediate revamping of storm water channel which is hazardous for residents& kids. - Remove informal settlement in sports grounds - Fix High mast lights (esp. around Spoornet)-exam times & hazardous - Attend to uncontrollable sewer spillage in the Ward - Fix Electricity poles at risk of falling in yards - Fix Faulty/non-functioning electricity boxes		

SAKUBUCHA	• SAKUBUCHA	SAKUBUCHA	SAKUBUCHA
• Maintenance of high mast lights • Municipal officials to assist/respond when community members are reporting electricity faults hence there would be illegal connections • Municipality to have enough electricity meters in stock because when community members require new meters because of stolen meters	• be assisted with IGG issue-when parents have passed and we struggle with change of ownership • Sewer spillage is a challenge next to the station • CWP/EPWP job initiatives are only benefiting residents from Snake park, whilst overlooking Gortin (Iraq) • Fast track delays in approving IGG application for elderly • Ensure provision of sites with services and houses (comparative to other Provinces) • Monitor Projects and play oversight • Need roads with proper storm water drainage • (Fix) Maintenance of high mast lights • Improve turnaround time for reported electricity outages •		

NAME OF WARD		8	
WARD POPULATION		7 503	
WARD COUNCILLOR		Cllr Lefa Lawrance Nhlapo	
WARD SECTIONS		Chris Hani	
STATUS OF WARD COMMITTEE		Established in 2022, trained & functional	
COMMUNITY DEVELOPMENT WORKER		Mr. Bonginkosi Lion Mdoda	
COMMUNITY ISSUES RAISED			
February 2022 (Five Year IDP Development)	Sept/Oct. 2022 (1 st IDP Review)	Sept.2023 (2 nd IDP Review)	Sept 2024 (3 rd IDP Review)
ZAMDELA	ZAMDELA	ZAMDELA	ZAMDELA
- High water and electricity bills must be addressed - Incomplete RDP houses must be fixed as these houses have been incomplete since 2019 - Maintain sewer manholes (blocked) - Maintain playgrounds - Revamp the Art and Culture Centre building - Pave roads and do away with gravel roads in the Ward - Clean and unblock storm water channels in the Ward - Expedite the approvals of the IGGs - High mast lights must be maintained - High rate of unemployment - Job creation initiatives in the Ward - Fencing of graveyard - New electricity transformer to be installed - Provisioning of residential sites to curb Informal Settlements - There are business sites that need water and lights	- Youth Unemployment - Incomplete RDP Houses (Chris Hani) - Fix High mast light to reduce criminal activities (Chris Hani) - Ablution facilities in Zamdela graveyard - Resurfacing of roads to Sasolburg - Relocation of residents in Baipeing		
SASOLBURG	SASOLBURG	SASOLBURG	SASOLBURG
N/A	- Resurfacing of roads and maintenance - Fix potholes - Ensure good quality work when patching roads. - Street lighting		

	• Enforcing bylaws (Rezoning)-on establishment of student accommodation(communes) • Cleaning of greenbelts • Grass cutting		
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NAME OF WARD		9	
WARD POPULATION		7 609	
WARD COUNCILLOR		Cllr Mosokoli Elias Mqwathi	
WARD SECTIONS		Phomolong, Thembaletu, Kwazola, Hostel 2, Thubelisha, Belina Park, Success & part of Chris Hani	
STATUS OF WARD COMMITTEE		Established in 2022, trained & functional	
COMMUNITY DEVELOPMENT WORKER		Ms. K. Sylvia Mafatle	
COMMUNITY ISSUES RAISED			
February 2022 (Five Year IDP Development)	Sept/Oct. 2022 (1 st IDP Review)	Sept.2023 (2 nd IDP Review)	Sept 2024 (3 rd IDP Review)
• The community agreed that the highlighted community issues be prioritised mainly for the 2022/23 financial year: • Maintain/revamp storm water channel in Chris Hani to allow the water to flow • Demolition of all Hostels and build family units/RDP houses • Paving of roads (Hector Peterson & Chris Hani) • One (1) high mast light is needed in Belina Park • Assessment of buildings need to be conducted as all apartments are suspected to be at risk of possible collapse (Thembaletu) • Infrastructure (building, pipes etc.) needs to be maintained at all hostels • Provisioning of RDP Houses • The issue of wetlands in hostels (between ladies palace & sloja park) needs to be addressed • Resurfacing of all roads • Grading of roads and maintenance and fixing of the storm water channel system is needed (Hector Peterson) • The storm water channel next to Spirit of Life church needs to be maintained • The storm water channel between Chris Hani & Success needs to be maintained	• Reduce/regulate scrap yards to eliminate cable theft • Uncontrollable Sewer spillage in Success nearby Thembaletu • Improve meter reading system • Improve billing system esp. On estimates • Paved Roads in Ward 9 • Proper Refuse Removal • Youth Skills development • Quality of fixing potholes • RDP Houses • Illegal Electricity connections • Employment of graduates and skills transfer • Regulate trucks on road usage to reduce potholes • Speed humps in road next to ladies palace • Reduce Illegal dumping •		

• speed humps must be erected in the street between ladies palace & success) • high mast lights in the Ward need to be maintained • Roads to accommodate people with disabilities (wheelchairs) • Establish transfer stations for waste in all Wards to curb illegal dumping (Waste container) • Re install new electricity cable that feeds Ward 9 (Malakabeng Primary School) • Intervention strategies (especially in cooperation with SASOL) are needed to curb the high unemployment rate • Address environmental hazard issues (pollution) with SASOL • Propose community projects in partnership with SASOL to maintain and upgrade the cemetery • SASOL to fast-track employment and job creation in locality and partner with the local forum • Sustainable jobs for people with disabilities • Illegal land occupation and selling (especially by Municipal officials) needs to be addressed • Remove asbestos roofs (all hostels) • Maintain graveyards • Wetland in informal settlement (ka lefifing) • Complete incomplete RDP Houses (slabs) in Chris Hani and built new ones for identified beneficiaries Other Issues include: • Electricity theft • Proposal to have a bad debt write-off policy • Fastrack the issuing of Title Deeds to deserving beneficiaries and deal with the red tape (Hector Peterson)			
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• High electricity costs (step tariff billing) • Malfunctioning of electricity metres • Overcrowding in hostels Illegal (drugs) business operation by foreign nationals			
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NAME OF WARD		10	
WARD POPULATION		7 184	
WARD COUNCILLOR		Cllr Nokuthula Merriam Mtshali	
WARD SECTIONS		Taylor Park, Maru Park, Saratoga and Somersport	
STATUS OF WARD COMMITTEE		Established in 2022, trained & functional	
COMMUNITY DEVELOPMENT WORKER		Mr. Molefi Mabe	
COMMUNITY ISSUES RAISED			
February 2022 (Five Year IDP Development)	Sept/Oct. 2022 (1 st IDP Review)	Sept.2023 (2 nd IDP Review)	Sept 2024 (3 rd IDP Review)
• Paved roads • High mast lights • Stormwater drainage • RDP Houses • Introduce a policy for the writing off of bad debt (cancel debts) • Upgrade Electricity Transformers • Provisioning of residential sites • Community members need to buy electricity directly from Eskom • Maintenance potholes • Provisioning of solar geysers • Reinstall/maintain electrical poles that are falling down • Improve the IGG approval system • Empowerment of small businesses (SMMEs)	• Fix/maintain High mast light • High billing on rates & taxes • Improve billing system(sms) • Change of Ownership to beneficiaries (title deed) • Clean unsafe Stormwater channel(Maru park block 30) • Create fair employment on job opportunities • Fix High mast light in Maru Park for public safety • Need Skills development Training/programmes		

NAME OF WARD		11	
WARD POPULATION		5 764	
WARD COUNCILLOR		Cllr Dial Vakele Rani	
WARD SECTIONS		Tswape, Berlina, Dikgutsaneng, Soweto, Midville (Accommodation previously owned by ACI), Thubelisha and part of Tylor Park.	
STATUS OF WARD COMMITTEE		Established in 2022, trained & functional	
COMMUNITY DEVELOPMENT WORKER		Vacant	
COMMUNITY ISSUES RAISED			
February 2022 (Five Year IDP Development)	Sept/Oct. 2022 (1 st IDP Review)	Sept.2023 (2 nd IDP Review)	Sept 2024 (3 rd IDP Review)
• Upgrade Zamdela Hall • Upgrade Zamdela Stadium • Upgrade Zamdela swimming pool and allow children from the township to access the Sasolburg swimming pool. • Water leaks in old Zamdela need to be attended to • Create jobs for the youth and establish a Skills Development Centre • Address effects of pollution in Ward 11,12, 9 & 10 (engage SASOL) • Unlock jobs and Local Economic Development (LED) opportunities for community development (engage key stakeholders) • Install high mast lights (Thubelisha) • Upgrading and resurfacing of street between Nkgopoleng & Anglican Church • Upgrade and resurface the street next to the Roman Catholic Church • Upgrade and resurface of Telle Street • Paved Roads • Maintain blocked storm water channel around post office and Presbyterian Church • Establish sports and recreation facilities in Thubelisha • Provision of Solar Geysers	• Close Sewer spillage from manhole near Zamdela Stadium • Upgrade Zamdela Stadium • Refuse removal • High unemployment • Updating of IGG information on billing account • Unsafe electric cable in Bafokeng street(har zad)- to cut trees. • Erect speed humps near Bofulatshepe Primary • Reconstruct storm water channel behind AME Church(Midville) • Refuse removal staff not providing services in a good manner • Need Title deeds in Terreblanche section • Remove illegal dumpings (Near Ntate Ntombela & Pastor Sekete Church) • Solar Panels/Gysers • Emerging Churches • Recreational Facilities		

• Remove electricity cables (posing danger) in Midville (ACI poles) • Storm water drainage in Midville • Improve provision of basic services in Midville • Introduce drug and substance abuse programmes in the community • Visible policing to curb illegal drug selling both in Zamdela & Sasolburg • Provisioning of waste collection containers • Family Parks in Thubelisha • Maintain storm water channel next to Tsatsi Primary School • Install water and electricity boxes to enable billing in family units • Install new sewer pumpstation to increase capacity • Provisioning of a new electricity transformer • Provisioning of fencing or installation of aluminium transformer to curb cable theft • Erect Speed humps • Create jobs for local entrepreneurs • Implement By-laws to evict foreign nationals' businesses			
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NAME OF WARD		12	
WARD POPULATION		4 072	
WARD COUNCILLOR		Cllr Lebohang Andries Makhefu	
WARD SECTIONS		Umgababa, Boiketlong, Lusaka, Angola, Protem, Tladi-Mahlomola and Madiba Village.	
STATUS OF WARD COMMITTEE		Established in 2022, trained & functional	
COMMUNITY DEVELOPMENT WORKER		Mr. Richard Mofokeng	
COMMUNITY ISSUES RAISED			
February 2022 (Five Year IDP Development)	Sept/Oct. 2022 (1 st IDP Review)	Sept.2023 (2 nd IDP Review)	Sept 2024 (3 rd IDP Review)
• Tarred roads are need and potholes need to be fixed • Upgrading of tarred roads in Proterm • Removal of asbestos roofing • Provisioning of high mast lights in Angola & Proterm • Paving of roads in Angola • Upgrading of roofing • Removal of informal settlement (shacks) • Sewer system in Angola (pipes bursting) • High Crime rate • Speed humps including pedestrian crossings • Maintain storm water channels • Provisioning of high mast lights and or streetlights in passages • New Municipal offices (TLC) to be opened • Establishment of local office for community members to have access to Ward Councillors • Resuscitation of shops • Revamping and installation of street signage • Addressing the issue of illegal dumping • Re-fencing of graveyard • Maintenance of storm water channel at graveyard • Establishment of skills development centre (preferably in shops)	• Remove Asbestos Roofing (Proterm) • Transfer of ownership to beneficiaries (title deed)-IGG & Rent • Install outstanding Electricity metre boxes • Revamp Tennis court • Reopen TLC Offices for services • Reopen passage between two parks to allow movement esp. for elderly to clinic • High crime rate • Sewer spillage • Fix RDP Houses • Regulate Boiketlong accommodation: crime • Resuscitate CPF to curb crime • Illegal church stands		

• Provisioning of Title Deeds • Provisioning of electricity metres in Angola • Fixing of leaking sewer pipes • The issue of commonage (animals roaming around) needs to be attended to			
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NAME OF WARD		13 (Including Phase 2)	
WARD POPULATION		7 574	
WARD COUNCILLOR		Cllr Fikile Daniel Mosokweni	
WARD SECTIONS		Harry Gwala, Phase 1 and Phase 2	
STATUS OF WARD COMMITTEE		Established in 2022, trained & functional	
COMMUNITY DEVELOPMENT WORKER		Mr. Tiisetso Pitso	
COMMUNITY ISSUES RAISED			
February 2022 (Five Year IDP Development)	Sept/Oct. 2022 (1 st IDP Review)	Sept.2023 (2 nd IDP Review)	Sept 2024 (3 rd IDP Review)
SAKUBUCHA	SAKUBUCHA	SAKUBUCHA	SAKUBUCHA
The Community agreed to prioritise the following issues as their immediate priorities in the Integrated Development Plan (IDP): - Provisioning of electricity - Provisioning of water - Paving of the main road - Purchasing of land to curb many emerging and existing informal settlements Other Issues Raised: - Provisioning or installation of standpipes in Baipehi and Extension 15 (additional standpipes are also needed) - The high unemployment rate needs to be curbed - Building of roads in Steenpan - Provisioning of water and electricity in Steenpan - Upgrading/reopening of storm water channel in Extension 15 - Upgrading of electricity supply (inconsistent or low supply) - Establishment and upliftment of small businesses especially those for Women Empowerment (support corporative initiatives) - Maintenance of existing high mast lights	- Rezoning/formalisation of informal settlements (erf numbers for those who still don't have) - Access to all basic services (Water, electricity and roads) - Since currently job opportunities are for youth can adults/elders be assisted in agriculture projects/programmes so they can be able to sustain themselves - Ensure that employment opportunities created brought through the projects are allocated in a transparent and fair manner. - Attend to the incomplete projects and be completed (paved road) - Build Toilets in sections where there are no toilets - Provide basic services after the municipality has completed registration process in extension 15 - Billing system be accurate- residents are billed even before could occupy the sites		

- Provisioning of VIP toilets on temporary basis to alleviate the use of pit toilets - Installation of a new electricity transformer to upgrade electricity supply/capacity - Address sewer spillage in the newly constructed paved road			
HARRY GWALA MPSC	HARRY GWALA MPSC	HARRY GWALA MPSC	HARRY GWALA MPSC
- Sewer connections - Upgrading and maintenance of roads - Establishment of a library (with Wi-Fi) at the Multipurpose Centre - Establishment of a satellite police station at the Multipurpose Centre	- Sewer connections - Upgrading and maintenance of roads - Establishment of a library (with Wi-Fi) at the Multipurpose Centre - Establishment of a satellite police station at the Multipurpose Centre		

NAME OF WARD		14	
WARD POPULATION		5 477	
WARD COUNCILLOR		Cllr Francois Jacobus van der Merwe	
WARD SECTIONS		Commonly known as Vaal Park.	
STATUS OF WARD COMMITTEE		Established in 2022, trained & functional	
COMMUNITY DEVELOPMENT WORKER		Ms. Monica Mahlangu	
COMMUNITY ISSUES RAISED			
February 2022 (Five Year IDP Development)	Sept/Oct. 2022 (1 st IDP Review)	Sept.2023 (2 nd IDP Review)	Sept 2024 (3 rd IDP Review)
• Maintenance /Upgrading of roads (potholes) • Upgrading of sewer system • Upgrading of roads in the Naledi industrial area • Provisioning of a Clinic (mobile) • Provisioning of recreational facilities • Provisioning of a Taxi Rank and Bus stops • Grass cutting	• Resurfacing of roads • Fix Potholes • Purchasing of woodchipper		

NAME OF WARD		15	
WARD POPULATION		4 511	
WARD COUNCILLOR		Cllr Louis Jacobus Van Heerden	
WARD SECTIONS		Sasolburg town	
STATUS OF WARD COMMITTEE		Established in 2022, trained & functional	
COMMUNITY DEVELOPMENT WORKER		Mrs. Bella .M Kholong	
COMMUNITY ISSUES RAISED			
February 2022 (Five Year IDP Development)	Sept/Oct. 2022 (1 st IDP Review)	Sept.2023 (2 nd IDP Review)	Sept 2024 (3 rd IDP Review)
• Maintenance of roads (potholes) • Provisioning of street lighting • Grass cutting • Billing system	• Pruning(trimming) of trees • Fix potholes in the main road next to Kinderland ECD.		

NAME OF WARD		16	
WARD POPULATION		5 522	
WARD COUNCILLOR		Cllr Jan Jacobus Barnard	
WARD SECTIONS		Sasolburg town and Industrial area	
STATUS OF WARD COMMITTEE		Established in 2022, trained & functional	
COMMUNITY DEVELOPMENT WORKER		Mr. Moses Setsheli	
COMMUNITY ISSUES RAISED			
February 2022 (Five Year IDP Development)	Sept/Oct. 2022 (1 st IDP Review)	Sept.2023 (2 nd IDP Review)	Sept 2024 (3 rd IDP Review)
- Fixing of potholes - Maintenance of greenbelts - Improvement of billing system (step tariff) - Addressing the issue of Illegal shops - Establishment of a Youth Council/Desk	- Ward based project planning - upgrading (fencing & doors) Marais subs station - Improve/establish compliants centre to attend complaints - Community Hall - High mast lights - Need Electricity grid from SASOL - Fix HF Verwoed Road and erect fencing via R59		

NAME OF WARD		17	
WARD POPULATION		5 690	
WARD COUNCILLOR		Cllr Thabang Kenneth Rankoe	
WARD SECTIONS		Sasolburg town, Nic Ferreira	
STATUS OF WARD COMMITTEE		Established in 2022, trained & functional	
COMMUNITY DEVELOPMENT WORKER		Mrs. Winnie Mayekiso	
COMMUNITY ISSUES RAISED			
February 2022 (Five Year IDP Development)	Sept/Oct. 2022 (1 st IDP Review)	Sept.2023 (2 nd IDP Review)	Sept 2024 (3 rd IDP Review)
• Installation of speed humps in Nkandla • Maintenance of roads • Reparation of water leaks (water losses) • Provisioning of high mast lights • Grass cutting • Inspection of Illegal shops • Establishment of community projects in the Department of Education District Offices (Sakubusha): Community building projects	• Deploy security at substation to curb Cable and vandalism. • Substation in Hammelberg street exploded • Repair substation doors in Havenga street • Erect speed humps in Nick Ferreira extension(Nkandla) • Illicit allocation of RDP Houses. • Housing and property audit to verify ownership		

NAME OF WARD		18	
WARD POPULATION		5 152	
WARD COUNCILLOR		Cllr Linda Day	
WARD SECTIONS		Welgelegen, Vaal Racecourse, part of Vaal Park (Ward 14) and Naledi Park which is an industrial area	
STATUS OF WARD COMMITTEE		Established in 2022, trained & functional	
COMMUNITY DEVELOPMENT WORKER		Mr. Shadrack Hlahane	
COMMUNITY ISSUES RAISED			
February 2022 (Five Year IDP Development)	Sept/Oct. 2022 (1 st IDP Review)	Sept.2023 (2 nd IDP Review)	Sept 2024 (3 rd IDP Review)
• Resurfacing of Roads • Maintenance of storm water drainage • Provisioning of a Fire Engine • Grass cutting • Improvement of water meter reading AND billing system • Establishment of a functional Hotline Centre (customer services) • Improvement of the Municipal Website and ICT	• Repair water metres • Fixing potholes • Need Fire Engine • Grass cutting • Improve Billing system(accuracy)		

NAME OF WARD		19	
WARD POPULATION		5 479	
WARD COUNCILLOR		Cllr Linda Mthetho	
WARD SECTIONS		Amelia	
STATUS OF WARD COMMITTEE		Established in 2022, trained & functional	
COMMUNITY DEVELOPMENT WORKER		S Hlahane	
COMMUNITY ISSUES RAISED			
February 2022 (Five Year IDP Development)	Sept/Oct. 2022 (1 st IDP Review)	Sept.2023 (2 nd IDP Review)	Sept 2024 (3 rd IDP Review)
• Provisioning of paved roads with stormwater channels • Police Station • Shopping complex • Sewer Connections • High mast lights • Residential sites for informal settlements • Fix incomplete RDP houses and those affected by the disaster • Community members need title deeds. • A clinic with ablution facilities is needed	• Need shelter/container at clinic for shade • Rezoning of two school sites for residential sites • Need Training centre for skills development • Grading of roads • Improve billing system (metre reading) • Remove waste containers to reduce criminal activities • Ensure functionality and capacitation of Ward committees • Fix storm water drainage as a result of construction of cemetery • Attend to sewer spillages • Need Residential sites • Enforce Bi-laws (commonage)		

NAME OF WARD		20	
WARD POPULATION		12 218	
WARD COUNCILLOR		Cllr Lukas Fisher	
WARD SECTIONS		Themba Kubheka, Deneysville, Phomolong, Mbeki, Taaibos, Veekraal, Groenpunt Correctional Services and surrounding farms.	
STATUS OF WARD COMMITTEE		Established in 2022, trained & functional	
COMMUNITY DEVELOPMENT WORKER		Vacant	
COMMUNITY ISSUES RAISED			
February 2022 (Five Year IDP Development)	Sept/Oct. 2022 (1 st IDP Review)	Sept.2023 (2 nd IDP Review)	Sept 2024 (3 rd IDP Review)
THEMBA KUBHEKA	THEMBA KUBHEKA	THEMBA KUBHEKA	THEMBA KUBHEKA
The community agreed and suggested that the provisioning of electricity be prioritised as the most important need and the following needs to be regarded as priority in the IDP in order to advance sustainable development in their Ward: - Provisioning of storm water drainage - Provisioning of a clinic - Establishment of a police station - Shopping Mall - Eradication of the bucket system - Establishment of an FET College - Provisioning of schools	- Fix newly RDP Houses (poor workmanship) - Electricity connection to households - Grading of roads - Clinic - Need Schools - Skills centre/FET for youth - Storm water drainage		
DENEYSVILLE	DENEYSVILLE	DENEYSVILLE	DENEYSVILLE
- Provisioning of water - Upgrading/maintenance of water treatment plant - Upgrading of sewer reticulation - Maintenance/Upgrading of storm water drainage next to the police station - Resurfacing of McKenzie Street - Maintenance of storm water drainage (Oranjeville street) - Resurfacing of Main Street & Horace Street - Completion of unfinished projects (Sports complex)	- Erect road signs - Fire Engine to be stationed in Deneysville. - Ensure security in substations. - Resurfacing of roads - Street lighting		
	MBEKI SECTION		

•	• Shortage of Water in Mbeki & Phomolong • Ensure delivery of water tankers • Need Residential sites • Need/Fix High mast lights • High crime rate		
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NAME OF WARD		21	
WARD POPULATION		6 272	
WARD COUNCILLOR		Cllr Teboho Glen Sehaole	
WARD SECTIONS			
STATUS OF WARD COMMITTEE		Established in 2022, trained & functional	
COMMUNITY DEVELOPMENT WORKER		Vacant	
COMMUNITY ISSUES RAISED			
February 2022 (Five Year IDP Development)	Sept/Oct. 2022 (1 st IDP Review)	Sept.2023 (2 nd IDP Review)	Sept 2024 (3 rd IDP Review)
• Provisioning of sewer connections and flushing toilets • Paving of roads • Provisioning of residential sites • Curbing of Illegal dumping • Provisioning of a clinic • Unblocking of storm water channels • Maintenance of roads • Provisioning of skills development for the youth • Commonage • Completion of RDP houses	• Need sewer toilets • Paved roads • Fix storm water channels • Fix roads • Address issue of incomplete RDP Houses • Need Clinic		

NAME OF WARD		22	
WARD POPULATION		6 205	
WARD COUNCILLOR		Cllr Ruanda Meyer	
WARD SECTIONS		Vaal Park, Lethabo	
STATUS OF WARD COMMITTEE		Established in 2022, trained & functional	
COMMUNITY DEVELOPMENT WORKER		Vacant	
COMMUNITY ISSUES RAISED			
February 2022 (Five Year IDP Development)	Sept/Oct. 2022 (1 st IDP Review)	Sept.2023 (2 nd IDP Review)	Sept 2024 (3 rd IDP Review)
VAALPARK	VAALPARK	VAALPARK	VAALPARK
- Provisioning of a taxi rank - Upgrading Vaalpark Hospital for capacity - Installing speed humps next to Vaalpark Articon School - Provisioning of a Compactor Truck - Provisioning of a clinic (mobile) - Reparation of Eskom electricity transformers - Reparation of electricity meters and distributor boxes	- Sufficient Projects to Vaalpark for Infrastructure development (ageing infra) - Need Transfer station - Purchase woodchipper - Purchase more tractors - Upgrading electricity substations - install night/day switch on streetlight - Enforcement of bylaws - Erection of speed humps next to schools (Lumiere & Vaalpark/Articon)		
LETHABO	LETHABO	LETHABO	LETHABO
- Provisioning of water - Provisioning of electricity - Provisioning of a clinic and or upgrading of the existing clinic - Provisioning of a library - Provisioning of playgrounds and or upgrading of the existing playgrounds - Providing electricity directly from the Municipality (not Eskom) - Provisioning of residential sites and registering Lethabo under the Metsimaholo register (Currently privately owned) - Establishment of a sand factory to minimise unemployment			

NAME OF WARD		23	
WARD POPULATION		6 479	
WARD COUNCILLOR		Manana Bernice Mozolo	
WARD SECTIONS			
STATUS OF WARD COMMITTEE		Established in 2022, trained & functional	
COMMUNITY DEVELOPMENT WORKER		Vacant	
COMMUNITY ISSUES RAISED			
February 2022 (Five Year IDP Development)	Sept/Oct. 2022 (1 st IDP Review)	Sept.2023 (2 nd IDP Review)	Sept 2024 (3 rd IDP Review)
- The community sharply emphasized the following Basic Needs as their main priorities to be speedily addressed in the IDP & Budget: - Water connections to yards - Sewer connections to yards - Electricity connections to yards (preferably directly from Eskom) - Flush Toilets to curb pit toilets - Provisioning of a clinic Other Issues: - Provisioning of Schools - Scholar patrols - Provisioning of a temporary or a mobile clinic - Fast track formalization of Mooidraai - Residential/site permits - Resolve the issue of unoccupied sites - Provisioning of RDP houses - Installation of a traffic light in the main /road between Amelia and Mooidraai - Provisioning of waste collection containers - Grading of roads (skoting & diflakgeng) to enable scholar transport - Management of storm water drainage - Planting of trees to mitigate the possibility of disasters - Taxi rank - Taxi operation - Police station	- Fast track rezoning process to finalize allocation of sites - Need Electricity directly from Eskom - Conduct environmental Impact Assessment (Flooding)- Responsive plan - Yard Infills with G5 for water drainage		

• Tourism development (Stenmpane) • Youth employment and local job creation during projects • Establish sustainable Public and Private Partnerships for community development (SASOL, Seriti etc.)			
AMELIA	AMELIA	AMELIA	AMELIA
• RDP houses are needed • Provisioning of paved roads with stormwater channels • Provisioning of water and sewer connections • Clinic • Schools • Grading of Roads	• Fast track issuing of occupancy/ownership letters for sites • Attend to shortage of water in Baiphehi section (communal taps (ka skoting section) • Grading of sandy road in the main road • Need RDP Houses		

2.2 Overview of alignment of annual budget with IDP

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

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

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

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

The aim of this IDP compilation process was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the Municipality's response to these requirements.

The national and provincial priorities, policies and strategies of importance include amongst others:

- ☐ Sustainable Development Goals (SDGs)
- ☐ Green Paper on National Strategic Planning of 2009;
- ☐ National Development Plan (Vision 2030);
- ☐ The New Growth Path (2010);
- ☐ Development Facilitation Act of 1995;

- ☐ Provincial Growth and Development Strategy (PGDS);
- ☐ National and Provincial spatial development perspectives;
- ☐ Relevant sector plans, legislation and policy;
- ☐ National Key Performance Indicators (NKPIs); National Spatial Development Perspective (NSDP) and The National Priority Outcomes.
- ☐ Batho Pele Principles
- ☐ Local Government Indicators Reporting Circular 88
- ☐ Fezile Dabi District Development Model (FDDM)

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's five strategic objectives for the 2023/24 MTREF and further planning refinements that have directly informed the compilation of the budget.

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

The municipality has through its public participation processes ensured that the Municipal Strategic Priorities were unpacked by developing key performance areas (KPAs), programmes, objectives, key performance indicators (KPIs) and targets for each of the KPAs and programmes.

The said objectives, indicators and targets have been aligned to the Provincial Priority Outputs, where possible and will form the basis for the development of the municipality's Service Delivery and Budget Implementation Plan (SDBIP) and Annual Performance Plans of Senior Management for the 2023/24 Financial year.

The table below provides a summary of the strategic priorities, KPA and programmes, as draft 2022/23 to 2026/27 IDP

Table 28: Municipal Strategic Priorities

Strategic Objective	Key Performance Area	Programmes
To Ensure Municipality broadly delivers Service according to strategic orientation based on Key Sector Plans	KPA1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	PROGRAMME: ROADS PROGRAMME: ELECTRICITY PROGRAMME: PORTABLE WATER PROGRAMME: SANITATION PROGRAMME: WASTE MANAGEMENT PROGRAMME: PARKS AND RECREATIONAL FACILITIES

To Ensure universal access to reliable and quality Basic Municipal Services by all Communities		
To build Environmental sustainability and resilience		PROGRAMME: DISASTER MANAGEMENT
Create conducive environment for improving local economic development	KPA2: LOCAL ECONOMIC DEVELOPMENT	PROGRAMME: ECONOMIC DEVELOPMENT
Use Municipality's buying power to advance economic empowerment of SMMEs & Cooperatives		
To implement the projects that ensure the Spatial and Economic Integration		PROGRAMME: SPATIAL PLANNING
Maximize on the Tourism potential of the Municipality		PROGRAMME: Marketing & TOURISM
To promote integrated and sustainable human settlements and increasing the supply of housing opportunities		PROGRAMME: HOUSING AND PROPERTIES
To improve Municipality's financial planning, revenue collection, expenditure and reporting capability	KPA 3 : FINANCIAL VIABILITY AND FINANCIAL MANAGEMENT	PROGRAMME: REVENUE MANAGEMENT
		PROGRAMME: INDIGENT MANAGEMENT
		PROGRAMME: BUDGET & EXPENDITURE
		PROGRAMME: ASSET MANAGEMENT
		PROGRAMME: SUPPLY CHAIN
To Improve administrative capability of Municipality	KPA 4: MUNICIPAL TRANSFORMATION	PROGRAMME: INSTITUTIONAL DEVELOPMENT

To capacitate and empower workforce	AND INSTITUTIONAL DEVELOPMENT	PROGRAMME: HUMAN RESOURCE DEVELOPMENT
To ensure sound Labour Relations so as to minimize Labour dispute and disruptions		PROGRAMME: LABOUR RELATIONS
To promote occupational health and safety environment for all employees		PROGRAMME: HEALTH & SAFETY
To promote Legal compliance so as to minimize litigations and Lawsuits		PROGRAMME: LEGAL SERVICES
To Improve administrative capability of Municipality		PROGRAMME: RECORDS MANAGEMENT
To ensure development and legally compliant IDP		PROGRAMME: INTEGRATED DEVELOPMENT PLANNING
Ensure functional governance structures and systems		PROGRAMME: PERFORMANCE MANAGEMENT
To improve the administrative capability of Municipality		PROGRAMME: INTERNAL AUDIT
To build a risk conscious culture within the organization		PROGRAMME: INFORMATION COMMUNICATION AND TECHNOLOGY
To improve the administrative capability of Municipality		PROGRAMME: RISK MANAGEMENT
to promote IGR and effective communication channels with relevant stakeholders		PROGRAMME: COMPLIANCE
		PROGRAMME: UNIT MANAGEMENT
		PROGRAMME: SECURITY MANAGEMENT
		PROGRAMME: COMMUNICATIONS
To ensure that there is a coherent approved approach in a Municipality in dealing with HIV/AIDS, Covid 19 & TB.	KPA 5: GOOD GOVERNANCE AND	PROGRAMME: SPECIAL PROGRAMMES

To implement special programmes aimed at the needs of vulnerable groups,youths,women & children and communicable diseases	PUBLIC PARTICIPATION	
Ensure Transparency, Accountability and regular engagements with communities and stakeholders		PROGRAMME: PUBLIC PARTICIPATION
Ensure that Ward Committees are functional and interact with communities continuously		
Ensure that Ordinary Councils are held to consider and endorse reports		
Ensure that all Council Committees (S79) (S80) sit regularly and process item for Council decisions		
To provide continuous strategic support on Organisational goals and performance		PROGRAMME: COUNCIL WHIP/SUPPORT

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

Lessons learned with previous IDP revision and planning cycles as well as changing environments were taken into consideration in the compilation of the new five year IDP, including:

- Strengthening the analysis and strategic planning processes of the Municipality;
- Ensuring better coordination through a programmatic approach and attempting to focus the budgeting process through planning interventions; and
- Strengthening performance management and monitoring systems in ensuring the objectives and deliverables are achieved.

The 2023/24 MTREF has therefore been directly informed by the IDP compilation process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

Table 29MBRR Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue**FS204 Metsimaholo - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)**

Strategic Objective	Goal	Goal Code	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand												
GOOD GOVERNANCE AND COMMUNITY PARTICIPATION			2	–	–	–	–	–	–	–	–	–
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT				841	2 903	975	788	888	888	848	834	848
FINANCIAL VIABILITY AND FINANCIAL MANAGEMENT				367 631	416 564	418 319	396 331	398 806	398 806	491 673	532 033	572 743
LOCAL ECONOMIC DEVELOPMENT				6 885	7 923	7 698	27 229	8 309	8 309	22 895	24 475	26 869
BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT				871 099	891 660	1 003 289	1 249 236	1 152 774	1 152 774	1 218 145	1 276 463	1 335 174
Allocations to other priorities			1									
Total Revenue (excluding capital transfers and contributions)				1 246 457	1 319 049	1 430 281	1 673 585	1 560 778	1 560 778	1 733 561	1 833 805	1 935 634

Table 30 MBRR Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure

FS204 Metsimaholo - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand												
GOOD GOVERNANCE AND COMMUNITY PARTICIPATION	To encourage the involvement of communities and community organisations in the matters of local government.	E	1	52 104	53 686	51 069	59 654	57 692	57 692	60 174	62 002	64 294
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	To provide democratic and accountable government for local communities	D		92 879	98 115	98 914	135 884	123 937	123 937	138 906	142 220	144 367
FINANCIAL VIABILITY AND FINANCIAL MANAGEMENT	To ensure financial management practices that enhance financial viability & compliance with the requirements of MFMA, relevant regulations and prescribed Treasury norms and standards	C		107 015	61 177	125 301	136 665	127 880	127 880	152 540	152 264	171 134
LOCAL ECONOMIC DEVELOPMENT	To promote social and economic development	B		23 663	50 877	30 599	47 614	40 447	40 447	45 349	37 380	45 715
BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT	To ensure the provision of services to communities in a sustainable manner.	A		964 435	990 994	1 168 108	1 267 111	1 214 685	1 214 685	1 337 263	1 414 718	1 468 097
Allocations to other priorities												
Total Expenditure			1	1 240 095	1 254 850	1 473 990	1 646 928	1 564 641	1 564 641	1 734 231	1 808 582	1 893 608

2.3 Measurable performance objectives and indicators

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

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

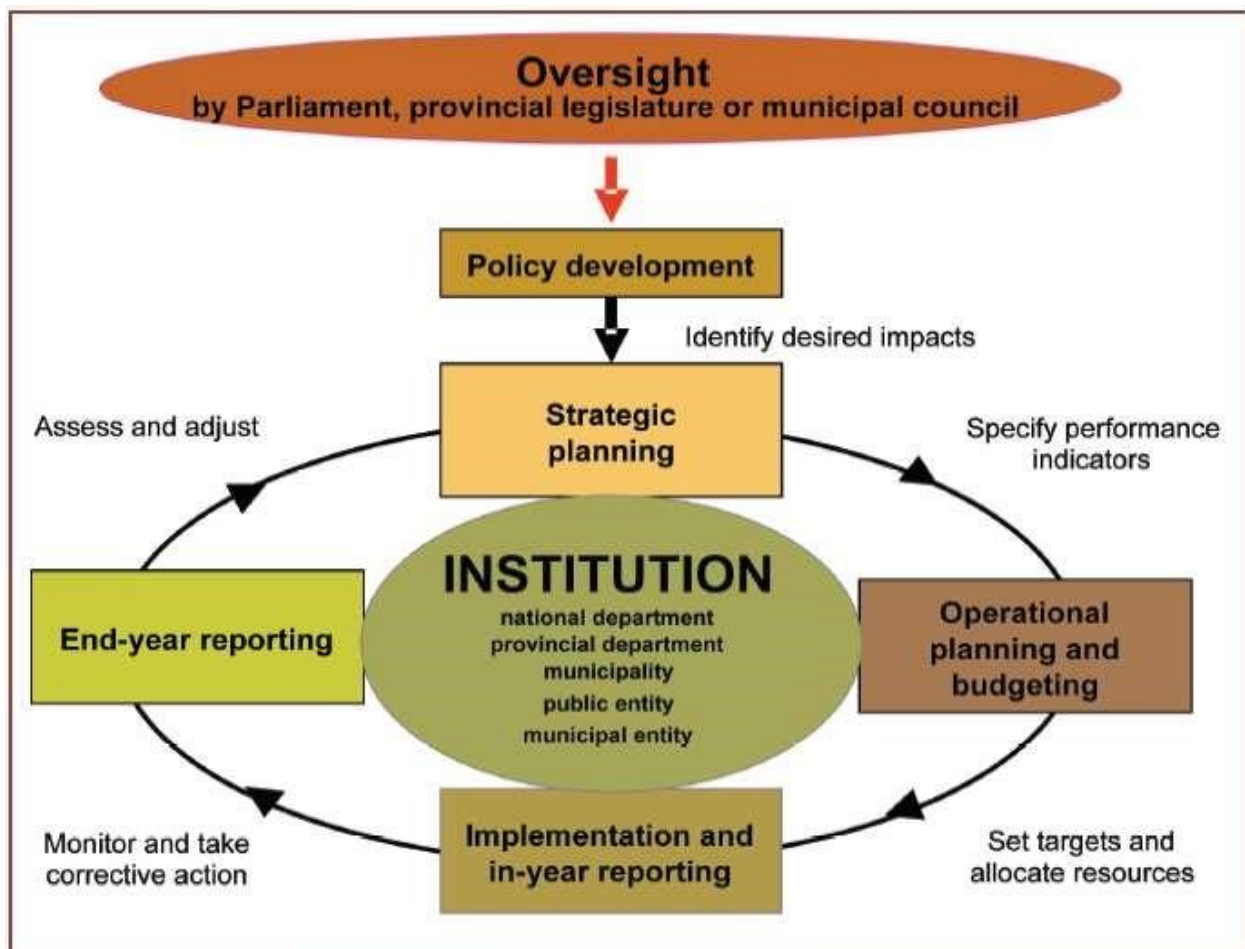


Figure 2: Planning, budgeting and reporting cycle

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

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

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

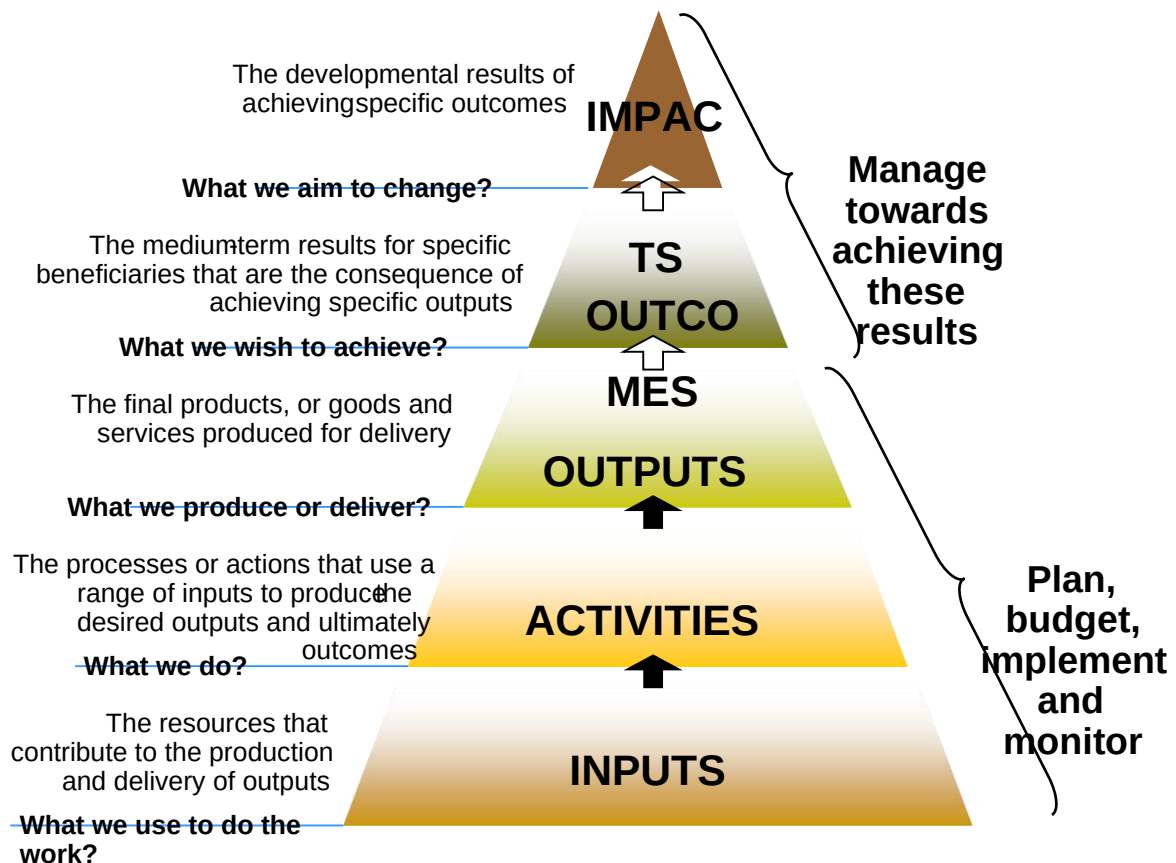


Figure 3: Definition of performance information concepts

The following table provides the main measurable performance objectives the municipality undertakes to achieve over the next five financial years

Table 32 MBRR Table SA7 - Measurable performance objectives

FS204 Metsimaholo - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
04 - Social Services										
Waste Management										
Solid Waste Removal										
<i>No Rubbish Disposal</i>	Households	10 000	10 000	–	–	10 000	10 000	10 000	10 000	10 000
<i>Removed At Least Once A Week</i>	Households	55 000	55 000	–	–	56 000	56 000	56 000	56 000	56 000
<i>Removed Less Frequently Than Once A Week</i>	Households	10 000	10 000	–	–	56 000	56 000	56 000	56 000	56 000
05 - Technical Services										
Energy Sources										
Electricity										
<i>Electricity - Prepaid (< Min. Service Level)</i>	Households	39 239	39 239	–	–	40 280	40 280	40 280	40 280	40 280
<i>Electricity (< Min. Service Level)</i>	Households	720	720	–	–	730	730	730	730	730
<i>Formal Settlement Households Receiving Electricity</i>	Households	12 000	12 000	–	–	13 000	13 000	13 000	13 000	13 000
<i>Informal Settlements (R000)</i>	Rand Value	5 652	–	–	–	13875 000	13875 000	14430 000	15007 000	15007 000
Waste Water Management										
Sewerage										
<i>Bucket Toilet</i>	Households	2 000	2 000	–	–	1 500	1 500	1 500	1 500	1 500
<i>Flush Toilet (Connected To Sewerage)</i>	Households	33 591	33 591	–	–	37 591	37 591	37 591	37 591	37 591
<i>Flush Toilet (With Septic Tank)</i>	Households	1 200	1 200	–	–	1 500	1 500	1 500	1 500	1 500
<i>Formal Settlement Households Receiving Sanitation</i>	Households	12 000	12 000	–	–	13 000	13 000	13 000	13 000	13 000
<i>Informal Settlements (R000)</i>	Rand Value	11 393	–	–	–	17092 000	17092 000	17776 000	18576 000	18576 000

<i>Other Toilet Provisions (> Min.Service Level)</i>	Households	9 387	9 387	–	–	10 287	10 287	10 287	10 287	10 287
<i>Pit Toilet (Ventilated)</i>	Households	1 200	1 200	–	–	1 500	1 500	1 500	1 500	1 500
Water Management										
Water Distribution										
<i>Formal Settlement Households Receiving Water</i>	Households	12 000	12 000	–	–	13 000	13 000	13 000	13 000	13 000
<i>Informal Settlements (R000)</i>	Rand Value	9 845	–	–	–	13788 000	13788 000	14340 000	14985 000	14985 000
<i>Other Water Supply (At Least Min.Service Level)</i>	Households	10	10	–	–	10	10	10	10	10
<i>Piped Water Inside Dwelling</i>	Households	13 945	13 945	–	–	15 945	15 945	15 945	15 945	15 945
<i>Piped Water Inside Yard (But Not In Dwelling)</i>	Households	30 955	30 955	–	–	34 433	34 433	34 433	34 433	34 433
<i>Using Public Tap (At Least Min.Service Level)</i>	Households	2 500	2 500	–	–	2 000	2 000	2 000	2 000	2 000

The following table sets out the municipalities main performance objectives and benchmarks for the 2022/23 MTREF.

Table 33 MBRR Table SA8 - Performance indicators and benchmarks

FS204 Metsimaholo - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<u>Borrowing Management</u>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0,9%	0,1%	0,7%	0,5%	0,2%	0,2%	0,0%	0,5%	0,6%	0,4%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	0,8%	0,1%	0,7%	0,5%	0,2%	0,2%	0,0%	0,5%	0,6%	0,3%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0,0%	0,0%	0,0%	36,5%	72,1%	72,1%	0,0%	0,0%	0,0%	0,0%
<u>Safety of Capital</u>											
Gearing	Long Term Borrowing/ Funds & Reserves	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
<u>Liquidity</u>											
Current Ratio	Current assets/current liabilities	1,0	1,5	2,2	1,2	1,2	1,2	1,3	1,0	1,0	–
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1,0	1,5	2,2	1,2	1,2	1,2	1,3	1,0	1,0	–
Liquidity Ratio	Monetary Assets/Current Liabilities	0,3	0,7	1,5	0,4	0,4	0,4	0,4	0,4	0,4	–
<u>Revenue Management</u>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0,0%	124,1%	128,2%	97,0%	107,0%	107,0%	73,3%	101,1%	100,3%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		0,0%	124,1%	127,9%	97,1%	107,0%	107,0%	73,3%	101,1%	100,3%	0,0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	92,0%	83,2%	81,9%	59,1%	63,7%	63,7%	130,2%	54,3%	50,4%	0,3%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<u>Creditors Management</u>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))										

Creditors to Cash and Investments		1566,5%	-89,2%	-171,1%	321,3%	315,2%	315,2%	-833,1%	1131,9%	359,0%	0,0%
Other Indicators											
	Total Volume Losses (kW) technical										
	Total Volume Losses (kW) non technical										
Electricity Distribution Losses (2)	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Water Volumes :System input	Bulk Purchase										
	Water treatment works										
	Natural sources										
	Total Volume Losses (kℓ)										
	Total Cost of Losses (Rand '000)										
Water Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated										
Employee costs	Employee costs/(Total Revenue - capital revenue)	24,7%	25,2%	23,5%	26,0%	25,6%	25,6%	23,1%	26,0%	25,8%	25,5%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	26,3%	26,6%	24,8%	27,2%	26,9%	26,9%		27,2%	27,0%	26,8%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	3,8%	1,7%	3,7%	2,8%	3,2%	3,2%		3,1%	3,8%	3,0%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	4,5%	9,5%	5,7%	5,5%	5,6%	5,6%	6,3%	5,5%	5,5%	5,4%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	409,4	575,6	482,6	564,7	564,7	564,7	245,8	387,2	-	-
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	90,6%	106,2%	104,7%	65,6%	72,7%	72,7%	177,1%	61,7%	57,4%	0,5%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	0,2	(4,6)	(1,7)	0,8	0,9	0,9	(0,4)	0,2	0,8	0,8

2.3.1.1 Borrowing Management

Capital expenditure in local government can be funded by capital grants, own-source revenue and long term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position. As with all other municipalities, Metsimaholo Municipality's borrowing strategy is primarily informed by the affordability of debt repayments.

In summary, various financial risks could have a negative impact on the future borrowing capacity of the municipality. In particular, the continued ability of the Municipality to meet its revenue targets and ensure its forecasted cash flow targets are achieved will be critical in meeting the repayments of the debt service costs. As part of the compilation of the 2023/24 MTREF the potential of smoothing out the debt profile over the longer term will be investigated.

2.3.1.2 Liquidity

- *Current ratio* is a measure of the current assets divided by the current liabilities and as a benchmark the Municipality has set a limit of 1, hence at no point in time should this ratio be less than 1. For the 2023/24 MTREF the current ratio is 1.2 and 1.2 in the 2022/22 financial year and 1.04 and 1 for the two outer years of the MTREF. Going forward it will be necessary to improve these levels.
- *The liquidity ratio* is a measure of the ability of the municipality to utilize cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1. Anything below 1 indicates a shortage in cash to meet creditor obligations. For the 2022/23 financial year the ratio was 1.25 and changed to 1.04 in the 2023/24 financial year. This needs to be considered a pertinent risk for the municipality as any under collection of revenue will translate into serious financial challenges for the Municipality. **As part of the longer term financial planning objectives this ratio will have to be set at a minimum of 1.**

2.3.1.3 Revenue Management

As part of the financial sustainability strategy, an aggressive revenue management framework will be implemented to increase cash inflow, not only from current billings but also from debtors that are in arrears in excess of 90 days. The intention of the strategy is to streamline the revenue value chain by ensuring accurate billing, customer service, and credit control and debt collection.

2.3.1.4 Creditors Management

- The Municipality has managed to ensure that 90 per cent of creditors are settled within the legislated 30 days of invoice. By applying daily cash flow management, the municipality has managed to ensure creditors can be paid.
- Payments to creditors as per invoice date: 85% paid within 30 days
- Payments to creditors as per date when the invoice is received by Finance department: 95% paid within 30 days.

2.3.1.5 Other Indicators

- The electricity distribution losses must be assessed and kept below the norm in the 2023/24 financial year the MTREF. The initiatives to ensure these targets are achieved include managing illegal connections and theft of electricity by rolling out smart metering systems, including prepaid meters.

- The water distribution losses changed to 20 in 2023/24
- Employee costs as a percentage of operating revenue stabilised over the MTREF.
- Similar to that of employee costs, repairs and maintenance as percentage of operating revenue is also stabilising.

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

The social package assists residents that have difficulty paying for services and are registered as indigent households in terms of the Indigent Policy of the Municipality. With the exception of water, electricity and basic sewer, only registered indigents qualify for the free basic services.

For the 2023/24 financial year 13 000 registered indigents have been provided for in the budget. In terms of the Municipality's indigent policy registered households are entitled to 6kl free water, basic water and electricity charges (availability charges), 50 kWh of electricity, sanitation and free waste removal once a week, as well as a discount and additional up to maximum of R50.00 per month.

Further detail relating to the number of households receiving free basic services, the cost of free basic services, highest level of free basic services as well as the revenue cost associated with the free basic services is contained in Table 27 MBRR A10 (Basic Service Delivery Measurement).

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

2.3.3 Providing clean water and managing waste water

The Municipality is the Water Services Authority for the entire municipality in terms of the Water Services Act, 1997 and acts as water services provider. Approximately 71 per cent of the Municipality's bulk water needs are provided directly by Rand Water in the form of purified water. The remaining 29 per cent is generated from the Municipality's water treatment works in Deneysville and Oranjeville.

The Department of Water Affairs conducts an annual performance rating of water treatment works, presenting a Blue Drop or Green Drop award respectively to potable water treatment works and waste water treatment works that meet certain criteria of excellence.

The Municipality were awarded 84.6% on the Blue Drop status, with the Municipality's drinking water quality being within the desired standards. The Metsimaholo Water Treatment Plant was awarded the best medium sized drinking water treatment works by the Department of Water Affairs. The municipality is awaiting the score of the latest assessment.

The 2 waste water treatment works will require renewals/upgrading to meet the minimum Green Drop certification standards. The Municipality received a 68.6% score on the 2013 audit and was amended for the vast improvement shown across all the systems. The municipality is awaiting the score of the latest assessment.

The following is briefly the main challenges facing the Municipality in this regard:

- The infrastructure at most of the waste water treatment works is old and insufficient to treat the increased volumes of waste water to the necessary compliance standard;
- Shortage of skilled personnel makes proper operations and maintenance difficult;
- Electrical power supply to some of the plants is often interrupted which hampers the purification processes; and
- There is a lack of proper regional catchment management, resulting in storm water entering the sewerage system.

The following are some of the steps that have been taken to address these challenges:

- Infrastructure shortcomings are being addressed through the capital budget in terms of a 5-year upgrade plan;
- The filling of vacancies has commenced and the Waste Water Division will embark on an in-house training programme and SETA programme, especially for operational personnel;
- The filling of the post on Manager Electrical engineer is already embark in
- The Electricity Division is to install dedicated power supply lines to the plants; and
- The Division is working in consultation with the Department of Water Affairs to address catchment management.

2.4 Overview of budget related-policies

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

The following policies will be review and changes will be workshopped with councillors in April / May 2023.

- 2.4.1. Budget Policy,
- 2.4.2 Property Rates Policy
- 2.4.3 Credit control, debt collection and customer care Policy
- 2.4.4 Indigent Policy
- 2.4.5 Virement Policy
- 2.4.6 Asset Policy
- 2.4.7 Cash Management Policy
- 2.4.8 Supply Chain Management Policy
- 2.4.9 Tariff Policy
- 2.4.10. Bad debt written off Policy
- 2.4.11. Unauthorised expenditure, Irregular expenditure and Fruitless and waste full expenditure Policy
- 2.4.12 Borrowing Policy
- 2.4.13 Investment Policy
- 2.4.14 Cost containment Measures

2.5 Overview of budget assumptions

2.5.1 External factors

The economic outlook faces a range of risks, including weaker-than-expected global growth, further disruptions to global supply chains and renewed inflationary pressures from the war in Ukraine, continued power cuts and a deterioration in port and rail infrastructure, widespread criminal activity, and any deterioration of the fiscal outlook.

Government is taking urgent measures to reduce load-shedding in the short term and transform the sector through market reforms to achieve long-term energy security. Several reforms are under way to improve the performance of the transport sector, specifically freight rail and to improve the capability of the state.

Table 1: Macroeconomic performance and projections, 2021 - 2026

Fiscal year	2021/22	2022/23	2023/24	2024/25	2025/26
	Actual	Estimate	Forecast		
CPI Inflation	4.9%	6.9%	5.3%	4.9%	4.7%

The macro environment that influences the budget:

- Depreciation of the Rand
- High unemployment rate
- Loss of jobs in manufacturing and construction industry
- Interest rate movement
- Increase in fuel cost leads to increases in all other input costs
- Growth forecast are below actual achieved
- Growth forecasts have been reviewed downwards

2.5.2 General inflation outlook and its impact on the municipal activities

There are five key factors that have been taken into consideration in the compilation of the 2023/2024 MTREF:

- (a) National Government macro-economic targets;
- (b) The general inflationary outlook and the impact on Municipality's residents and businesses;
- (c) The impact of municipal cost drivers;
- (d) The increase in prices for bulk electricity and water; and
- (e) The increase in the cost of remuneration. Employee related costs comprise 26% of total operating expenditure in the 2023/24 MTREF and therefore this increase above inflation places a disproportionate upward pressure on the expenditure budget. A new wage agreement was concluded between SALGBC and the municipal workers' unions.

2.5.3 Interest rates for borrowing and investment of funds

The MFMA specifies that borrowing can only be utilised to fund capital or refinancing of borrowing in certain conditions.

The option be investigated to take up external borrowing to finance the installation of services (infrastructure) at un-service stands (122 stands) in Vaalpark, un-service stands in Oranjeville and un-service stands in Welgelegen West. A further investigation must be done by the municipal manager for resurfacing and/or re-sealing of streets over a period of 3 years to be implemented.

The municipal manager must consult with banks such as the Development Bank of South Africa (DBSA). The figures are subject to change as per updated plans of the relevant departments. No interest and redemption are included in 2023/24 MTREF.

2.5.4 Collection Rate for Revenue Services

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

The rate of revenue collection is currently expressed as a percentage (66%) of annual billings. Cash flow is assumed to be 75% of billings, plus an increased collection of arrear debt from the revised collection and credit control policy. The performance of arrear collections will however only be considered a source of additional cash in-flow once the performance has been carefully monitored.

The Revenue Enhancement Strategy and Operation Patala was implemented from 1 July 2019 until December 2022. However, the strategy was not successful as the debtors book kept on growing.

2.5.5 Growth or decline in tax base of the municipality

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

Household formation is the key factor in measuring municipal revenue and expenditure growth, as servicing 'households' is a greater municipal service factor than servicing individuals. Household formation rates are assumed to convert to household dwellings. In addition, the change in the number of poor households influences the net revenue benefit derived from household formation growth, as it assumes that the same costs incurred for servicing the household exist, but that no consumer revenue is derived as the 'poor household' should limit consumption to the level of free basic services.

2.5.6 Salary increases

The collective agreement regarding salaries/wages came into operation on 1 July 2023 and shall remain in force until 30 June 2023. The provision for salary increases is 5.3% made in line with the wage agreement that is in place.

2.5.7 Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focussed service delivery and in this regard various measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

- Creating jobs;
- Enhancing education and skill development;
- Improving Health services;
- Rural development and agriculture; and
- Fighting crime and corruption.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

2.5.8 Ability of the municipality to spend and deliver on the programmes

It is estimated that a spending rate of between 90% and 100% is achieved on operating expenditure and 100% on the capital programme for the 2023/24 MTREF of which performance has been factored into the cash flow budget.

2.6 Overview of budget funding

2.6.1 Medium-term outlook: operating revenue

The following table is a breakdown of the operating revenue over the medium-term:

Table 34: Breakdown of the operating revenue over the medium-term

FS204 Metsimaholo - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description R thousand	Ref	Adjusted Budget		Medium Term Revenue & Expenditure Framework					
		2022/23	%	Budget Year 2023/24	%	Budget Year +1 2024/25	%	Budget Year +2 2025/26	%
Revenue									
Exchange Revenue									
Service charges - Electricity	2	412 878	26,5%	493 443	27,4%	517 622	27,2%	541 950	27,0%
Service charges - Water	2	493 862	31,6%	551 182	30,6%	578 190	30,4%	605 365	30,2%
Service charges - Waste Water Management	2	79 823	5,1%	91 966	5,1%	96 473	5,1%	101 007	5,0%
Service charges - Waste Management	2	44 197	2,8%	46 009	2,6%	48 263	2,5%	50 531	2,5%
Sale of Goods and Rendering of Services		9 383	0,6%	23 882	1,3%	25 052	1,3%	26 255	1,3%
Interest earned from Receivables		43 400	2,8%	45 600	2,5%	47 840	2,5%	50 093	2,5%
Interest earned from Current and Non Current Assets		4 800	0,3%	5 054	0,3%	5 302	0,3%	5 551	0,3%
Dividends		100	0,0%	100	0,0%	105	0,0%	110	0,0%
Rental from Fixed Assets		6 571	0,4%	6 919	0,4%	7 258	0,4%	7 573	0,4%
Operational Revenue		380	0,0%	290	0,0%	304	0,0%	319	0,0%
Non-Exchange Revenue									
Property rates	2	194 330	12,5%	234 276	13,0%	245 756	12,9%	257 307	12,8%
Fines, penalties and forfeits		4 080	0,3%	4 296	0,2%	4 507	0,2%	4 719	0,2%
Licences or permits		105	0,0%	111	0,0%	116	0,0%	122	0,0%
Transfer and subsidies - Operational		254 009	16,3%	283 025	15,7%	312 188	16,4%	342 496	17,1%
Interest		9 000	0,6%	9 841	0,5%	10 323	0,5%	10 808	0,5%
Operational Revenue		3 860	0,2%	2 519	0,1%	2 642	0,1%	2 766	0,1%
Discontinued Operations									
Total Revenue (excluding capital transfers and contributions)		1 560 778		1 798 513		1 901 940		2 006 972	

The following graph is a breakdown of the operational revenue per main category for the 2022/2023 financial year:

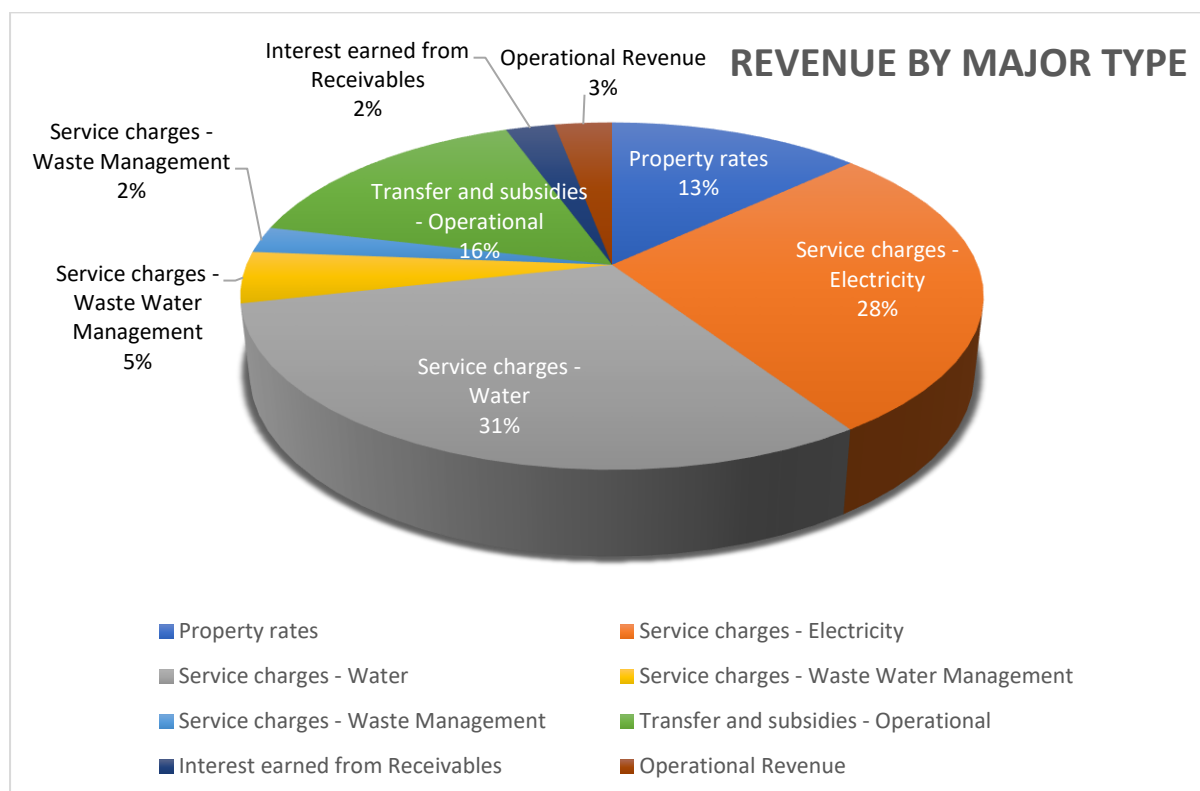


Figure 4: Breakdown of operating revenue over the 2023/24 MTREF

Tariff setting plays a major role in ensuring desired levels of revenue. Getting tariffs right assists in the compilation of a credible and funded budget. The Municipality derives most of its operational revenue from the provision of goods and services such as water, electricity, sanitation and solid waste removal. Property rates, operating and capital grants from organs of state and other minor charges (such as building plan fees, licenses and permits etc.) from the remainder of the operating revenue.

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

- Growth in the Municipality and economic development;
- Revenue management and enhancement;
- Achievement of a 75% annual collection rate for consumer revenue;
- National Treasury guidelines;
- Electricity tariff increases within the National Electricity Regulator of South Africa (NERSA) approval;
- Achievement of full cost recovery of specific user charges;
- The Property Rates Policy in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA),
- Implementation of new valuation roll - 1 July 2019

The above principles guide the annual increase in the tariffs charged to the consumers and the ratepayers aligned to the economic forecasts.

Proposed tariff increases over the medium-term

Revenue category	2023/24 proposed tariff increase	2024/25 proposed tariff increase	2025/26 proposed tariff increase
	%	%	%
Property rates	5.3	4.9	4.7
Sanitation	5.3	4.9	4.7
Solid Waste	5.3	4.9	4.7
Water	5.3	4.9	4.7
Electricity	15	4.9	4.7

The Municipality is still in a process of further data verification and validation relating to the valuation roll. The new valuation roll was implemented on 1 July 2019, as the levying of property rates is considered a strategic revenue source the five-year valuation of property started in the 1st quarter of the 2019/20 financial year. **The current valuation roll was implemented on 1 July 2019.**

Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the revenue basket of the Municipality totalling R1,174 billion for the 2023/24 financial year and increasing to R1,232 billion by 2024/25 and R1,316 billion in 2025/26.

Operational grants and subsidies amount to R283 million, R312 million and R342 million for each of the respective financial years of the MTREF.

Interest revenue contributes marginally to the revenue base of the Municipality with a budget allocation of R50,7 million, R53,1 million and R55,6 million for the respective three financial years of the 2023/24 MTREF. Interest is mainly made up from outstanding debtors and external investments.

The tables below provide detail investment information and investment particulars by maturity.

Table 35MBRR SA15 – Detail Investment Information

FS204 Metsimaholo - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
<u>Parent municipality</u>										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits		40 793	(499 346)	41 064	41 516	41 516	41 516	41 516	41 516	41 516
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total	1	40 793	(499 346)	41 064	41 516	41 516	41 516	41 516	41 516	41 516
Consolidated total:		40 793	(499 346)	41 064	41 516	41 516	41 516	41 516	41 516	41 516

Table 36 MBRR SA16 – Investment particulars by maturity

FS204 Metsimaholo - Supporting Table SA16

Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate ³	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Name of institution & investment ID	1	Yrs/Months												
<u>Parent municipality</u>														
Municipality sub-total										#REF!		#REF!	#REF!	#REF!
<u>Entities</u>														
N/A														-
														-
														-
														-
														-
														-
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	1									#REF!		#REF!	#REF!	#REF!

2.6.2 Medium-term outlook: capital revenue

The following table is a breakdown of the funding composition of the 2023/2024 medium-term capital programme:

Table 37 Sources of capital revenue over the MTREF

Description	2021/22		Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework					
R thousands	Audited Outcome	%	Original Budget	Adjusted Budget	%	Budget Year 2023/24		Budget Year +1 2024/25		Budget Year +2 2025/26	
Capital expenditure											
Transfers recognised - capital	154 451	98%	156 165	161 265	68%	109 690	54%	88 822	100%	81 855	100%
Borrowing	–	0%	77 504	77 504	32%	38 172	19%	–		–	
Internally generated funds	3 443	2%	75 971	125	0%	56 330	28%	–		–	
Total sources of capital funds	157 894		309 640	238 894		204 192		88 822		81 855	

Capital grants and receipts equates to 100% of the total funding source which represents R109,7 million for the 2023/24 financial year and steadily changes to R81,9 million or 100% by 2024/25, Grants received from MIG, INEP, WSIG and RBIG.

2.6.3 Funding compliance measurement

National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are contained in the following table. All the information comes directly from the annual budgeted statements of financial performance, financial position and cash flows. The funding compliance measurement table essentially measures the degree to which the proposed budget complies with the funding requirements of the MFMA.

Table 38 MBRR SA10 – Funding compliance measurement**FS204 Metsimaholo Supporting Table SA10 Funding measurement**

Description	MFMA section	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Funding measures	-	-										
Cash/cash equivalents at the year end - R'000	18(1)b	1	17 562	(334 586)	(168 831)	93 793	95 603	95 603	4 347	225 553	510 400	795 247
Cash + investments at the yr end less applications - R'000	18(1)b	2	(254 824)	(81 756)	42 752	(34 483)	(22 529)	(22 529)	378 617	34 924	52 569	35 447
Cash year end/monthly employee/supplier payments	18(1)b	3	0,2	(4,6)	(1,7)	0,8	0,9	0,9	0,1	1,9	4,2	6,2
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	271 787	326 931	190 626	182 821	162 142	162 142	227 988	167 273	167 298	210 907
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	(1,4%)	1,9%	14,2%	(12,6%)	(6,0%)	(34,1%)	8,9%	(1,1%)	0,5%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	0,0%	43,8%	68,9%	57,9%	62,1%	62,1%	85,5%	80,7%	79,5%	72,8%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7		10,9%	31,4%	20,9%	22,4%	22,4%	28,6%	20,2%	20,2%	19,8%
Capital payments % of capital expenditure	18(1)c;19	8	0,0%	100,0%	100,0%	100,0%	129,5%	129,5%	98,2%	42,5%	62,4%	68,5%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0,0%	0,0%	0,0%	36,5%	72,1%	72,1%	0,0%	46,6%	0,0%	0,0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0,0%	0,0%	0,0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	69,2%	(14,7%)	(11,2%)	0,0%	0,0%	72,6%	(46,4%)	(3,9%)	0,0%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0,0%	4011,9%	(97,6%)	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	3,4%	2,0%	4,4%	3,1%	3,4%	3,4%	3,4%	4,3%	3,5%	0,0%
Asset renewal % of capital budget	20(1)(vi)	14	6,8%	14,2%	10,2%	30,9%	22,3%	22,3%	0,0%	21,9%	26,9%	48,4%

2.7 Expenditure on grants and reconciliations of unspent funds

Table 39 MBRR SA19 - Expenditure on transfers and grant programmes

FS204 Metsimaholo - Supporting Table SA19 Expenditure on transfers and grant programme

Description R thousand	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
EXPENDITURE:	1									
<u>Operating expenditure of Transfers and Grants</u>										
National Government:		36 726	25 966	25 322	185 150	157 371	157 371	194 798	192 422	182 896
Local Government Equitable Share		18 706	18 706	18 695	178 335	150 879	150 879	188 068	187 278	177 483
Expanded Public Works Programme										
Integrated Grant		1 502	1 327	1 607	1 524	1 524	1 524	1 605	1 690	1 780
Local Government Financial Management Grant		2 012	2 500	2 627	2 750	2 750	2 750	2 372	559	588
Municipal Disaster Relief Grant		298	–	–	–	–	–	–	–	–
Municipal Infrastructure Grant		14 208	3 433	2 393	2 541	2 217	2 217	2 753	2 895	3 045
Water Services Infrastructure Grant		–	–	–	–	–	–	–	–	–
Provincial Government:		–	–	–	–	–	–	–	–	–
District Municipality:		–	–	152	–	–	–	150	150	150
<i>Specify (Add grant description)</i>		–	–	152	–	–	–	150	150	150
Other grant providers:		12 364	3 123	10 209	776	783	783	474	842	526
<i>Local Government Water and Related Service SETA</i>		–	–	405	776	783	783	474	842	526
<i>Unspecified</i>		12 364	3 123	9 804	–	–	–	–	–	–
Total operating expenditure of Transfers and Grants:		49 090	29 089	35 683	185 926	158 154	158 154	195 422	193 414	183 572
<u>Capital expenditure of Transfers and Grants</u>										

National Government:		42 004	43 394	141 806	156 165	161 390	161 390	109 690	88 822	81 855
Integrated National Electrification Programme										
Grant		8 695	7 921	26 564	35 631	35 631	35 631	29 780	10 000	10 000
Municipal Infrastructure Grant		28 121	24 868	30 330	48 218	53 443	53 443	50 293	52 502	54 804
Regional Bulk Infrastructure Grant		–	–	73 253	50 000	50 000	50 000	9 000	–	–
Water Services Infrastructure Grant		5 188	10 604	11 659	22 316	22 316	22 316	20 617	26 320	17 051
Provincial Government:		–	–	–	–	–	–	–	–	–
District Municipality:		–	–	763	–	–	–	–	–	–
<i>Specify (Add grant description)</i>		–	–	763	–	–	–	–	–	–
Other grant providers:		601	1 765	11 882	–	–	–	–	–	–
<i>Buildings and Construction</i>		–	–	–	–	–	–	–	–	–
<i>Households</i>		–	–	–	–	–	–	–	–	–
<i>Human Settlement Re-development Programme</i>		–	–	–	–	–	–	–	–	–
<i>Production</i>		601	1 765	2 568	–	–	–	–	–	–
<i>Unspecified</i>		–	–	9 314	–	–	–	–	–	–
Total capital expenditure of Transfers and Grants		42 605	45 159	154 451	156 165	161 390	161 390	109 690	88 822	81 855
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		91 695	74 248	190 134	342 091	319 544	319 544	305 112	282 235	265 427

Table 40 MBRR SA 20 - Reconciliation between of transfers, grant receipts and unspent funds

FS204 Metsimaholo - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description R thousand	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		–	(17 800)	–	–	–	–	–	–	–
Current year receipts		(51 652)	(269 178)	(221 024)	(6 811)	(6 811)	(6 811)	(5 397)	(5 514)	(5 514)
Conditions met - transferred to revenue		33 852	269 178	221 016	6 811	6 811	6 811	5 397	5 514	5 514
Conditions still to be met - transferred to liabilities		(17 800)	(35 601)	(8)	–	–	–	–	–	–
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year		–	(281)	(271)	–	–	–	–	–	–
Current year receipts		(281)	(68)	(551)	(450)	(450)	(450)	(450)	(450)	(450)
Conditions met - transferred to revenue		–	78	518	450	450	450	450	450	450
Conditions still to be met - transferred to liabilities		(281)	(272)	(303)	–	–	–	–	–	–
Total operating transfers and grants revenue		33 852	269 256	221 534	7 261	7 261	7 261	5 847	5 964	5 964
Total operating transfers and grants - CTBM	2	(18 081)	(35 873)	(312)	–	–	–	–	–	–
Capital transfers and grants:	1,3									

National Government:									
Balance unspent at beginning of the year		(8 361)	(9 035)	(2)	(2)	(2)	(2)	–	–
Current year receipts		(29 952)	(24 842)	(177 079)	(156 165)	(161 265)	(161 265)	(85 497)	(89 293)
Conditions met - transferred to revenue		15 965	20 840	167 401	156 167	161 267	161 267	85 497	89 293
Conditions still to be met - transferred to liabilities		(35 660)	(26 072)	(9 680)	–	–	–	–	–
Provincial Government:									
Balance unspent at beginning of the year									
Current year receipts									
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities									
District Municipality:									
Balance unspent at beginning of the year									
Current year receipts									
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities									
Other grant providers:									
Balance unspent at beginning of the year		(784)	–	(0)	–	–	–	–	–
Current year receipts		(6 677)	(1 765)	(3 018)	–	–	–	–	–
Conditions met - transferred to revenue		6 076	1 765	3 018	–	–	–	–	–
Conditions still to be met - transferred to liabilities		(2 770)	(0)	(0)	–	–	–	–	–
Total capital transfers and grants revenue		22 041	22 605	170 419	156 167	161 267	161 267	85 497	89 293
Total capital transfers and grants - CTBM	2	(38 430)	(26 072)	(9 680)	–	–	–	–	–
TOTAL TRANSFERS AND GRANTS REVENUE		55 892	291 861	391 953	163 428	168 528	168 528	91 344	95 257
TOTAL TRANSFERS AND GRANTS - CTBM		(56 511)	(61 945)	(9 991)	–	–	–	–	–

2.8 Councillor and employee benefits

Table 41 MBRR SA22 - Summary of councillor and staff benefits

FS204 Metsimaholo - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
- Councillors (Political Office Bearers plus Other)	1	A	B	C	D	E	F	G	H	I
Basic Salaries and Wages		14 106	13 616	14 247	12 958	12 958	12 958	13 408	15 012	15 990
Pension and UIF Contributions										
Medical Aid Contributions										
Motor Vehicle Allowance										
Cellphone Allowance		1 714	1 714	1 822	2 140	2 140	2 140	2 247	2 126	2 138
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		3 561	4 050	3 314	5 771	5 771	5 771	6 050	5 630	5 710
Sub Total - Councillors		19 380	19 380	19 384	20 870	20 870	20 870	21 705	22 768	23 838
% increase	4		0,0%	0,0%	7,7%	-	-	4,0%	4,9%	4,7%

Table 42: MBRR SA23 - Salaries, allowances and benefits (political office bearers/councillors/ senior managers)

FS204 Metsimaholo - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
-	1	A	B	C	D	E	F	G	H	I
Senior Managers of the Municipality	2									
Basic Salaries and Wages		4 471	2 787	2 110	11 956	10 882	10 882	12 589	13 256	13 959
Pension and UIF Contributions		2	2	0	35	35	35	37	39	41
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	240	240	20	264	814	814	278	293	309
Cellphone Allowance	3	36	36	3	217	217	217	228	240	253
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	93	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
In kind benefits										
Sub Total - Senior Managers of Municipality		4 842	3 065	2 134	12 471	11 948	11 948	13 132	13 829	14 561
% increase	4		(36,7%)	(30,4%)	484,5%	(4,2%)	-	9,9%	5,3%	5,3%
Other Municipal Staff										
Basic Salaries and Wages		169 901	183 211	190 551	259 673	220 889	220 889	266 279	287 464	300 128
Pension and UIF Contributions		29 366	32 357	33 168	36 116	36 777	36 777	38 030	40 046	42 168
Medical Aid Contributions		18 401	19 861	20 963	22 873	23 127	23 127	24 085	25 362	26 706
Overtime		27 154	29 809	28 720	30 249	31 007	31 007	31 853	33 541	35 319
Performance Bonus		13 520	14 455	15 482	16 160	16 160	16 160	17 017	17 919	18 868
Motor Vehicle Allowance	3	19 786	22 342	23 562	28 193	27 930	27 930	29 687	31 260	32 917
Cellphone Allowance	3	1 326	1 562	1 660	1 893	1 941	1 941	1 993	2 099	2 210
Housing Allowances	3	2 544	2 671	1 725	2 893	2 857	2 857	3 047	3 208	3 378
Other benefits and allowances	3	5 500	6 083	5 646	10 507	10 928	10 928	11 064	11 650	12 268
Payments in lieu of leave		2 055	4 089	4 649	1 707	2 595	2 595	1 797	1 893	1 993
Long service awards		4 728	3 426	3 787	2 750	3 627	3 627	2 823	1 602	1 686
Post-retirement benefit obligations	6	8 702	9 051	3 586	9 323	9 371	9 371	9 431	2 429	2 296
Sub Total - Other Municipal Staff		302 983	328 917	333 499	422 336	387 209	387 209	437 407	458 773	480 238

% increase	4		8,6%	1,4%	26,6%	(8,3%)	–	14,1%	4,9%	4,7%
Total Parent Municipality		327 204	351 361	355 016	455 677	420 026	420 026	472 244	495 369	518 637
			7,4%	1,0%	28,4%	(7,8%)	–	13,9%	4,9%	4,7%
TOTAL SALARY, ALLOWANCES & BENEFITS		327 204	351 361	355 016	455 677	420 026	420 026	472 244	495 369	518 637
% increase	4		7,4%	1,0%	28,4%	(7,8%)	–	12,4%	4,9%	4,7%
TOTAL MANAGERS AND STAFF	5,7	307 824	331 982	335 632	434 807	399 157	399 157	450 539	472 601	494 799

Table 43 MBRR SA24–Summary of personnel numbers

FS204 Metsimaholo - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers Number	Ref	2021/22			Current Year 2022/23			Budget Year 2023/24		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		42	–	42	42	–	42	42	–	42
Municipal employees	5									
Municipal Manager and Senior Managers	3	6	–	6	6	–	2	6	–	2
Other Managers	7	49	46	–	49	47	1	49	47	1
Professionals		38	36	–	38	36	–	38	36	–
<i>Finance</i>		19	18	–	19	19	–	19	19	–
<i>Spatial/town planning</i>		8	7	–	8	6	–	8	6	–
<i>Information Technology</i>		3	3	–	3	3	–	3	3	–
<i>Roads</i>										
<i>Electricity</i>		2	2	–	2	2	–	2	2	–
<i>Water</i>		5	5	–	5	5	–	5	5	–
<i>Sanitation</i>		1	1	–	1	1	–	1	1	–
<i>Refuse</i>										
<i>Other</i>										
Technicians		166	162	2	166	161	–	166	161	–
<i>Finance</i>		–	–	–	–	–	–	–	–	–
<i>Spatial/town planning</i>		4	4	–	4	4	–	4	4	–
<i>Information Technology</i>		6	4	–	6	2	–	6	2	–
<i>Roads</i>		44	44	–	44	43	–	44	43	–
<i>Electricity</i>		69	69	–	69	69	–	69	69	–
<i>Water</i>		36	36	–	36	36	–	36	36	–
<i>Sanitation</i>										
<i>Refuse</i>		5	5	–	5	5	–	5	5	–
<i>Other</i>		2	–	2	2	2	–	2	2	–
Clerks (Clerical and administrative)		244	235	1	244	239	5	244	239	5
Service and sales workers										
Skilled agricultural and fishery workers										
Craft and related trades										

Plant and Machine Operators		140	115	–	140	114	–	140	114	–
Elementary Occupations		618	606	–	618	606	12	618	606	12
TOTAL PERSONNEL NUMBERS	9	1 303	1 200	51	1 303	1 203	62	1 303	1 203	62
% increase					–	0,2%	21,6%	–	–	–
Total municipal employees headcount	6, 10	1 303	1 200	51	1 303	1 203	62	1 303	1 203	62
Finance personnel headcount	8, 10									
Human Resources personnel headcount	8, 10									

2.9 Monthly targets for revenue, expenditure and cash flow

Table 44: MBRR SA25 - Budgeted monthly revenue and expenditure

FS204 Metsimaholo - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue																
Exchange Revenue																
Service charges - Electricity		41 120	41 120	41 120	41 120	41 120	41 120	41 120	41 120	41 120	41 120	41 120	41 120	493 443	517 622	541 950
Service charges - Water		45 932	45 932	45 932	45 932	45 932	45 932	45 932	45 932	45 932	45 932	45 932	45 932	551 182	578 190	605 365
Service charges - Waste																
Water Management		7 135	7 135	7 135	7 135	7 135	7 135	7 135	7 135	7 135	7 135	7 135	7 135	85 615	89 877	94 581
Service charges - Waste																
Management		3 639	3 639	3 639	3 639	3 639	3 639	3 639	3 639	3 639	3 639	3 639	3 639	43 671	45 903	74 266
Sale of Goods and Rendering of Services		1 990	1 990	1 990	1 990	1 990	1 990	1 990	1 990	1 990	1 990	1 990	1 990	23 882	25 052	26 255
Agency services													–	–	–	–
Interest													–	–	–	–
Interest earned from																
Receivables		3 800	3 800	3 800	3 800	3 800	3 800	3 800	3 800	3 800	3 800	3 800	3 800	45 600	47 840	50 093
Interest earned from Current and Non Current Assets		421	421	421	421	421	421	421	421	421	421	421	421	5 054	5 302	5 551
Dividends		8	8	8	8	8	8	8	8	8	8	8	8	100	105	110
Rent on Land													–	–	–	–
Rental from Fixed Assets		577	577	577	577	577	577	577	577	577	577	577	577	6 919	7 258	7 573
Licence and permits													–	–	–	–
Operational Revenue		24	24	24	24	24	24	24	24	24	24	24	24	290	304	319
Non-Exchange Revenue																
Property rates		19 523	19 523	19 523	19 523	19 523	19 523	19 523	19 523	19 523	19 523	19 523	19 523	234 276	245 756	257 307
Surcharges and Taxes													–	–	–	–
Fines, penalties and forfeits		358	358	358	358	358	358	358	358	358	358	358	358	4 296	4 507	4 719
Licences or permits		9	9	9	9	9	9	9	9	9	9	9	9	111	116	122
Transfer and subsidies -																
Operational		23 585	23 585	23 585	23 585	23 585	23 585	23 585	23 585	23 585	23 585	23 585	23 585	283 025	312 188	342 496
Interest		820	820	820	820	820	820	820	820	820	820	820	820	9 841	10 323	10 808
Fuel Levy													–	–	–	–
Operational Revenue		210	210	210	210	210	210	210	210	210	210	210	210	2 519	2 642	2 766
Gains on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

Other Gains		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		149 152	149 152	149 152	149 152	149 152	149 152	149 152	149 152	149 152	149 152	149 152	149 152	1 789 824	1 892 985	2 024 281
Expenditure																
Employee related costs		37 520	37 520	37 520	37 520	37 520	37 520	37 520	37 520	37 520	37 520	37 520	450 539	472 601	494 799	450 539
Remuneration of councillors		1 809	1 809	1 809	1 809	1 809	1 809	1 809	1 809	1 809	1 809	1 809	21 705	22 768	23 838	21 705
Bulk purchases - electricity		33 639	33 639	33 639	33 639	33 639	33 639	33 639	33 639	33 639	33 639	33 639	403 671	423 450	443 353	403 671
Inventory consumed		20 421	20 421	20 421	20 421	20 421	20 421	20 421	20 421	20 421	20 421	20 421	245 050	253 709	253 709	245 050
Debt impairment		23 667	23 667	23 667	23 667	23 667	23 667	23 667	23 667	23 667	23 667	23 667	284 001	297 917	311 919	284 001
Depreciation and amortisation		7 524	7 524	7 524	7 524	7 524	7 524	7 524	7 524	7 524	7 524	7 524	90 287	95 001	99 466	90 287
Interest		449	449	449	449	449	449	449	449	449	449	449	5 391	5 655	5 921	5 391
Contracted services		9 661	9 661	9 661	9 661	9 661	9 661	9 661	9 661	9 661	9 661	9 661	124 356	121 607	127 323	124 356
Transfers and subsidies		32	32	32	32	32	32	32	32	32	32	32	379	398	416	379
Irrecoverable debts written off		937	937	937	937	937	937	937	937	937	937	937	11 244	11 795	12 349	11 244
Operational costs		5 228	5 228	5 228	5 228	5 228	5 228	5 228	5 228	5 228	5 228	5 228	61 980	65 044	68 137	61 980
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Losses		2 803	2 803	2 803	2 803	2 803	2 803	2 803	2 803	2 803	2 803	2 803	33 640	35 288	36 947	33 640
Total Expenditure		143 690	143 690	143 690	143 690	143 690	143 690	143 690	143 690	143 690	143 690	143 690	1 732 241	1 805 234	1 878 178	1 732 241
Surplus/(Deficit)		5 462	5 462	5 462	5 462	5 462	5 462	5 462	5 462	5 462	5 462	5 462	57 583	87 751	146 103	57 583
Transfers and subsidies - capital (monetary allocations)		8 391	8 391	8 391	8 391	8 391	8 391	8 391	8 391	8 391	8 391	8 391	100 690	79 548	64 804	100 690
Transfers and subsidies - capital (in-kind)		750	750	750	750	750	750	750	750	750	750	750	9 000	-	-	9 000
Surplus/(Deficit) after capital transfers & contributions		14 603	14 603	14 603	14 603	14 603	14 603	14 603	14 603	14 603	14 603	14 603	167 273	167 298	210 907	167 273
Income Tax		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		14 603	14 603	14 603	14 603	14 603	14 603	14 603	14 603	14 603	14 603	14 603	167 273	167 298	210 907	167 273
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		14 603	14 603	14 603	14 603	14 603	14 603	14 603	14 603	14 603	14 603	14 603	167 273	167 298	210 907	167 273
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	14 603	14 603	14 603	14 603	14 603	14 603	14 603	14 603	14 603	14 603	14 603	167 273	167 298	210 907	167 273

Table 45 MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)

FS204 Metsimaholo - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description R thousand	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<u>Multi-year expenditure to be appropriated</u>	1															
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Municipal Manager		444	444	444	444	444	444	444	444	444	444	444	444	5 330	-	-
Vote 03 - Corporate Services		292	292	292	292	292	292	292	292	292	292	292	292	3 500	-	-
Vote 04 - Social Services		2 463	2 463	2 463	2 463	2 463	2 463	2 463	2 463	2 463	2 463	2 463	2 463	29 556	1 541	-
Vote 05 - Technical Services		13 749	13 749	13 749	13 749	13 749	13 749	13 749	13 749	13 749	13 749	13 749	13 749	164 990	87 281	81 855
Vote 06 - Financial Services		23	23	23	23	23	23	23	23	23	23	23	23	272	-	-
Vote 07 - Local Economic Development And Planning		45	45	45	45	45	45	45	45	45	45	45	45	544	-	-
Capital multi-year expenditure sub-total	2	17 016	17 016	17 016	17 016	17 016	17 016	17 016	17 016	17 016	17 016	17 016	17 016	204 192	88 822	81 855
<u>Single-year expenditure to be appropriated</u>																
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 03 - Corporate Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 04 - Social Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 05 - Technical Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 06 - Financial Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 07 - Local Economic Development And Planning		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	2	17 016	17 016	17 016	17 016	17 016	17 016	17 016	17 016	17 016	17 016	17 016	17 016	204 192	88 822	81 855

Table 46 MBRR SA30 - Budgeted monthly cash flow

FS204 Metsimaholo - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Cash Receipts By Source													1		
Property rates	13 329	13 329	13 329	13 329	13 329	13 329	13 329	13 329	13 329	13 329	13 329	13 329	159 943	167 757	–
Service charges - electricity revenue	36 908	36 908	36 908	36 908	36 908	36 908	36 908	36 908	36 908	36 908	36 908	36 908	442 897	459 192	–
Service charges - water revenue	36 860	36 860	36 860	36 860	36 860	36 860	36 860	36 860	36 860	36 860	36 860	36 860	442 316	461 852	–
Service charges - sanitation revenue	5 926	5 926	5 926	5 926	5 926	5 926	5 926	5 926	5 926	5 926	5 926	5 926	71 113	73 460	–
Service charges - refuse revenue	3 125	3 125	3 125	3 125	3 125	3 125	3 125	3 125	3 125	3 125	3 125	3 125	37 498	39 036	–
Rental of facilities and equipment	548	548	548	548	548	548	548	548	548	548	548	548	6 573	7 010	–
Interest earned - external investments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Interest earned - outstanding debtors	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Dividends received	8	8	8	8	8	8	8	8	8	8	8	8	100	100	–
Fines, penalties and forfeits	1 008	1 008	1 008	1 008	1 008	1 008	1 008	1 008	1 008	1 008	1 008	1 008	12 100	13 100	–
Licences and permits	9	9	9	9	9	9	9	9	9	9	9	9	106	107	–
Agency services	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and Subsidies - Operational	487	487	487	487	487	487	487	487	487	487	487	487	5 847	5 964	–
Other revenue	22 223	22 223	22 223	22 223	22 223	22 223	22 223	22 223	22 223	22 223	22 223	22 223	266 672	286 563	–
Cash Receipts by Source	120 430	120 430	120 430	120 430	120 430	120 430	120 430	120 430	120 430	120 430	120 430	120 430	1 445 166	1 514 141	–
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	7 125	7 125	7 125	7 125	7 125	7 125	7 125	7 125	7 125	7 125	7 125	7 125	85 497	89 293	–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Proceeds on Disposal of Fixed and Intangible Assets	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Short term loans	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	3 667	3 667	3 667	3 667	3 667	3 667	3 667	3 667	3 667	3 667	3 667	3 667	44 000	51 000	–
Increase (decrease) in consumer deposits	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (Increase) in non-current debtors (not used)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	45
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	131 222	131 222	131 222	131 222	131 222	131 222	131 222	131 222	131 222	131 222	131 222	131 222	1 574 662	1 654 434	45
Cash Payments by Type															
Employee related costs	40 714	40 714	40 714	40 714	40 714	40 714	40 714	40 714	40 714	40 714	40 714	40 711	488 567	508 691	508 691
Remuneration of councillors												-			
Finance charges	1 435	1 435	1 435	1 435	1 435	1 435	1 435	1 435	1 435	1 435	1 435	1 435	17 217	4 000	4 000
Bulk purchases - electricity	31 447	31 447	31 447	31 447	31 447	31 447	31 447	31 447	31 447	31 447	31 447	31 447	377 358	388 037	388 037
Acquisitions - water & other inventory	23 491	23 491	23 491	23 491	23 491	23 491	23 491	23 491	23 491	23 491	23 491	23 490	281 890	282 994	282 994
Contracted services	2 346	2 346	2 346	2 346	2 346	2 346	2 346	2 346	2 346	2 346	2 346	2 345	28 147	60 507	59 844
Transfers and subsidies - other municipalities												-			
Transfers and subsidies - other												-			
Other expenditure	5 430	5 430	5 430	5 430	5 430	5 430	5 430	5 430	5 430	5 430	5 430	5 429	65 158	63 577	63 577
Cash Payments by Type	104 862	104 862	104 862	104 862	104 862	104 862	104 862	104 862	104 862	104 862	104 862	104 856	1 258 337	1 307 807	1 307 145
Other Cash Flows/Payments by Type															
Capital assets	7 232	7 232	7 232	7 232	7 232	7 232	7 232	7 232	7 232	7 232	7 232	7 232	86 780	55 403	56 065
Repayment of borrowing	338	338	338	338	338	338	338	338	338	338	338	338	4 053	4 477	4 477
Other Cash Flows/Payments	583	583	583	583	583	583	583	583	583	583	583	583	7 000	3 000	3 000
Total Cash Payments by Type	113 015	113 015	113 015	113 015	113 015	113 015	113 015	113 015	113 015	113 015	113 015	113 009	1 356 170	1 370 687	1 370 687
NET INCREASE/(DECREASE) IN CASH HELD	18 099	18 099	18 099	18 099	18 099	18 099	18 099	18 099	18 099	18 099	18 099	18 105	217 193	284 847	284 847
Cash/cash equivalents at the month/year begin:	8 360	26 459	44 558	62 657	80 755	98 854	116 953	135 052	153 151	171 250	189 349	207 448	8 360	225 553	510 400
Cash/cash equivalents at the month/year end:	26 459	44 558	62 657	80 755	98 854	116 953	135 052	153 151	171 250	189 349	207 448	225 553	225 553	510 400	795 247

2.10 Capital expenditure details

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

Table 47 MBRR SA 34a - Capital expenditure on new assets by asset class

FS204 Metsimaholo - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1									
<u>Capital expenditure on new assets by Asset Class/Sub-class</u>										
<u>Infrastructure</u>		43 661	31 270	134 474	160 753	142 126	142 126	78 460	27 561	16 434
Roads Infrastructure		5 829	11 847	25 166	46 229	41 750	41 750	11 300	–	–
Roads		1 897	10 804	26 209	46 229	41 750	41 750	4 500	–	–
Road Structures		–	–	–	–	–	–	–	–	–
Road Furniture		3 932	1 043	(1 043)	–	–	–	6 800	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	12 500	1 858	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	12 500	1 858	–
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		10 299	8 097	29 402	39 631	35 631	35 631	30 280	10 000	10 000
Power Plants		–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	500	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
MV Switching Stations		–	–	–	–	–	–	–	–	–

<i>MV Networks</i>	–	–	1 726	2 000	–	–	–	–	–
<i>LV Networks</i>	9 278	7 921	26 564	35 631	35 631	35 631	29 780	10 000	10 000
<i>Capital Spares</i>	1 021	176	1 113	2 000	–	–	–	–	–
Water Supply Infrastructure	2 318	4 685	5 934	22 693	14 745	14 745	10 000	15 703	6 434
<i>Dams and Weirs</i>									
<i>Boreholes</i>	–	2 696	–	–	–	–	–	–	–
<i>Reservoirs</i>									
<i>Pump Stations</i>									
<i>Water Treatment Works</i>	2 318	1 895	–	10 000	10 000	10 000	10 000	15 703	6 434
<i>Bulk Mains</i>									
<i>Distribution</i>	–	–	603	–	–	–	–	–	–
<i>Distribution Points</i>									
<i>PRV Stations</i>									
<i>Capital Spares</i>	–	95	5 332	12 693	4 745	4 745	–	–	–
Sanitation Infrastructure	25 215	6 641	73 971	52 000	50 000	50 000	9 000	–	–
<i>Pump Station</i>									
<i>Reticulation</i>	13 104	6 641	718	–	–	–	–	–	–
<i>Waste Water Treatment Works</i>	–	–	73 253	50 000	50 000	50 000	9 000	–	–
<i>Outfall Sewers</i>									
<i>Toilet Facilities</i>	12 111	0	–	–	–	–	–	–	–
<i>Capital Spares</i>	–	–	–	2 000	–	–	–	–	–
Solid Waste Infrastructure	–	–	–	–	–	–	5 000	–	–
<i>Landfill Sites</i>	–	–	–	–	–	–	5 000	–	–
<i>Waste Transfer Stations</i>									
<i>Waste Processing Facilities</i>									
<i>Waste Drop-off Points</i>									
<i>Waste Separation Facilities</i>									
<i>Electricity Generation Facilities</i>									
<i>Capital Spares</i>									
Rail Infrastructure	–	–	–	–	–	–	–	–	–
<i>Rail Lines</i>									
<i>Rail Structures</i>									
<i>Rail Furniture</i>									

<i>Drainage Collection</i>								
<i>Storm water Conveyance</i>								
<i>Attenuation</i>								
<i>MV Substations</i>								
<i>LV Networks</i>								
<i>Capital Spares</i>								
Coastal Infrastructure	-	-	-	-	-	-	-	-
<i>Sand Pumps</i>								
<i>Piers</i>								
<i>Revetments</i>								
<i>Promenades</i>								
<i>Capital Spares</i>								
Information and Communication Infrastructure	-	-	-	200	-	-	380	-
<i>Data Centres</i>								
<i>Core Layers</i>								
<i>Distribution Layers</i>	-	-	-	200	-	-	380	-
<i>Capital Spares</i>								
Community Assets	4 497	4 952	3 804	3 400	7 980	7 980	2 383	1 541
Community Facilities	4 497	4 952	3 804	3 400	7 980	7 980	2 383	1 541
<i>Halls</i>								
<i>Centres</i>								
<i>Crèches</i>								
<i>Clinics/Care Centres</i>								
<i>Fire/Ambulance Stations</i>	-	-	-	-	-	-	-	-
<i>Testing Stations</i>								
<i>Museums</i>								
<i>Galleries</i>								
<i>Theatres</i>								
<i>Libraries</i>								
<i>Cemeteries/Crematoria</i>	-	431	3 430	40	5 373	5 373	-	-
<i>Police</i>								
<i>Parks</i>	-	1 563	-	500	-	-	-	-

<i>Public Open Space</i>	4 497	2 958	374	2 860	2 607	2 607	2 383	1 541	–
<i>Nature Reserves</i>									
<i>Public Ablution Facilities</i>									
<i>Markets</i>									
<i>Stalls</i>									
<i>Abattoirs</i>									
<i>Airports</i>									
<i>Taxi Ranks/Bus Terminals</i>									
<i>Capital Spares</i>									
Sport and Recreation Facilities	–	–	–	–	–	–	–	–	–
<i>Indoor Facilities</i>									
<i>Outdoor Facilities</i>	–	–	–	–	–	–	–	–	–
<i>Capital Spares</i>									
<u>Heritage assets</u>	–	–	–	–	–	–	–	–	–
Monuments									
Historic Buildings									
Works of Art									
Conservation Areas									
Other Heritage									
<u>Investment properties</u>	–	–	–	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–	–	–	–
<i>Improved Property</i>									
<i>Unimproved Property</i>									
Non-revenue Generating	–	–	–	–	–	–	–	–	–
<i>Improved Property</i>									
<i>Unimproved Property</i>									
<u>Other assets</u>	–	–	–	1 200	–	–	1 000	–	–
Operational Buildings	–	–	–	1 200	–	–	1 000	–	–
<i>Municipal Offices</i>	–	–	–	200	–	–	–	–	–
<i>Pay/Enquiry Points</i>									
<i>Building Plan Offices</i>									

<i>Workshops</i>									
<i>Yards</i>	-	-	-	-	-	-	-	-	-
<i>Stores</i>									
<i>Laboratories</i>									
<i>Training Centres</i>									
<i>Manufacturing Plant</i>									
<i>Depots</i>									
<i>Capital Spares</i>	-	-	-	1 000	-	-	1 000	-	-
<i>Housing</i>	-	-	-	-	-	-	-	-	-
<i>Staff Housing</i>									
<i>Social Housing</i>									
<i>Capital Spares</i>									
<u>Biological or Cultivated Assets</u>	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets									
<u>Intangible Assets</u>	-	-	-	200	-	-	-	-	-
Servitudes									
Licences and Rights	-	-	-	200	-	-	-	-	-
<i>Water Rights</i>									
<i>Effluent Licenses</i>									
<i>Solid Waste Licenses</i>									
<i>Computer Software and Applications</i>	-	-	-	200	-	-	-	-	-
<i>Load Settlement Software Applications</i>									
<i>Unspecified</i>									
<u>Computer Equipment</u>	507	350	792	950	-	-	3 450	-	-
Computer Equipment	507	350	792	950	-	-	3 450	-	-
<u>Furniture and Office Equipment</u>	11	-	266	1 594	25	25	500	-	-
Furniture and Office Equipment	11	-	266	1 594	25	25	500	-	-
<u>Machinery and Equipment</u>	250	1 945	1 999	7 849	4 277	4 277	-	-	-
Machinery and Equipment	250	1 945	1 999	7 849	4 277	4 277	-	-	-

<u>Transport Assets</u>		601	2 011	450	21 709	17 004	17 004	38 172	-	-
Transport Assets		601	2 011	450	21 709	17 004	17 004	38 172	-	-
<u>Land</u>		-	-	-	300	-	-	-	-	-
Land		-	-	-	300	-	-	-	-	-
<u>Zoo's, Marine and Non-biological Animals</u>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals										
<u>Living resources</u>		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
<i>Policing and Protection</i>										
<i>Zoological plants and animals</i>										
Immature		-	-	-	-	-	-	-	-	-
<i>Policing and Protection</i>										
<i>Zoological plants and animals</i>										
Total Capital Expenditure on new assets	1	49 527	40 529	141 786	197 955	171 412	171 412	123 964	29 101	16 434

Table 48 MBRR SA34b - Capital expenditure on the renewal of existing assets by asset class

FS204 Metsimaholo - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description R thousand	Ref 1	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<u>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</u>										
<u>Infrastructure</u>		3 543	6 690	12 802	86 527	53 159	53 159	36 317	23 891	39 631
Roads Infrastructure		–	–	–	25 000	13 000	13 000	20 500	–	–
Roads		–	–	–	25 000	13 000	13 000	20 500	–	–
Road Structures		–	–	–	–	–	–	–	–	–
Road Furniture		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	216	171	40 400	20 000	20 000	4 200	–	–
Power Plants		–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
MV Switching Stations		–	–	–	–	–	–	–	–	–
MV Networks		–	–	–	21 000	20 000	20 000	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	216	171	19 400	–	–	4 200	–	–
Water Supply Infrastructure		673	2 063	972	3 561	4 843	4 843	–	13 274	29 014
Dams and Weirs		–	–	–	–	–	–	–	–	–
Boreholes		–	–	–	–	–	–	–	–	–
Reservoirs		–	–	–	–	–	–	–	–	–

<i>Pump Stations</i>									
<i>Water Treatment Works</i>	49	–	–	1 000	–	–	–	–	–
<i>Bulk Mains</i>									
<i>Distribution</i>	–	2 023	972	2 361	4 843	4 843	–	13 274	29 014
<i>Distribution Points</i>									
<i>PRV Stations</i>									
<i>Capital Spares</i>	624	40	–	200	–	–	–	–	–
Sanitation Infrastructure	2 869	4 410	11 659	17 566	15 316	15 316	11 617	10 617	10 617
<i>Pump Station</i>	–	–	–	–	–	–	–	–	–
<i>Reticulation</i>									
<i>Waste Water Treatment Works</i>	2 869	4 410	11 659	15 316	15 316	15 316	10 617	10 617	10 617
<i>Outfall Sewers</i>									
<i>Toilet Facilities</i>									
<i>Capital Spares</i>	–	–	–	2 250	–	–	1 000	–	–
Solid Waste Infrastructure	–	–	–	–	–	–	–	–	–
<i>Landfill Sites</i>									
<i>Waste Transfer Stations</i>									
<i>Waste Processing Facilities</i>									
<i>Waste Drop-off Points</i>									
<i>Waste Separation Facilities</i>									
<i>Electricity Generation Facilities</i>									
<i>Capital Spares</i>									
Rail Infrastructure	–	–	–	–	–	–	–	–	–
<i>Rail Lines</i>									
<i>Rail Structures</i>									
<i>Rail Furniture</i>									
<i>Drainage Collection</i>									
<i>Storm water Conveyance</i>									
<i>Attenuation</i>									
<i>MV Substations</i>									
<i>LV Networks</i>									
<i>Capital Spares</i>									
Coastal Infrastructure	–	–	–	–	–	–	–	–	–
<i>Sand Pumps</i>									
<i>Piers</i>									
<i>Revetments</i>									

Promenades								
Capital Spares								
Information and Communication Infrastructure	-	-	-	-	-	-	-	-
Data Centres								
Core Layers								
Distribution Layers								
Capital Spares								
Community Assets	-	-	2 568	-	-	-	-	-
Community Facilities	-	-	2 568	-	-	-	-	-
Halls	-	-	2 365	-	-	-	-	-
Centres								
Crèches								
Clinics/Care Centres								
Fire/Ambulance Stations								
Testing Stations								
Museums								
Galleries								
Theatres								
Libraries								
Cemeteries/Crematoria	-	-	-	-	-	-	-	-
Police								
Parks	-	-	202	-	-	-	-	-
Public Open Space	-	-	-	-	-	-	-	-
Nature Reserves								
Public Ablution Facilities								
Markets								
Stalls								
Abattoirs								
Airports								
Taxi Ranks/Bus Terminals								
Capital Spares								
Sport and Recreation Facilities	-	-	-	-	-	-	-	-
Indoor Facilities								
Outdoor Facilities								
Capital Spares								

<u>Heritage assets</u>	-	-	-	-	-	-	-	-	-
Monuments									
Historic Buildings									
Works of Art									
Conservation Areas									
Other Heritage									
<u>Investment properties</u>	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
<i>Improved Property</i>									
<i>Unimproved Property</i>									
Non-revenue Generating	-	-	-	-	-	-	-	-	-
<i>Improved Property</i>									
<i>Unimproved Property</i>									
<u>Other assets</u>	-	-	-	-	-	-	3 500	-	-
Operational Buildings	-	-	-	-	-	-	3 500	-	-
<i>Municipal Offices</i>	-	-	-	-	-	-	3 500	-	-
<i>Pay/Enquiry Points</i>									
<i>Building Plan Offices</i>									
<i>Depots</i>									
<i>Capital Spares</i>									
Housing	-	-	-	-	-	-	-	-	-
<i>Staff Housing</i>									
<i>Social Housing</i>									
<i>Capital Spares</i>									
<u>Biological or Cultivated Assets</u>	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets									
<u>Intangible Assets</u>	-	-	-	300	-	-	-	-	-
Servitudes									
Licences and Rights	-	-	-	300	-	-	-	-	-
<i>Water Rights</i>									

<i>Solid Waste Licenses</i>										
<i>Computer Software and Applications</i>				300						
<i>Load Settlement Software Applications</i>										
<i>Unspecified</i>										
Computer Equipment										
Computer Equipment			540	1 165	59	59	1 500	-	-	
			540	1 165	59	59	1 500	-	-	
Furniture and Office Equipment										
Furniture and Office Equipment		78	198	693	66	66	2 500	-	-	
		78	198	693	66	66	2 500	-	-	
Machinery and Equipment										
Machinery and Equipment				100	-	-	-	-	-	
				100	-	-	-	-	-	
Transport Assets										
Transport Assets				6 853	-	-	1 000	-	-	
				6 853	-	-	1 000	-	-	
Land										
Land				-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals										
Zoo's, Marine and Non-biological Animals				-	-	-	-	-	-	
Living resources										
Mature				-	-	-	-	-	-	
<i>Policing and Protection</i>										
<i>Zoological plants and animals</i>										
Immature				-	-	-	-	-	-	
<i>Policing and Protection</i>										
<i>Zoological plants and animals</i>										
Total Capital Expenditure on renewal of existing assets	1	3 621	6 690	16 108	95 638	53 284	53 284	44 817	23 891	39 631
Renewal of Existing Assets as % of total capex		6,8%	14,2%	10,2%	30,9%	22,3%	22,3%	21,9%	26,9%	48,4%

Renewal of Existing Assets as % of deprecn"		7,8%	5,4%	22,1%	110,8%	61,8%	61,8%	49,6%	25,1%	39,8%
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Table 49 MBRR SA34c - Repairs and maintenance expenditure by asset class

FS204 Metsimaholo - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description R thousand	Ref 1	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<u>Repairs and maintenance expenditure by Asset Class/Sub-class</u>										
<u>- Infrastructure</u>		31 617	10 902	39 551	26 034	29 201	29 201	32 078	37 421	31 605
Roads Infrastructure		6 773	3 304	12 963	8 859	5 859	5 859	6 731	13 294	7 477
Roads										
Road Structures		6 538	2 749	12 818	8 638	5 638	5 638	6 500	13 052	7 235
Road Furniture		235	555	144	221	221	221	231	242	242
Capital Spares										
Storm water Infrastructure		–	50	372	1 150	1 150	1 150	418	458	458
Drainage Collection										
Storm water Conveyance		–	50	372	1 150	1 150	1 150	418	458	458
Attenuation										
Electrical Infrastructure		9 807	3 322	11 235	8 357	14 524	14 524	12 966	9 405	9 405
Power Plants		5 991	2 934	8 064	5 667	13 634	13 634	10 275	6 462	6 462
HV Substations		900	–	13	900	100	100	900	991	991
HV Switching Station										
HV Transmission Conductors										
MV Substations										
MV Switching Stations										
MV Networks		–	–	–	90	90	90	91	95	95
LV Networks		2 917	388	3 158	1 700	700	700	1 700	1 856	1 856
Capital Spares										

Water Supply Infrastructure	674	695	4 389	1 710	1 710	1 710	2 919	2 668	2 669
<i>Dams and Weirs</i>									
<i>Boreholes</i>									
<i>Reservoirs</i>									
<i>Pump Stations</i>									
<i>Water Treatment Works</i>									
<i>Bulk Mains</i>									
<i>Distribution</i>	674	695	4 389	1 710	1 710	1 710	2 919	2 668	2 669
<i>Distribution Points</i>									
<i>PRV Stations</i>									
<i>Capital Spares</i>									
Sanitation Infrastructure	14 363	3 531	10 591	5 958	5 958	5 958	9 043	11 595	11 595
<i>Pump Station</i>	1 356	2 253	3 595	4 134	4 134	4 134	4 153	4 612	4 612
<i>Reticulation</i>	12 202	339	6 056	664	664	664	3 150	3 812	3 812
<i>Waste Water Treatment Works</i>	805	940	940	1 160	1 160	1 160	1 740	3 171	3 171
<i>Outfall Sewers</i>									
<i>Toilet Facilities</i>									
<i>Capital Spares</i>									
Solid Waste Infrastructure	–	–	–	–	–	–	–	–	–
<i>Landfill Sites</i>	–	–	–	–	–	–	–	–	–
<i>Waste Transfer Stations</i>									
<i>Waste Processing Facilities</i>									
<i>Waste Drop-off Points</i>									
<i>Waste Separation Facilities</i>									
<i>Electricity Generation Facilities</i>									
<i>Capital Spares</i>									
Rail Infrastructure	–	–	–	–	–	–	–	–	–
<i>Rail Lines</i>									
<i>Rail Structures</i>									
<i>Rail Furniture</i>									
<i>Drainage Collection</i>									
<i>Storm water Conveyance</i>									
<i>Attenuation</i>									

<i>MV Substations</i>								
<i>LV Networks</i>								
<i>Capital Spares</i>								
Coastal Infrastructure	–	–	–	–	–	–	–	–
<i>Sand Pumps</i>								
<i>Piers</i>								
<i>Revetments</i>								
<i>Promenades</i>								
<i>Capital Spares</i>								
Information and Communication Infrastructure	–	–	–	–	–	–	–	–
<i>Data Centres</i>								
<i>Core Layers</i>								
<i>Distribution Layers</i>								
<i>Capital Spares</i>								
Community Assets	455	536	286	1 402	1 102	1 102	1 543	1 386
Community Facilities	455	536	286	1 140	990	990	1 218	1 001
<i>Halls</i>	455	–	–	161	161	161	–	53
<i>Centres</i>	–	–	–	–	–	–	–	–
<i>Crèches</i>								
<i>Clinics/Care Centres</i>								
<i>Fire/Ambulance Stations</i>								
<i>Testing Stations</i>								
<i>Museums</i>								
<i>Galleries</i>								
<i>Theatres</i>								
<i>Libraries</i>								
<i>Cemeteries/Crematoria</i>	–	–	–	122	22	22	200	110
<i>Police</i>								
<i>Parks</i>	–	–	163	486	246	246	647	618
<i>Public Open Space</i>	–	536	–	–	190	190	–	–
<i>Nature Reserves</i>								
<i>Public Ablution Facilities</i>								

<i>Markets</i>								
<i>Stalls</i>								
<i>Abattoirs</i>								
<i>Airports</i>								
<i>Taxi Ranks/Bus Terminals</i>	–	–	123	371	371	371	371	373
<i>Capital Spares</i>								
<i>Sport and Recreation Facilities</i>	–	–	–	262	112	112	325	232
<i>Indoor Facilities</i>	–	–	–	–	–	–	56	–
<i>Outdoor Facilities</i>	–	–	–	262	112	112	269	232
<i>Capital Spares</i>	1	1	1	1	1	1	1	1
<u>Heritage assets</u>	–	–	–	–	–	–	–	–
<i>Monuments</i>								
<i>Historic Buildings</i>								
<i>Works of Art</i>								
<i>Conservation Areas</i>								
<i>Other Heritage</i>								
<u>Investment properties</u>	–	–	–	–	–	–	–	–
<i>Revenue Generating</i>	–	–	–	–	–	–	–	–
<i>Improved Property</i>								
<i>Unimproved Property</i>								
<i>Non-revenue Generating</i>	–	–	–	–	–	–	–	–
<i>Improved Property</i>								
<i>Unimproved Property</i>								
<u>Other assets</u>	424	282	511	2 496	2 496	2 496	7 582	8 105
<i>Operational Buildings</i>	424	282	511	2 496	2 496	2 496	7 582	8 105
<i>Municipal Offices</i>	424	282	511	2 196	2 196	2 196	7 282	8 090
<i>Pay/Enquiry Points</i>								
<i>Building Plan Offices</i>								
<i>Workshops</i>								
<i>Yards</i>	–	–	–	300	300	300	300	16
<i>Stores</i>								17

Laboratories								
Training Centres								
Manufacturing Plant								
Depots								
Capital Spares								
Housing	-	-	-	-	-	-	-	-
Staff Housing								
Social Housing								
Capital Spares								
Biological or Cultivated Assets	-	-	-	-	-	-	-	-
Biological or Cultivated Assets								
Intangible Assets	997	1 096	-	1 000	1 000	1 000	1 000	1 000
Servitudes								
Licences and Rights	997	1 096	-	1 000	1 000	1 000	1 000	1 000
Water Rights								
Effluent Licenses								
Solid Waste Licenses								
Computer Software and Applications	997	1 096	-	1 000	1 000	1 000	1 000	1 000
Load Settlement Software Applications								
Unspecified								
Computer Equipment	-	-	-	-	-	-	-	-
Computer Equipment								
Furniture and Office Equipment	3 933	6 061	7 028	6 608	5 493	5 493	8 020	8 698
Furniture and Office Equipment	3 933	6 061	7 028	6 608	5 493	5 493	8 020	8 698
Machinery and Equipment	5 372	57	9	888	883	883	849	936
Machinery and Equipment	5 372	57	9	888	883	883	849	936
Transport Assets	4 575	3 407	5 048	9 019	8 702	8 702	9 470	12 587
Transport Assets	4 575	3 407	5 048	9 019	8 702	8 702	9 470	12 587

Land		-	-	-	-	-	-	-	-	-
Land										
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals										
Living resources		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
<i>Policing and Protection</i>										
<i>Zoological plants and animals</i>										
Immature		-	-	-	-	-	-	-	-	-
<i>Policing and Protection</i>										
<i>Zoological plants and animals</i>										
Total Repairs and Maintenance Expenditure	1	47 374	22 342	52 433	47 447	48 877	48 877	60 542	69 622	57 683
R&M as a % of PPE & Investment Property		3,4%	2,0%	4,4%	3,1%	3,4%	3,4%	3,4%	4,3%	3,5%
R&M as % Operating Expenditure		4,7%	2,1%	3,7%	2,9%	3,1%	3,1%	5,5%	4,0%	3,2%

Salary cost are not included in figures above.

2.11. Legislation compliance status

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

1. In year reporting

Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting (Schedule C) to the Executive Mayor (within 10 working days) has progressively improved.

2. Internship programme

The Municipality is participating in the Municipal Financial Management Internship programme and has employed five interns undergoing training in various divisions of the Financial Services Department, Budget and Treasury Office as well as Internal Audit and Risk section.

The Budget and Treasury Office has been established in accordance with the MFMA.

3. Audit Committee

An Audit Committee has been established in terms of Section 166 of Municipal Finance Management Act No. 56 of 2003 and is fully functional. The term of office of the (three independent members) Audit and Performance Committee are from 01 April 2021 until 31 March 2024.

4. Service Delivery and Budget Implementation Plan

The detailed SDBIP document will be finalised after approval of the 2023/24 MTREF in June 2022 directly aligned and informed by the 2023/24 IDP and 2023/24 MTREF

5. Annual Report

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

6. Risk management

The municipality has an approved risk management strategy and policy in place.

7. Implementation of SCM

The reviewed supply chain management policy of the municipality, in line with the MFMA and national treasury prescripts, was adopted by council in June 2020. All bid committees as required by the SCM regulations are in place and the bid adjudication is chaired by the chief financial officer and operates within delegated powers. The SCM policy is reviewed and updated every year.

8. Effectiveness of audit steering committees

The audit steering committees is an ad-hoc committee established during the planning and execution of the annual audit. The committee usually comprise of officials of the municipality and the Auditor-General team performing the audit.

9. Reduction of short-term debt

This regulation is not applicable to the municipality as overdraft facilities are managed within the context of section 45 of the MFMA relating to short-term debt.

10. Delegations

All delegations are in place and council approved the generic financial delegations in November 2006. The delegations are process to be reviewed.

11. Performance agreements

The new performance agreements for 2023/2025 will be finalised after the SDBIP has been approved. It will be done when Municipal manager and directors are appointed.

12. Implementation of GRAP

The key challenges for implementation of GRAP requirements are the following:

- Asset Register. Full compliance GRAP achieved, 30 June 2011. Asset register update with changes to be GRAP compliant.
- Investment property guidelines implemented - 30 June 2011. Changes with GRAP guidelines implemented.
- Consolidation of implementation of mSCOA with GRAP a challenge
- Employee benefits fully captured. 30 June 2011
- Unbundling of PPE as per guidelines 30 June 2011. New projects unbundled on a yearly basis.
- Not all stands are transferred in terms of housing scheme - 30 June 2017 □ Debtors impaired.
- Billing information to be updated to accurate information for statements.

13. Development of accounting policies

Several accounting policies have been developed to ensure the requirements of Circular 36 are complied with. The further development of accounting policies will be guided with exemptions as agreed with National Treasury on an annual basis.

14. Inventories - unsold water

The inventories of unsold water are available from the Technical Section responsible. The water in "stock" is ± 45 mega litre and recorded daily. The reservoirs and pipes will be subject to stock taking on 30 June 2023. The detail of water losses need to be investigated to see if these stock levels needs to be impaired for the resale value of the water. The information is in the process to be updated. Inventory: water is now done in terms of mSCOA.

15. Asset register

The physical asset count will be performed and communicated by the external service provider. The unbundling of PPE as well as impairment and investment property guidelines were addressed in 2010/2011 **and 2023/2024**. A service provider was appointed. The project to be GRAP 17 compliant was completed at 30 June 2011. The asset register is GRAP compliant. The Asset register is updated on a yearly basis.

However, problems were experienced with the unbundling of the asset register to be mSCOA compliant. A consultant was appointed but it was still a qualification raised by the Auditor General. Provincial Treasury was requested to assist and the process is undergoing in 2021/2022 financial year.

16. Compliance Policy

A draft Compliance policy has been developed. The draft policy was not approved yet by Council.

Compliance Monitoring

Compliance is monitored and results are reported to Management and the Audit Committee. The municipality does not have a compliance officer.

Compliance Risk Management Plans

A Compliance Risk Management Plan based on the MFMA has been developed and was to be implemented in the 2017/18 financial year.

Currently the municipality does not have a Compliance officer.

2.12 Other supporting documents

Table 50 MBRR Table SA1-Supporting detail to budgeted financial performance

FS204 Metsimaholo - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'[illegible]

Less Cost of Free Basis Services (6 kilolitres per indigent household per month) Net Service charges - Water <u>Service charges - Waste Water Management</u> Total Service charges - Waste Water Management <i>Less Revenue Foregone (in excess of free sanitation service to indigent households)</i> Less Cost of Free Basis Services (free sanitation service to indigent households) Net Service charges - Waste Water Management <u>Service charges - Waste Management</u> Total refuse removal revenue Total landfill revenue <i>Less Revenue Foregone (in excess of one removal a week to indigent households)</i> Less Cost of Free Basis Services (removed once a week to indigent households) Net Service charges - Waste Management		9 845	16 854	9 861	13 788	13 788	13 788	6 671	14 340	14 985	14 985
		407 802	402 104	441 926	529 970	493 862	493 862	295 529	551 182	578 190	605 365
		39 578	48 659	90 916	105 831	96 915	96 915	60 305	103 391	108 453	113 157
				9 170				7 999			
		11 393	12 830	13 478	17 092	17 092	17 092	9 397	17 776	18 576	18 576
		28 185	35 829	68 269	88 738	79 823	79 823	42 910	85 615	89 877	94 581
	6	46 492	50 836	61 227	67 897	67 855	67 855	42 233	68 275	71 615	74 266
		13 632	15 536	19 267	23 658	23 658	23 658	12 120	24 604	25 711	–
		32 860	35 300	41 960	44 239	44 197	44 197	30 113	43 671	45 903	74 266
EXPENDITURE ITEMS: <u>Employee related costs</u> Basic Salaries and Wages Pension and UIF Contributions Medical Aid Contributions Overtime Performance Bonus											
	2	174 372	185 998	192 661	271 628	231 771	231 771	130 689	278 868	300 720	314 087
		29 369	32 358	33 168	36 151	36 812	36 812	23 021	38 067	40 085	42 209
		18 401	19 861	20 963	22 873	23 127	23 127	14 521	24 085	25 362	26 706
		27 154	29 809	28 720	30 249	31 007	31 007	21 100	31 853	33 541	35 319
		13 520	14 455	15 482	16 160	16 160	16 160	12 257	17 017	17 919	18 868

Motor Vehicle Allowance		20 026	22 582	23 582	28 457	28 744	28 744	16 180	29 965	31 553	33 226
Cellphone Allowance		1 362	1 598	1 663	2 109	2 157	2 157	1 159	2 221	2 339	2 463
Housing Allowances		2 544	2 671	1 725	2 893	2 857	2 857	1 053	3 047	3 208	3 378
Other benefits and allowances		5 592	6 083	5 646	10 507	10 928	10 928	4 337	11 064	11 650	12 268
Payments in lieu of leave		2 055	4 089	4 649	1 707	2 595	2 595	2 016	1 797	1 893	1 993
Long service awards		4 728	3 426	3 787	2 750	3 627	3 627	2 455	2 823	1 602	1 686
Post-retirement benefit obligations	4	8 702	9 051	3 586	9 323	9 371	9 371	1 527	9 431	2 429	2 296
Entertainment											
Scarcity											
Acting and post related allowance											
In kind benefits											
sub-total	5	307 824	331 982	335 632	434 807	399 157	399 157	230 315	450 239	472 301	494 499
Less: Employees costs capitalised to PPE											
Total Employee related costs	1	307 824	331 982	335 632	434 807	399 157	399 157	230 315	450 239	472 301	494 499
Depreciation and amortisation											
Depreciation of Property, Plant & Equipment		46 734	123 215	71 866	83 316	83 316	83 316	61 524	87 323	92 035	99 466
Lease amortisation		(367)	924	923	2 964	2 964	2 964	1 227	2 964	2 966	–
Capital asset impairment		–	–	–	–	–	–	–	–	–	–
Total Depreciation and amortisation	1	46 368	124 139	72 789	86 279	86 279	86 279	62 751	90 287	95 001	99 466
Bulk purchases - electricity											
Electricity bulk purchases		270 113	311 989	333 806	363 153	353 653	353 653	204 558	403 670	423 450	443 353
Total bulk purchases	1	270 113	311 989	333 806	363 153	353 653	353 653	204 558	403 670	423 450	443 353
Transfers and grants											
Cash transfers and grants		116	75	75	61	110	110	37	100	102	102
Non-cash transfers and grants		60	22	259	317	317	317	–	279	296	314
Total transfers and grants	1	176	98	334	378	427	427	37	379	398	416
Contracted Services											
Outsourced Services		5 627	1 970	3 331	3 495	2 435	2 435	382	4 667	4 565	4 502
Consultants and Professional Services		24 667	23 713	15 839	34 875	16 974	16 974	5 746	27 889	24 718	21 957

Contractors		49 204	48 119	55 477	80 861	75 696	75 696	20 395	83 371	92 324	100 864
Total contracted services		79 498	73 802	74 647	119 231	95 105	95 105	26 523	115 927	121 607	127 323
Operational Costs	-										
Collection costs		7 991	6 927	7 358	6 650	3 365	3 365	731	1 200	178	188
Contributions to 'other' provisions		-	-	-	-	-	-	-	-	-	-
Audit fees		7 503	10 498	7 197	8 143	10 084	10 084	9 537	10 619	11 180	11 773
Other Operational Costs		34 336	35 595	35 148	47 078	42 663	42 663	17 680	50 921	54 455	56 947
Total Operational Costs	1	49 830	53 020	49 703	61 871	56 112	56 112	27 948	62 740	65 814	68 907
Repairs and Maintenance by Expenditure Item	8										
Employee related costs											
Inventory Consumed (Project Maintenance)		36 639	11 359	30 242	19 791	22 939	22 939	6 705	24 106	26 841	26 843
Contracted Services		7 619	6 705	16 491	22 986	23 423	23 423	7 280	24 837	37 339	24 840
Other Expenditure		3 116	4 277	5 699	4 670	3 170	3 170	1 123	5 565	5 442	6 000
Total Repairs and Maintenance Expenditure	9	47 374	22 342	52 433	47 447	49 532	49 532	15 108	54 507	69 622	57 683
Inventory Consumed											
Inventory Consumed - Water		-	-	153 216	206 669	201 669	201 669	98 813	215 328	224 369	-
Inventory Consumed - Other		2 601	3 060	6 013	29 818	28 818	28 818	3 491	29 721	29 340	-
Total Inventory Consumed & Other Material		2 601	3 060	159 229	236 487	230 487	230 487	102 303	245 050	253 709	-

Table 51 MBRR Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)

FS204 Metsimaholo - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 01 - Executive & Council	Vote 02 - Municipal Manager	Vote 03 - Corporate Services	Vote 04 - Social Services	Vote 05 - Technical Services	Vote 06 - Financial Services	Vote 07 - Local Economic Development And Planning	Total
R thousand	1								
Revenue									
Exchange Revenue									
Service charges - Electricity						(493 443)	–		(493 443)
Service charges - Water						(551 182)			(551 182)
Service charges - Waste Water Management						(85 615)	–		(85 615)
Service charges - Waste Management					(43 671)				(43 671)
Sale of Goods and Rendering of Services				(58)	(1 963)	(13)	(5 715)	(16 133)	(23 882)
Agency services									–
Interest									–
Interest earned from Receivables					(3 000)	(38 400)	(4 200)		(45 600)
Interest earned from Current and Non Current									
Assets							(5 054)		(5 054)
Dividends							(100)		(100)
Rent on Land									–
Rental from Fixed Assets					(157)			(6 762)	(6 919)
Licence and permits									–
Operational Revenue				(260)			(30)	–	(290)
Non-Exchange Revenue							(234 276)		(234 276)
Property rates									–
Surcharges and Taxes									–
Fines, penalties and forfeits			(600)		(3 696)				(4 296)
Licences or permits					(111)				(111)
Transfer and subsidies - Operational			(2 647)	(500)	(20 013)	(27 378)	(232 487)		(283 025)
Interest							(9 841)		(9 841)
Fuel Levy									–
Operational Revenue					–	(2 519)			(2 519)
Gains on disposal of Assets		–	–	–	–	–	–	–	–
Other Gains							–		–
Discontinued Operations									–

Total Revenue (excluding capital transfers and contributions)		–	(3 247)	(818)	(72 611)	(1 198 549)	(491 703)	(22 895)	(1 789 824)
Expenditure									
Employee related costs		19 961	38 850	34 896	137 576	115 517	69 263	34 477	450 539
Remuneration of councillors		21 705							21 705
Bulk purchases - electricity						403 671			403 671
Inventory consumed						215 328	29 721		245 050
Debt impairment			–		12 289	217 555	54 156	–	284 001
Depreciation and amortisation		251	5 395	1 983	12 954	61 973	992	6 739	90 287
Interest		–	–	23	5 037	255	48	28	5 391
Contracted services		1 766	34 123	9 286	6 348	54 385	15 524	2 924	124 356
Transfers and subsidies		267			112				379
Irrecoverable debts written off					635	7 300	3 309		11 244
Operational costs		3 790	10 813	9 290	8 722	11 245	17 201	918	61 980
Losses on disposal of Assets		–	–	–	–	–	–	–	–
Other Losses						33 640	–		33 640
Total Expenditure		47 739	89 181	55 478	183 673	1 120 869	190 215	45 085	1 732 241
Surplus/(Deficit)		(47 739)	(85 934)	(54 660)	(111 062)	77 680	301 488	(22 190)	57 583
Transfers and subsidies - capital (monetary allocations)				–	2 383	98 307	–		100 690
Transfers and subsidies - capital (in-kind)			–		–	9 000			9 000
Surplus/(Deficit) after capital transfers & contributions		(47 739)	(85 934)	(54 660)	(108 679)	184 988	301 488	(22 190)	167 273

Table 52 MBRR Table SA3 – Supporting detail to Statement of Financial Position

FS204 Metsimaholo - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand											
ASSETS											
<u>Trade and other receivables from exchange transactions</u>											
Electricity		114 410	141 296	156 644	242 162	242 162	242 162	180 781	298 929	357 962	-
Water		1 208 782	1 394 633	1 681 041	1 649 996	1 649 996	1 649 996	1 866 906	1 786 218	1 927 689	-
Waste		87 742	97 819	115 279	120 209	120 209	120 209	132 226	131 072	143 494	-
Waste Water		59 939	69 468	83 865	106 648	106 648	106 648	98 257	128 731	151 662	-
Other trade receivables from exchange transactions		154 701	165 792	173 776	169 194	169 194	169 194	184 895	169 195	169 196	-
Gross: Trade and other receivables from exchange transactions		1 625 574	1 869 008	2 210 605	2 288 209	2 288 209	2 288 209	2 463 064	2 514 145	2 750 003	-
Less: Impairment for debt		(1 402 424)	(1 538 587)	(1 875 996)	(1 972 142)	(1 972 142)	(1 972 142)	(2 043 499)	(2 202 785)	(2 442 689)	-
Impairment for Electricity		(64 025)	(52 696)	(74 657)	(157 475)	(157 475)	(157 475)	(116 547)	(215 193)	(275 177)	-
Impairment for Water		(1 073 142)	(1 214 441)	(1 476 499)	(1 477 004)	(1 477 004)	(1 477 004)	(1 577 544)	(1 616 226)	(1 760 697)	-
Impairment for Waste		(79 379)	(82 970)	(101 083)	(111 093)	(111 093)	(111 093)	(109 550)	(122 317)	(134 439)	-
Impairment for Waste Water		(53 050)	(56 114)	(66 314)	(94 204)	(94 204)	(94 204)	(82 629)	(116 683)	(140 009)	-
Impairment for other trade receivables from exchange transactions		(132 829)	(132 366)	(157 443)	(132 366)	(132 366)	(132 366)	(157 228)	(132 366)	(132 366)	-
Total net Trade and other receivables from Exchange Transactions		223 150	330 421	334 609	316 067	316 067	316 067	419 565	311 360	307 314	-
<u>Receivables from non-exchange transactions</u>											
Property rates		-	35 393	25 384	206 150	206 150	206 150	280 154	251 816	299 439	-
Less: Impairment of Property rates		-	12 557	(37 674)	(235 399)	(235 399)	(235 399)	(204 213)	(287 315)	(341 188)	-
Net Property rates		-	47 950	(12 290)	(29 249)	(29 249)	(29 249)	75 941	(35 499)	(41 749)	-

Other receivables from non-exchange transactions	14 876	4 530	4 893	5 830	5 830	5 830	4 893	6 830	7 830	-
Impairment for other receivables from non-exchange transactions	(13 731)	(3 466)	(3 582)	(5 166)	(5 166)	(5 166)	(4 332)	(16 831)	(17 831)	-
Net other receivables from non-exchange transactions	1 145	1 065	1 311	665	665	665	561	(10 000)	(10 000)	-
Total net Receivables from non-exchange transactions	1 145	49 015	(10 978)	(28 585)	(28 585)	(28 585)	76 502	(45 499)	(51 749)	-
Inventory										
Water										
Opening Balance	659	682	565	681	681	681	681	5 681	5 681	5 681
System Input Volume	24	(118)	177 252	239 015	239 015	239 015	125 500	248 968	259 354	-
Water Treatment Works	-	-	11 191	12 731	12 731	12 731	13 087	13 240	13 770	-
Bulk Purchases	24	(118)	166 061	226 284	226 284	226 284	112 413	235 728	245 584	-
Natural Sources	-	-	-	-	-	-	-	-	-	-
Authorised Consumption	-	-	(153 216)	(206 669)	(201 669)	(201 669)	(98 813)	(215 328)	(224 369)	-
Billed Authorised Consumption	-	-	(153 216)	(206 669)	(201 669)	(201 669)	(98 813)	(215 328)	(224 369)	-
Billed Metered Consumption	-	-	(153 216)	(206 669)	(201 669)	(201 669)	(98 813)	(215 328)	(224 369)	-
Free Basic Water	-	-	-	-	-	-	-	-	-	-
Subsidised Water	-	-	-	-	-	-	-	-	-	-
Revenue Water	-	-	(153 216)	(206 669)	(201 669)	(201 669)	(98 813)	(215 328)	(224 369)	-
Billed Unmetered Consumption	-	-	-	-	-	-	-	-	-	-
Free Basic Water	-	-	-	-	-	-	-	-	-	-
Subsidised Water	-	-	-	-	-	-	-	-	-	-
Revenue Water	-	-	-	-	-	-	-	-	-	-
UnBilled Authorised Consumption	-	-	-	-	-	-	-	-	-	-
Unbilled Metered Consumption	-	-	-	-	-	-	-	-	-	-
Unbilled Unmetered Consumption	-	-	-	-	-	-	-	-	-	-
Water Losses	-	-	(23 919)	(32 346)	(32 346)	(32 346)	(29 112)	(33 640)	(34 986)	-
Apparent losses	-	-	(23 919)	(32 346)	(32 346)	(32 346)	(29 112)	(33 640)	(34 986)	-
Unauthorised Consumption	-	-	-	-	-	-	-	-	-	-
Customer Meter Inaccuracies	-	-	(23 919)	(32 346)	(32 346)	(32 346)	(29 112)	(33 640)	(34 986)	-

Real losses		-	-	-	-	-	-	-	-	-	-
Leakage on Transmission and Distribution Mains		-	-	-	-	-	-	-	-	-	-
Leakage and Overflows at Storage Tanks/Reservoirs		-	-	-	-	-	-	-	-	-	-
Leakage on Service Connections up to the point of Customer Meter		-	-	-	-	-	-	-	-	-	-
Data Transfer and Management Errors		-	-	-	-	-	-	-	-	-	-
Unavoidable Annual Real Losses		-	-	-	-	-	-	-	-	-	-
Non-revenue Water		-	-	(23 919)	(32 346)	(32 346)	(32 346)	(29 112)	(33 640)	(34 986)	-
Closing Balance Water		682	565	681	681	5 681	5 681	(1 743)	5 681	5 681	5 681
Agricultural											
Opening Balance			-	-	-	-	-	-	-	-	-
Acquisitions	7										
Issues	8										
Adjustments	9										
Write-offs											
Closing balance - Agricultural		-	-	-	-	-	-	-	-	-	-
Consumables											
Standard Rated											
Opening Balance		538	406	471	947	947	947	947	947	947	947
Acquisitions		110	373	913	29 210	28 210	28 210	307	29 077	28 714	-
Issues	7	(119)	(220)	(372)	(29 210)	(28 210)	(28 210)	(236)	(29 077)	(28 714)	-
Adjustments	8	(0)	(0)	0	-	-	-	-	-	-	-
Write-offs	9	(123)	(87)	(66)	-	-	-	-	-	-	-
Closing balance - Consumables											
Standard Rated		406	471	947	947	947	947	1 017	947	947	947
Zero Rated											
Opening Balance		270	95	311	105	105	105	105	105	105	105
Acquisitions		2 308	3 059	5 435	608	608	608	5 150	644	626	-

Issues	7	(2 481)	(2 840)	(5 642)	(608)	(608)	(608)	(3 254)	(644)	(626)	–
Adjustments	8	0	0	0	–	–	–	–	–	–	–
Write-offs	9	(3)	(3)	–	–	–	–	–	–	–	–
Closing balance - Consumables Zero Rated		95	311	105	105	105	105	2 000	105	105	105
Finished Goods											
Opening Balance			–	–	–	–	–	–	–	–	–
Acquisitions											
Issues	7										
Adjustments	8										
Write-offs	9										
Closing balance - Finished Goods		–	–	–	–	–	–	–	–	–	–
Materials and Supplies											
Opening Balance			–	–	–	–	–	–	–	–	–
Acquisitions											
Issues	7										
Adjustments	8										
Write-offs	9										
Closing balance - Materials and Supplies		–	–	–	–	–	–	–	–	–	–
Work-in-progress											
Opening Balance			–	–	–	–	–	–	–	–	–
Materials											
Transfers											
Closing balance - Work-in-progress		–	–	–	–	–	–	–	–	–	–
Housing Stock											
Opening Balance		–	–	–	–	–	–	–	–	–	–
Acquisitions		–	–	–	–	–	–	–	–	–	–

Transfers		-	-	-	-	-	-	-	-	-
Sales		-	-	-	-	-	-	-	-	-
Closing Balance - Housing Stock		-	-	-	-	-	-	-	-	-
Land										
Opening Balance		-	-	-	-	-	-	-	-	-
Acquisitions										
Sales										
Adjustments										
Correction of Prior period errors										
Closing Balance - Land		-	-	-	-	-	-	-	-	-
Closing Balance - Inventory & Consumables		1 183	1 347	1 732	1 732	6 732	6 732	1 275	6 732	6 732
Property, plant and equipment (PPE)										
PPE at cost/valuation (excl. finance leases)		2 690 583	2 739 845	2 929 771	3 274 451	3 208 570	3 208 570	2 976 393	3 361 231	3 500 568
Leases recognised as PPE	3	-	-	-	19 425	15 060	15 060	6 369	42 335	80 518
Less: Accumulated depreciation		1 464 769	1 578 935	1 610 135	1 710 304	1 710 304	1 710 304	1 624 247	1 796 900	1 894 883
Total Property, plant and equipment (PPE)	2	1 225 814	1 160 910	1 319 636	1 583 572	1 513 326	1 513 326	1 358 515	1 606 666	1 686 203
LIABILITIES										
Current liabilities - Financial liabilities										
Short term loans (other than bank overdraft)										
Current portion of long-term liabilities		3 288	493	38	4 053	4 053	4 053	(0)	4 477	4 943
Total Current liabilities - Financial liabilities		3 288	493	38	4 053	4 053	4 053	(0)	4 477	4 943
Trade and other payables from exchange transactions										
Trade and other payables from exchange transactions	5	275 110	298 545	288 871	301 368	301 368	301 368	191 184	313 705	358 244

Other trade payables from exchange transactions										
Trade payables from Non-exchange transactions: Unspent conditional Grants										
Trade payables from Non-exchange transactions: Other										
VAT										
Total Trade and other payables from exchange transactions	2									
Non current liabilities - Financial liabilities										
Borrowing	4									
Other financial liabilities										
Total Non current liabilities - Financial liabilities										
Provisions										
Retirement benefits										
Refuse landfill site rehabilitation										
Other										
Total Provisions										
CHANGES IN NET ASSETS										
Accumulated surplus/(deficit)										
Accumulated surplus/(deficit) - opening balance										
GRAP adjustments										
Restated balance										
Surplus/(Deficit)										
Transfers to/from Reserves										
Depreciation offsets										
Other adjustments										
Accumulated Surplus/(Deficit)	1									
Reserves	-									
Housing Development Fund										
Revaluation										
Total Reserves	2									
TOTAL COMMUNITY WEALTH/EQUITY	2									

Table 53 MBRR Table SA9 – Social, economic and demographic statistics and assumptions

FS204 Metsimaholo - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2019/20	2020/21	2021/22	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
<u>Demographics</u>												
Population			116	131	149	174	174	–	174	–	–	–
Females aged 5 - 14			32	–	39	46	46	–	46	–	–	–
Males aged 5 - 14			80	–	103	129	129	–	129	–	–	–
Females aged 15 - 34			4	–	7	7	7	–	7	–	–	–
Males aged 15 - 34												
Unemployment												
<u>Monthly household income (no. of households)</u>	1, 12	–										
No income			–	–	–	12 366	12 366	–	12 366 000	–	–	–
R1 - R1 600												
R1 601 - R3 200												
R3 201 - R6 400												
R6 401 - R12 800												
R12 801 - R25 600			–	–	14 374	14 374	14 734	–	14 734 000	–	–	–
R25 601 - R51 200												
R52 201 - R102 400			–	–	–	14 134	14 134	–	14 134 000	–	–	–
R102 401 - R204 800												
R204 801 - R409 600			–	–	–	16 570	16 570	–	16 570 000	–	–	–
R409 601 - R819 200												
> R819 200			–									
<u>Poverty profiles (no. of households)</u>												

< R2 060 per household per month	13			-	-	27510,00	27510,00	0,00	27510,00	0,00	0,00	0,00
Insert description	2		-									
Household/demographics (000)												
Number of people in municipal area			131 025	149 108	153 608	174	174	-	174	-	-	-
Number of poor people in municipal area			72 063	82 009	89 375	96	96	-	96	-	-	-
Number of households in municipal area			39 000	45 757	54 500	58	58	-	58	-	-	-
Number of poor households in municipal area			22 519	25 627	27 968	30	30	-	30	-	-	-
Definition of poor household (R per month)												
Housing statistics	3											
Formal			-	-	-	-	47 551	-	47 551	-	-	-
Informal			-	-	-	-	53	-	53	-	-	-
Total number of households			-	-	-	-	47 604	-	47 604	-	-	-
Dwellings provided by municipality	4											
Dwellings provided by province/s												
Dwellings provided by private sector	5											
Total new housing dwellings			-	-	-	-	-	-	-	-	-	-
Economic	6											
Inflation/inflation outlook (CPIX)												
Interest rate - borrowing												
Interest rate - investment												
Remuneration increases												
Consumption growth (electricity)												
Consumption growth (water)												
Collection rates	7											
Property tax/service charges												
Rental of facilities & equipment												
Interest - external investments												
Interest - debtors												
Revenue from agency services												

Detail on the provision of municipal services for A10

Total municipal services	Ref.		2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
		Household service targets (000)									
		<u>Water:</u>									
		Piped water inside dwelling	13 945	13 945	-	-	15 945	15 945	-	-	-
		Piped water inside yard (but not in dwelling)	30 955	30 955	-	-	34 433	34 433	-	-	-
	8	Using public tap (at least min.service level)	2 500	2 500	-	-	2 000	2 000	-	-	-
	10	Other water supply (at least min.service level)	10	10	-	-	10	10	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	47 410	47 410	-	-	52 388	52 388	-	-	-
	9	Using public tap (< min.service level)	-	-	-	-	-	-	-	-	-
	10	Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-
		No water supply	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	47 410	47 410	-	-	52 388	52 388	-	-	-
		<u>Sanitation/sewerage:</u>									
		Flush toilet (connected to sewerage)	33 591	33 591	-	-	37 591	37 591	-	-	-
		Flush toilet (with septic tank)	1 200	1 200	-	-	1 500	1 500	-	-	-
		Chemical toilet	-	-	-	-	-	-	-	-	-
		Pit toilet (ventilated)	1 200	1 200	-	-	1 500	1 500	-	-	-
		Other toilet provisions (> min.service level)	9 387	9 387	-	-	10 287	10 287	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	45 378	45 378	-	-	50 878	50 878	-	-	-
		Bucket toilet	2 000	2 000	-	-	1 500	1 500	-	-	-
		Other toilet provisions (< min.service level)	-	-	-	-	-	-	-	-	-
		No toilet provisions	-	-	-	-	-	-	-	-	-

		<i>Below Minimum Service Level sub-total</i>	2 000	2 000	-	-	1 500	1 500	-	-	-
		Total number of households	47 378	47 378	-	-	52 378	52 378	-	-	-
		<u>Energy:</u>									
		Electricity (at least min.service level)	-	-	-	-	-	-	-	-	-
		Electricity - prepaid (min.service level)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Electricity (< min.service level)	720	720	-	-	730	730	-	-	-
		Electricity - prepaid (< min. service level)	39 239	39 239	-	-	40 280	40 280	-	-	-
		Other energy sources	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	39 959	39 959	-	-	41 010	41 010	-	-	-
		Total number of households	39 959	39 959	-	-	41 010	41 010	-	-	-
		<u>Refuse:</u>									
		Removed at least once a week	55 000	55 000	-	-	56 000	56 000	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	55 000	55 000	-	-	56 000	56 000	-	-	-
		Removed less frequently than once a week	10 000	10 000	-	-	56 000	56 000	-	-	-
		Using communal refuse dump	-	-	-	-	10	10	-	-	-
		Using own refuse dump	-	-	-	-	-	-	-	-	-
		Other rubbish disposal	10 000	10 000	-	-	10 000	10 000	-	-	-
		No rubbish disposal	10 000	10 000	-	-	10 000	10 000	-	-	-
		<i>Below Minimum Service Level sub-total</i>	30 000	30 000	-	-	76 010	76 010	-	-	-
		Total number of households	85 000	85 000	-	-	132 010	132 010	-	-	-
Municipal in-house services	Ref.		2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
		<u>Household service targets (000)</u>									
		<u>Water:</u>									

	Piped water inside dwelling	13 945	13 945	-	-	15 945	15 945	-	-	-
	Piped water inside yard (but not in dwelling)	30 955	30 955	-	-	34 433	34 433	-	-	-
8	Using public tap (at least min.service level)	2 500	2 500	-	-	2 000	2 000	-	-	-
10	Other water supply (at least min.service level)	10	10	-	-	10	10	-	-	-
	<i>Minimum Service Level and Above sub-total</i>	47 410	47 410	-	-	52 388	52 388	-	-	-
9	Using public tap (< min.service level)									
10	Other water supply (< min.service level)									
	No water supply									
	<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
	Total number of households	47 410	47 410	-	-	52 388	52 388	-	-	-
	<u>Sanitation/sewerage:</u>									
	Flush toilet (connected to sewerage)	33 591	33 591	-	-	37 591	37 591	-	-	-
	Flush toilet (with septic tank)	1 200	1 200	-	-	1 500	1 500	-	-	-
	Chemical toilet									
	Pit toilet (ventilated)	1 200	1 200	-	-	1 500	1 500	-	-	-
	Other toilet provisions (> min.service level)	9 387	9 387	-	-	10 287	10 287	-	-	-
	<i>Minimum Service Level and Above sub-total</i>	45 378	45 378	-	-	50 878	50 878	-	-	-
	Bucket toilet	2 000	2 000	-	-	1 500	1 500	-	-	-
	Other toilet provisions (< min.service level)									
	No toilet provisions									
	<i>Below Minimum Service Level sub-total</i>	2 000	2 000	-	-	1 500	1 500	-	-	-
	Total number of households	47 378	47 378	-	-	52 378	52 378	-	-	-
	<u>Energy:</u>									
	Electricity (at least min.service level)									
	Electricity - prepaid (min.service level)									
	<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
	Electricity (< min.service level)	720	720	-	-	730	730	-	-	-

		Electricity - prepaid (< min. service level)	39 239	39 239	-	-	40 280	40 280	-	-	-
		Other energy sources									
		<i>Below Minimum Service Level sub-total</i>	39 959	39 959	-	-	41 010	41 010	-	-	-
		Total number of households	39 959	39 959	-	-	41 010	41 010	-	-	-
		<u>Refuse:</u>									
		Removed at least once a week	55 000	55 000	-	-	56 000	56 000	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	55 000	55 000	-	-	56 000	56 000	-	-	-
		Removed less frequently than once a week	10 000	10 000	-	-	56 000	56 000	-	-	-
		Using communal refuse dump	-	-	-	-	10	10	-	-	-
		Using own refuse dump									
		Other rubbish disposal	10 000	10 000	-	-	10 000	10 000	-	-	-
		No rubbish disposal	10 000	10 000	-	-	10 000	10 000	-	-	-
		<i>Below Minimum Service Level sub-total</i>	30 000	30 000	-	-	76 010	76 010	-	-	-
		Total number of households	85 000	85 000	-	-	132 010	132 010	-	-	-
Municipal entity services			2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Ref.		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Name of municipal entity		<u>Household service targets (000)</u>									
		<u>Water:</u>									
		Piped water inside dwelling									
		Piped water inside yard (but not in dwelling)									
	8	Using public tap (at least min.service level)									
	10	Other water supply (at least min.service level)									
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
	9	Using public tap (< min.service level)									

10	Other water supply (< min.service level)								
	No water supply								
	<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-
	Total number of households	-	-	-	-	-	-	-	-
	<u>Sanitation/sewerage:</u>								
	Flush toilet (connected to sewerage)								
	Flush toilet (with septic tank)								
	Chemical toilet								
	Pit toilet (ventilated)								
	Other toilet provisions (> min.service level)								
	<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-
	Bucket toilet								
	Other toilet provisions (< min.service level)								
	No toilet provisions								
	<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-
	Total number of households	-	-	-	-	-	-	-	-
	<u>Energy:</u>								
	Electricity (at least min.service level)								
	Electricity - prepaid (min.service level)								
	<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-
	Electricity (< min.service level)								
	Electricity - prepaid (< min. service level)								
	Other energy sources								
	<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-
	Total number of households	-	-	-	-	-	-	-	-
	<u>Refuse:</u>								
	Removed at least once a week								

		<i>Minimum Service Level and Above sub-total</i> 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	-	-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-	-
Services provided by 'external mechanisms'	Ref.		2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Names of service providers		Household service targets (000)									
		Water:									
		Piped water inside dwelling									
		Piped water inside yard (but not in dwelling)									
	8	Using public tap (at least min.service level)									
	10	Other water supply (at least min.service level)									
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
	9	Using public tap (< min.service level)									
	10	Other water supply (< min.service level)									
		No water supply									
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-
Names of service providers		Sanitation/sewerage:									
		Flush toilet (connected to sewerage)									

	Flush toilet (with septic tank)								
	Chemical toilet								
	Pit toilet (ventilated)								
	Other toilet provisions (> min.service level)								
	<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-
	Bucket toilet								
	Other toilet provisions (< min.service level)								
	No toilet provisions								
	<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-
	Total number of households	-	-	-	-	-	-	-	-
Names of service providers	<u>Energy:</u>								
	Electricity (at least min.service level)								
	Electricity - prepaid (min.service level)								
	<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-
	Electricity (< min.service level)								
	Electricity - prepaid (< min. service level)								
	Other energy sources								
	<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-
	Total number of households	-	-	-	-	-	-	-	-
Names of service providers	<u>Refuse:</u>								
	Removed at least once a week								
	<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-
	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	-	-	-	-	-	-	-	-	
Detail of Free Basic Services (FBS) provided			2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Electricity	Ref.	<u>Location of households for each type of FBS</u>									
List type of FBS service		Formal settlements - (50 kwh per indigent household per month Rands)	5 652 010	7 790 173	7 992 958	13 874 760	13 874 760	13 874 760	14 429 750	15 006 930	15 006 930
		<i>Number of HH receiving this type of FBS</i>	12 000	12 000	-	-	13 000	13 000	-	-	-
		Informal settlements (Rands)	5 652	-	-	-	13 875 000	13 875 000	-	-	-
		<i>Number of HH receiving this type of FBS</i>									
		Informal settlements targeted for upgrading (Rands)									
		<i>Number of HH receiving this type of FBS</i>									
		Living in informal backyard rental agreement (Rands)									
		<i>Number of HH receiving this type of FBS</i>									
		Other (Rands)									
		<i>Number of HH receiving this type of FBS</i>									
		Total cost of FBS - Electricity for informal settlements	5 652	-	-	-	13 875 000	13 875 000	-	-	-
Water	Ref.	<u>Location of households for each type of FBS</u>									
List type of FBS service		Formal settlements - (6 kilolitre per indigent household per month Rands)	9 844 934	16 854 152	9 860 871	13 788 430	13 788 430	13 788 430	14 339 970	14 985 270	14 985 270

		Number of HH receiving this type of FBS	12 000	12 000	–	–	13 000	13 000	–	–	–
		Informal settlements (Rands)	9 845	–	–	–	13 788 000	13 788 000	–	–	–
		Number of HH receiving this type of FBS									
		Informal settlements targeted for upgrading (Rands)									
		Number of HH receiving this type of FBS									
		Living in informal backyard rental agreement (Rands)									
		Number of HH receiving this type of FBS									
		Other (Rands)									
		Number of HH receiving this type of FBS									
		Total cost of FBS - Water for informal settlements	9 845	–	–	–	13 788 000	13 788 000	–	–	–
Sanitation	Ref.	<u>Location of households for each type of FBS</u>									
		Formal settlements - (free sanitation service to indigent households)	11 392 835	12 829 960	13 477 576	17 092 380	17 092 380	17 092 380	17 776 080	18 576 000	18 576 000
List type of FBS service		Number of HH receiving this type of FBS	12 000	12 000	–	–	13 000	13 000	–	–	–
		Informal settlements (Rands)	11 393	–	–	–	17 092 000	17 092 000	–	–	–
		Number of HH receiving this type of FBS									
		Informal settlements targeted for upgrading (Rands)									
		Number of HH receiving this type of FBS									
		Living in informal backyard rental agreement (Rands)									
		Number of HH receiving this type of FBS									
		Other (Rands)									
		Number of HH receiving this type of FBS									
		Total cost of FBS - Sanitation for informal settlements	11 393	–	–	–	17 092 000	17 092 000	–	–	–

Refuse Removal	Ref.	<u>Location of households for each type of FBS</u>								
List type of FBS service		Formal settlements - (removed once a week to indigent households)	13 632							
		<i>Number of HH receiving this type of FBS</i>	362	15 535 979	19 267 126	23 657 850	23 657 850	23 657 850	24 604 170	25 711 360
		Informal settlements (Rands)	12 000	12 000	–	–	13 000	13 000	–	–
		<i>Number of HH receiving this type of FBS</i>	13 632	–	–	–	23 658 000	23 658 000	–	–
		Informal settlements targeted for upgrading (Rands)								
		<i>Number of HH receiving this type of FBS</i>								
		Living in informal backyard rental agreement (Rands)								
		<i>Number of HH receiving this type of FBS</i>								
		Other (Rands)								
		<i>Number of HH receiving this type of FBS</i>								
		Total cost of FBS - Refuse Removal for informal settlements	13 632	–	–	–	23 658 000	23 658 000	–	–

2.13 Municipal manager's quality certificate

I, L.M.A Mofokeng, Municipal Manager of Metsimaholo Local Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Adv. L.M.A Mofokeng
Municipal Manager of Metsimaholo Local Municipality (FS 204)

Signature: _____

Date: _____
