



BUDGET AND TREASURY OFFICE

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The estimated operating expenditure budget for the 2020/2021 financial year is R 191,445,4367

OPERATING EXPENDITURE BY TYPE

As can be seen from the above table, the Employee Costs (Salaries and allowances) comprises 32% of the total operational expenditure:

Description	2020/21 Medium Term Revenue & Expenditure Framework		Term Revenue & Expenditure Framework	Term Revenue & Expenditure Framework
	Budget Year 2020/21	% of Total Budget	Budget Year 2021/22	Budget Year 2022/23
Employee related costs	61 280 424,00	32%	64 957 249,44	66 300 000,00
Remuneration of councillors	4 617 844,00	2%	4 830 264,82	5 052 457,01
Debt Impairment	28 378 599,00	15%	29 684 014,55	31 049 479,22
Depreciation & asset impairment	31 707 466,00	17%	33 166 009,44	34 691 645,87
Finance charges	306 250,00	0%	320 337,50	335 073,03
Bulk purchases	34 135 405,00	18%	35 705 633,63	37 348 092,78
Contracted services	5 564 035,00	3%	5 819 980,61	6 087 699,72
Transfers and grants	-	0%	-	-
Other expenditure	25 430 344,00	13%	26 600 139,82	27 823 746,26
Loss on disposal of PPE	25 000,00	0%	26 150,00	27 352,90
Total expenditure	191 445 367,00	100%	201 109 779,82	208 715 546,78

The estimated revenue budget for the 2020/2021 financial year is R
191,449,966 **REVENUE BY SOURCE:**

Description	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework				
	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	% Increased	Budget Year 2021/22	Budget Year 2022/23
Revenue By source								
Property rates	11 726 000,00	10 120 000,00	10 120 000,00	10 120 000,00	17 347 747,00	71%	18 145 743,36	18 980 447,56
Service charges-electricity revenue	38 254 000,00	38 254 000,00	38 254 000,00	38 254 000,00	35 659 499,00	-7%	37 299 835,95	39 015 628,41
Service charges-water revenue	14 108 000,00	11 992 000,00	11 992 000,00	11 992 000,00	11 927 396,00	-1%	12 476 056,22	13 049 954,80
Service charges-sanitation revenue	8 956 000,00	7 711 000,00	7 711 000,00	7 711 000,00	14 335 902,00	86%	14 995 353,49	15 685 139,75
Service charges-refuse revenue	6 343 000,00	5 097 000,00	5 097 000,00	5 097 000,00	7 505 746,00	47%	7 851 010,32	8 212 156,79
Service charges-other	-	-	-	-			-	-
Rental of facilities and equipment	351 000,00	351 000,00	351 000,00	351 000,00	412 161,00	17%	431 120,41	450 951,94
Interest earned-external investment	570 000,00	570 000,00	570 000,00	570 000,00	949 299,00	67%	992 966,75	1 038 643,22
Interest earned-outstanding debtors	3 345 000,00	1 345 000,00	1 345 000,00	1 345 000,00	1 748 500,00	30%	1 828 931,00	1 913 061,83
Dividends received	-	-	-	-				
Fines, penalties and forfeits	7 743 000,00	30 972 000,00	30 972 000,00	30 972 000,00	32 830 320,00	6%	34 340 514,72	35 920 178,40
Licences and permits	2 644 000,00	2 644 000,00	2 644 000,00	2 644 000,00	2 802 640,00	6%	2 931 561,44	3 066 413,27
Agency services	359 000,00	1 399 000,00	1 399 000,00	1 399 000,00	377 096,00	-73%	394 442,42	412 586,77
transfers and subsidies	53 501 000,00	54 618 000,00	54 618 000,00	54 618 000,00	57 510 150,00	5%	62 280 350,00	66 749 450,00
Other revenue	6 701 000,00	6 701 000,00	6 701 000,00	6 701 000,00	8 043 510,00	20%	8 413 511,46	8 800 532,99
Gains on disposal of PPE	-	-	-	-	-	0%	-	-
Total Revenue (excluding capital transfers and contributions)	154 601 000,00	171 774 000,00	171 774 000,00	171 774 000,00	191 449 966,00	276%	202 381 397,54	213 295 145,72

CASH FLOW PROJECTED FOR THE FINANCIAL YEAR 2020/21:			
REVENUE BY SOURCE:	BILLING/INVOICING	REVENUE COLLECTION	PERCENTAGE %
REVENUE FROM NON EXCHANGE TRANSACTIONS	100%	%	
Property rates:	17 347 747,00	11 276 035,55	65%
Residential	8 039 060,00	5 225 389,00	65%
Business/Industry	5 456 692,00	3 546 849,80	65%
Government/State	2 105 241,00	1 368 406,65	65%
Farms/Agriculture	1 746 754,00	1 135 390,10	65%
Transfers and subsidies:operational	57 510 150,00	57 510 150,00	100%
Fines,penalties and forfeits	32 830 320,00	22 981 224,00	70%
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Other revenue	14 333 206,00	10 033 244,20	70%
TOTAL REVENUE (EXCLUDING CAPITAL TRANSFERS & CONTRIBUTIONS)	191 449 966,00	157 343 488,15	82%

Draft Capital Budget

The Annual capital budget for financial year 2020/2021 and projected two years 2021/2022 and 2022/2023 are an amount of R16 347 850 million, R29,894,650 million and R26,114,550 million respectively. This comprises mainly of the upgrading of roads funded by municipal infrastructure grant, Noupoot and Colesberg electrification funded by INEP grant, other capital projects namely, generator, fencing of workshop, Irrigation pump, trailer engine, backup power supply generator, TLB, bakkies funded by municipality's own funds.

The following funded projects were identified and are captured in the annual capital budget:

Project description	Source of Funding			
		2020/21	2021/22	2022/23
Small generator	Own	10 000,00	-	-
Fencing of the workshop	Own	75 000,00	-	-
SPLUMA Compliant SDF	Own	150 000,00	-	-
Irrigation pump	Own	20 000,00	-	-
Engine for trailer	Own	12 000,00	-	-
Backup Power Supply Generator	Own	500 000,00	-	-
New vehicle	Own	200 000,00	-	-
New vehicle	Borrowing	-	-	450 000,00
New vehicle	Borrowing	-	450 000,00	-
New TLB	Borrowing	-	-	800 000,00
New Crane Truck	Borrowing	-	1 000 000,00	-
Upgrading of Afrika street (Norvalspont)	EPWP	1 000 000,00	-	-
Ngqandu and Madikane Block paving	MIG	9 600 000,00	-	850 000,00
Upgrading of Kosmos and Affodil Streets	MIG	370 850,00	11 000 000,00	-
Upgrading of President Swarts and Niewenhuizen Street	MIG	-	444 650,00	11 014 550,00
Electrification-Noupoort	INEP	2 000 000,00	3 000 000,00	4 000 000,00
Electrification(Ezimbacweni,Wimpy and Phillipstown Plakkerskamp	INEP	1 510 000,00	-	-
Van Der Waltsfontein Pipeline	MIG	900 000,00	-	-
Upgrading of Noupoort Outfall Sewerline	WSIG	-	14 000 000,00	9 000 000,00
		16 347 850,00	29 894 650,00	26 114 550,00

Capital Projects Source of funding:

Funding Source	Description	2020/21 Budget R	2021/22 Budget R'	2022/23 Budget R'
Internally generated funds/Borrowing	Own funding	967 000,00	1 450 000,00	1 250 000,00
Grants	Municipal Infrastructure Grant	10 870 850,00	11 444 650,00	11 864 550,00
Grants	INEP	3 510 000,00	3 000 000,00	4 000 000,00
Grants	Water Services Infrastructure	-	14 000 000,00	9 000 000,00
Grants	EPWP	1 000 000,00	-	
Total		16 347 850,00	29 894 650,00	26 114 550,00

Tariffs

The Tariffs for 2020/2021 have been determined as per attached schedule in ANNEXURE B.

SERVICE CHARGES AND MISCELLANEOUS TARIFFS:

The following tariff increases are proposed:

- Electricity : 6.22%
- Water : 6%
- Rates : 6%
- Refuse : 6%
- Sewerage : 6%
- Other (miscellaneous) : 8%- 10%

Submission of budget to National and Provincial Treasury

The tabled 2020/2021 Draft Budget must be submitted to the Northern Cape Provincial Treasury and National Treasury for their inputs.

The 2020/2021 Draft Budget of the Umsobomvu Municipality will conform to the format as required by National Treasury in their MFMA Circulars number 98 and 99.

APPROVAL



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AC MPELA
MUNICIPAL MANAGER

25 May 2020

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Date

ANNUAL BUDGET OF

UMSOBOMVU LOCAL MUNICIPALITY

2020/2021 TO 2022/2023

MEDIUM TERM REVENUE AND EXPENDITURE
FORECASTS

Copies of this document can be viewed:

- In the office of the Mayor and Umsobomvu Local Municipality's reception or front desk;
- All public libraries within the municipality;
- At www.umsobomvumun.co.za

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7. Annexure 8: Asset Management Policy;
8. Annexure 9: Virement Policy;
9. Annexure 10: Supply Chain Management Policy;
10. Annexure 11: Unauthorised Irregular Fruitless & Wasteful Expenditure Management;
11. Annexure 12: Travelling and subsistence allowance policy;
12. Annexure 13: MFMA Delegations;
13. Annexure 14: Borrowing Policy;
14. Annexure 15: Bad debt write- off policy;

PART 1 – ANNUAL BUDGET

1.1 Mayor's Report

Mayor to deliver his speech during the council meeting.

1.2 Introduction & Budget Assumptions

1. South African economy and inflation targets

In the 2019 Medium Term Budget Policy Statement (MTBPS) tabled by the Minister of Finance on 30 October 2019, he stated that, he is tabling the 2019 MTBPS in a difficult global and domestic environment. The global growth forecast for 2019 is the lowest since the 2008 financial crisis, weighed down by mounting trade tensions and political uncertainty. Economic activity in two engines of the world economy, namely China and India, is also slowing this year. Policy makers have taken a number of steps to support growth, but there is a risk that these measures will create new vulnerabilities, as interest rates in advanced economies decline. About a quarter of government bonds in these countries have negative yields.

In South Africa, economic growth has continued to stagnate and weaknesses in the world economy are likely to amplify our own challenges. The discussion paper termed the Economic transformation, inclusive growth, and competitiveness released by the National Treasury has proposed a number of economic reforms that might boost GDP growth over the medium and longer term, and support increased investment and job creation. These measures have been broadly agreed on within government. The next step is to implement the reforms urgently. Nevertheless, the economy has continued to weaken with the economic growth projected to grow at 1.2 per cent in the 2020/21 financial year, while long term estimates have fallen prompting government to review its outer year's estimates.

In addition to low growth, South Africa's biggest economic risk is Eskom. Ongoing problems with the utility's operations continue to disrupt the supply of electricity to households and businesses. Government has allocated significant resources to assist Eskom. With the immediate financial restraints lifted, the focus must be on operational problems and restructuring Eskom into three separate entities. Doing so will mark the beginning of a transition to a competitive, transparent and financially viable electricity sector.

South Africa's public finances deteriorated over the past decade; a trend that accelerated in recent years as low growth led to large revenue shortfalls. For 10 years, the country has run large budget deficits. This has put us deeply in debt, to the point where interest payments have begun crowding out social and economic spending programmes. This cannot be sustained.

The 2020 budget review emphasized that, while the global economic is under technical recession, it is clouded by the prevailing policy uncertainty due to the increasing pressure within the world trading system. These factors may jeopardise South African's prudent macroeconomic and fiscal policies, which include inflation targeting and a flexible exchange rate, the local economy's ability to adjust to global volatility and the stable investment platform.

South African economy shrank by 1.4% in the fourth quarter of 2019, as per Statistics South Africa. This followed a contraction of 0.8% in the third quarter, which means that the economy was in recession for the last half of 2019. South Africa last entered a technical recession when the Gross Domestic product (GDP) falls for two consecutive quarters –in the second quarter of 2018. Nevertheless, the economy

has continued to weaken with the economic growth projected to grow at 1.2 per cent in the 2020/21 financial year, while long term estimates have fallen prompting government to review its outer year's estimates. In addition to low growth, South Africa's biggest economic risk is Eskom. On-going problems with the utility's operations continue to disrupt the supply of electricity to households and businesses.

The GDP growth rate is forecasted at 1.5 per cent in 2019, 1.7 per cent in 2020 and 2.1 per cent in 2021.

Budget Assumptions:

Budget assumptions/parameters are determined in advance of the budget process to allow budgets to be constructed to support the achievement of the long-term financial and strategic target. Therefore, the approach adopted in developing this budget has been based on an attempt to align IDP Priorities and Strategies to National KPA's; evaluating the existing spending trends against the IDP priorities, and tracking the achievement of the legislative mandate. As such the available resources are allocated underpinned by the following principles:

- The council is committed to stringent budgeting policies and parameters through a budget that seeks to strike a balance between the development challenges of the poor areas and the need to maintain the infrastructure in established areas;
- The Council is also committed to ensuring that consultation on the budget takes place as widely as possible;
- To achieve balanced budgets on an affordable basis now and in future;
- The Council is further committed to levying affordable tariff increases and in this regard we have once again managed to achieve single digit increases in rates, electricity, sewerage and refuse tariffs;
- The Council expresses its will to allocate effectively the limited resources against the ever increasing demands by looking at ways and means of reducing costs and improving efficiencies to maximize resources.

1.3.Recommended to the Municipal Council

1.That the annual Budget of Umsobomvu Local Municipality for the financial year 2020/2021 and the indicative estimates for the two projected outer years 2021/2022 and 2022/2023, as set out in the schedules listed below be tabled in order to present these proposals to stakeholders for consultation:

1.1.The annual Budget of the municipality for the financial year 2020/2021 and the multi-year and single-year capital appropriations as set out in the following tables be considered for approval:

- 1.1.1. Budgeted Financial Performance (revenue & expenditure by standard classification) as contained in Table A2;
- 1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table A3
- 1.1.3 Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table A4; and
- 1.1.4.Multi-year and single-year capital appropriations by municipal vote associated funding by source as

contained in Table A5.

- 1.2 The Financial Position, Cash Flow Budget, Cash-Backed Reserve/accumulated surplus, asset management and basic service delivery targets be tabled as set out in the following tables:
 - 1.2.1. Budgeted Financial Position as contained in Table A6;
 - 1.2.2. Budgeted Cash Flows as contained in Table A7;
 - 1.2.3. Cash backed reserves and accumulated surplus reconciliation as contained in Table A8;
 - 1.2.4. Asset management as contained in Table A9; and
 - 1.2.5. Basic service delivery measurement as contained in Table A10.
2. The Council of Umsobomvu Local Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2020:
 - 2.1.1. the tariffs for property rates – as set out in Annexure B,
 - 2.1.2. the tariffs for electricity – as set out in Annexure B
 - 2.1.3. the tariffs for the supply of water – as set out in Annexure B
 - 2.1.4. the tariffs for sanitation services – as set out in Annexure B
 - 2.1.5. the tariffs for solid waste services – as set out in Annexure B
3. The Mayor of Umsobomvu Local Municipality, acting in terms of 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) tables for public participation the tariffs for other services, set out in Annexure B.
4. The Mayor of Umsobomvu Local Municipality, in terms of section 5 of the Local Government: Municipal Property Rates Act (Act 6 of 2004) tables the reviewed rates policy for public participation.
5. The Mayor of Umsobomvu Local Municipality, in terms of Section 6 of the Local Government: Municipal Property Rates Act (Act 6 of 2004) tables the rates By-laws to give effect to the rates policy.
6. That cognizance be taken of the provision made for a 6.25% increase in salaries of employees this was informed by the Collective Agreement, taking into consideration the average CPI expected including section 54A and 56 officials.
7. That the Council of Umsobomvu Local Municipality approves the following budget related policies:
 1. Annexure 1 : Property rates Policy
 2. Annexure 2: Property rates By – Laws
 3. Annexure 3: Customer care, Credit control & debt collection Policy
 4. Annexure 4: Indigent Policy;
 5. Annexure 6: Budget Policy;
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 9. Annexure 10: Supply Chain Management Policy;
 10. Annexure 11: Unauthorised Irregular Fruitless & Wasteful Expenditure Management;
 11. Annexure 12: Travelling and subsistence allowance policy;
 12. Annexure 13: MFMA Delegations;
 13. Annexure 14: Borrowing Policy;
 14. Annexure 15: Bad debt write- off policy;

1.4. Executive Summary

The Municipal Finance Management Act (MFMA) No 56 of 2003 section 16(2) stipulates that an annual budget must be compiled and tabled in Council by 31 March accompanied as required in terms of section 17 by the reviewed Integrated Development Plan and draft Service Delivery and Budget Implementation Plan. The Municipal Structures Act 117 of 1998 section 56(2) requires the Executive Mayor to recommend to the municipal council strategies, programmes and services to address community priority needs. On the other hand, the Municipal System Act 32 of 2000 section 34(a) requires that the municipality must review its integrated development plan annually in accordance with an assessment of its performance measurements in terms of section 41.

Subsequent to the budget being tabled, it should be made available for public consultation. Once the Mayor have considered the inputs from communities and different stakeholders a final budget must be submitted to Council for consideration and approval a month before the start of the financial year.

This budget hereto presented has been compiled based on MFMA Circular No 99 issued on 30 March 2020 and MFMA Circular No 99 issued on the 08 April 2020 by National Treasury to guide municipalities with their preparation of the 2020/2021 Medium Term Revenue and Expenditure Framework (MTREF) and, as with previous annual budget circulars it should be read within that context.

The key focus of this budget is the importance of tabling funded budgets as has been highlighted in the previous MFMA Circular No. 93 and 94. Adopting a funded budget has become more critical now than before as it has direct bearing on the financial sustainability of the municipality. This budget is based on the prioritizations of key service delivery projects.

As per MFMA Circular No. 98 no municipality must adopt an unfunded budget in the future. There are cases that may warrant a plan as this may not be achievable over one year. As a result, such municipalities must, together with their 2020/21 MTREF budget, table a plan in a municipal council on how and by when the budget will improve from an unfunded to a funded position.

This budget also took into consideration the assessment done by Northern Cape Provincial Treasury. The 2020/21 draft budget of the Umsobomvu Local Municipality (ULM) was assessed during the month of April and covers three distinct areas namely, credibility, relevance and sustainability in accordance with the relevant provisions of the MFMA, the Municipal Budget and Reporting Regulations (MBRR) and the National Treasury (NT) Budget Assessment Methodology.

The state of the economy has an adverse effect on the consumers. As a result municipalities revenues and cash flows remain under pressure. Municipalities should carefully consider affordability of tariff increases, especially as it relates to domestic consumers while considering the level of services versus the associated cost. Therefore the application of sound financial management principles for the compilation of Umsobomvu Local Municipal'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 will continue with its revenue enhancement project vigorously on implementing a range of revenue collection strategies to optimize the collection of debt owed by customers.

National Treasury's MFMA Circulars No. 93, 94, 98 and 99 were used to guide the compilation of the 2020/2021 MTREF.

The main challenges experienced during the compilation of the 2020/21 MTREF can be summarised as follows:

- The declaration of National disaster, COVID 19 pandemic and Lockdown;
- The on-going difficulties in the national and local economy;
- Securing the health of the asset base by increasing spending on repairs and maintenance and renewal of assets;
- Protecting the poor;
- Ensuring that water and waste water management meets the required quality standards at all times;
- The need to reprioritise projects and high expenditure rate within the existing resource envelope given the cash flow realities and declining cash position of the Municipality;
- Increased cost of bulk electricity, which is placing upward pressure on service tariffs to residents. Continuous high tariff increases are not sustainable- as there will be a point where services will no longer be affordable;
- The need to fill critical vacancies with limited resources;
- The affordability of capital projects as projected in the IDP- many projects identified in the IDP for which no confirmation of funding is received could not be included in the 2020/21 budget projections but rather factored into the budget as part of the of the 2021/22 MTREF process and new projects had to be scaled down to be within affordability;
- The need to reflect cost reflective tariffs for refuse, water and sanitation;
- The cash flow constraints the municipality is currently experiencing due to huge unpaid creditors carried forward and unsatisfactorily revenue collection rate.

1.5.OVERVIEW OF THE OPERATING REVENUE FRAMEWORK OF 2020/21 MTREF and CASH FLOW PROJECTION AND ESTIMATED REVENUE COLLECTION RATE FOR 2020/21 FINANCIAL YEAR:

The estimated revenue budget for the 2020/2021 financial year is *R 191,449,966* **REVENUE BY SOURCE:**

Description	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework				
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1.6 Overview of the Annual Operating expenditure Budget for the financial year 2020/21:

The estimated operating expenditure budget for the 2020/2021 financial year is R 191,445,4367

OPERATING EXPENDITURE BY TYPE

As can be seen from the above table, the Employee Costs (Salaries and allowances) comprises 32% of the total operational expenditure:

Description	2020/21 Medium Term Revenue & Expenditure Framework		Term Revenue & Expenditure Framework	Term Revenue & Expenditure Framework
	Budget Year 2020/21	% of Total Budget	Budget Year 2021/22	Budget Year 2022/23
Employee related costs	61 280 424,00	32%	64 957 249,44	66 300 000,00
Remuneration of councillors	4 617 844,00	2%	4 830 264,82	5 052 457,01
Debt Impairment	28 378 599,00	15%	29 684 014,55	31 049 479,22
Depreciation & asset impairment	31 707 466,00	17%	33 166 009,44	34 691 645,87
Finance charges	306 250,00	0%	320 337,50	335 073,03
Bulk purchases	34 135 405,00	18%	35 705 633,63	37 348 092,78
Contracted services	5 564 035,00	3%	5 819 980,61	6 087 699,72
Transfers and grants	-	0%	-	-
Other expenditure	25 430 344,00	13%	26 600 139,82	27 823 746,26
Loss on disposal of PPE	25 000,00	0%	26 150,00	27 352,90
Total expenditure	191 445 367,00	100%	201 109 779,82	208 715 546,78

1.7.OVERVIEW OF CAPITAL EXPENDITURE & FUNDING MODEL FOR THE 2020/21 MTREF:

The Annual capital budget for financial year 2020/2021 and projected two years 2021/2022 and 2022/2023 are an amount of R16 347 850 million, R29,894,650 million and R26,114,550 million respectively. This comprises mainly of the upgrading of roads funded by municipal infrastructure grant, Noupoot and Colesberg electrification funded by INEP grant, other capital projects namely, generator, fencing of workshop, Irrigation pump, trailer engine, backup power supply generator, TLB, bakkies funded by municipality's own funds.

The following funded projects were identified and are captured in the annual capital budget:

Project description	Source of Funding			
		2020/21	2021/22	2022/23
Small generator	Own	10 000,00	-	-
Fencing of the workshop	Own	75 000,00	-	-
SPLUMA Compliant SDF	Own	150 000,00	-	-
Irrigation pump	Own	20 000,00	-	-
Engine for trailer	Own	12 000,00	-	-
Backup Power Supply Generator	Own	500 000,00	-	-
New vehicle	Own	200 000,00	-	-
New vehicle	Borrowing	-	-	450 000,00
New vehicle	Borrowing	-	450 000,00	-
New TLB	Borrowing	-	-	800 000,00
New Crane Truck	Borrowing	-	1 000 000,00	-
Upgrading of Afrika street (Norvalspont)	EPWP	1 000 000,00	-	-
Ngqandu and Madikane Block paving	MIG	9 600 000,00	-	850 000,00
Upgrading of Kosmos and Affodil Streets	MIG	370 850,00	11 000 000,00	-
Upgrading of President Swarts and Niewenhuizen Street	MIG	-	444 650,00	11 014 550,00
Electrification-Noupoort	INEP	2 000 000,00	3 000 000,00	4 000 000,00
Electrification(Ezimbacweni,Wimpy and Phillipstown Plakkerskamp	INEP	1 510 000,00	-	-
Van Der Waltsfontein Pipeline	MIG	900 000,00	-	-
Upgrading of Noupoort Outfall Sewerline	WSIG	-	14 000 000,00	9 000 000,00
		16 347 850,00	29 894 650,00	26 114 550,00

Capital Projects Source of funding:

Funding Source	Description	2020/21 Budget R	2021/22 Budget R'	2022/23 Budget R'
Internally generated funds/Borrowing	Own funding	967 000,00	1 450 000,00	1 250 000,00
Grants	Municipal Infrastructure Grant	10 870 850,00	11 444 650,00	11 864 550,00
Grants	INEP	3 510 000,00	3 000 000,00	4 000 000,00
Grants	Water Services Infrastructure	-	14 000 000,00	9 000 000,00
Grants	EPWP	1 000 000,00	-	
Total		16 347 850,00	29 894 650,00	26 114 550,00

1.8.ANNUAL BUDGET TABLES: SCHEDULES (A1 – A10):

NC072: 2020/2021 APPROVAL OF ANNUAL BUDGET AND MTREF

NC072 Umsobomvu - Table A1 Budget Summary

Description	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands										
Financial Performance										
Property rates	8 881	10 064	10 119	11 726	10 120	10 120	10 120	17 347	18 146	18 981
Service charges	42 157	48 377	53 123	67 662	63 054	63 054	63 054	69 428	72 622	75 963
Investment revenue	453	333	142	570	570	570	570	949	993	1 039
Transfers recognised - operational	36 658	36 565	47 708	53 501	54 618	54 618	54 618	57 510	62 280	66 749
Other own revenue	6 883	7 159	9 729	21 144	43 413	43 413	43 413	46 214	48 340	50 564
Total Revenue (excluding capital transfers and contributions)	95 032	102 497	120 822	154 602	171 774	171 774	171 774	191 449	202 382	213 295
Employee costs	38 985	42 918	43 415	57 790	56 923	56 923	56 923	61 280	64 957	66 300
Remuneration of councillors	3 429	3 845	4 047	4 398	4 354	4 354	4 354	4 618	4 830	5 052
Depreciation & asset impairment	29 104	30 729	32 629	31 139	31 139	31 139	31 139	31 707	33 166	34 692
Finance charges	3 947	4 372	-	-	-	-	-	306	320	335
Materials and bulk purchases	26 028	25 415	24 284	27 891	34 312	34 312	34 312	34 135	35 706	37 348
Transfers and grants	-	-	-	-	-	-	-	-	-	-
Other expenditure	32 397	44 153	38 832	53 432	64 606	64 606	64 606	59 398	62 130	64 988
Total Expenditure	133 890	151 431	143 207	174 649	191 334	191 334	191 334	191 445	201 111	208 715
Surplus/(Deficit)	(38 858)	(48 934)	(22 386)	(20 047)	(19 560)	(19 560)	(19 560)	3	1 271	4 581
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	34 261	35 115	19 425	38 353	37 236	37 236	37 236	14 381	28 445	24 865
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(4 597)	(13 819)	(2 960)	18 306	17 676	17 676	17 676	14 384	29 716	29 445
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(4 597)	(13 819)	(2 960)	18 306	17 676	17 676	17 676	14 384	29 716	29 445
Capital expenditure & funds sources										
Capital expenditure	1 026	28 198	18 687	41 236	40 119	40 119	40 119	16 348	29 895	26 115
Transfers recognised - capital	(1 941)	25 278	18 289	38 353	37 236	37 236	37 236	15 381	28 445	24 865
Borrowing	1 631	1 915	-	-	-	-	-	-	1 450	1 250
Internally generated funds	1 336	1 004	398	2 883	2 883	2 883	2 883	967	-	-
Total sources of capital funds	1 026	28 198	18 687	41 236	40 119	40 119	40 119	16 348	29 895	26 115
Financial position										
Total current assets	38 191	29 487	53 988	67 908	87 607	87 607	87 607	94 614	104 901	127 010
Total non current assets	531 580	526 625	520 701	592 842	592 842	592 842	592 842	481 758	460 735	460 225
Total current liabilities	45 308	46 088	54 775	18 623	18 708	18 708	18 708	19 136	17 309	16 399
Total non current liabilities	40 564	45 434	49 294	17 982	17 982	17 982	17 982	19 727	20 276	20 879
Community wealth/Equity	502 394	464 590	470 620	624 144	643 759	643 759	643 759	537 508	528 051	549 957
Cash flows										
Net cash from (used) operating	20 399	14 862	14 940	50 248	62 284	62 284	62 284	24 410	40 036	41 986
Net cash from (used) investing	(23 393)	(25 812)	(14 691)	(41 236)	(42 736)	(42 736)	(42 736)	(16 348)	(29 895)	(26 115)
Net cash from (used) financing	861	(1 048)	(1 010)	135	220	220	220	56	-	-
Cash/cash equivalents at the year end	17 114	5 116	4 355	24 053	34 673	34 673	34 673	13 934	24 076	39 948
Cash backing/surplus reconciliation										
Cash and investments available	17 114	5 116	4 355	25 717	37 173	37 173	37 173	13 934	24 077	39 948
Application of cash and investments	24 524	29 573	12 784	(23 678)	(29 482)	(29 482)	(29 482)	(33 313)	(35 712)	(41 700)
Balance - surplus (shortfall)	(7 410)	(24 457)	(8 429)	49 395	66 655	66 655	66 655	47 247	59 788	81 648
Asset management										
Asset register summary (WDV)	558 996	111 021	487 817	595 626	574 526	574 526	574 526	477 664	460 735	460 225
Depreciation	29 103	30 729	32 629	31 139	31 139	31 139	31 139	31 708	33 166	34 692
Renewal and Upgrading of Existing Assets	-	25 278	-	38 353	37 236	37 236	37 236	15 488	28 445	24 865
Repairs and Maintenance	3 111	5 151	-	4 719	4 719	4 719	4 719	4 968	5 129	5 026
Free services										
Cost of Free Basic Services provided	-	6 895	-	10 300	10 300	10 300	8 192	8 192	8 569	8 963
Revenue cost of free services provided	-	273	-	307	307	307	1 014	1 014	1 061	1 110
Households below minimum service level										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	0	0	0	0	0	0	0	0
Energy:	-	-	-	-	-	-	4	4	4	4
Refuse:	-	-	-	-	-	-	14	14	14	14

NC072: 2020/2021 APPROVAL OF ANNUAL BUDGET AND MTREF

NC072 Umsobomvu - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue - Functional										
Governance and administration		51 784	52 577	57 749	70 809	72 415	72 415	74 406	97 976	101 043
Executive and council		33 155	32 986	44 820	49 894	49 894	49 894	54 013	68 665	73 041
Finance and administration		18 628	19 591	12 929	20 914	22 521	22 521	20 393	29 311	28 003
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		1 851	1 705	1 565	12 086	1 596	1 596	1 624	1 701	1 782
Community and social services		1 848	1 702	1 513	1 519	1 519	1 519	1 542	1 619	1 701
Sport and recreation		-	-	52	77	77	77	82	82	82
Public safety		-	-	-	10 490	-	-	-	-	-
Housing		3	3	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		14 516	14 516	9 319	2 709	34 468	34 468	46 702	47 276	48 696
Planning and development		0	0	-	-	-	-	-	-	-
Road transport		14 516	14 516	9 319	2 709	34 468	34 468	46 702	47 276	48 696
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		61 142	68 814	71 614	107 351	100 530	100 530	83 098	83 873	86 638
Energy sources		27 664	30 125	28 975	49 128	49 128	49 128	36 948	37 948	38 948
Water management		16 206	20 137	24 260	25 759	18 938	18 938	22 205	25 225	27 205
Waste water management		9 913	10 715	12 800	25 750	25 750	25 750	14 336	11 000	10 685
Waste management		7 360	7 836	5 579	6 715	6 715	6 715	9 609	9 700	9 800
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	129 293	137 612	140 247	192 955	209 010	209 010	205 830	230 826	238 160
Expenditure - Functional										
Governance and administration		32 237	36 913	40 190	54 251	58 125	58 125	54 035	57 302	60 792
Executive and council		10 025	10 442	17 294	19 041	18 680	18 680	18 924	20 196	21 498
Finance and administration		22 212	26 471	22 896	35 210	39 445	39 445	35 111	37 106	39 294
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		8 906	8 906	6 717	18 045	8 588	8 588	9 789	10 383	10 659
Community and social services		2 606	2 606	3 273	3 770	3 739	3 739	4 145	4 412	4 624
Sport and recreation		2 446	2 446	2 642	3 397	3 338	3 338	4 044	4 278	4 293
Public safety		3 090	3 090	-	9 363	-	-	-	-	-
Housing		763	763	802	1 515	1 512	1 512	1 600	1 693	1 741
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		6 681	6 681	13 407	15 640	24 947	24 947	41 689	43 650	45 780
Planning and development		-	-	-	265	265	265	1 675	1 635	1 765
Road transport		6 681	6 681	13 407	15 374	24 681	24 681	40 014	42 015	44 015
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		86 066	98 932	82 893	86 714	99 674	99 674	85 932	89 776	91 484
Energy sources		26 041	25 630	26 985	32 180	37 966	37 966	35 822	36 822	37 822
Water management		50 625	63 902	13 712	32 501	35 316	35 316	24 071	25 304	24 971
Waste water management		6 978	6 978	34 794	12 931	14 722	14 722	13 753	14 453	14 846
Waste management		2 422	2 422	7 401	9 102	11 670	11 670	12 287	13 196	13 845
Other	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	133 890	151 431	143 207	174 649	191 334	191 334	191 445	201 111	208 715
Surplus/(Deficit) for the year		(4 597)	(13 819)	(2 960)	18 306	17 676	17 676	14 384	29 716	29 445

NC072: 2020/2021 APPROVAL OF ANNUAL BUDGET AND MTREF

NC072 Umsobomvu - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
Revenue by Vote	1									
Vote 1 - EXECUTIVE & COUNCIL		33 155	32 986	44 820	49 894	49 894	49 894	54 013	58 665	63 041
Vote 2 - FINANCE & ADMIN		18 628	19 591	12 929	20 914	22 521	22 521	22 632	24 661	29 125
Vote 3 - COMMUNITY SERVICES		1 851	1 705	1 565	12 086	33 355	33 355	25 275	28 088	29 990
Vote 4 - TECHNICAL SERVICES		75 658	83 330	80 933	110 060	103 238	103 238	103 910	119 413	116 005
Vote 5 - [NAME OF VOTE 5]		-	-	-	-	-	-	-	-	-
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	129 293	137 612	140 247	192 955	209 010	209 010	205 830	230 826	238 160
Expenditure by Vote to be appropriated	1									
Vote 1 - EXECUTIVE & COUNCIL		10 025	10 442	17 294	19 041	18 680	18 680	18 924	20 328	19 185
Vote 2 - FINANCE & ADMIN		22 212	26 471	22 896	35 210	39 445	39 445	35 111	37 106	39 294
Vote 3 - COMMUNITY SERVICES		8 906	8 906	6 717	18 310	18 030	18 030	32 421	35 023	39 450
Vote 4 - TECHNICAL SERVICES		92 747	105 613	96 300	102 088	115 179	115 179	104 989	108 654	110 786
Vote 5 - [NAME OF VOTE 5]		-	-	-	-	-	-	-	-	-
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	133 890	151 431	143 207	174 649	191 334	191 334	191 445	201 111	208 715
Surplus/(Deficit) for the year	2	(4 597)	(13 819)	(2 960)	18 306	17 676	17 676	14 384	29 716	29 445

NC072: 2020/2021 APPROVAL OF ANNUAL BUDGET AND MTREF

NC072 Umsobomvu - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue By Source											
Property rates	2	8 881	10 064	10 119	11 726	10 120	10 120	10 120	17 347	18 146	18 981
Service charges - electricity revenue	2	14 147	15 804	25 941	38 254	38 254	38 254	38 254	35 659	37 300	39 016
Service charges - water revenue	2	11 471	14 756	13 246	14 108	11 992	11 992	11 992	11 927	12 476	13 050
Service charges - sanitation revenue	2	9 494	10 296	8 357	8 956	7 711	7 711	7 711	14 336	14 995	15 685
Service charges - refuse revenue	2	7 044	7 520	5 579	6 343	5 097	5 097	5 097	7 505	7 851	8 212
Rental of facilities and equipment		357	222	155	351	351	351	351	412	431	451
Interest earned - external investments		453	333	142	570	570	570	570	949	993	1 039
Interest earned - outstanding debtors		2 513	2 885	-	3 345	1 345	1 345	1 345	1 749	1 829	1 913
Dividends received		-	-	353	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	6 139	7 743	30 972	30 972	30 972	32 830	34 341	35 920
Licences and permits		-	271	-	2 644	2 644	2 644	2 644	2 803	2 932	3 066
Agency services		2 600	2 363	2 093	359	1 399	1 399	1 399	377	394	413
Transfers and subsidies		36 658	36 565	47 708	53 501	54 618	54 618	54 618	57 510	62 280	66 749
Other revenue	2	1 413	1 417	948	6 701	6 701	6 701	6 701	8 044	8 414	8 801
Gains				41							
Total Revenue (excluding capital transfers and contributions)		95 032	102 497	120 822	154 602	171 774	171 774	171 774	191 449	202 382	213 295
Expenditure By Type											
Employee related costs	2	38 985	42 918	43 415	57 790	56 923	56 923	56 923	61 280	64 957	66 300
Remuneration of councillors		3 429	3 845	4 047	4 398	4 354	4 354	4 354	4 618	4 830	5 052
Debt impairment	3	11 389	23 191	8 076	11 388	30 532	30 532	30 532	28 379	29 684	31 049
Depreciation & asset impairment	2	29 104	30 729	32 629	31 139	31 139	31 139	31 139	31 707	33 166	34 692
Finance charges		3 947	4 372	-	-	-	-	-	306	320	335
Bulk purchases	2	22 917	22 455	24 284	27 891	34 312	34 312	34 312	34 135	35 706	37 348
Other materials	8	3 111	2 960	-	-	-	-	-	-	-	-
Contracted services		-	-	3 802	1 274	1 274	1 274	1 274	5 564	5 820	6 088
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-
Other expenditure	4, 5	19 902	20 925	26 955	40 750	32 780	32 780	32 780	25 430	26 600	27 824
Losses		1 107	37	-	20	20	20	20	25	26	27
Total Expenditure		133 890	151 431	143 207	174 649	191 334	191 334	191 334	191 445	201 111	208 715
Surplus/(Deficit)											
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(38 858)	(48 934)	(22 386)	(20 047)	(19 560)	(19 560)	(19 560)	3	1 271	4 581
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	6	34 261	35 115	19 425	38 353	37 236	37 236	37 236	14 381	28 445	24 865
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(4 597)	(13 819)	(2 960)	18 306	17 676	17 676	17 676	14 384	29 716	29 445
Taxation											
Surplus/(Deficit) after taxation		(4 597)	(13 819)	(2 960)	18 306	17 676	17 676	17 676	14 384	29 716	29 445
Atributable to minorities											
Surplus/(Deficit) attributable to municipality		(4 597)	(13 819)	(2 960)	18 306	17 676	17 676	17 676	14 384	29 716	29 445
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		(4 597)	(13 819)	(2 960)	18 306	17 676	17 676	17 676	14 384	29 716	29 445

NC072: 2020/2021 APPROVAL OF ANNUAL BUDGET AND MTREF

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - EXECUTIVE & COUNCIL		-	-	-	-	-	-	-	-	-	-
Vote 2 - FINANCE & ADMIN		-	-	398	1 595	1 595	1 595	1 595	-	-	-
Vote 3 - COMMUNITY SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 4 - TECHNICAL SERVICES		-	-	18 289	38 353	37 236	37 236	37 236	14 381	28 445	24 865
Vote 5 - [NAME OF VOTE 5]		-	-	-	-	-	-	-	-	-	-
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	18 687	39 948	38 831	38 831	38 831	14 381	28 445	24 865
Single-year expenditure to be appropriated	2										
Vote 1 - EXECUTIVE & COUNCIL		(25 354)	-	-	-	-	-	-	-	-	-
Vote 2 - FINANCE & ADMIN		2 967	2 419	-	188	188	188	188	700	-	-
Vote 3 - COMMUNITY SERVICES		4 691	500	-	1 100	1 100	1 100	1 100	267	-	-
Vote 4 - TECHNICAL SERVICES		18 722	25 278	-	-	-	-	-	1 000	1 450	1 250
Vote 5 - [NAME OF VOTE 5]		-	-	-	-	-	-	-	-	-	-
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		1 026	28 198	-	1 288	1 288	1 288	1 288	1 967	1 450	1 250
Total Capital Expenditure - Vote		1 026	28 198	18 687	41 236	40 119	40 119	40 119	16 348	29 895	26 115
Capital Expenditure - Functional											
Governance and administration		(22 387)	2 419	398	1 783	1 783	1 783	1 783	935	-	-
Executive and council		(25 354)	-	-	-	-	-	-	-	-	-
Finance and administration		2 967	2 419	398	1 783	1 783	1 783	1 783	935	-	-
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		4 691	500	-	1 100	1 100	1 100	1 100	20	-	-
Community and social services		4 691	500	-	1 050	1 050	1 050	1 050	-	-	-
Sport and recreation		-	-	-	50	50	50	50	20	-	-
Public safety		-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		3 260	10 650	18 289	2 617	1 500	1 500	1 500	10 383	11 445	12 665
Planning and development		-	-	-	-	-	-	-	-	-	-
Road transport		3 260	10 650	18 289	2 617	1 500	1 500	1 500	10 383	11 445	12 665
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		15 462	14 629	-	35 736	35 736	35 736	35 736	5 010	18 450	13 450
Energy sources		6 192	-	-	10 000	10 000	10 000	10 000	3 510	4 450	4 000
Water management		3 614	13 552	-	9 416	9 416	9 416	9 416	1 500	-	-
Waste water management		5 657	1 077	-	16 320	16 320	16 320	16 320	-	14 000	9 450
Waste management		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	1 026	28 198	18 687	41 236	40 119	40 119	40 119	16 348	29 895	26 115
Funded by:											
National Government		18 565	25 278	18 289	38 353	37 236	37 236	37 236	14 381	28 445	24 865
Provincial Government		4 691	-	-	-	-	-	-	1 000	-	-
District Municipality		(25 354)	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		158	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	(1 941)	25 278	18 289	38 353	37 236	37 236	37 236	15 381	28 445	24 865
Borrowing	6	1 631	1 915	-	-	-	-	-	-	1 450	1 250
Internally generated funds		1 336	1 004	398	2 883	2 883	2 883	2 883	967	-	-
Total Capital Funding	7	1 026	28 198	18 687	41 236	40 119	40 119	40 119	16 348	29 895	26 115

NC072: 2020/2021 APPROVAL OF ANNUAL BUDGET AND MTREF

NC072 Umsobomvu - Table A6 Budgeted Financial Position

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
ASSETS											
Current assets											
Cash		16 277	4 243	3 444	23 629	34 673	34 673	34 673	8 329	14 039	28 907
Call investment deposits	1	837	873	911	2 088	2 500	2 500	2 500	5 605	10 038	11 041
Consumer debtors	1	20 638	23 927	46 688	38 768	46 511	46 511	46 511	74 035	73 291	79 029
Other debtors				2 546	2 958	2 958	2 958	2 958	5 583	6 366	6 748
Current portion of long-term receivables		1	0								
Inventory	2	437	443	398	465	965	965	965	1 062	1 168	1 284
Total current assets		38 191	29 487	53 988	67 908	87 607	87 607	87 607	94 614	104 901	127 010
Non current assets											
Long-term receivables											
Investments											
Investment property		2 061	2 061	2 061	2 061	2 061	2 061	2 061	2 061	2 061	2 061
Investment in Associate											
Property, plant and equipment	3	529 313	524 348	518 517	584 190	584 190	584 190	584 190	477 682	456 659	456 149
Biological											
Intangible		206	216	122	6 591	6 591	6 591	6 591	2 015	2 015	2 015
Other non-current assets				0							
Total non current assets		531 580	526 625	520 701	592 842	592 842	592 842	592 842	481 758	460 735	460 225
TOTAL ASSETS		569 771	556 112	574 689	660 750	680 449	680 449	680 449	576 371	565 636	587 235
LIABILITIES											
Current liabilities											
Bank overdraft	1										
Borrowing	4	1 048	598	-	-	-	-	-	-	-	-
Consumer deposits		813	841	820	1 186	1 271	1 271	1 271	803	747	792
Trade and other payables	4	40 289	41 237	53 303	16 081	16 081	16 081	16 081	17 640	15 827	14 835
Provisions		3 157	3 413	652	1 357	1 357	1 357	1 357	693	735	772
Total current liabilities		45 308	46 088	54 775	18 623	18 708	18 708	18 708	19 136	17 309	16 399
Non current liabilities											
Borrowing		1 703	2 516	1 794	-	-	-	-	-	-	-
Provisions		38 860	42 918	47 500	17 982	17 982	17 982	17 982	19 727	20 276	20 879
Total non current liabilities		40 564	45 434	49 294	17 982	17 982	17 982	17 982	19 727	20 276	20 879
TOTAL LIABILITIES		85 872	91 522	104 069	36 606	36 690	36 690	36 690	38 864	37 585	37 278
NET ASSETS	5	483 899	464 590	470 620	624 144	643 759	643 759	643 759	537 508	528 051	549 957
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		483 866	464 590	470 620	624 144	643 759	643 759	643 759	537 508	528 051	549 957
Reserves	4	18 528	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	5	502 394	464 590	470 620	624 144	643 759	643 759	643 759	537 508	528 051	549 957

NC072 Umsobomvu - Table A7 Budgeted Cash Flows

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		8 242	6 205	5 884	9 381	9 381	9 381	9 381	15 669	16 390	17 144
Service charges		25 430	24 357	38 099	52 361	59 968	59 968	59 968	58 365	61 050	63 859
Other revenue		10 574	1 417		15 923	20 299	20 299	20 299	11 074	12 564	14 900
Transfers and Subsidies - Operational	1	42 925	50 135	72 846	53 501	54 618	54 618	54 618	58 658	62 353	66 743
Transfers and Subsidies - Capital	1	30 437	13 610		38 353	37 236	37 236	37 236	14 381	28 445	24 865
Interest		2 967	3 218	142	2 978	3 032	3 032	3 032	1 327	1 371	1 507
Dividends									-	-	-
Payments											
Suppliers and employees		(96 228)	(79 708)	(102 033)	(122 249)	(122 249)	(122 249)	(122 249)	(135 066)	(142 137)	(147 031)
Finance charges		(3 947)	(4 372)						-	-	-
Transfers and Grants	1								-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		20 399	14 862	14 940	50 248	62 284	62 284	62 284	24 410	40 036	41 986
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		175							-	-	-
Decrease (increase) in non-current receivables									-	-	-
Decrease (increase) in non-current investments									-	-	-
Payments											
Capital assets		(23 568)	(25 812)	(14 691)	(41 236)	(42 736)	(42 736)	(42 736)	(16 348)	(29 895)	(26 115)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(23 393)	(25 812)	(14 691)	(41 236)	(42 736)	(42 736)	(42 736)	(16 348)	(29 895)	(26 115)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans									-	-	-
Borrowing long term/refinancing		1 631							-	-	-
Increase (decrease) in consumer deposits					135	220	220	220	56	-	-
Payments											
Repayment of borrowing		(770)	(1 048)	(1 010)	-				-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		861	(1 048)	(1 010)	135	220	220	220	56	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		(2 134)	(11 998)	(761)	9 147	19 767	19 767	19 767	8 118	10 142	15 872
Cash/cash equivalents at the year begin:	2	19 248	17 114	5 116	14 906	14 906	14 906	14 906	5 816	13 934	24 076
Cash/cash equivalents at the year end:	2	17 114	5 116	4 355	24 053	34 673	34 673	34 673	13 934	24 076	39 948

NC072 Umsobomvu - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Cash and investments available											
Cash/cash equivalents at the year end	1	17 114	5 116	4 355	24 053	34 673	34 673	34 673	13 934	24 076	39 948
Other current investments > 90 days		(0)	(0)	-	1 665	2 500	2 500	2 500	(0)	1	1
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		17 114	5 116	4 355	25 717	37 173	37 173	37 173	13 934	24 077	39 948
Application of cash and investments											
Unspent conditional transfers		-	-	15 347	-	-	-	-	8 160	5 430	3 431
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2										
Other working capital requirements	3	24 524	29 573	(2 562)	(23 678)	(29 482)	(29 482)	(29 482)	(41 473)	(41 142)	(45 131)
Other provisions											
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		24 524	29 573	12 784	(23 678)	(29 482)	(29 482)	(29 482)	(33 313)	(35 712)	(41 700)
Surplus(shortfall)		(7 410)	(24 457)	(8 429)	49 395	66 655	66 655	66 655	47 247	59 788	81 648

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NC072 Umsobomvu - Table A9 Asset Management

R thousand	Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
CAPITAL EXPENDITURE											
1	Total New Assets		1 026	2 919	18 687	2 883	2 883	2 883	860	1 450	1 250
	Roads Infrastructure		3 260	-	18 289	-	-	-	-	-	-
	Storm water Infrastructure		-	-	-	-	-	-	-	-	-
	Electrical Infrastructure		6 192	-	-	-	-	-	-	-	-
	Water Supply Infrastructure		3 614	-	-	-	-	-	-	-	-
	Sanitation Infrastructure		5 657	-	-	-	-	-	-	-	-
	Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
	Rail Infrastructure		-	-	-	-	-	-	-	-	-
	Coastal Infrastructure		-	-	-	-	-	-	-	-	-
	Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
	Infrastructure		18 722	-	18 289	640	640	640	-	-	-
	Community Facilities		4 691	-	-	-	-	-	-	-	-
	Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
	Community Assets		4 691	-	-	640	640	640	-	-	-
	Heritage Assets		-	-	-	-	-	-	-	-	-
	Revenue Generating		-	-	-	-	-	-	-	-	-
	Non-revenue Generating		-	-	-	-	-	-	-	-	-
	Investment properties		(22 387)	2 829	-	-	-	-	-	-	-
	Operational Buildings		-	-	-	-	-	-	-	-	-
	Housing		-	-	-	-	-	-	-	-	-
	Other Assets		(22 387)	2 829	-	-	-	-	-	-	-
	Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
	Services		-	-	-	-	-	-	-	-	-
	Licences and Rights		90	12	1 633	1 633	1 633	1 633	150	-	-
	Intangible Assets		-	12	1 633	1 633	1 633	1 633	150	-	-
	Computer Equipment		-	-	-	-	-	-	-	-	-
	Furniture and Office Equipment		-	-	177	-	-	-	-	-	-
	Machinery and Equipment		-	-	6	200	200	200	510	1 000	800
	Transport Assets		-	-	204	410	410	410	200	450	450
	Land		-	-	-	-	-	-	-	-	-
	Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
2	Total Renewal of Existing Assets		-	25 278	-	-	-	-	-	-	-
	Roads Infrastructure		-	-	-	-	-	-	-	-	-
	Storm water Infrastructure		-	-	-	-	-	-	-	-	-
	Electrical Infrastructure		-	-	-	-	-	-	-	-	-
	Water Supply Infrastructure		-	13 552	-	-	-	-	-	-	-
	Sanitation Infrastructure		-	11 727	-	-	-	-	-	-	-
	Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
	Rail Infrastructure		-	-	-	-	-	-	-	-	-
	Coastal Infrastructure		-	-	-	-	-	-	-	-	-
	Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
	Infrastructure		-	25 278	-	-	-	-	-	-	-
	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		-	-	-	-	-	-	-	-	-
	Services		-	-	-	-	-	-	-	-	-
	Licences and Rights		-	-	-	-	-	-	-	-	-
	Intangible Assets		-	-	-	-	-	-	-	-	-
	Computer Equipment		-	-	-	-	-	-	-	-	-
	Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
	Machinery and Equipment		-	-	-	-	-	-	-	-	-
	Transport Assets		-	-	-	-	-	-	-	-	-
	Land		-	-	-	-	-	-	-	-	-
	Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
6	Total Upgrading of Existing Assets		-	-	-	38 353	37 236	37 236	15 488	28 445	24 865
	Roads Infrastructure		-	-	-	-	-	-	-	-	-
	Storm water Infrastructure		-	-	-	-	-	-	-	-	-
	Electrical Infrastructure		-	-	-	10 000	10 000	10 000	3 510	3 000	4 000
	Water Supply Infrastructure		-	-	-	9 416	9 416	9 416	1 520	-	-
	Sanitation Infrastructure		-	-	-	16 320	16 320	16 320	-	14 000	9 000
	Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
	Rail Infrastructure		-	-	-	-	-	-	-	-	-
	Coastal Infrastructure		-	-	-	-	-	-	-	-	-
	Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
	Infrastructure		-	-	-	38 353	37 236	37 236	15 401	28 445	24 865
	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		-	-	-	-	-	-	-	-	-
	Services		-	-	-	-	-	-	-	-	-
	Licences and Rights		-	-	-	-	-	-	-	-	-
	Intangible Assets		-	-	-	-	-	-	-	-	-
	Computer Equipment		-	-	-	-	-	-	-	-	-
	Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
	Machinery and Equipment		-	-	-	-	-	-	-	-	-
	Transport Assets		-	-	-	-	-	-	-	-	-
	Land		-	-	-	-	-	-	-	-	-
	Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
4	Total Capital Expenditure		1 026	28 198	18 687	41 236	40 119	40 119	16 348	29 895	26 115
	Roads Infrastructure		3 260	-	18 289	2 617	1 500	1 500	-	11 445	11 865
	Storm water Infrastructure		-	-	-	-	-	-	-	-	-
	Electrical Infrastructure		6 192	-	-	10 000	10 000	10 000	3 510	3 000	4 000
	Water Supply Infrastructure		3 614	13 552	-	9 416	9 416	9 416	1 520	-	-
	Sanitation Infrastructure		5 657	11 727	-	16 320	16 320	16 320	-	14 000	9 000
	Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
	Rail Infrastructure		-	-	-	-	-	-	-	-	-
	Coastal Infrastructure		-	-	-	-	-	-	-	-	-
	Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
	Infrastructure		18 722	25 278	18 289	38 353	37 236	37 236	15 401	28 445	24 865
	Community Facilities		4 691	-	-	-	-	-	-	-	-
	Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
	Community Assets		4 691	-	-	640	640	640	-	-	-
	Heritage Assets		-	-	-	-	-	-	-	-	-
	Revenue Generating		-	-	-	-	-	-	-	-	-
	Non-revenue Generating		-	-	-	-	-	-	-	-	-
	Investment properties		-	-	-	-	-	-	-	-	-
	Operational Buildings		-	-	-	-	-	-	-	-	-
	Housing		-	-	-	-	-	-	-	-	-
	Other Assets		(22 387)	2 829	-	-	-	-	-	-	-
	Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
	Services		-	-	-	-	-	-	-	-	-
	Licences and Rights		-	-	-	-	-	-	-	-	-
	Intangible Assets		-	12	1 633	1 633	1 633	1 633	150	-	-
	Computer Equipment		-	90	12	1 633	1 633	1 633	150	-	-
	Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
	Machinery and Equipment		-	-	-	-	-	-	-	-	-
	Transport Assets		-	-	-	-	-	-	-	-	-
	Land		-	-	-	-	-	-	-	-	-
	Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
5	TOTAL CAPITAL EXPENDITURE - Asset class		1 026	28 198	18 687	41 236	40 119	40 119	16 348	29 895	26 115
5	ASSET REGISTER SUMMARY - PPE (WDV)		526 625	520 701	592 842	592 842	592 842	592 842	481 758	460 735	460 225
	Roads Infrastructure		129 688	112 359	129 685	150 452	150 452	150 452	132 258	127 909	127 909
	Storm water Infrastructure		38 013	39 013	19 340	74 346	74 346	74 346	26 589	25 522	25 522
	Electrical Infrastructure		281 140	341 749	322 410	205 598	205 598	205 598	197 743	189 598	189 598
	Water Supply Infrastructure		66 328	11 727	53 371	112 298	112 298	112 298	48 032	46 135	46 135
	Sanitation Infrastructure		1 477	6 673	1 277	5 865	5 865	5 865	1 154	1 101	1 101
	Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
	Rail Infrastructure		-	-	-	-	-	-	-	-	-
	Coastal Infrastructure		-								

NC072: 2020/2021 APPROVAL OF ANNUAL BUDGET AND MTREF

NC072 Umsobomvu - Table A10 Basic service delivery measurement

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Household service targets	1									
Water:										
Piped water inside dwelling		8 505	8 505	8 505	8 505	8 505	8 505	23 087	23 087	23 087
Piped water inside yard (but not in dwelling)		289	289	289	289	289	289	1 311	1 311	1 311
Using public tap (at least min.service level)	2	12	12	12	12	12	12	230	230	230
Other water supply (at least min.service level)	4	–	–	–	–	–	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>		8 806	8 806	8 806	8 806	8 806	8 806	24 628	24 628	24 628
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	8 806	8 806	8 806	8 806	8 806	8 806	24 628	24 628	24 628
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		–	–	7 722	7 722	7 722	7 722	18 726	18 726	18 726
Flush toilet (with septic tank)		–	–	236	236	236	236	1 294	1 294	1 294
Chemical toilet		–	–	–	–	–	–	253	253	253
Pit toilet (ventilated)		–	–	794	794	794	794	794	794	794
Other toilet provisions (> min.service level)		–	–	–	–	–	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>		–	–	8 752	8 752	8 752	8 752	21 067	21 067	21 067
Bucket toilet		–	–	54	54	54	54	54	54	54
Other toilet provisions (< min.service level)		–	–	–	–	–	–	–	–	–
No toilet provisions		–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>		–	–	54	54	54	54	54	54	54
Total number of households	5	–	–	8 806	8 806	8 806	8 806	21 121	21 121	21 121
Energy:										
Electricity (at least min.service level)		–	–	2 822	2 822	2 822	2 822	3 779	3 779	3 679
Electricity - prepaid (min.service level)		–	–	5 984	5 984	5 984	5 984	8 746	8 746	8 746
<i>Minimum Service Level and Above sub-total</i>		–	–	8 806	8 806	8 806	8 806	12 525	12 525	12 425
Electricity (< min.service level)		–	–	–	–	–	–	3 619	3 619	3 619
Electricity - prepaid (< min. service level)		–	–	–	–	–	–	–	–	–
Other energy sources		–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>		–	–	–	–	–	–	3 619	3 619	3 619
Total number of households	5	–	–	8 806	8 806	8 806	8 806	16 144	16 144	16 044
Refuse:										
Removed at least once a week		–	–	7 769	7 769	7 769	7 769	7 769	7 769	7 769
<i>Minimum Service Level and Above sub-total</i>		–	–	7 769	7 769	7 769	7 769	7 769	7 769	7 769
Removed less frequently than once a week		–	–	–	–	–	–	13 632	13 632	13 632
Using communal refuse dump		–	–	–	–	–	–	276	276	276
Using own refuse dump		–	–	–	–	–	–	–	–	–
Other rubbish disposal		–	–	–	–	–	–	–	–	–
No rubbish disposal		–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>		–	–	–	–	–	–	13 908	13 908	13 908
Total number of households	5	–	–	7 769	7 769	7 769	7 769	21 677	21 677	21 677
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		–	3 006	–	1 735	1 735	1 735	2 315	2 400	2 500
Sanitation (free minimum level service)		–	3 006	–	1 735	1 735	1 735	2 315	2 400	2 500
Electricity/other energy (50kwh per household per month)		–	3 006	–	1 735	1 735	1 735	1 391	1 410	1 500
Refuse (removed at least once a week)		–	3 006	–	1 735	1 735	1 735	2 315	2 400	2 500
Cost of Free Basic Services provided - Formal Settlements (R'000)	8									
Water (6 kilolitres per indigent household per month)		–	1 795	–	2 500	2 500	2 500	1 049	1 098	1 148
Sanitation (free sanitation service to indigent households)		–	1 847	–	2 800	2 800	2 800	3 652	3 820	3 996
Electricity/other energy (50kwh per indigent household per month)		–	2 001	–	2 500	2 500	2 500	933	976	1 021
Refuse (removed once a week for indigent households)		–	1 251	–	2 500	2 500	2 500	2 557	2 675	2 798
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		–	–	–	–	–	–	–	–	–
Total cost of FBS provided		–	6 895	–	10 300	10 300	10 300	8 192	8 569	8 963
Highest level of free service provided per household										
Property rates (R value threshold)										
Water (kilolitres per household per month)					6	6	6			
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)					135	135	135			
Electricity (kwh per household per month)					50	50	50			
Refuse (average litres per week)										
Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)										
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)			273	–	307	307	307	1 014	1 061	1 110
Water (in excess of 6 kilolitres per indigent household per month)		–	–	–	–	–	–	–	–	–
Sanitation (in excess of free sanitation service to indigent households)		–	–	–	–	–	–	–	–	–
Electricity/other energy (in excess of 50 kwh per indigent household per month)		–	–	–	–	–	–	–	–	–
Refuse (in excess of one removal a week for indigent households)		–	–	–	–	–	–	–	–	–
Municipal Housing - rental rebates		–	–	–	–	–	–	–	–	–
Housing - top structure subsidies		–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Total revenue cost of subsidised services provided	6	–	273	–	307	307	307	1 014	1 061	1 110

ANNEXURE “B”

(TARIFFS 2020-2021)

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 Cooperative Governance. MFMA Budget Circular 93, 94, 98 & 99 for the 2020/2021

MTREF encourages municipalities *“to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the financial sustainability of the municipality”*.

Some categories have been limited to rateable properties in line with MPRA Amendment section 8 (2) a-j. (Government Gazette no.37922: 18 August 2014).

The categories of rate-able properties for purposes of levying rates and the proposed rates for the 2020/21 financial year will increase at 6.0 per cent increase from 01st July 2020 is contained below:

Table 1: Property Rates Tariff

Proposed Property Rates Tariff to be levied for the financial year 2020/21

VOTE		PROPERTY RATES							
Description	System tariff c	Tariff	%	Tariff	%	Tariff	%		
Land,buildings,building clause:		2018/19	Increase	2019/2020	Increase	2020/21	Increase		
Residence	901	R 0,0127	6%	R 0,0135	6%	R 0,01431	6%		
Business	916	R 0,0150	6%	R 0,0159	6%	R 0,01685	6%		
Industrial Area	917	R 0,0150	6%	R 0,0159	6%	R 0,01685	6%		
Agriculture	918	R 0,0032	6%	R 0,0034	6%	R 0,00360	6%	25% of residential tar	
Government & State	912	R 0,0205	6%	R 0,0217	6%	R 0,02387	6%	20% discount	
ALL PROPERTY RATES FOR AGRICULTURE AND GOVERNMENT WILL BE LEVIED IN									
JULY EVERY YEAR AND WILL BE PAYABLE BEFORE THE 30TH OF SEPTEMBER .PROPERTY RATES									
FOR ALL OTHER PROPERTIES WILL BE LEVIED MONTHLY FROM JULY AND ARE									
PAYABLE EVERY MONTH ON OR BEFORE THE DUE SATE AS PER ACCOUNT .INTEREST									
WILL BE LEVIED AT PRIME PLUS 1% AS FROM 1ST OF JULY EVERY YEAR AND WILL									
BE APPLICABLE FOR THE 12 MONTHS OF THE FINANCIAL YEAR.									

Note! (a)Agricultural property rebate provided in the annual budget is fixed at 80% across the board, excluding properties positioned and marketed as hunting or safari establishments.			
Note! (b) Retired & disabled persons rate rebate, the following per cent of rebates will be applicable to pensioners in receipt of state grants or annually benefactors, subject to the discretionary powers of the Municipal Manager or the availability of funds as provided for in the annual budget.			
Total household income per month		Rebate	
2250	to	3000	80%
3001	to	3500	60%
3501	to	4000	50%
4001	to	4500	40%
4501	to	5000	20%
Disabled person			100%
Disabled persons- subject to all alternations made to a property to accommodate the specific disability, the discretion of the Municipal Manager and availability of funds.			

2. Proposed Electricity Tariff increases:

The Eskom price increase of bulk electricity supplied to municipalities will increase by 6.9 per cent on 01st July 2020.

The National Energy Regulator (NERSA) is the regulatory authority over the energy sector in South Africa and its mandate includes the regulation of the electricity supply industry. In terms of section 4(ii) of the Electricity Regulation Act, 2006 (Act No. 4 of 2006) ('the ERA'), the Energy Regulator must regulate electricity prices and tariffs.

The Energy Regulator, on an annual basis, approves a percentage guideline increase and reviews the municipal tariff benchmarks. The guideline increase assists the municipalities in the preparation of their budgets whilst the revised benchmarks are used in the evaluation of the municipal tariff applications.

On 07 March 2018, the National Energy Regulator of South Africa approved electricity hikes of 9,41 per cent, 8,1 per cent and 5,2% for the next three financial years, far below Eskom's application for double-digit tariff leading to a bulk purchase increase of 9,41% for municipalities.

NERSA, has issuing final tariff increase guidelines for municipality that lower increase on tariffs to municipalities (6.22) per cent whilst the municipalities are purchasing electricity at Eskom on high rate of 6.9 per cent.

The Municipality of Umsobomvu will adhere to the guidelines issued by the NERSA, with the exception of basic charge of electricity which will increase by 8.1 per cent, whilst the KVA charges will not increase, will remain the same.

Table 2 Proposed Electricity Tariffs:

VOTE ELECTRICITY SYSTEM TARIFF CODES		Tariff 2018/2019	Percentage %	Tariff 2019/20	Percentage %	Tariff 2020/21	
TARIFFS (Excluding VAT) Household						1,06	
0-50 KWH	102	0,9628	0,07	1,0339	0,06	1,10	
51-350 KWH	102	1,181	0,13	1,3292	0,06	1,41	
351- 600 KWH	102	1,6366	0,14	1,8708	0,06	1,99	
601+ KWH	102	1,9303	0,13	2,18	0,06	2,32	
DOMESTIC : Basic per month	101	87,51	0,13	98,95	0,08	105,08	
Other Departmental: per KWh(unit)	105	1,7065	0,13	1,9295	0,06	2,05	
Business, Government and Schools:							
Unit (Kwh)	104	1,8182	0,10	1,9992	0,06	2,12	
Basic Charge	103	218,29	0,13	246,82	0,08	262,12	
Business & Industrial: Pre-paid(Single phase)		2,01	0,13	2,28	0,06	2,42	
Business & Industrial: Pre-paid(Three- phase)		2,01	0,13	2,28	0,06	2,42	
Pre-paid meters:Household							
0-50 KWH	102	0,9628	0,07	1,0339	0,06	1,10	
51-350 KWH	102	1,181	0,13	1,3292	0,06	1,41	
351- 600 KWH	102	1,6366	0,14	1,8708	0,06	1,99	
601+ KWH	102	1,9303	0,13	2,18	0,06	2,32	
Pre-paid meters:Indigent Household							
Agriculture:							
0-50 KWH	102	0,9628	0,07	1,0339	0,06	1,10	
51-350 KWH	102	1,181	0,13	1,3292	0,06	1,41	
351- 600 KWH	102	1,6366	0,14	1,8708	0,06	1,99	
601+ KWH	102	1,9303	0,13	2,18	0,06	2,32	
Basic Charge	101	87,51	0,13	98,95	0,08	105,08	
Business & Industries- user of KVA							
Unit (Kwh)	107	0,8934	0,13	1,01	0,06	1,07	
KVA	106	228,72	0,04	237,21	0,0	251,92	
Basic charge perKVA min-50 KVA		110	209,79	0,14	238,55	0,0	253,34
Availability (Empty stands)		108	99,43	0,13	112,43	0,08	119,40

3. 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 and high percentage of water losses. Umsobomvu Local Municipality is facing similar dilemma as any municipality in our Country. It is more critical to improve demand management, infrastructure maintenance, loss management, meter reading and tariff setting. The following have been taken into consideration when setting this tariffs for water:

- Water tariffs that are cost-reflective – including the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and
- Water tariffs are designed to encourage efficient and sustainable consumption.

Municipalities must have an appropriate strategy to limit water losses to acceptable levels.

Water losses in 2018/2019 audited annual financial statements was 53,19 per cent on non-technical losses, and is considered to be very high and abnormal water losses.

Utility Management Services must vigour sly implement the water demand management strategy on continual basis to curb high water losses.

The reality is: Water loss interventions are not an overnight process whereby you are able to make a meaningful impact within the shortest period of time.

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

A

summary of the proposed tariffs for households (residential) and non-residential are as follows:
Table 3 Proposed Water Tariffs:

WATER		Tariff	%	Tariff	%	Tariff	%
		2018/19	Increase	2019/2020	Increase	2020/21	Increase
TARIFFS (EXCLUDING VAT)							
Sale of Water Private household		System tariff codes					
per month availability(water in house)	201	R 80,31	6%	R 85,12	6%	R 90,23	6%
per month availability(water on erf)		R 80,31	6%	R 85,12	6%	R 90,23	6%
per month availability(communal tap)	216	R 43,71	6%	R 46,34	6%	R 49,12	6%
Conventional and Prepaid							
per kiloliter 0- 6kl		R 5,60	6%	R 5,94	6%	R 6,30	6%
per kiloliter 6kl- 20kl		R 6,77	6%	R 7,18	6%	R 7,61	6%
per kiloliter 20kl - 30kl	202	R 8,70	6%	R 9,22	6%	R 9,77	6%
per kiloliter 30kl +		R 11,78	6%	R 12,17	6%	R 12,90	6%
Availability	207	R 87,56	6%	R 92,82	6%	R 98,39	6%
Test of Meter		R 239,91	6%	R 254,31	6%	R 269,57	6%
Departmental	205	R 5,39	6%	R 5,71	6%	R 6,05	6%
Sale of Water Business							
per month availability	203	R 169,40	6%	R 179,57	6%	R 190,34	6%
0-60 kiloliter	204	R 8,23	6%	R 8,73	6%	R 9,25	6%
more than 60 kiloliter	204	R 11,06	6%	R 11,72	6%	R 12,42	6%
Service charges- Residential		R 58,08	6%	R 61,57	10%	R 65,26	6%
Service charges- Business		R 87,13	6%	R 92,35	10%	R 97,89	6%
Water deposit all new connections		R 442,53	6%	R 469,08	6%	R 497,22	6%
Indigent household will receive 6kl Water per month							
Masizakhe Flat rate(Based on:Water basic,6kl of water,Sewerage,Refuse & Garden refuse)		R 323,69	6%	R 343,11	6%	R 363,70	6%
Call Fees		R 138,84	6%	R 147,17	6%	R 156,00	6%
(If fault cannot be accounted to council)		R 188,26	6%	R 199,55	6%	R 211,52	6%
Defaulters		R 282,82	6%	R 299,79	6%	R 317,78	6%
Deposits be increased with R100 each time th supply is disconnected because of non payment if defaulters holding no deposits or less than the current deposit fail in arrears with service charges the full current							
Deposit becomes payable before services are reconnected plus the applicable reconnection fee							
Connection Fees 15 mm							
Connection Fees 15 mm							
Connection Fees 19 mm							
Actual cost plus 40%							
Repair of water pipes							
Actual cost plus 40%							
Tampering with meters		R 3 194,62	6%	R 3 386,30	6%	R 3 589,48	6%

4. Sanitation and Impact of Tariff Increases

A tariff increase of 6.0 per cent for sanitation from 1st July 2020 is proposed. It should be noted that electricity costs contribute approximately 6 per cent of waste water treatment input costs, therefore the higher than CPI increase of 6.0 per cent for sanitation tariffs and also taking into consideration the maintenance and repairs of old waste water plants. The following factors also contribute to the proposed tariff increase:

- Free sanitation (100 per cent of 6 kℓ water) will be applicable to approved indigents; and

introduced property value base tariff for sanitation on both residential and businesses.

- The introduction of this method will assist the customers in reducing the charges as is more transparent and no increase is effected in the additional levy for residential.

The following table compares the current and proposed tariffs

Table 4 Proposed sanitation tariff charges:

SANITATION :	SYSTEM TARIFF CODES	2018/19		2019/20		2020/21	
		Tariff	%	Tariff	%	Tariff	%
Conservancy tankper Household (1 service per month)	312	87,63	6%	92,89	6%	98,4634	6%
Conservancy tank per Household (Additional service per month)-payable in advance	312	92,89	6%	98,46	6%	104,3676	6%
Conservancy tank Schools per load	312	128,47	6%	136,18	6%	144,3508	6%
Conservancy tank business per load with a minimum of 1 load per month.	313	128,47	6%	136,18	6%	144,3508	6%
Nightsoil removal (per bucket per month)	311	63,73	6%	67,55	6%	71,603	6%
Nightsoil rondawel (per bucket per month)	314	44,94	6%	47,64	6%	50,4984	6%
Meatlands industrial effluent per month per sheep	310	0,96	6%	1,02	6%	1,0812	6%
Meatlands sewerage same as business tariffs	302	236,79	6%	251	6%	266,06	6%
Meatlands dumping charges of blood & dung' per month	302	1001,48	6%	1061,57	6%	1125,264	6%
Sewerage household per month	304	117	6%	124,02	6%	131,4612	6%
Sewerage prison per point per month	301	393,45	6%	417,05	6%	442,073	6%
Sewerage garages and state per point per month	302	236,79	6%	251	6%	266,06	6%
Sewerage hospital per point per month	303	421,01	6%	446,27	6%	473,0462	6%
Sewerage business normal	305	151,66	6%	160,76	6%	170,4056	6%
Sewerage business with minimum of 2 points per month	320	234,01	6%	248,05	6%	262,933	6%
Sewerage business additional connection	320	56,33	6%	59,71	6%	63,2926	6%
Sewerage availability per month	306	67,53	6%	71,58	6%	75,8748	6%
Sewerage to open private: office hours	307	245,59	6%	260,33	6%	275,9498	6%
Sewerage to open private: after hours, week-ends & public holidays	309	404,8	6%	429,08	6%	454,8248	6%
Sewerage to open business: office hours	308	337,83	6%	358,1	6%	379,586	6%
Sewerage to open business: after hours, week-ends & public holidays	315	583,69	6%	618,72	6%	655,8432	6%
Sewerage connection fee:							
1. For 110mm connection where there is a coupling point actual costs plus 40% margin							
2. For 110mm connection where there is no coupling point actual costs plus 40% margin							

5. **Refuse Removal and Impact of Tariff Increase**

A tariff increase of 6 per cent for refuse removal from 1st July 2020 is proposed.

The following table compares current and proposed amounts payable from 1st July 2020:

1. **Table 5 Proposed refuse removal**

REFUSE : PROPOSED REFUSE REMOVAL		SYSTEM TARIFF CODES	Tariff	%	Tariff	Tariff
CATEGORY			2018/19	Increase	2019/20	2020/21
MOBILE REFUSE CONTAINERS 80L, 120L & 240L						
Domestic refuse: One removal per week 80l container per month	402		81,93	6%	86,85 6%	92,06 6%
Domestic refuse: One removal per week 120l container per month	402		99,95	6%	105,95 6%	112,30 6%
Business, government & Industries: One removal per week 210l container per month	36,04		117,97	6%	125,05 6%	132,55 6%
New Business, government & Industries: two removal per week 210l container per month	402		235,94	6%	250,10 6%	265,10 6%
1. REFUSE BINS:						
per month for the first bin	402		81,93	6%	86,85 6%	92,06 6%
for every additional bin	402		27,91	6%	29,59 6%	31,37 6%
2. Refuse bins (business & Government)	407		117,97	6%	125,05 6%	132,55 6%
3. Refuse Rondawel	406		39,80	6%	42,19 6%	44,72 6%
4. Refuse Garden Household	408		8,25	6%	8,75 6%	9,28 6%
Additional buckets for night soil						
Deposit			62,95	6%	66,73 6%	70,73 6%
Hire			62,95	6%	66,73 6%	70,73 6%

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VOTE	Cemetery	Tariff 2018/19	% Increase	Tariff 2019/20	% Increase	Tariff 2020/21	% Increase
	TARIFFS (EXCLUDING OF VAT)	R 1 080,40	6%	R 1 188,44	10%	R 1 307,28	10%
	1.For the right to exhume and rebury a corpse	R 85,33	6%	R 93,87	10%	R 103,26	10%
	REGISTER AND ADMINISTRATION FEES	R 85,33	6%	R 93,87	10%	R 103,26	10%
	1. Certified extract from burial register	R 85,33	6%	R 93,87	10%	R 103,26	10%
	2. Certificate of transfer of right of use	R 85,33	6%	R 93,87	10%	R 103,26	10%
	3. Inspection of register	R 85,33	6%	R 93,87	10%	R 103,26	10%
	4. Exchanging of plot (New certificate,alteratio of register etc)	R 63,96	6%	R 70,36	10%	R 77,40	10%
	5. Purchase of right of use of a single grave plot for persons who were resident in the Colesberg Magisterial district at the time of death						
	6.Purchase of right of use of a doublegrave plot for persons who were resident in the Colesberg Magisterial district at the time of death	R 117,33	6%	R 126,06	10%	R 138,67	10%
	7. Digging of grave:						10%
	Single	R 533,28	6%	R 586,61	10%	R 645,27	10%
	Double	R 746,57	6%	R 821,22	10%	R 903,34	10%
	8. Building of grave additional	R 3 258,75	6%	R 3 584,62	10%	R 3 943,08	10%
	9. Reservation	R 213,77	6%	R 234,60	10%	R 258,06	10%
VOTE	LIBRARY	Tariff 2018/19	% Increase	Tariff 2019/20	% Increase	Tariff 2020/21	% Increase
	TARIFFS (EXCLUDING VAT)						
	PENALTY						
	Per book per week or part of a week	R 3,58	6%	R 3,79	10%	R 4,38	10%
	Per video per day	R 8,41	6%	R 9,57	10%	R 10,53	10%
	FAXES:RECEIVING	R 8,41	6%	R 9,57	10%	R 10,53	10%
	FAXES:OUTGOING	R 26,31	6%	R 29,13	10%	R 32,04	10%
	Photocopy A4	R 2,65	6%	R 3,04	10%	R 3,34	10%
VOTE	COMMONAGE	Tariff 2018/19	% Increase	Tariff 2019/20	% Increase	Tariff 2020/21	% Increase
	TARIFFS (EXCLUDING VAT)						
	Pound fees:						
	Cattle,horses,donkeys and other large animals	R 76,38	6%	R 84,02	10%	R 92,42	10%
	Sheep,goats and other small animals	R 50,86	6%	R 55,95	10%	R 61,55	10%
			6%	R 111,90	10%	R 123,09	10%
	Feeding per day	R 101,73	6%	R 42,00	10%	R 46,20	10%
	Aanjaagfooie	R 38,18	6%	R 42,00	10%	R 46,20	10%
							10%
	Brick license per month	R 127,24	6%	R 127,24	10%	R 139,96	10%
VOTE	LICENSE AND TRAFFIC	Tariff 2018/19	% Increase	Tariff 2019/20	% Increase	Tariff 2020/21	% Increase
	Rent of signs						
	*Per day or part thereof	R 55,97	6%	R 61,56	10%	R 67,72	
	*Deposit per set of signs	R 165,47	6%	R 182,02	10%	R 200,22	10%
							10%
	Escort fees:Additional Traffic Services						10%
	Per official per hour	R 178,11	6%	R 195,92	10%	R 215,51	10%
	Per vehicle per kilometer	R 10,21	6%	R 11,23	10%	R 12,35	10%
	Use of the K-53 Test yard(For Instructors ONLY)						
	1) Code EC per hour	R 126,25	6%	R 138,87	10%	R 152,76	10%
	2) Code C/C1/EC per hour	R 101,00	6%	R 111,10	10%	R 122,21	10%
	3) Code EB/B per hour	R 75,75	6%	R 83,32	10%	R 91,65	10%
	4) Code A/A1 per hour	R 63,12	6%	R 63,12	10%	R 69,43	10%

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VOTE	MUNICIPAL BUILDINGS	Tariff 2018/19	% Increase	Tariff 2019/20	% Increase	Tariff 2020/21	% Increase
	Deposit same as rent payable with every function						
	Tariffs (Excluding VAT)						
A	*Dances	R 1 602,68	6%	R 1 762,95	10%	R 1 939,25	10%
B	*Weddings	R 1 602,68	6%	R 1 762,95	10%	R 1 939,25	10%
C	*Social Functions (Bazaar, Lunches etc)	R 1 119,40	6%	R 1 231,34	10%	R 1 354,47	10%
	*Preparation of Hall the previous day	R 265,88	6%	R 292,47	10%	R 321,72	10%
	*Banquet Hall	R 181,92	6%	R 200,12	10%	R 220,13	10%
	*Kitchen excluded	R -	6%	R 200,00	10%	R 220,00	10%
D	*Concerts						
	1. Professional	R 1 448,15	6%	R 1 592,96	10%	R 1 752,26	10%
	2. Charity and Amateur	R 223,86	6%	R 246,25	10%	R 270,88	10%
	3. Art Competitions	R 223,86	6%	R 246,25	10%	R 270,88	10%
	4. Practice	R 223,86	6%	R 246,25	10%	R 270,88	10%
E	*Meetings						
	1. Political	R 1 448,15	6%	R 1 592,96	10%	R 1 752,26	10%
	2. Non-Political	R 475,70	6%	R 523,28	10%	R 575,61	10%
	(Church, Educational, Charity, Seminars etc.)						
F	*Bioscope	R 475,70	6%	R 523,28	10%	R 575,61	10%
G	*Traditional Dance	R 475,70	6%	R 523,28	10%	R 575,61	10%
H	*Church functions						
	Services	R 98,06	6%	R 107,87	10%	R 118,66	10%
	Per services in same month	R 61,32	6%	R 67,45	10%	R 74,20	10%
	Bazaars lunches etc.(Kitchen not included for preparation)	R 61,32	6%	R 67,45	10%	R 74,20	10%
I	*Displays and Demonstrations						
	1. Day(08:00-18:00)	R 237,89	6%	R 261,68	10%	R 287,85	10%
	2. Night(18:00-23:00)	R 349,82	6%	R 384,81	10%	R 423,29	10%
	3. Full Day(08:00-23:00)	R 475,70	6%	R 523,28	10%	R 575,61	10%
J	*Public Auctions(No goods in the hall)	R 181,92	6%	R 200,12	10%	R 220,13	10%
K	*Elections	R 178 079,00	6%	R 1 958,87	10%	R 2 154,76	10%
	Kitchen included in the rent for the banquet hall						
L	* Organizations(Rate payers, Welfare, Services providers and Consumers org.)	R 61,32	6%	R 67,47	10%	R 74,22	10%
	Crockery(Council Resolution)	R 1 385,20	6%	R 1 523,73	10%	R 1 676,10	10%
	Crockery - deposit	R 1 385,20	6%	R 1 523,73	10%	R 1 676,10	10%
	Replacement cost for crockery and cutlery						

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COMMUNITY HALLS							
	Tariff 2018/19	% Increase	Tariff 2019/20	% Increase	Tariff 2020/21	% Increase	
LOWRYVILLE/KUYAS/EUREKAVILLE/KWAZAMUXOLO							
Deposit same as rent payable with every function							
Tariffs (Excluding VAT)							
Concerts (Professional players and Visitors)	R 1 299,93	6%	R 1 429,93	10%	R 1 572,92	10%	
Concerts (Amateur)	R 190,77	6%	R 209,85	10%	R 230,84	10%	
Concerts (Local Charities)	R 190,77	6%	R 209,85	10%	R 230,84	10%	
Concerts (Rehearsals)	R 101,73	6%	R 111,90	10%	R 221,04	10%	
Church services:First service in month	R 101,73	6%	R 111,90	10%	R 221,04	10%	
Per service in the same month	R 50,86	6%	R 55,95	10%	R 61,55	10%	
Public auctions or furniture sales:							
- Night	R 375,00	6%	R 412,50	10%	R 453,75	10%	
- Outside Day	R 237,89	6%	R 261,68	10%	R 287,85	10%	
- Inside Day	R 237,89	6%	R 261,68	10%	R 287,85	10%	
Public Meetings							
-Night	R 237,89	6%	R 261,68	10%	R 287,85	10%	
- Day	R 237,89	6%	R 261,68	10%	R 287,85	10%	
Local church Bazaars and functions	R 190,77	6%	R 523,28	10%	R 575,61	10%	
Games- evenings: Churches and Charity	R 190,77	6%	R 523,28	10%	R 575,61	10%	
Games- evenings: Other organisations	R 268,68	6%	R 295,55	10%	R 325,11	10%	
Presentations:							
-Night	R 268,68	6%	R 295,55	10%	R 325,11	10%	
-Day	R 190,77	6%	R 209,85	10%	R 230,84	10%	
Elections							
-Night	R 293,61	6%	R 322,97	10%	R 355,27	10%	
-Day	R 260,01	6%	R 286,01	10%	R 314,61	10%	
-Political	R 1 024,63	6%	R 1 127,10	10%	R 1 239,81	10%	
Congress							
-Night	R 280,90	6%	R 308,99	10%	R 339,89	10%	
-Day	R 199,45	6%	R 219,39	10%	R 241,33	10%	
Local School Functions:							
-Day	R 187,31	6%	R 206,04	10%	R 226,64	10%	
-Day(educational)	R 101,73	6%	R 111,90	10%	R 123,09	10%	
Local SchoolFunctions (Outside Colesberg area)							
-Night	R 249,49	6%	R 274,44	10%		10%	
-Night(educational)	R 124,74	6%	R 137,21	10%	R 1 537,45	10%	
Schoolfunctions(Outside Colesberg Area)							
-Day	R 241,63	6%	R 265,80	10%	R 292,38	10%	
-Night	R 241,63	6%	R 265,80	10%	R 292,38	10%	
Educational School functions(Outside Colesberg area)	R 63,62	6%	R 69,98	10%	R 76,98	10%	
-Day	R 63,62	6%	R 69,98	10%	R 76,98	10%	
-Night	R 101,73	6%	R 111,90	10%	R 123,09	10%	
Wedding Receptions							
-Afternoon	R 558,50	6%	R 614,35	10%	R 675,79	10%	
Night and dance	R 638,27	6%	R 702,09	10%	R 772,30	10%	
Product Sales(CHurchfunds or Charity)							
-Day	R 125,96	6%	R 138,55	10%	R 152,41	10%	
-Night	R 139,91	6%	R 153,90	10%	R 169,29	10%	
21st Birthday Receptions							
-Night	R 638,27	6%	R 702,09	10%	R 772,30	10%	
Sportclubs(Genearl Meetings):							
-Day	R 190,77	6%	R 209,85	10%	R 230,84	10%	
Night	R 190,77	6%	R 209,85	10%	R 230,84	10%	
Bioscope Shows:							
-Local Schools,Churches & Social Organisations	R 190,77	6%	R 209,85	10%	R 230,84	10%	
-Other local organisations	R 279,83	6%	R 307,81	10%	R 338,59	10%	
-Private and Outside organisations	R 834,16	6%	R 917,57	10%	R 1 009,33	10%	
-State Departments	R 787,20	6%	R 865,92	10%	R 952,51	10%	

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COMMUNITY HALL:						
	Tariff 2018/19	% Increase	Tariff 2019/20	% Increase	Tariff 2020/21	% Increase
LOWRYVILLE/KUYAS/EUREKAVILLE/KWAZAMUXOLO						
Deposit same as rent payable with every function						
Tariffs (Excluding VAT)						
Boxing, Wrestling & Weighting	R 292,54	6%	R 321,80	10%	R 353,98	10%
Local Team	R 984,09	6%	R 1 082,49	10%	R 1 190,74	10%
Visiting teams	R 559,66	6%	R 615,63	10%	R 677,19	10%
Sport shows:Indoor sport (2pm - 7 pm)	R 381,63	6%	R 419,80	10%	R 461,78	10%
Disco's Dances:						
Local Schools, churches & social organisations	R 814,05	6%	R 895,46	10%	R 985,01	10%
Private & Outside groups	R 1 448,15	6%	R 1 592,96	10%	R 1 752,26	10%
Bands:						
Local groups	R 1 175,37	6%	R 1 292,90	10%	R 1 422,19	10%
Visiting groups	R 1 448,15	6%	R 1 592,96	10%	R 1 752,26	10%
Organisations (churches, rate payers, welfare, service provider, Consumer)	R 63,58	6%	R 69,94	10%	R 76,93	10%
Political Meetings:						
-Night	R 731,38	6%	R 804,52	10%	R 884,97	10%
- Day	R 482,68	6%	R 530,95	10%	R 584,05	10%
Afternoon song meetings (churches) services per month	R 61,32	6%	R 67,45	10%	R 74,20	10%
Churches services per month	R 196,14	6%	R 215,75	10%	R 237,33	10%
Cultural groups	R 61,32	6%	R 67,45	10%	R 74,20	10%
Chairs						
Per chair	R 3,82	6%	R 4,20	10%	R 4,62	10%
Damage or lost of chair: Cost of chair to be recovered	R 292,59	6%	R 321,85	10%	R 354,04	10%
Sport:						
Sports grounds (rugby,netball,soccer,tennis and athletics)	R 171,83	6%	R 189,01	10%	R 207,91	10%
Social events	R 695,90	6%	R 765,49	10%	R 842,04	10%
Sport club house for church rental	R 98,06	6%	R 107,86	10%	R 118,65	10%

PUBLIC WORKS AND FIRE DEPARTMENT	Tariff 2018/19	% Increase	Tariff 2019/20	% Increase	Tariff 2020/21	% Increase
TARIFFS (EXCLUDING VAT)						
Tariff per hour or part of an hour						
1. Call of fire- engine	R 1 022,23	6%	R 1 083,57	10%	R 1 191,93	10%
2. Call of service vehicle	R 301,58	6%	R 319,68	10%	R 351,65	10%
3. Personnel hourly rate + 10%, plus material cost used +20%						
4. Front loader	R 694,36	6%	R 763,80	10%	R 840,18	10%
5 TLB machine hiring per hour	R 555,49	6%	R 611,04	10%	R 672,14	10%
6 Sand per load	R 472,53	6%	R 519,78	10%	R 571,76	10%
7 Tipper Truck per load rate	R 472,53	6%	R 519,78	10%	R 571,76	10%
8 Grader per hour rate	R 859,14	6%	R 945,05	10%	R 1 039,56	10%
9 Honey sucker (VIP) per hour rate	R 1 288,71	6%	R 1 417,58	10%	R 1 559,34	10%

PHOTO COPIES AND FAXES	Tariff 2018/19	% Increase	Tariff 2019/20	% Increase	Tariff 2020/21	% Increase
TARIFFS (EXCLUDING VAT)						
Copies of minutes/agendas:						
* Agenda per A4	R 2,99	6%	R 3,17	10%	R 3,49	10%
*Minutes each	R 26,69	6%	R 28,29	10%	R 31,12	10%
Posters and advertisements deposit. If the poster and /or advertisements are not removed within 14 days after the event the municipality will remove it and the full deposit will be forfeited to cover the cost.	R 465,37	6%	R 493,29	10%	R 542,62	10%

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LAND USE MANAGEMENT, PLANNING AND BUILDING CONTROL					
CATEGORY OF SERVICES	Tariff 2018/19	% Increase	Tariff 2019/20	% Increase	Tariff 2020/21
Tariffs (Excluding VAT)					
Township establishment: 0- 20 erven,plus tariff in addition to the first 20 erven	3180 (basic fee)+ Bulk services contribution (per erf)	6%	3370,80(basic fee)+ Bulk services contribution (per erf)	10%	3707,88 (basic fee)+ Bulk services contribution (per erf)
Rezoning: Bulk services coontribution only to higher order usage	3180 (basic fee)+ Bulk services contribution (per erf)	6%	3370,80(basic fee)+ Bulk services contribution (per erf)	10%	3707,88 (basic fee)+ Bulk services contribution (per erf)
Material changes to the application	50% of application	6%	50% of application	10%	50% of application
Multiple applications	75% of each individual application	6%	75% of each individual application	10%	75% of each individual application
Removal, amendment or suspension of a restrictive or obsolete condition, servitude or reservation registered against the title of the land.	3180 (basic fee)	6%	3370,80(basic fee)	10%	3707,88 (basic fee)
Amendment or cancellation in whole or in part of a general plan	R 2 120,00	6%	R 2 247,20	10%	R 2 471,92
Subdivision/consolidation of any land other than a subdivision and consolidation which is provided for as a category 2 application; per additional portion after 5. Then per erf tariff in addition.	R3180 (basic fee) + R50 per erf + Bulk services contribution (per erf)	6%	R3370,80 (basic fee) + R53 per erf + Bulk services contribution (per erf)	10%	R3707,88 (basic fee) + R58,3 per erf + Bulk services contribution (per erf)
Permanent closure of any public place/road	R 2 120,00	6%	R 2 247,20	10%	R 2 471,92
Any consent or approval required in terms of a condition of title, a condition of establishment of a Township or condition of an existing scheme or land use scheme.	R 2 120,00	6%	R 2 247,20	10%	R 2 471,92
Application that are not provided for elsewhere in this schedule	R 2 120,00	6%	R 2 247,20	10%	R 2 471,92
GENERAL FEES:					
APPLICATION FEE					
Zoning certificate (per erf)	R 159,00	6%	R 168,54	10%	R 185,39
Public Notices (Media and Government Gazette):					
Hard copy of SDF	R 1 590,00	6%	R 1 685,40	10%	R 1 853,94
Hard copy of land use regulations	R 318,00	6%	R 337,08	10%	R 370,79
Printing costs:					
Customised product compilation fee (DVD/CD, e-mail of e.gSDF/LUS)	R 212,00	6%	R 224,72	10%	R 247,19
Extension of approvaltime frames	R 318,00	6%	R 337,08	10%	R 370,79
Sand and mining applications	R 2 650,00	6%	R 2 809,00	10%	R 3 089,90
All appeals	R 1 060,00	6%	R 1 123,60	10%	R 1 235,96
Status reports:					
Copies of Land use plans	R 50,00	6%	R 53,30	10%	R 58,63
Valuation certificate	R 30,41	6%	R 32,23	10%	R 35,45
Clearance certificate	R 32,99	6%	R 34,97	10%	R 38,47
PENALTIES FOR CONTRAVENTION OF LUMS					
<i>Land use in connection of approved zoning</i>					
APPLICATION FEE					
APPLICATION FEE					
APPLICATION FEE					
BUILDING PLAN APPROVAL FEES					
Tariffs (Excluding VAT)					
1. Valuation deterring per square metre:					
Carport	R 763,19	6%	R 808,98	10%	R 889,88
Industrial Buildings	R 3 307,28	6%	R 3 505,72	10%	R 3 856,29
House	R 4 070,39	6%	R 4 314,61	10%	R 4 746,07
All outside buildings	R 2 671,24	6%	R 2 831,51	10%	R 3 114,66
Fuelstation	R 4 070,39	6%	R 4 314,61	10%	R 4 746,07
Schools, Hospitals and Halls (excluding churches and church Hall)	R 4 273,92	6%	R 4 530,36	10%	R 4 983,40
Businesses	R 4 070,39	6%	R 4 314,61	10%	R 4 746,07
Flats	R 4 960,82	6%	R 5 258,47	10%	R 5 784,32
Boundary wall per running per meter	584,84	6%	619,93	10%	681,923
Swimming pool per cubic meter	R 2 671,24	6%	R 2 831,51	10%	R 3 114,66
Shading- net	R 101,73	6%	R 107,83	10%	R 118,61
Veranda	R 112,95	6%	R 119,73	10%	R 131,70
Erection of Fence	R 83,36	6%	R 88,36	10%	R 97,20
Advertising boards per square meter (Electrification costs separate)	R 153,03	6%	R 162,21	10%	R 178,43
Any other building structure	R 2 520,03	6%	R 2 671,23	10%	R 2 938,35
2. Construction Plan: Minimum of R50 plus 0,2% of valuation as determined in point 1.					
3.Sewerage Draining: Plan Fees:					
(a) Approval Fees per plan	R 190,77	6%	R 202,22	10%	R 222,44
(b) Re- inspection fee	R 190,77	6%	R 202,22	10%	R 222,44
4.Rent of side-walk per monthor part thereof	R 190,77	6%	R 202,22	10%	R 222,44
5. Removal of building-rumble per houror part thereof	R 1 119,32	6%	R 1 186,48	10%	R 1 305,13
NOTE THAT : In case where one application touches more than one type of application fees are to be added up.					
GENERAL:					
1. All applications to be submitted to Umsobomvu Municipality:					
2. The bulk service contribution is payable on the approval of an application and before the issuing of section 53 cearence (spatial Planning and land use Management Act 16 of 2013- chapter 7).					
Policy statement:					
Bulk services contribution.					
The developer will be responsible for the contribution to the payment of bulkservices (dry and wet). The calculation methodology is listed in the approved policy of Council on bulk services contribution and the tariffs contained in the calculation spreadsheet.					
The municipal tribunal may deviate from this contribution in where large developments with significant impact on services are being processed.					
The developer may be required by the municipal tribunal to provide bulk services in lieu or in part of the payment of development contributions.					
The Council may revise this bulk service contribution policy at any stage.					
* Government affordable housing projects are exempted from the policy and tariffs.					

ANNEXURE “C”

(Budget related policies to be supplied
Separately)

ANNEXURE “D”

(Schedules of Service
Delivery Standards)

Province: Northern Cape: Umsobomvu Municipality(NC072) - Schedule of Service Delivery Standards Table
ANNEXURE D

Description	
Standard	Service Level
Solid Waste Removal	
Premise based removal (Residential Frequency)	Once a week
Premise based removal (Business Frequency)	Once a week
Bulk Removal (Frequency)	Once a week
Removal Bags provided(Yes/No)	Yes
Garden refuse removal Included (Yes/No)	Yes
Street Cleaning Frequency in CBD	Daily
Street Cleaning Frequency in areas excluding CBD	4 times a
How soon are public areas cleaned after events (24hours/48hours/longer)	24 hours
Clearing of illegal dumping (24hours/48hours/longer)	Longer
Recycling or environmentally friendly practices(Yes/No)	No
Licensed landfill site(Yes/No)	Yes
Water Service	
Water Quality rating (Blue/Green/Brown/NO drop)	Blue
Is free water available to all? (All/only to the indigent consumers)	Only the indigent consume
Frequency of meter reading? (per month, per year)	per month
Are estimated consumption calculated on actual consumption over (two month's/three month's/longer period)	
On average for how long does the municipality use estimates before reverting back to actual readings? (months)	3 months
<i>Duration (hours) before availability of water is restored in cases of service interruption (complete the sub questions)</i>	
One service connection affected (number of hours)	8 hours
Up to 5 service connection affected (number of hours)	8 hours
Up to 20 service connection affected (number of hours)	8 hours
Feeder pipe larger than 800mm (number of hours)	24 hours
What is the average minimum water flow in your municipality?	10l/minute
Do you practice any environmental or scarce resource protection activities as part of your operations? (Yes/No)	No
How long does it take to replace faulty water meters? (days)	8 hours
Do you have a cathodic protection system in place that is operational at this stage? (Yes/No)	No
Electricity Service	
What is your electricity availability percentage on average per month?	100%
Do your municipality have a ripple control in place that is operational? (Yes/No)	No
How much do you estimate is the cost saving in utilizing the ripple control system?	N/A
What is the frequency of meters being read? (per month, per year)	per month

Are estimated consumption calculated at consumption over (two month's/three month's/longer period)	three month's
On average for how long does the municipality use estimates before reverting back to actual readings? (months)	3 months
Duration before availability of electricity is restored in cases of breakages (immediately/one day/two days/longer)	4 hours
Are accounts normally calculated on actual readings? (Yes/no)	Yes
Do you practice any environmental or scarce resource protection activities as part of your operations? (Yes/No)	No
How long does it take to replace faulty meters? (days)	4 hours
Do you have a plan to prevent illegal connections and prevention of electricity theft? (Yes/No)	No
How effective is the action plan in curbing line losses? (Good/Bad)	N/A
How soon does the municipality provide a quotation to a customer upon a written request? (days)	10 Days
How long does the municipality takes to provide electricity service where existing infrastructure can be used? (working days)	30 days
How long the municipality does takes to provide electricity service for low voltage users where network extension is not required? (working days)	30 days
How long the municipality does takes to provide electricity service for high voltage users where network extension is not required? (working days)	90 days
Sewerage Service	
Are your purification system effective enough to put water back in to the system after purification?	Yes
To what extend do you subsidize your indigent consumers?	Full
How long does it take to restore sewerage breakages on average	
Severe overflow? (hours)	8 hrs
Sewer blocked pipes: Large pipes? (Hours)	3 hrs
Sewer blocked pipes: Small pipes? (Hours)	2 hrs
Spillage clean-up? (hours)	8 hrs
Replacement of manhole covers? (Hours)	8
Road Infrastructure Services	
Time taken to repair a single pothole on a major road? (Hours)	4 hrs
Time taken to repair a single pothole on a minor road? (Hours)	2 hrs
Time taken to repair a road following an open trench service crossing? (Hours)	40 hrs
Time taken to repair walkways? (Hours)	1 hr
Property valuations	
How long does it take on average from completion to the first account being issued? (one month/three months or longer)	4 months
Do you have any special rating properties? (Yes/No)	No
Financial Management	
Is there any change in the situation of unauthorised and wasteful expenditure over time? (Decrease/Increase)	Decrease
Are the financial statement outsources? (Yes/No)	No but consultants will assist us from this financial
Are there Council adopted business process structuring the flow and management of documentation feeding to Trial Balance?	Yes
How long does it take for a Tax/Invoice to be paid from the date it has been received?	30 days
Is there advance planning from SCM unit linking all departmental plans quarterly and annually including for the next two to three years procurement plans?	No

Administration	
Reaction time on enquiries and requests?	1 working
Time to respond to a verbal customer enquiry or request? (working days)	1 working
Time to respond to a written customer enquiry or request? (working days)	5 working
Time to resolve a customer enquiry or request? (working days)	1 working
What percentage of calls are not answered? (5%, 10% or more)	0
How long does it take to respond to voice mails? (hours)	2 hours
Does the municipality have control over locked enquiries? (Yes/No)	No
Is there a reduction in the number of complaints or not? (Yes/No)	Yes
How long does it take to open an account to a new customer? (1 day/ 2 days/ a week or longer)	1 working
How many times does SCM Unit, CFO's Unit and Technical unit sit to review and resolve SCM process delays other than normal monthly management meetings?	Once in a
Community safety and licensing services	
How long does it take to register a vehicle? (minutes)	2 hours
How long does it take to renew a vehicle license? (minutes)	30 minutes
How long does it take to issue a duplicate registration certificate vehicle? (minutes)	30 minutes
How long does it take to de-register a vehicle? (minutes)	30 minutes
How long does it take to renew a driver's license? (minutes)	30 minutes
What is the average reaction time of the fire service to an incident? (minutes)	20 minutes
What is the average reaction time of the ambulance service to an incident in the urban area? (minutes)	Not municipa l
What is the average reaction time of the ambulance service to an incident in the rural area? (minutes)	Not municipa l
Economic development	
How many economic development projects does the municipality drive?	Four
How many economic development programme are deemed to be catalytic in creating an enabling environment to unlock key economic growth projects?	Four
What percentage of the projects have created sustainable job security?	80
Does the municipality have any incentive plans in place to create a conducive environment for economic development? (Yes/No)	Yes
Other Service delivery and communication	
Is an information package handed to the new customer? (Yes/No)	No
Does the municipality have training or information sessions to inform the community? (Yes/No)	Yes
Are customers treated in a professional and humanly manner? (Yes/No)	Yes



TELEFOON
MUNISIPALE BESTUURDER
TELEPHONE (051) 753 0777/8/9

FAKS
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KANTOOR VAN DIE
OFFICE OF THE MUNICIPAL MANAGER

PRIVAATSAK
PRIVATE BAG X6
COLESBERG
9795

Municipal manager's quality certificate

I **Amos China Mpela**, Municipal Manager of Umsobomvu Local Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name: **Amos China Mpela**

Municipal Manager of Umsobomvu Local Municipality (NC-072)

Signature _____

Date _____ 25MAY2020