



# **DRAFT BUDGET FOR 2021 / 2022 – 2023 / 2024**

# **TABLE OF CONTENTS**

## **SECTION A - BUDGET**

- 1 Glossary
- 2 Mayors Report
- 3 Resolutions
- 4 Executive Summary
- 5 Annual budget tables
  - A1 Budget Summary
  - A2 Budgeted Financial Performance – by standard classification
  - A3 Budgeted Financial Performance – by municipal vote
  - A4 Budgeted Financial Performance
  - A5 Budgeted capital Expenditure by vote and Funding
  - A6 Budgeted Financial Position
  - A7 Budgeted Cash Flows
  - A8 Cash backed reserves/accumulated surplus reconciliation
  - A9 Asset Management
  - A10 Basic service delivery measurement
- 6 Overview of annual Budget Process
- 7 Overview of alignment of annual budget with Integrated Development Plan
- 8 Measurable performance objectives and indicators
- 9 Overview of Budget Related Policies and amendments
- 10 Overview of Budget Related By-laws and amendments
- 11 Overview of Budget Assumptions
- 12 Overview of Budget Funding
- 13 Expenditure on allocations and grant programmes
- 14 Allocations or grants made by the municipality
- 15 Councillor allowances and employee benefits
- 16 Monthly targets for revenue, expenditure and cash flow
- 17 Capital expenditure detail
- 18 Legislation compliance status
- 19 Municipal Manager’s quality certification

## **SECTION B – BUDGET**

- 1** Capital Budget
- 2** Tariffs
- 3** Supporting Tables
- 4** Procurement Plan
- 5** Service Standards
- 6** MFMA Circulars 107-108 (For noting only)
- 7** PT Budget Circular 2021-2022 MTREF (For noting only)

# 1 Glossary

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

**Allocations** – Money received from Provincial or National Government or other municipalities.

**AFS** – Annual Financial Statements

**Budget** – The financial plan of a municipality.

**Budget related policy** – Policy of a municipality affecting or affected by the budget.

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

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

**CFO** – Chief Financial Officer / Director: Finance

**DORA** – Division of Revenue Act. An annual piece of legislation indicating the allocations from National Government to Local Government.

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

**Fruitless and wasteful expenditure** – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.

**GDFI** - Gross Domestic Fixed Investment

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

**GRAP** – Generally Recognized Accounting Practice. The new standard for municipal accounting and basis upon which AFS are prepared.

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

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

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

**MIG** – Municipal Infrastructure Grant

## **Glossary (Continued)**

**MPRA** – Municipal Property Rates Act (No 6 of 2004) as amended.

**MTREF** – Medium Term Revenue and Expenditure Framework as prescribed by the MFMA sets out indicative revenue and projected expenditure for the budget year plus two outer financial years to determine the affordability level. Also includes details of the previous three years and current years' financial position.

**NT** – National Treasury

**Net Assets** – Net assets are the residual interest in the assets of the entity after deducting all its liabilities. This means the net assets of the municipality equates to the "net wealth" of the municipality, after all assets were sold/recovered and all liabilities paid. Transactions which do not meet the definition of Revenue or Expenses, such as increases in values of Property, Plant and Equipment where there is no inflow or outflow of resources are accounted for in Net Assets.

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

**Rates** – Local Government tax based on assessed valuation of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

**RBIG** – Regional Bulk Infrastructure Grant

**R&M** – Repairs and maintenance on property, plant and equipment.

**SCM** – Supply Chain Management.

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

**Strategic Objectives** – The main priorities of a municipality as set out in the IDP Budgeted spending must contribute towards achievement of these strategic objectives.

**TMA** – Total Municipal Account

**Unauthorised expenditure** – Generally, spending without, or in excess of, an approved budget.

**Virement** – A transfer of budget.

**Virement Policy** - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

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

**WM** – Witzenberg Municipality

## 2 Mayors Report

Speaker  
Aldermen  
Deputy Executive Mayor  
Members of the Mayoral Committee  
Councillors  
Representatives of Provincial Government  
Municipal Manager  
Directors and officials

It is my privilege to present to you the budget for the 2021 / 2022 financial year as well as the 2022 / 2023 to 2023 / 2024 medium term revenue and expenditure framework.

It remains a challenge to raise sufficient funds for improved service delivery while tariffs must still be affordable to the community. Debt collection needs to improve to make more funds available for capital expenditure on basic service and the needed maintenance of the municipalities' assets. The level of outstanding debt was also highlighted in the Audit Report. Strict credit control and stewardship from council will enhance our ability to collect what is due to the municipality.

The collection rate of the municipality has decreased from 94% to 88%. This was primarily due to credit control measures not being implemented as a form of Covid-19 relief to the community. We believe that the collection rate will rise again as we have started to implement credit control measures and have thus estimated that the budgeted collection rate for the new financial year will reach 91%. The inability to implement credit control measures in the Eskom supply areas of Op-Die-Berg & Prince Alfred's Hamlet is of great concern. Strategic engagements with Eskom will be required to unlock the potential revenue collection. National revenue sources such as the Equitable Share is decreasing and this will urge the municipality to explore other potential sources of income such as the quarry at PA Hamlet, the leasing of fibre space, commercialization of excess water in the Koekedouw dam and the resale of recycled material.

It is well known and documented, that the South African economy is experiencing very slow economic growth, that state owned entities such as Eskom & SAA is not financially sound, that the unemployment rate has increased and that government has most recently taken up an enormous loan to fund Covid-19 related expenditure. It is inevitable that we, as a country, are staring down the barrel of an economic and social crisis. The Witzenberg Municipality has not been immune to these challenges and the most evident effects of these challenges are reflected in the decreased collection rate, minimal income from rental of facilities, lower usage of electricity and big businesses seeking alternative ways of electricity supply.

It will be of utmost importance that we collectively strive to stretch the value of each rand spent on variable expenditure items such as security services, hiring charges, overtime and standby expenditure. It must also be noted that Capital expenditure funded from our own resources and expenditure on repairs and maintenance is very limited. Effective and efficient managing of the aforementioned expenditure items as well adherence to the cost containment regulations will not only save us money but reduce the burden on tariff increases that will be required to balance the budget.

The municipality cash and cash equivalents is only sufficient to cover expenditure for about 3 months. A balance must be found between improving the available cash and cash equivalents and spending money on service delivery.

### **Pro poor budget**

The following amendments were introduced in the previous budget cycle and remains in place for the new financial year:

- The Indigent policy's qualifying criteria has been amended to only include the income of the property owner or account holder and his or her spouse.
- Households earning between R3 000 and R5 000 rand may qualify for a rebate equal to 50% of the normal indigent subsidy
- A pensioner's rebate in terms of Property Rates.
- A general exemption of on the first R120 000 of residential property as previous.

### **The capital budget**

The capital budget for the next financial year amounts to R109 million of which R 13 million is from own revenue. The rest of the capital budget is financed from Grants.

As can be seen from the aforementioned, the municipality is too reliant on Grants to fund its capital expenditure. That said we are thankful for the Grants allocated to Witzenberg Municipality.

The bulk of the proposed capital expenditure is in respect of service delivery and infrastructure.

### **The operating budget**

The operating revenue budget for next year amounts to R769 million of which R 451 million is from own revenue. The rest of the operating budget is financed from Grants.

### **Tariff implications of the annual budget**

#### **Electricity:**

The increase in electricity tariffs will be 14.59% for residential consumers and 17.8% for business, industrial and agricultural consumers.

#### **Water:**

The water consumption tariff increase will be  $\pm 6\%$  for residential consumers. An increase of  $\pm 6\%$  is proposed for business, industrial and agricultural consumers.

#### **Rates:**

The increase of Property Rates Revenue will be 6%. It is recommended that the ratio for bona fide farms be amended from 0.135:1 to 0.148:1

#### **Sanitation:**

The increase of Sanitation Tariffs will be 6%.

**Refuse removal:**

The average tariff increase for Refuse Removal Tariffs will be 6%.

**Tabling:**

Honourable Speaker, I recommend that the annual budget, budget related policies, tariffs and the reviewed Integrated Development Plan be approved.

A handwritten signature in black ink, appearing to read 'B. Klaasen', written in a cursive style.

**COUNCILLOR B KLAASEN**  
**EXECUTIVE MAYOR**



### 3 Resolutions

- (a) *That Council take notice of the draft budget of Witzenberg Municipality for the financial year 2021/2022; and indicative for the two projected years 2022/2023 and 2023/2024, as set out in the schedules contained in Section 4:*
  - (i) *Table A2: Budgeted Financial Performance (expenditure by standard classification).*
  - (ii) *Table A3: Budgeted Financial Performance (expenditure by municipal vote).*
  - (iii) *Table A4: Budgeted Financial Performance (revenue by source).*
  - (iv) *Table A5: Budgeted Capital Expenditure for both multi-year and single year by vote, standard classification and funding.*
- (b) *Property rates reflected in Annexure 8.1.8(c) and any other municipal tax reflected in Annexure 8.1.8(c) are taken cognisance of for the budget year 2021/2022.*
- (c) *Tariffs and charges reflected in Annexure 8.1.8(c) are taken cognisance of for the budget year 2021/2022.*
- (d) *The measurable performance objectives for revenue from each source reflected in Table A4 - Budgeted Financial Performance (revenue and expenditure) are taken cognisance of for the budget year 2021/2022.*
- (e) *The measurable performance objectives for each vote reflected in SA8 are taken cognisance of for the budget year 2021/2022.*
- (f) *That the new amended budget related policies be taken cognisance of with planned implementation as from 1 July 2021:*
  - (i) *Tariff Policy*
  - (ii) *Property Rates Policy*
  - (iii) *Credit Control and Debt Collection Policy.*
  - (iv) *Cash Management and Investment Policy*
  - (v) *Consumer Payment Incentive Policy.*
  - (vi) *Municipal Supply Chain Management Policy.*
  - (vii) *Petty Cash Policy*
  - (viii) *Indigent Policy*
  - (ix) *Budget Policy*
  - (x) *Budget Virement Policy*
  - (xi) *Asset Management Policy*
  - (xii) *Funding and Reserves Policy*
  - (xiii) *Cellular telephone and data card policy*
  - (xiv) *Borrowing Policy*
  - (xv) *Long Term Financial Plan Policy*
  - (xvi) *Transport, Travel and Subsistence Allowance*
  - (xvii) *Post-Employment Medical Aid Contributions*
  - (xviii) *Infrastructure Investment Policy*
- (g) *That the reviewed Integrated Development Plan be taken cognisance of*

- (h) *That the documents be advertised and made available at all libraries and municipal offices of Council.*
- (i) *That the public meetings, if any, be conducted in accordance with the guidelines of the National State of Disaster (COVID-19).*
- (j) *That an executive summary in the form of a pamphlet be distributed to households within the Witzenberg municipal area.*

## **4 Executive Summary**

### **Economic outlook**

The year 2020 will be remembered as the year of the COVID-19 pandemic and the “Great Lockdown”.

The Western Cape economy suffered a significant shock in 2020. Even before the current economic crisis, brought upon by COVID-19 pandemic, the Western Cape, along with the rest of South Africa, struggled economically. In 2018, the Western Cape economy grew by only 0.8 per cent. In 2020, Tourism and restaurants suffered significant losses, while agriculture was the only sector that positively contributed to GDP growth in the 2nd quarter (Stats SA, 2020). These shocks in GDP have important implications for the Western Cape.

In line with global and national economic developments, the Province’s economic outlook significantly deteriorated. The Western Cape is expected to grow on average at an annual growth rate of 1.0 per cent between 2020 and 2024, only surpassing the 2019 GDP levels in 2023.

The Western Cape has an open economy and is therefore vulnerable to external shocks. As a prime global tourism destination and centre of wine production in South Africa, the Western Cape economy is particularly vulnerable to lockdown restrictions pertaining to tourism and alcohol. The restrictions on travel and the prohibition on the distribution and sale of alcohol during the national “hard” lockdown period impacted on the Province’s tourism and wine industries and further deteriorated its economic outlook. On a more positive note, the positive agricultural performance in the 2nd quarter 2020 could be a source of resilience for the Western Cape, considering the importance of agriculture as an employment provider and export earner for the Provincial economy.

According to Urban Econ, the Western Cape economy is expected to contract by a significant 6.9 per cent in 2020 and rebound by 3.8 per cent in 2021.

The National Energy Regulator of South Africa (NERSA) is responsible for price determination of the bulk costs for electricity. The Consultation Paper on Municipal Guideline Increases has been published by NERSA on the 12 March 2021. The indication from the Consultation paper is that bulk purchases from Eskom will increase by 17,8%, whilst the resale by municipalities to consumers will increase by 14.59%.

We know that job creation is a priority and that the climate must be created to attract investments to the Witzenberg municipal area. The rebate policy for new investments must be advertised more aggressively. However, we must duly note that we are very close to our Notional Maximum Demand in terms of electricity supply capacity and that Eskom will only increase such capacity if the municipality makes a substantial funding contribution. Sustainable job creation must be on the agenda of the Private sector and the only way that Witzenberg Municipality can make it viable to the private sector is through the creation of an enabling local economic environment.

### **Past performance**

Witzenberg Municipality has now attained eight consecutive clean audit reports. Whilst the reports are very positive achievements one has to be honest and say that it tells the reader little about whether we have improved service delivery or even delivered on our constitutional mandate. What they do say is that the Council is reasonably honest in its operations to tax and spending on behalf of the local population.

## Budget Summary

The Municipality's 2021 / 2022 budget amounts to R 855 million, represented by a Capital Budget of R 109 million and an Operating Budget of R746 million.

The total 2021/ 2022 budget (operating and capital) will be financed from own income R 451 million, Government Grants R 231 million. Debt Impairment is estimated at R64 million

### **Revenue / tariff increases**

- The increase of Property Rates Revenue will be  $\pm$  6%.
- The increase of Water Consumption Tariffs will be  $\pm$  6% for residential consumers. An increase of  $\pm$ 6% is proposed for business, industrial and agricultural consumers
- The increase of Sanitation Tariffs will be 6%.
- The average tariff increase for Refuse Removal Tariffs will be 6%.
- The tariff increase for Electricity Tariffs will be 14.59% for residential consumers and 17.8% for business, industrial and agricultural consumers

### **Expenditure category increases**

The budgeted increase in expenditure categories are as follows:

<b>Expenditure by Type</b>	<b>2020 / 2021</b>	<b>2021 / 2022</b>	<b>Increase</b>
	R'000	R'000	R'000
Employee related costs	194 542	202 402	4%
Job Creation	7 265	6 823	-6%
Post-Employment Provisions	23 779	28 177	18%
Remuneration of councillors	12 032	12 007	0%
Depreciation & asset impairment	40 688	39 729	-2%
Bulk purchases	238 360	285 789	20%
Debt Impairment	44 689	63 750	43%
Repairs & Maintenance	20 296	20 384	0%
Operational Projects	10 264	3 393	-67%
General Expenses	55 321	46 186	-17%
Vehicle Expenditure	8 632	9 905	15%
Housing Top Structures	5 861	2 348	-60%
Other Contracted Services	40 281	27 996	-30%

The increase in salary expenditure is based on an expected increase of 4% CP as well as the notch increase for qualifying employees. This is in line with the new wage agreement. The municipality

has also limited the budget for Overtime & Standby expenditure and expenditure on these items will be closely monitored.

The increase in bulk purchases is expected to be 17.8%. The municipality is however expecting a decrease consumption due to Covid-19 pandemic.

The financing of capital expenditure from own funds (CRR) totals R 13 million. This amount is earmarked to address specific infrastructural capital investment aligned to IDP focus areas. This level is considered to be affordable over the MTREF 3-year period.

Capital investment funding from Capital Grants represents a significant portion (88%) of the Municipality's Capital Budget in 2021 / 2022 and consist mainly of the Provincial Housing Grant, Public Transport Infrastructure Grant, the Municipal Infrastructure Grant (MIG) and the Regional Bulk Infrastructure Grant (RBIG)

The 2021 / 2022 Budget was compiled in terms of the Municipal Budget and Reporting Regulations and a phased-in process will be followed to include all information regarding the tables and supporting documentation.

### **Financial position and MTREF strategy**

The financial position of Witzenberg Municipality is set out in Table A6: Budgeted Financial Position.

### **Integrated Development Plan & Priorities**

The Strategic priorities as per the IDP I is available in Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue), Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure) and Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure).

### **Effect of the annual budget**

The annual budget for 2021 / 2022 to 2023 / 2024 is disclosed in detail in 'Section 4: Annual budget tables' and in 'Annexure 2: Supporting budget tables'. Each of the summarised sections below is discussed in more detail later in this document.

### **Financial performance**

The revenue by source for medium term revenue and expenditure framework can be summarized as follows:

<b>Revenue by source</b>	<b>2020 / 2021</b>	<b>2021 / 2022</b>	<b>Increase</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Property Rates	89 077	93 662	5%
Service Charges: Electricity	276 053	328 329	19%
Service Charges: Water	41 588	45 083	8%
Service Charges: Waste Water	35 091	34 797	-1%
Service Charges: Waste Management	33 311	36 209	9%

Rental from Fixed Assets	1 163	1 470	26%
Interest, Dividend and Rent on Land	8 415	15 690	86%
Fines, Penalties and Forfeits	20 456	21 479	5%
Licences or Permits	2 010	2 111	5%
Agency Services	3 854	4 046	5%
Transfers and Subsidies	210 575	220 840	5%
Operational Revenue	9 138	7 477	-18%

The increases in service charges above does not reflect the increases as requested in the tariffs due to the fact that the municipality is expecting a significant increase in indigents (up to 6000 indigents in total) due to the Covid-19 pandemic. This sharp increase in indigents will result in less revenue being earned which is reflected in the increases above

### **The National, Provincial and District Context**

The Municipality's budget must be seen within the context of the policies and financial priorities of National and Provincial Government as well as the district municipality. In essence, the spheres of Government are partners in meeting the service delivery challenges faced in Witzenberg Municipality. The Municipality alone cannot meet these challenges and we require support from the other spheres of Government through the direct and indirect allocation of resources as well as the achievement of their own policies.

The following table shows the allocations to Witzenberg Municipality as set out in the National Division of Revenue Bill.

<b>NATIONAL ALLOCATIONS</b>	<b>2021 / 2022</b>	<b>2022 / 2023</b>	<b>2023 / 2024</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>UNCONDITIONAL GRANTS</b>			
EQUITABLE SHARE	106 666	114 960	116 996
<b>CONDITIONAL GRANTS</b>			
<b>INFRASTRUCTURE</b>			
MIG	24 980	25 091	26 054
INEP	12 762	3 122	4 000
RBIG	20 000	19 239	
<b>SPECIFIC PURPOSE ALLOCATIONS</b>			
LG FMG	1 550	1 550	1 550
EPWP	2 617		
<b>NATIONAL GRANTS TOTAL</b>	<b>168 575</b>	<b>163 962</b>	<b>148 600</b>

The following table shows the allocations to Witzenberg Municipality from the Provincial Government of the Western Cape:

<b>PROVINCIAL ALLOCATIONS</b>	<b>2021 / 2022</b>	<b>2022 / 2023</b>	<b>2023 / 2024</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>DEPARTMENT OF HUMAN SETTLEMENTS</b>	<b>27 140</b>	<b>12 274</b>	<b>1 264</b>
IHSDG	26 888	12 010	1 000
Municipal Accreditation and Capacity Building Grant	252	264	264
<b>DEPARTMENT OF ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING</b>	<b>800</b>		
Regional socio-economic project/violence prevention through urban upgrading	800		
<b>DEPARTMENT OF TRANSPORT AND PUBLIC WORKS</b>	<b>23 630</b>	<b>7 130</b>	<b>175</b>
Maintenance of proclaimed roads	23 630	7 130	175
<b>DEPARTMENT OF CULTURAL AFFAIRS AND SPORT</b>	<b>9 703</b>	<b>9 868</b>	<b>10 036</b>
Library Services	2 638	2 683	2 729
library services: Municipal Replacement Funding	7 065	7 185	7 307
<b>DEPARTMENT OF LOCAL GOVERNMENT</b>	<b>732</b>	<b>132</b>	<b>1 117</b>
Thusong Centre			
Community Development Worker Operational Support Grant	132	132	132
Fire Service Capacity Building Grant			985
Municipal Interventions Grant	600		
<b>PROVINCIAL TREASURY</b>	<b>250</b>		
Financial Management Capacity Building	250		
Financial Management Support			
<b>GRAND TOTAL</b>	<b>62 255</b>	<b>29 404</b>	<b>12 592</b>

The following table shows the allocations to Witzenberg Municipality from the Cape Winelands District Municipality

<b>DISTRICT ALLOCATION</b>	<b>2021 / 2022</b>	<b>2022 / 2023</b>	<b>2023 / 2024</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Financial Assistance	500	-	-

**Budget-related policies**

Please refer to paragraph 9 for details of proposed amendments to the budget related policies.



## 5 Annual budget Tables

**(These tables will be distributed at the council meeting)**

- A1 Budget Summary
- A2 Budgeted Financial Performance – by standard classification
- A3 Budgeted Financial Performance – by municipal vote
- A4 Budgeted Financial Performance
- A5 Budgeted capital Expenditure by vote and Funding
- A6 Budgeted Financial Position
- A7 Budgeted Cash Flows
- A8 Cash backed reserves/accumulated surplus reconciliation
- A9 Asset Management
- A10 Basic service delivery measurement

## Annual budget Supporting Tables

SA1: Supporting Detail to Budgeted Financial Performance  
SA2: Matrix Financial Performance Budget (revenue source/expenditure type and dept.)  
SA3: Supporting detail to Budgeted Financial Position  
SA4: Reconciliation of IDP, Strategic Objectives and Budget (Revenue)  
SA5: Reconciliation of IDP, Strategic Objectives and Budget (Operating Expenditure)  
SA6: Reconciliation of IDP, Strategic Objectives and Budget (Capital Expenditure)  
SA7: Measurable Performance Objectives  
SA8: Performance Indicators and Benchmarks  
SA9: Social, Economic and Demographic Statistics and Assumptions  
SA10: Funding Measurement  
SA11: Property Rates Summary  
SA12a: Property rates by category (current year)  
SA12b: Property rates by category (budget year)  
SA13: Service Tariffs by category  
SA 14: Household Bills  
SA15: Investment Particulars by Type  
SA16: Investment Particulars by Type  
SA17: Borrowing  
SA18: Transfers and Grant Receipts  
SA19: Expenditure on Transfers and Grant Programme  
SA20: Reconciliation of Transfers, Grant Receipts and Unspent Funds  
SA21: Transfers and Grants made by the Municipality  
SA22: Summary Councillor and Staff Benefits  
SA23: Salaries, Allowances and Benefits (political office bearers/councillors/senior managers)

SA24: Summary of Personnel Numbers  
SA25: Budgeted Monthly Revenue and Expenditure  
SA26: Budgeted Monthly Revenue and Expenditure (Municipal Vote)  
SA27: Budgeted Monthly Revenue and Expenditure (Standard Classification)  
SA28: Budgeted Monthly Capital Expenditure (Municipal Vote)  
SA29: Budgeted Monthly Capital Expenditure (Standard Classification)  
SA30: Budgeted Monthly Cash Flow  
SA31: Entities not required  
SA32: List of External Mechanisms  
SA33: Contracts having Future Budgetary Implications  
SA34a: Capital Expenditure on New Assets by Asset Class  
SA34b: Capital Expenditure on the Renewal of Existing Assets by Asset Class  
SA34c: Repairs and Maintenance Expenditure by Asset Class  
SA34d: Depreciation by Assets Class  
SA35: Future Financial Implications of the Capital Budget  
SA36: Detail Capital Budget  
SA37: Projects Delayed from Previous Financial Years  
Budget Circular 98 & 99 – only attached for noting

## **6 Overview of the Budget Process**

### **6.1 Political oversight of the budget process**

Section 53 (1) of the MFMA stipulates that the mayor of a municipality must provide general political guidance over the budget process and the priorities that guide the preparation of the budget.

Section 21(1) of the MFMA states that the Mayor of a municipality must coordinate the processes for preparing the annual budget and for reviewing the municipality's integrated development plan and budget-related policies to ensure that the tabled budget and any revisions of the integrated development plan and budget-related policies are mutually consistent and credible.

Furthermore, this section also states that the Mayor must at least 10 months before the start of the budget year, table in municipal council, a time schedule outlining key deadlines for the preparation, tabling and approval of the annual budget.

This time schedule provides for political input from formal organizations such as portfolio Committees.

### **6.2. Schedule of Key Deadlines relating to budget and IDP process [MFMA s 21(1) (b)]**

The IDP and Budget time schedule of the 2021 / 2022 budget cycle was adopted by Council during August 2020, 10 months before the start of the budget year in compliance with legislative directives.

The IDP and Budget Process Plan ensure that the role-players within the process are well prepared. All activities outlined within this document have been prepared in close inter-relation with the Framework that governs both the District and all local municipalities.

Public budget and IDP meetings will be held throughout Witzenberg and all members of the public are urged to attend.

### **6.3. Process used to integrate the review of the IDP and preparation of the Budget**

Updating the IDP and Budget is an evolving and re-iterative process over a 10 month period. The initial parallel process commenced with the consultative process of the IDP in 2020 and the update of the MTREF to determine the affordability and sustainability framework at the same time.

### **6.4. Process for consultation with each group of stakeholders and outcomes**

Following tabling of the draft budget in March 2021, local input will be solicited via notices published in the media. The budget documentation will be available on the municipal website: [witzenberg.gov.za](http://witzenberg.gov.za)

Comments on the IDP/Budget will be made by the public via verbal presentations, facsimiles, emails and in the form of correspondence to the municipality and will be considered for incorporation as part of the budget process.

### **6.5. Stakeholders involved in consultations**

The tabled budget will be provided to National Treasury and Provincial Treasury in March/April 2021 for their consideration in line with S23 of the MFMA.

### **6.6. Process and media used to provide information on the Budget to the community**

The Municipality's consultation process on its draft IDP and budget will be published in the relevant media during April/May 2021, where input from various stakeholders will be requested

Community representatives and organizations have to review the priorities given previously and ascertain whether it has been captured as priorities during the 2021 / 2022 IDP/Budget process.

### **6.7. Methods employed to make the Budget document available (including websites)**

In compliance with the Municipal Finance Management Act and the Municipal Systems Act with regards to the advertising of Budget Documents (including the Tariffs, Fees and Charges for 2021 / 2022), advertisements will be placed in the media. The information relating to resolutions and budget documentation will be displayed at the notice boards in the municipal offices as well as libraries.

In compliance with S22 of the MFMA, the Budget documentation will be published on the municipality's website.

## 7 IDP Overview and Amendments

- **VISION**

**A Municipality that cares for its community, creating growth and opportunities**

- **MISSION**

The Witzenberg Municipality is committed to improve the quality of life of its community by:

- Providing and maintaining affordable services.
- Promoting Social and Economic Development
- The effective and efficient use of available resources
- Effective Stakeholder and Community participation

- **VALUE SYSTEM**

- Driven by the aspirations of our Community, we will respect and uphold the Constitution of the Republic of South Africa.
- We commit ourselves to the Code of Conduct for Councillors and officials in the Municipal Systems Act.
- We commit ourselves to the principles of sound financial management.

- **Alignment with Provincial and National Government**

Witzenberg Municipality's development plan needs to align with National and Provincial initiatives to ensure optimal impact from the combined efforts of government. In this regard there are six critical elements: Accelerated and Shared Growth-South Africa (ASGI-SA), National Spatial Development Perspective (NSDP), National Strategy for Sustainable Development (NSSD), Provincial Growth and Development Strategy (PGDS) and Provincial Spatial Development Framework (PSDF).

All these feed into and influence the Integrated Development Plan.

- **Witzenberg Municipality Budget Priorities (Key Performance areas)**

The Municipality's 2021/ 2022 to 2023 / 2024 integrated development plan focuses on four strategic focus areas. The concrete objectives for each strategic focus area have been outlined and elaborated on. These objectives will be used to further develop key performance indicators against which performance implementation monitoring and reporting will be done. The corporate scorecard outlines these indicators and targets.

The four focus areas are:

- Essential Services
- Governance
- Communal Services
- Socio-Economic Support Services

## 8 Measurable performance objectives and indicators

### (a) KEY FINANCIAL INDICATORS AND RATIOS

Information regarding key financial indicators and ratios are provided on Supporting Table SA8.

### (b) MEASURABLE PERFORMANCE OBJECTIVES

*Information regarding revenue is provided as follows:*

- Revenue for each vote - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)
- Revenue for each source - Table A4 Budgeted Financial Performance (revenue and expenditure)

*Provision of free basic services:*

- (i) Cost to the Witzenberg Municipality in rand value for each of the free basic services provided to indigent households:

	<b>2021 / 2022</b>	<b>2022 / 2023</b>	<b>2023 / 2024</b>
	R'000	R'000	R'000
Property rates	9 426	10 086	10 691
Water	5 406	5 460	11 033
Sanitation	13 392	14 196	14 906
Electricity	4 851	5 482	6 195
Refuse	10 635	11 273	11 950
<b>Total</b>	<b>43 711</b>	<b>46 497</b>	<b>54 774</b>

It is expected that indigents will increase significantly due to the Covid-19 pandemic.

More detail is provided in Table A10 Basic service delivery measurement,

- (ii) Level of service to be provided

The first R 120 000 of the municipal valuation of property in Town areas are exempt from property rates.

Indigent households will receive 50 kWh of electricity and 6 kilolitre of water per month while their basic charges for water refuse and sewerage will be subsidized.

- (iii) Number of households to receive free basic services

There is budgeted for 3 000 households that will receive 50 kWh electricity per month as well as 6 kilolitre water per month. Provision has also been made for households earning between R3000 and R5000 which may qualify for 50% of the indigent subsidy

A further 1700 households in informal areas receive all services excluding electricity free of charge.

## **9 Overview of Budget Related Policies and Amendments**

The following budget related policies are tabled with the budget documentation for comments and inputs:

- Budget Policy
- Tariff Policy
- Property Rates Policy
- Credit Control and Debt Collection Policy
- Cash Management and Investment Policy
- Consumer Payment Incentive Policy
- Petty Cash Policy
- Indigent Policy
- Budget Virement Policy
- Asset Management Policy
- Funding and Reserves Policy
- Borrowing Policy
- Cellular the phone and data card policy
- Municipal Supply Chain Management Policy
- Long Term Financial Plan Policy
- Transport- travel- and subsistence allowance Policy
- Post-Employment Medical Aid Contribution Policy
- Infrastructure Investment Policy

Policies will be available at libraries in the municipal area and the website of the municipality.

The budget related policies were reviewed by management. The amendments recommended are explained below:

### **BUDGET POLICY**

The aim of the policy is to set out the principles which the municipality will follow in preparing each medium term revenue and expenditure framework (budget) and the responsibilities of the mayor and officials.

No amendments are recommended.

### **TARIFF POLICY**

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

It is recommended that section 6 of the Tariff policy be amended to indicate that the rebate will only be applicable on the additional services account of the applicant to the original account.

It is also recommended that the Renewable Energy tariffs (SSEG) and or an alternative tariff, the Service charge/month/100kW of installed panels ,be brought into the tariff policy. The application of one or both of these tariffs will be the discretion of the Director Technical Services in consultation with the Director Financial Services

It is also recommended that a waste recycling tariff be brought in. This tariff will be the amount the municipality will pay to sellers for each bag of 15L recycled material. It recommended that instead of making payment to sellers, a discount be given to sellers on their municipal accounts.

A significant adjustment has been made to the water tariff 5.1.2.3 (Block C - Aimed at larger industrial clients). This adjustment was made to ensure fairness across the board and to ensure that all users pay for what they use.

A number of sundry tariffs have been removed or added to ensure relevancy. The list of these amendments are too exhaustive and amendments have been noted in the Tariff List.

#### PROPERTY RATES POLICY

A Rates Policy in accordance with Section 3 of the Municipal Property Rates Act (No 6 of 2004) as amended (MPRA) was approved by Council and updated on 15 June 2010.

The policy guides the annual setting of property rates.

The Municipality has reviewed the rate ratio as it is applied in terms of Bona Fide Agricultural properties. The current ratio has been reviewed and been adjusted from 0.120:1 to 0.135:1 which is still within the regulated norm of 0.25:1. It envisaged that additional property rates revenue to the estimated amount of R1, 6 m will flow to the municipality in the first year of implementation. A phased-in approach will be followed over the next 3 financial years until the maximum allowable ratio of 0.25:1 is reached.

The recommended phased-in approach to be applied is as follow:

Year 1 (2020/21) Effective 1 July 2020: New Ratio 0.135:1

Year 2 (2021/22) Effective 1 July 2021: New Ratio 0.148:1

Year 3 (2022/23) Effective 1 July 2022: New Ratio 0.200:1

It is recommended that Property Rates policy be amended to indicate that the rebate will only be applicable on the additional services account of the applicant to the original account

It is recommended that the policy be amended to ensure sufficient revenues will be realised to fund municipal services.

The Property Rates policy has been amended, for approval, to include the most recent zoning scheme.

#### CREDIT CONTROL AND DEBT COLLECTION POLICY

This Policy has been formulated in terms of section 96 (b) and 98 of the Local Government: Municipal Systems Act, 2000 and the Credit Control and Debt Collection By-Law.



The municipality will pay no interest on consumer deposits. If found that any person (natural or juristic) is illegally connected or reconnected to municipal services, or that he/she fiddled with any meter, reticulation network or any other supply equipment, or delivered any unlawful service associated with the provision of municipal services, or stole or damaged any municipal property, he/she shall be prosecuted and/or held liable for fines, as determined by council.

#### CASH MANAGEMENT AND INVESTMENT POLICY

The underlying cash is managed and invested in accordance with the Municipality's approved Cash Management and Investment Policy, which is aligned with National Treasury's municipal investment regulations dated 01 April 2005.

It is proposed that the Cash Management and Investment Policy be amended in terms of the following:

Item 4.2.3: That the Deputy CFO be added as a A-Signatory

Item 4.4.5: New section added- Unallocated Deposits to be recognized as revenue

#### CONSUMER PAYMENT INCENTIVE POLICY

The purpose of the policy is to encourage residents of Witzenberg to pay for services and also to promote the culture of payment amongst its citizens.

Amendments recommended:

Verified debt as at 30 June 2018 to be "parked" and written-off in instalments as the conditions are met. Verified debt accrued after 1<sup>st</sup> July to be dealt with via an acknowledgement of debt and arrangement for payment by the participant.

#### PETTY CASH POLICY

The policy provides for the cash purchases up to a transaction value of R 2 000.00

No amendments are recommended.

#### INDIGENT POLICY

The aim of the policy is to ensure a sound and sustainable manner to provide affordable basic services to the poor by means of assisting them financially within the legal framework of the powers and functions of the municipality in order to improve the livelihood, in an effort to create a prosperous municipality free of poverty.

It recommended that the policy be amended to incorporate the council decision taken, namely – *"that the municipality will install water demand management meters free of charge at indigent properties as a prerequisite to be registered as an indigent and all water leaks on the property will be repaired by the municipality at the cost of the municipality"*

#### BUDGET VIREMENT POLICY

National Treasury has advised municipalities to implement a virement policy to ensure that funds can be shifted for of operational requirements to ensure that service delivery is not hampered.

It is proposed that the Budget Virement Policy be amended in terms of the following:

New item – 5.17.

Virements / Transfers from Repairs & Maintenance Projects are only permitted with the approval of the CFO and Municipal Manager

New item – 5.18

Virements / Transfers from Specific Operational Typical Work streams Projects are only permitted with the approval of the CFO and Municipal Manager

Appendix A Classification be repealed and replaced with the updated Municipal Votes as disclosed in the Budget Schedules

Appendix B Classification be repealed and replaced with the mSCOA line items

#### ASSET MANAGEMENT POLICY

The aim of the policy is to ensure that the assets of the municipality are properly managed and accounted for.

No amendments are recommended.

#### FUNDING AND RESERVE POLICY

In terms of section 8 of the Municipal Budget and Reporting Regulations each municipality must have a funding and reserves policy.

The policy aims to set standards and guidelines towards ensuring financial viability over both the short- and long term and includes funding as well as reserves requirements.

No amendments are recommended.

#### BORROWING POLICY

The policy aims to set out the objectives, statutory requirements as well as guidelines for the borrowing of funds.

No amendments are recommended.

#### CELLULAR TELEPHONE AND DATA CARD POLICY

The policy aims to curb the expenditure on cellular telephones by setting maximum expenditure levels and providing processes to approve and/or recover expenditure above the levels.

No amendments are recommended.

#### MUNICIPAL SUPPLY CHAIN MANAGEMENT POLICY

Section 111 of the MFMA requires each Municipality and municipal entity to adopt and implement a supply chain management policy, which gives effect to the requirements of the Act. The Municipality's Supply Chain Management Policy was approved by Council.

Consider the incorporation of parts of the SIPDM or the new draft FIPDM

#### LONG TERM FINANCIAL PLAN POLICY

The long term financial plan policy integrates the financial relationships of various revenue and expenditure streams to give effect to the Integrated Development Plan.

No amendments are recommended.

#### TRAVEL MANAGEMENT POLICY

This policy applies to all Councillors and employees of Witzenberg Municipality who are travelling on official business.

No amendments

#### POST-EMPLOYMENT MEDICAL AID CONTRIBUTION POLICY

The purpose of this policy is to determine guidelines for the management of contributions to medical aids, post-employment and to determine whether an employee is entitled to the post-employment medical aid benefit.

It is recommended that the policy be adjusted to be in line with the newly approved retirement policy

#### INFRASTRUCTURE INVESTMENT POLICY

This policy sets out the process and methodology for capital investment of any nature, regardless of the funding source.

## **10 Overview of Budget Related By-Laws and Amendments**

No amendments to any By-Laws are recommended.

## **11 Overview of Budget Assumptions**

### **Expenditure**

#### **Salaries and Allowances**

Provision has been made for a 4 % increase in salaries plus an additional notch increase for qualifying employees

The Minister of Finance will approve increases of councillors during the 2021 / 2022 financial year, and the increase will be implemented as from 1 July 2021.

### General expenditure

It is assumed that costs for services will increase in line with the CPIX. The current oil price is a concern and it is expected that the fuel price hikes will have a substantial effect on expenditure. It is also assumed that the capital projects for 2020 / 2021 will be completed during the financial year as there were budgeted for the depreciation of such projects as per general recognized accounting practice (GRAP). Depreciation on new capital expenditure is calculated at a varying rate ranging between 3 and 100 years depending on the nature of the asset.

### Repairs and Maintenance

It is assumed that municipal infrastructure and assets will be maintained as per previous years and that no major breakages will take place during the financial year.

### Capital costs

It is assumed that interest rates will be stable during the financial year, but the provision for capital has not been decreased.

### Bulk Purchases

It is assumed that electricity tariffs of Eskom will increase by 17.8% as from 1 July 2021, as approved by NERSA.

The NERSA Tariff Guidelines for municipalities was late received and it is envisaged that the bulk cost increase will be adjusted to 17.8% for the final budget for consideration.

## **Income**

### Households

It is assumed that the total households in the municipal area (the tax base) will stay stable during the financial year. The new RDP houses to be built will be for the benefit of families residing in informal areas. The total number of households is thus not expected to increase. Care must be taken that the informal structures are removed as soon as the beneficiaries moved to the new houses.

### Collection rate for municipal services

It is assumed that the collection rate (percentage of service charges recovered) for the financial year will be the same as the current payment rate.

In accordance with relevant legislation and national directives, the estimated revenue recovery rates are based on realistic and sustainable trends. The Municipality's collection rate is set at an average of 91%. Adequate provision is made for non-recovery.

### Grants

It is assumed that the National and Provincial grants as per Division of Revenue Act (DORA) which has been included in the budget will be received during the 2021 / 2022 financial year.

### Indigents

It is assumed that the number of indigents will increase to an estimated 5000 during the financial year due to Covid-19 pandemic. This significant increase is also due the additional rebate the municipality is offering to households earning between R3 000 and R5 000

### The Coronavirus

We have experienced a first and second wave of the Covid19-pandemic. The social and financial impact of the coronavirus we have felt in terms of our collections and income streams such as rental income from Resorts, Community Halls and Sport Facilities which were all negatively impacted. The productivity of the workforce was also negatively impacted due to employees being required to isolate as result of either contracting the virus or being classified as a close contact.

We sincerely believe that the roll out of the vaccination programme by government will have a positive lasting effect on our community. Council is advised to act prudently and diligently during this period.

Rumours of a third wave is possible.

The municipality has received Covid-19 relief funds from Provincial Government. The covid-19 expenditure that was incurred during the previous financial year was subjected to audit and the Auditor General has satisfied themselves that all Covid-19 expenditure was in compliance with all relevant legislation.

Unforeseen and unavoidable expenditure during the Covid-19 pandemic is a possibility and if it does arise, the administration will assist the mayor in discharging his responsibility in terms of the tabling of an adjustments budget at the earliest convenient time.

#### Efficiencies and cost containment measures

The municipality is committed through its applications and strengthening of its existing internal controls, policies and through the use of technology to ensure that the resources at its disposal will be used to the best of its ability. Cost containment measures has been implemented and operational expenses such travelling cost, catering services and consultant services are managed within the parameters of the Cost containment measures.

## **12 Overview of Budget Funding**

### Summary

*The operating budget for 2021 / 2022 will be financed as follows:*

	2020 /2021	2021/2022	Increase
	R'000	R'000	R'000

Charged for electricity, water, refuse and sewerage	386 043	444 419	15%
Property Rates	89 077	93 662	5%
Provincial and National Operating Grants	114 655	162 836	42%
Sundry charges / Other	45 036	52 273	16%
<b>Total Operating Revenue excl. Capital Transfers</b>	<b>634 812</b>	<b>753 189</b>	<b>19%</b>

*The capital budget for 2021/ 2022 to 2023 / 2024 will be financed as follows:*

	2021 /2022	2022/2023	2023 / 2024
	R'000	R'000	R'000
Own Funds (Capital Replacement Reserves)	13 027	10 950	-
Grants	96 020	58 003	26 360
Borrowing	-	-	-
<b>Total Capital Budget</b>	<b>109 047</b>	<b>68 953</b>	<b>26 360</b>

#### *Reserves*

All the reserves of the municipality are not cash funded. The process to accumulate sufficient funds is a long term process as tariff increases must be kept to a minimum, and service delivery must be continued.

#### *Sustainability of municipality*

The way that the budget is funded will ensure that the municipality will be sustainable on the short term. The full effect of huge increases in electricity tariffs may on the long run impact negatively on the sustainability of the municipality. This is a huge concern for the municipality and the municipality has no control over the increases approved by NERSA.

#### *Impact on rates and tariffs*

The way that the budget is funded will ensure that, except for electricity, refuse removal and water tariffs, service tariff increases will be  $\pm 6\%$ . Property rates tariffs will increase with  $\pm 6\%$ . The municipality has no control over the increases of electricity tariffs and the proposed 14.59% increase in electricity tariffs is subjected to NERSA approval.

#### Property valuations, rates, tariffs and other charges

The rates tariffs as well as tariffs for electricity, water, refuse, sewage together with the sundry tariffs are listed in Section B – Tariffs. The tariff increases are also indicated.

#### Collection Rate

Income levels for service charges and rates for the budget year were based on the following revised collection rates due to the impact of the Covid-19 pandemic:

Rates	95.0%
Electricity	98.0%
Water	73.0%
Sanitation	61.0%
Refuse	70.0%

#### Planned savings and efficiencies

The following areas were identified for possible savings after the efficiency of the usage of the assets/services has been evaluated:

Overtime  
Standby  
Operational Cost  
Contracted Services  
Materials & Supplies

#### Contributions and donations received

There was not budgeted for any contributions and donations to be received.

#### Planned proceeds of sale of assets

The municipality envisage no sale of fixed property during the 2021 / 2022 financial year.

#### Planned use of previous year's cash backed accumulated surplus

Where cash backed accumulated surplus is available, the municipality will utilise it to fund the budget.

#### Particulars of existing and any new borrowing proposed to be raised

There is no new borrowing proposed.

## **13 Expenditure on allocations and grant programmes**

#### Particulars of budgeted allocations and grants

Please refer to Supporting Table SA19: Expenditure on transfers and grant programme.

## **14 Allocations or grants made by the Municipality**

Please refer to Supporting Table SA21 Transfers and grants made by the municipality.

## 15 Councillor allowances and employee benefits

Costs to Municipality:

### *Councillors*

<b>Position</b>	<b>2021-2022 R</b>
Speaker (1)	834 147
Executive Mayor (1)	984 782
Deputy Executive Mayor (1)	833 682
Executive Committee (4)	3 184 029
Other Councillors (15)	6 170 308
<b>TOTAL</b>	<b>12 006 949</b>

### *Senior Managers (Including performance bonus provision)*

<b>Position</b>	<b>2021-2022 R</b>
Municipal Manager	1 981 760
Director: Corporate Services	1 610 387
Director: Community Services	1 547 549
Director: Technical Services	1 601 386
Chief Financial Officer	1 535 236
<b>TOTAL Senior Management</b>	<b>8 276 318</b>
<b>All other staff</b>	<b>222 302 268</b>

Number of Councillors 23

Number of Senior Managers employed 5

Details of employee numbers can be obtained on Supporting Table SA24: Summary of personnel numbers.

## 16 Monthly targets for revenue, expenditure and cash flow



The monthly targets for revenue and expenditure are provided in Supporting Table SA25 Budgeted monthly revenue and expenditure.

The monthly targets for cash flows are provided in Supporting Table SA30 Budgeted monthly cash flow.

## **17 Capital spending detail**

Information/detail regarding capital projects by vote is provided in Supporting Table SA36: Detailed capital budget.

## **18 Legislation compliance status**

Witzenberg Municipality complies in general with legislation applicable to municipalities.

## 19 Municipal Manager's quality certification

### Quality Certificate

I, Mr D Nasson, Municipal Manager of Witzenberg 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 budget and supporting documentations are consistent with the Integrated Development Plan of the municipality.

Print name Mr D NASSON

Municipal Manager of WITZENBERG MUNICIPALITY.

Signature:

A handwritten signature in black ink, appearing to be 'D NASSON', is written over a horizontal line.

Date 30 March 2021

## Capital Budget MTREF 2021-2022

Department	Project	Fund	Final Budget 2021/22	Final Budget 2022/23	Final Budget 2023/24
Electricity	Vredebes Electrical Network	INEP	11 097 391	0	-
Electricity	Nduli infill Electrical Network	INEP	-	2 714 783	3 478 261
Electricity	MV Substation Equipment	CRR	500 000	1 000 000	-
Electricity	Upgrade of LV Network Cables	CRR	-	1 000 000	-
Electricity	MV Network Equipment	CRR	-	1 000 000	-
Electricity	Upgrade of MV Cables	CRR	-	1 000 000	-
Solid Waste	New Material Recovery Facility	MIG	12 906 918	-	-
Solid Waste	Transfer stations & related infrastructure (contribution to above)	CRR	5 317 400	-	-
Cemeteries	Regional Cemetery	MIG	0	4 819 042	6 767 826
Community Sport	Ceres upgrade Of Leyell Str Sport Facilities	MIG	1 304 348	6 843 477	-
Storm water	Vredebes Phase H Bulk storm water & attenuation	MIG	312 408	-	-
Water	Network- Water Pipes & Valve Replacement	CRR	-	1 500 000	-
Sewerage	Sewer Network Replacement	CRR	-	1 500 000	-
Electricity	Vredebes Phase H Streetlights	MIG	1 565 217	-	-
Roads	Vredebes new access collector	MIG	-	1 390 435	8 085 217
Water	Op-Die-Berg Reservoir	MIG	5 058 934	-	-
Water	Tulbagh Reservoir	MIG	-	-	7 000 000
Municipal Manager	Office Equipment	MIG	-	-	20 000
Water	Tierhokskloof Bulk pipeline	MIG	-	8 026 177	-
Water	Tulbagh Dam	RBIG	17 391 304	16 729 565	-
Water	Vredebes Phase H Internal Water	IHHSDG	6 135 000	-	-
Sewerage	Vredebes Phase H Internal Sewerage	IHHSDG	6 135 000	-	-
Roads	Vredebes Phase H Internal Roads	IHHSDG	6 135 000	-	-
Storm water	Vredebes Phase H Internal Storm Water	IHHSDG	6 135 000	-	-
Water	Nduli Infill Internal Water	IHHSDG	0	2 820 000	-
Sewerage	Nduli Infill Internal Sewerage	IHHSDG	0	2 820 000	-
Roads	Nduli Infill Internal Roads	IHHSDG	0	2 820 000	-
Storm water	Nduli Infill Internal Storm water	IHHSDG	0	2 820 000	-
Roads	Tulbagh Steinthalweg walkways	CRR	500 000	-	-
Roads	Van Breda Brug	Transport	20 547 826	6 200 000	152 174
Roads	Van Breda Brug own contribution	CRR	4 909 565	1 240 000	-
ITC	Replace Computers	CRR	200 000	-	-
Roads	Network streets	CRR	-	2 000 000	-
Admin IT	IT Equipment	CRR	-	600 000	-
Administration	Council Chambers furniture	CRR	600 000	-	-
Community Hall	Townhalls Equipment	CRR	-	40 000	-
Recreational	Sportfield equipment	CRR	-	30 000	-
Parks	Parks equipment	CRR	-	40 000	-
Fire	Capex Firefighting Response Vehicle	FIRE	-	0	856 522
Treasury Admin	Capex IT Equipment	FMG	100 000	-	-
Public Toilets	Capex Public Toilets Wolseley	CRR	1 000 000	-	-
Public Toilets	Capex Public Toilets Wolseley	DISTRICT	500 000	-	-
L E D	Capex Hamlet Economic Hub	RSEP	695 652	-	-
			<b>109 046 964</b>	<b>68 953 479</b>	<b>26 360 000</b>

## RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Excluding Vat	Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
<b>1. Property rates and other municipal taxes</b>									
<b>1.1. Property rates</b>									
R 0.00927	1.1.1. Residential Property	0.0%	<b>R 0.00983</b>	6.00%	R 0.01051	7.00%	R 0.01114	6.00%	R 0.00983
R 0.00831	1.1.2. Informal Settlements	0.0%	<b>R 0.00935</b>	12.45%	R 0.01051	12.45%	R 0.01114	6.00%	R 0.00935
R 0.01674	1.1.3. Business/Commercial Property	0.0%	<b>R 0.01775</b>	6.00%	R 0.01899	7.00%	R 0.02013	6.00%	R 0.01775
R 0.01629	1.1.4. Industrial Property	0.0%	<b>R 0.01727</b>	6.00%	R 0.01848	7.00%	R 0.01959	6.00%	R 0.01727
<b>13.51%</b>	1.1.5. Agricultural Properties:								
R 0.00125	1.1.5.1 Bona fida Agricultural	0.0%	<b>R 0.00140</b>	11.81%	R 0.00160	14.29%	R 0.00180	12.50%	R 0.00140
R 0.01045	1.1.5.2 Agricultural/Business	0.0%	<b>R 0.01400</b>	33.98%	R 0.01899	35.63%	R 0.02013	6.00%	R 0.01400
R 0.01045	1.1.5.3 Agricultural/Industrial	0.0%	<b>R 0.01400</b>	33.98%	R 0.01848	31.99%	R 0.01959	6.00%	R 0.01400
R 0.01461	1.1.6. State owned Property	0.0%	<b>R 0.01548</b>	6.00%	R 0.01657	7.00%	R 0.01756	6.00%	R 0.01548
R 0.01393	1.1.7. Vacant Land - Urban	0.0%	<b>R 0.01477</b>	6.00%	R 0.01580	7.00%	R 0.01675	6.00%	R 0.01477
R 0.00231	1.1.8. Public Service Infrastructure	0.0%	<b>R 0.00245</b>	6.00%	R 0.00263	7.00%	R 0.00278	6.00%	R 0.00245
R 0.00231	1.1.9. Public Benefit Organisations	0.0%	<b>R 0.00245</b>	6.00%	R 0.00263	7.00%	R 0.00278	6.00%	R 0.00245
R 0.01158	1.1.10. Building clauses	0.0%	<b>R 0.01228</b>	6.00%	R 0.01314	7.00%	R 0.01393	6.00%	R 0.01228
R 0.00464	1.1.11. Residential Property - Qualifying Pensioners	0.0%	<b>R 0.00492</b>	6.00%	R 0.00526	7.00%	R 0.00558	6.00%	R 0.00492

**Pensioners may qualify for a rebate of 50% on residential property in terms of councils policy.**

**Exemption**

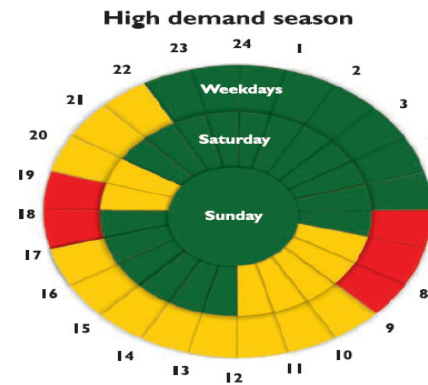
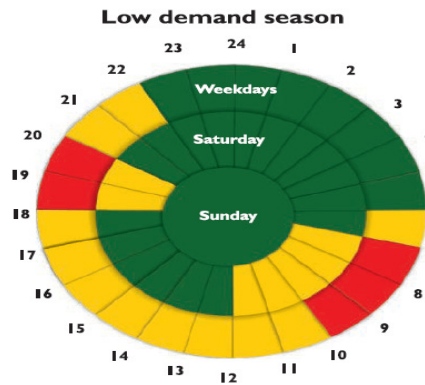
The first R 120 000.00 of property values are exempt from rates for tariffs 1.1.1; 1.1.2; 1.1.3 and 1.1.4

**1.2. Concened use and departures**

R 1 799.00	1.2.1. Residential properties		<b>R 2 000.00</b>	11.17%	R 2 120.00	6.00%	R 2 247.20	6.00%	R 2 000.00
R 1 799.00	1.2.2. Bona fida Agricultural		<b>R 2 000.00</b>	11.17%	R 2 120.00	6.00%	R 2 247.20	6.00%	R 2 000.00

**2. Electricity Service Tariffs**

High-demand (June – August) and low-demand (September – May) seasons



R 200.01	2.1 Service Availability: Unimproved sites charge per month or part of it	15.0%	<b>R 263.57</b>	14.59%	R 297.832	13.00%	R 336.551	13.00%	R 229.19
<b>2.2 Residential customers</b>									
<b>2.2.1 Single part tariff</b>									
<b>2.2.1.1 Prepaid</b>									
R 1.411	0-50 kWh	15.0%	<b>R 1.863</b>	14.80%	R 2.105	13.00%	R 2.379	13.00%	R 1.620
R 1.411	51-350 kWh	15.0%	<b>R 1.863</b>	14.80%	R 2.105	13.00%	R 2.379	13.00%	R 1.620
R 1.411	351-600 kWh	15.0%	<b>R 1.863</b>	14.80%	R 2.105	13.00%	R 2.379	13.00%	R 1.620
R 2.438	601-800 kWh	15.0%	<b>R 3.209</b>	14.43%	R 3.626	13.00%	R 4.097	13.00%	R 2.790
R 2.438	Above 800 kWh	15.0%	<b>R 3.301</b>	17.72%	R 3.730	13.00%	R 4.214	13.00%	R 2.870
<b>2.2.1.2 1 x 20 A</b>									
0-50 kWh									
51-350 kWh									
351-600 kWh									
Above 600 kWh									
<b>2.2.1.3 Single phase</b>									
R 1.605	0-50 kWh	15.0%	<b>R 2.116</b>	14.67%	R 2.391	13.00%	R 2.702	13.00%	R 1.840
R 1.605	51-350 kWh	15.0%	<b>R 2.116</b>	14.67%	R 2.391	13.00%	R 2.702	13.00%	R 1.840
R 1.605	351-600 kWh	15.0%	<b>R 2.116</b>	14.67%	R 2.391	13.00%	R 2.702	13.00%	R 1.840
R 2.169	601-800 kWh	15.0%	<b>R 2.864</b>	14.80%	R 3.236	13.00%	R 3.656	13.00%	R 2.490
R 2.169	Above 800 kWh	15.0%	<b>R 2.944</b>	18.02%	R 3.327	13.00%	R 3.759	13.00%	R 2.560

Removed - All consumers moved to 2.2.1.3

## RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Excluding Vat	Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
2.2.1.4	<b>Three phase</b> 0-50 kWh 51-350 kWh 351-600 kWh Above 600 kWh		<b>Removed - All consumers moved to 2.2.2.2</b>						
2.2.2	<b>Two part tariff</b>								
2.2.2.1	<b>Single phase</b> Basic charge per month or part of it: Energy in c/kWh 0-50 kWh 51-350 kWh 351-600 kWh Above 600 kWh		<b>Removed - All consumers moved to 2.2.1.3</b>						
R 633.89	2.2.2.2 <b>Three phase</b> Basic charge per month or part of it: Energy in c/kWh	15.0%	<b>R 858.73</b>	17.80%	R 970.36	13.00%	R 1 096.51	13.00%	R 746.72
R 0.912	0-50 kWh	15.0%	<b>R 1.235</b>	17.80%	R 1.40	13.00%	R 1.58	13.00%	R 1.074
R 0.911	51-350 kWh	15.0%	<b>R 1.235</b>	17.80%	R 1.40	13.00%	R 1.58	13.00%	R 1.073
R 0.911	351-600 kWh	15.0%	<b>R 1.235</b>	17.80%	R 1.40	13.00%	R 1.58	13.00%	R 1.073
R 1.309	Above 600 kWh	15.0%	<b>R 1.773</b>	17.80%	R 2.00	13.00%	R 2.26	13.00%	R 1.542
2.3	<b>Commercial customers</b>								
2.3.1	<b>Prepaid customers</b>								
R 0.00	2.3.1.1 Basic charge per month or part of it: The basic charge on prepaid commercial customers is not applicable to schools or church properties	15.0%	<b>R 0.00</b>		R 0.000		R 0.000		R 0.00
2.3.1.2	Energy in c/kWh								
R 2.195	0-600 kWh	15.0%	<b>R 2.974</b>	17.80%	R 3.4197	15.00%	R 3.933	15.00%	R 2.586
R 2.390	Above 600 kWh	15.0%	<b>R 3.237</b>	17.80%	R 3.723	15.00%	R 4.281	15.00%	R 2.815
2.3.2	<b>Single phase</b> <b>No new connections allowed larger than 80 AMPS on Single phase on this tariff</b>								
2.3.2.1	Basic charge per month or part of it:								
R 384.83	20A - Connection	15.0%	<b>R 521.33</b>	17.80%	R 599.53	15.00%	R 689.46	15.00%	R 453.33
R 703.81	40A - Connection	15.0%	<b>R 953.45</b>	17.80%	R 1 096.47	15.00%	R 1 260.94	15.00%	R 829.09
R 849.14	60A - Connection	15.0%	<b>R 1 150.33</b>	17.80%	R 1 322.88	15.00%	R 1 521.31	15.00%	R 1 000.29
R 850.31	80A - Connection	15.0%	<b>R 1 151.92</b>	17.80%	R 1 324.71	15.00%	R 1 523.42	15.00%	R 1 001.67
R 1 106.57	100A - Connection	15.0%	<b>R 1 499.07</b>	17.80%	R 1 723.93	15.00%	R 1 982.52	15.00%	R 1 303.54
R 1 211.69	150A - Connection	15.0%	<b>R 1 641.48</b>	17.80%	R 1 887.70	15.00%	R 2 170.86	15.00%	R 1 427.37
R 1 392.28	200A - Connection	15.0%	<b>R 1 886.13</b>	17.80%	R 2 169.05	15.00%	R 2 494.41	15.00%	R 1 640.11
R 1 547.37	250A - Connection	15.0%	<b>R 2 096.22</b>	17.80%	R 2 410.65	15.00%	R 2 772.25	15.00%	R 1 822.80
R 1.834	2.3.2.2 Energy in c/kWh All users with greater than 80Amp Connections must be converted to 3 phase connections	15.0%	<b>R 2.484</b>	17.80%	R 2.857	15.00%	R 3.2851	15.00%	R 2.160
2.3.3	<b>Three phase</b> <b>No new connections allowed larger than 150 AMPS on Three phase on this tariff</b>								
2.3.3.1	Basic charge per month or part of it:								
R 1 235.87	20A - Connection	15.0%	<b>R 1 674.23</b>	17.80%	R 1 925.362	15.00%	R 2 214.17	15.00%	R 1 455.85
R 1 388.25	40A - Connection	15.0%	<b>R 1 880.66</b>	17.80%	R 2 162.764	15.00%	R 2 487.18	15.00%	R 1 635.36
R 1 481.23	60A - Connection	15.0%	<b>R 2 006.62</b>	17.80%	R 2 307.617	15.00%	R 2 653.76	15.00%	R 1 744.89
R 1 584.55	80A - Connection	15.0%	<b>R 2 146.59</b>	17.80%	R 2 468.579	15.00%	R 2 838.87	15.00%	R 1 866.60
R 1 917.71	100A - Connection	15.0%	<b>R 2 597.92</b>	17.80%	R 2 987.607	15.00%	R 3 435.75	15.00%	R 2 259.06
R 2 352.91	150A - Connection	15.0%	<b>R 3 187.49</b>	17.80%	R 3 665.613	15.00%	R 4 215.45	15.00%	R 2 771.73
R 2 811.37	200A - Connection	15.0%	<b>R 3 808.56</b>	17.80%	R 4 379.842	15.00%	R 5 036.82	15.00%	R 3 311.79
R 2 873.35	250A - Connection	15.0%	<b>R 3 892.53</b>	17.80%	R 4 476.411	15.00%	R 5 147.87	15.00%	R 3 384.81
R 1.627	2.3.3.2 Energy in c/kWh	15.0%	<b>R 2.204</b>	17.80%	R 2.535	15.00%	R 2.9148	15.00%	R 1.917

## RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Excluding Vat	Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
	<b>2.4 Agricultural customers</b>								
	<b>2.4.1 &lt; 25 KVA</b>								
R 741.26	Basic charge per month or part of it:	15.0%	<b>R 1 004.18</b>	17.80%	R 1 154.807	15.00%	R 1 328.03	15.00%	R 873.20
	<b>2.4.2 25 KVA &lt; = 50 KVA</b>								
R 1 083.48	Basic charge per month or part of it:	15.0%	<b>R 1 467.79</b>	17.80%	R 1 687.960	15.00%	R 1 941.15	15.00%	R 1 276.34
	<b>2.4.3 50 KVA &lt; = 100 KVA</b>								
R 1 465.73	Basic charge per month or part of it:	15.0%	<b>R 1 985.62</b>	17.80%	R 2 283.468	15.00%	R 2 625.99	15.00%	R 1 726.63
	<b>2.4.4 Energy charge c/kWh</b>								
R 1.963	Energy in c/kWh < 1,000 units	15.0%	<b>R 2.659</b>	17.80%	R 3.058	15.00%	R 3.517	15.00%	R 2.312
R 1.963	Energy in c/kWh > 1,000 units	15.0%	<b>R 2.659</b>	17.80%	R 3.058	15.00%	R 3.517	15.00%	R 2.312
	<b>2.5 BULK CONSUMERS (LARGE POWER USERS)</b>								
	<b>All Large Power Users (LPU) must maintain a power factor of 0.85 lagging or better</b>								
	<b>The following public holidays will always be treated as a Sunday for Large Power Users. New Year's Day, Good Friday, Family Day, Christmas Day and Day of Goodwill. All other public holidays will be treated as the day of the week on which it falls.</b>								
	<b>2.5.1 Agricultural customers</b>								
	<b>2.5.1.1 Time of use customers</b>								
	<b>2.5.1.1.1 &lt; 1 MVA High tension</b>								
R 8 459.93	Basic charge per month or part of it	15.0%	<b>R 11 460.67</b>	17.80%	R 13 179.771	15.00%	R 15 156.736	15.00%	R 9 965.80
R 145.740	Demand charge R/KVA	15.0%	<b>R 197.432</b>	17.80%	R 227.047	15.00%	R 261.104	15.00%	R 171.68
	<b>Energy charge c/kWh</b>								
	In season								
R 3.926	Peak time	15.0%	<b>R 5.318</b>	17.80%	R 6.116	15.00%	R 7.034	15.00%	R 4.625
R 1.266	Standard	15.0%	<b>R 1.714</b>	17.80%	R 1.972	15.00%	R 2.267	15.00%	R 1.491
R 0.749	Off- peak time	15.0%	<b>R 1.015</b>	17.80%	R 1.168	15.00%	R 1.343	15.00%	R 0.883
	Out of season								
R 1.369	Peak time	15.0%	<b>R 1.855</b>	17.80%	R 2.134	15.00%	R 2.454	15.00%	R 1.613
R 0.981	Standard	15.0%	<b>R 1.330</b>	17.80%	R 1.529	15.00%	R 1.758	15.00%	R 1.156
R 0.659	Off- peak time	15.0%	<b>R 0.892</b>	17.80%	R 1.026	15.00%	R 1.180	15.00%	R 0.776
	<b>2.5.1.1.2 Low tension</b>								
R 5 422.57	Basic charge per month or part of it	15.0%	<b>R 7 345.96</b>	17.80%	R 8 447.852	15.00%	R 9 715.030	15.00%	R 6 387.79
R 135.38	Demand charge R/KVA	15.0%	<b>R 183.40</b>	17.80%	R 210.912	15.00%	R 242.549	15.00%	R 159.48
	<b>Energy charge c/kWh</b>								
	In season								
R 4.326	Peak time	15.0%	<b>R 5.860</b>	17.80%	R 6.740	15.00%	R 7.750	15.00%	R 5.096
R 1.395	Standard	15.0%	<b>R 1.890</b>	17.80%	R 2.173	15.00%	R 2.499	15.00%	R 1.643
R 0.827	Off- peak time	15.0%	<b>R 1.120</b>	17.80%	R 1.288	15.00%	R 1.481	15.00%	R 0.974
	Out of season								
R 1.511	Peak time	15.0%	<b>R 2.047</b>	17.80%	R 2.354	15.00%	R 2.707	15.00%	R 1.780
R 1.072	Standard	15.0%	<b>R 1.452</b>	17.80%	R 1.670	15.00%	R 1.921	15.00%	R 1.263
R 0.723	Off- peak time	15.0%	<b>R 0.979</b>	17.80%	R 1.126	15.00%	R 1.295	15.00%	R 0.851
	<b>2.5.1.2 Normal</b>								
	<b>2.5.1.2.1 &lt; 1 MVA High tension</b>								
R 8 097.04	Basic charge per month or part of it	15.0%	<b>R 10 969.06</b>	17.80%	R 12 614.415	15.00%	R 14 506.577	15.00%	R 9 538.31
R 185.02	Demand charge R/KVA	15.0%	<b>R 250.64</b>	17.80%	R 288.239	15.00%	R 331.475	15.00%	R 217.95
R 1.046	Energy charge c/kWh	15.0%	<b>R 1.416</b>	17.80%	R 1.629	15.00%	R 1.873	15.00%	R 1.232
	<b>2.5.1.2.2 Low tension</b>								
R 4 770.41	Basic charge per month or part of it	15.0%	<b>R 6 462.47</b>	17.80%	R 7 431.842	15.00%	R 8 546.618	15.00%	R 5 619.54
R 244.58	Demand charge R/KVA	15.0%	<b>R 331.34</b>	17.80%	R 381.039	15.00%	R 438.195	15.00%	R 288.12
R 0.956	Energy charge c/kWh	15.0%	<b>R 1.295</b>	17.80%	R 1.490	15.00%	R 1.713	15.00%	R 1.126

## RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
	<b>2.5.2</b>	<b>Urban customers</b>								
	<b>2.5.2.1</b>	<b>Time of use customers</b>								
	<b>2.5.2.1.1</b>	<b>&gt; 1 MVA High tension</b>								
R 17 710.19		Basic charge per month or part of it	15.0%	<b>R 23 991.99</b>	17.80%	R 27 590.789	15.00%	R 31 729.407	15.00%	R 20 862.60
R 102.35		Demand charge R/KVA	15.0%	<b>R 138.66</b>	17.80%	R 159.454	15.00%	R 183.372	15.00%	R 120.57
		<b>Energy charge c/kWh</b>								
		In season								
R 4.585		Peak time	15.0%	<b>R 6.211</b>	17.80%	R 7.142	15.00%	R 8.214	15.00%	R 5.401
R 1.486		Standard	15.0%	<b>R 2.012</b>	17.80%	R 2.314	15.00%	R 2.661	15.00%	R 1.750
R 0.865		Off- peak time	15.0%	<b>R 1.172</b>	17.80%	R 1.348	15.00%	R 1.551	15.00%	R 1.019
		Out of season								
R 1.575		Peak time	15.0%	<b>R 2.134</b>	17.80%	R 2.454	15.00%	R 2.822	15.00%	R 1.855
R 1.136		Standard	15.0%	<b>R 1.539</b>	17.80%	R 1.770	15.00%	R 2.036	15.00%	R 1.338
R 0.749		Off- peak time	15.0%	<b>R 1.015</b>	17.80%	R 1.168	15.00%	R 1.343	15.00%	R 0.883
	<b>2.5.2.1.2</b>	<b>&lt; 1 MVA High tension</b>								
R 10 602.34		Basic charge per month or part of it	15.0%	<b>R 14 362.99</b>	17.80%	R 16 517.443	15.00%	R 18 995.060	15.00%	R 12 489.56
R 113.86		Demand charge R/KVA	15.0%	<b>R 154.25</b>	17.80%	R 177.387	15.00%	R 203.995	15.00%	R 134.13
		<b>Energy charge c/kWh</b>								
		In season								
R 4.882		Peak time	15.0%	<b>R 6.614</b>	17.80%	R 7.606	15.00%	R 8.747	15.00%	R 5.751
R 1.575		Standard	15.0%	<b>R 2.134</b>	17.80%	R 2.454	15.00%	R 2.822	15.00%	R 1.855
R 0.917		Off- peak time	15.0%	<b>R 1.243</b>	17.80%	R 1.429	15.00%	R 1.644	15.00%	R 1.081
		Out of season								
R 1.692		Peak time	15.0%	<b>R 2.292</b>	17.80%	R 2.636	15.00%	R 3.032	15.00%	R 1.993
R 1.201		Standard	15.0%	<b>R 1.628</b>	17.80%	R 1.872	15.00%	R 2.153	15.00%	R 1.415
R 0.827		Off- peak time	15.0%	<b>R 1.120</b>	17.80%	R 1.288	15.00%	R 1.481	15.00%	R 0.974
	<b>2.5.2.1.3</b>	<b>Low tension</b>								
R 9 630.61		Basic charge per month or part of it	15.0%	<b>R 13 046.59</b>	17.80%	R 15 003.577	15.00%	R 17 254.114	15.00%	R 11 344.86
R 128.70		Demand charge R/KVA	15.0%	<b>R 174.35</b>	17.80%	R 200.504	15.00%	R 230.580	15.00%	R 151.61
		<b>Energy charge c/kWh</b>								
		In season								
R 4.905		Peak time	15.0%	<b>R 6.645</b>	17.80%	R 7.6420	15.00%	R 8.788	15.00%	R 5.778
R 1.579		Standard	15.0%	<b>R 2.139</b>	17.80%	R 2.4595	15.00%	R 2.828	15.00%	R 1.860
R 0.940		Off- peak time	15.0%	<b>R 1.273</b>	17.80%	R 1.464	15.00%	R 1.683	15.00%	R 1.107
		Out of season								
R 1.695		Peak time	15.0%	<b>R 2.297</b>	17.80%	R 2.6412	15.00%	R 3.037	15.00%	R 1.997
R 1.203		Standard	15.0%	<b>R 1.630</b>	17.80%	R 1.875	15.00%	R 2.156	15.00%	R 1.418
R 0.816		Off- peak time	15.0%	<b>R 1.105</b>	17.80%	R 1.271	15.00%	R 1.461	15.00%	R 0.961
	<b>2.5.2.2</b>	<b>Normal</b>								
	<b>2.5.2.2.1</b>	<b>&gt; 1 MVA High tension</b>								
R 14 778.72		Basic charge per month or part of it	15.0%	<b>R 20 020.73</b>	17.80%	R 23 023.839	15.00%	R 26 477.415	15.00%	R 17 409.33
R 130.52		Demand charge R/KVA	15.0%	<b>R 176.81</b>	17.80%	R 203.344	15.00%	R 233.835	15.00%	R 153.75
R 1.291		Energy charge c/kWh	15.0%	<b>R 1.749</b>	17.80%	R 2.0111	15.00%	R 2.313	15.00%	R 1.521
	<b>2.5.2.2.2</b>	<b>&lt; 1 MVA High tension</b>								
R 12 034.50		Basic charge per month or part of it	15.0%	<b>R 16 303.14</b>	17.80%	R 18 748.606	15.00%	R 21 560.897	15.00%	R 14 176.64
R 140.66		Demand charge R/KVA	15.0%	<b>R 190.56</b>	17.80%	R 219.138	15.00%	R 252.009	15.00%	R 165.70
R 1.252		Energy charge c/kWh	15.0%	<b>R 1.696</b>	17.80%	R 1.951	15.00%	R 2.243	15.00%	R 1.475
	<b>2.5.2.2.3</b>	<b>Low tension</b>								
R 9 790.06		Basic charge per month or part of it	15.0%	<b>R 13 262.59</b>	17.80%	R 15 251.983	15.00%	R 17 539.780	15.00%	R 11 532.69
R 133.06		Demand charge R/KVA	15.0%	<b>R 180.25</b>	17.80%	R 207.289	15.00%	R 238.3819	15.00%	R 156.74
R 1.356		Energy charge c/kWh	15.0%	<b>R 1.837</b>	17.80%	R 2.113	15.00%	R 2.4297	15.00%	R 1.598
	<b>2.6</b>	<b>Sport customers</b>								
R 2.144		Energy charge c/kWh	15.0%	<b>R 2.905</b>	17.80%	R 3.341	15.00%	R 3.842	15.00%	R 2.526
	<b>2.7</b>	<b>Streetlights</b>								
R 2.066		Energy charge c/kWh	0.0%	<b>R 2.433</b>	17.80%	R 2.798	15.00%	R 3.218	15.00%	R 2.433
R 0.00	<b>2.8</b>	Unnecessary call outs for work on customer side	15.0%	<b>R 500.00</b>	New	R 575.000	15.00%	R 661.250	15.00%	R 0.000
R 0.01	<b>2.9</b>	Feeding in Tariff	15.0%	R 0.01	New	R 0.01		R 0.01		R 0.01

## RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Including Vat	Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
		<b>3.</b>	<b>Refuse Service Tariffs</b>								
			(All Areas in respect of residential sites)								
		<b>3.1.</b>	<b>Service Availability charge per month or part of it:</b>								
R 85,69	R 74,51		Unimproved sites	15,0%	R 90,83	6,00%	R 96,30	6,02%	R 102,08	6,00%	R 78,98
		<b>3.2.</b>	<b>Monthly Tariff per number of collections. 2 refuse bags (unit) per collection per week per household</b>								
		<b>3.2.1</b>	1 Collection per week (2 refuse bags or less)								
		<b>3.2.2</b>	2 Collection per week (2 refuse bags or less)								
		<b>3.2.3</b>	3 Collection per week (2 refuse bags or less)								
		<b>3.2.4</b>	Additional units per collection								
		<b>3.2.5</b>	Informal settlements without an account (Flat rate)								
		<b>3.2.6</b>	Departmental tariffs:								
		<b>3.2.6.1</b>	Dennebos								
		<b>3.2.6.2</b>	All other								
			<b>Residential Properties: (2 refuse bags or less)</b>								
R 192,30	R 167,22		Valuation ≤ 100 000	15,0%	R 203,84	6,00%	R 216,07	6,00%	R 229,03	6,00%	R 177,25
R 207,09	R 180,08		Valuation > 100 000 ≤ 150 000	15,0%	R 219,52	6,00%	R 232,69	6,00%	R 246,65	6,00%	R 190,89
R 221,89	R 192,94		Valuation > 150 000 ≤ 200 000	15,0%	R 235,20	6,00%	R 249,31	6,00%	R 264,27	6,00%	R 204,52
R 236,68	R 205,81		Valuation > 200 000 ≤ 500 000	15,0%	R 250,88	6,00%	R 265,93	6,00%	R 281,89	6,00%	R 218,16
R 257,39	R 223,82		Valuation > 500 000 ≤ 800 000	15,0%	R 272,83	6,00%	R 289,20	6,00%	R 306,55	6,00%	R 237,24
R 266,26	R 231,53		Valuation > 800 000 ≤ 1 000 000	15,0%	R 282,24	6,00%	R 299,17	6,00%	R 317,12	6,00%	R 245,43
R 295,85	R 257,26		Valuation > 1 000 000	15,0%	R 313,60	6,00%	R 332,42	6,00%	R 352,36	6,00%	R 272,70
R 192,30	R 167,22		All other residential consumers	15,0%	R 203,84	6,00%	R 216,07	6,00%	R 229,03	6,00%	R 177,25
R 192,30	R 167,22		Additional units per collection	15,0%	R 203,84	6,00%	R 216,07	6,00%	R 229,03	6,00%	R 177,25
			Pine Forest Flat Rate								
			<b>Residential Properties : (240L Wheelie Bin)</b>								
			1 Collection per week per 240 Wheelie Bin per household	15,0%	R 230,00	New	R 243,80	6,00%	R 258,43	6,00%	R 200,00
			<b>All other properties Monthly Tariff</b>								
			<b>770L Wheelie Bin</b>								
R 887,55	R 771,78		1 Collection per week per	15,0%	R 940,80	6,00%	R 997,25	6,00%	R 1 057,08	6,00%	R 818,09
R 1 775,09	R 1 543,56		2 Collections per week per 700L Wheelie Bin	15,0%	R 1 881,60	6,00%	R 1 994,50	6,00%	R 2 114,17	6,00%	R 1 636,17
R 2 662,64	R 2 315,34		3 Collections per week per 700L Wheelie Bin	15,0%	R 2 822,39	6,00%	R 2 991,73	6,00%	R 3 171,24	6,00%	R 2 454,26
R 887,55	R 771,78		1 Collection per week per additional Wheelie Bin	15,0%	R 940,80	6,00%	R 997,25	6,00%	R 1 057,08	6,00%	R 818,09
R 1 775,09	R 1 543,56		2 Collections per week per additional Wheelie Bin	15,0%	R 1 881,60	6,00%	R 1 994,50	6,00%	R 2 114,17	6,00%	R 1 636,17
R 2 662,64	R 2 315,34		3 Collections per week per additional Wheelie Bin	15,0%	R 2 822,39	6,00%	R 2 991,73	6,00%	R 3 171,24	6,00%	R 2 454,26
			<b>If a counter system is available, the above tariffs will be implemented as follows:</b>								
R 887,55	R 771,78		Service availability - per month. Include 4 removals/month.	15,0%	R 940,80	6,00%	R 997,25	6,00%	R 1 057,08	6,00%	R 818,09
R 220,59	R 191,82		Additional removals per removal.	15,0%	R 233,82	6,00%	R 247,85	6,00%	R 262,72	6,00%	R 203,33
			<b>240L Wheelie Bin</b>								
R 369,81	R 321,57		1 Collection per week per 240L Wheelie Bin	15,0%	R 392,00	6,00%	R 415,52	6,00%	R 440,45	6,00%	R 340,87
R 739,62	R 643,15		2 Collections per week per 240L Wheelie Bin	15,0%	R 784,00	6,00%	R 831,04	6,00%	R 880,90	6,00%	R 681,74
R 1 109,43	R 964,72		3 Collections per week per 240L Wheelie Bin	15,0%	R 1 176,00	6,00%	R 1 246,56	6,00%	R 1 321,35	6,00%	R 1 022,61
R 369,81	R 321,57		1 Collection per week per additional Wheelie Bin	15,0%	R 392,00	6,00%	R 415,52	6,00%	R 440,45	6,00%	R 340,87
R 739,62	R 643,15		2 Collections per week per additional Wheelie Bin	15,0%	R 784,00	6,00%	R 831,04	6,00%	R 880,90	6,00%	R 681,74
R 1 109,43	R 964,72		3 Collections per week per additional Wheelie Bin	15,0%	R 1 176,00	6,00%	R 1 246,56	6,00%	R 1 321,35	6,00%	R 1 022,61
			<b>If a counter system is available, the above tariffs will be implemented as follows:</b>								
R 369,81	R 321,57		Service availability - per month. Include 4 removals/month.	15,0%	R 392,00	6,00%	R 415,52	6,00%	R 440,45	6,00%	R 340,87
R 93,43	R 81,24		Additional removals per removal.	15,0%	R 99,03	5,99%	R 104,97	6,00%	R 111,27	6,00%	R 86,11
			<b>Cost of Wheelie Bins</b>								
R 5 582,04	R 4 853,95		<b>700L Wheelie Bin</b>	15,0%	R 5 916,97	6,00%	R 6 271,99	6,00%	R 6 648,31	6,00%	R 5 145,19
R 627,98	R 546,07		<b>240L Wheelie Bin</b>	15,0%	R 665,66	6,00%	R 705,60	6,00%	R 747,94	6,00%	R 578,83
		<b>3.3</b>	Recyclable material per filled 15l recyclable bag/ 15l of recyclable material	15,0%	-R 2,00	New	-R 2,12	6,00%	-R 2,25	6,00%	-R 1,74



## RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
<b>4. Sewerage Service Tariffs</b>										
<b>4.1. Septic Tank systems</b>										
<b>(All Areas, excluding rural area in respect of availability charge)</b>										
<b>Service Availability charge per month or part of it:</b>										
R 35.22	4.1.1.1	Per site with improvements	15.0%	<b>R 42.93</b>	6.00%	R 45.51	6.00%	R 47.78	5.00%	R 37.33
<b>4.1.2. Suction charge:</b>										
R 210.57	4.1.2.1	Urban areas charge per occasion	15.0%	<b>R 256.69</b>	6.00%	R 272.09	6.00%	R 285.69	5.00%	R 223.21
<b>4.1.2.2. Rural areas:</b>										
R 849.21	4.1.2.2.1	Charge per occasion	15.0%	<b>R 1 035.19</b>	6.00%	R 1 097.30	6.00%	R 1 152.16	5.00%	R 900.16
R 39.63	4.1.2.2.2	Charge per kilometre	15.0%	<b>R 48.31</b>	6.00%	R 48.31	0.00%	R 48.31	0.00%	R 42.01
<b>4.2. Waterborne Sewerage systems</b>										
<b>(All Areas connected to the main sewerage system)</b>										
<i>(Where more than one service point exist on the same site and more than one or one water connection exists the tariff equal to the larges water connection will be applicable on every point of service)</i>										
<b>4.2.1. Service Availability charge per month or part of it:</b>										
R 74.50	4.2.1.1	Unimproved sites	15.0%	<b>R 90.81</b>	6.00%	R 96.26	6.00%	R 101.07	5.00%	R 78.97
R 210.57	4.2.1.2	Water connection size: 0 - 25 mm	15.0%	<b>R 256.69</b>	6.00%	R 272.09	6.00%	R 285.69	5.00%	R 223.21
R 819.43	4.2.1.3	Water connection size: 26 - 50 mm	15.0%	<b>R 998.89</b>	6.00%	R 1 058.82	6.00%	R 1 111.76	5.00%	R 868.60
R 2 098.17	4.2.1.4	Water connection size: 51 - 80 mm	15.0%	<b>R 2 557.66</b>	6.00%	R 2 711.12	6.00%	R 2 846.68	5.00%	R 2 224.06
R 3 278.06	4.2.1.5	Water connection size: 81 - 100 mm	15.0%	<b>R 3 995.95</b>	6.00%	R 4 235.71	6.00%	R 4 447.49	5.00%	R 3 474.74
R 7 373.38	4.2.1.6	Water connection size: 101 - 150 mm	15.0%	<b>R 8 988.15</b>	6.00%	R 9 527.44	6.00%	R 10 003.81	5.00%	R 7 815.78
<b>4.2.2. Exceptions: Charge per month or part of it</b>										
R 34 886.90	4.2.2.1	Obiqua Prison - Tulbagh	15.0%	<b>R 42 527.13</b>	6.00%	R 45 078.76	6.00%	R 47 332.70	5.00%	R 36 980.11
R 210.57	4.2.2.2	Schools - Op-die-Berg	15.0%	<b>R 256.69</b>	6.00%	R 272.09	6.00%	R 285.69	5.00%	R 223.21
R 210.57	4.2.2.3	Other sites - Op-die-Berg	15.0%	<b>R 256.69</b>	6.00%	R 272.09	6.00%	R 285.69	5.00%	R 223.21
R 86.49	4.2.2.4	Departmental tariff	0.0%	<b>R 91.68</b>	6.00%	R 97.18	6.00%	R 102.04	5.00%	R 91.68
<b>4.2.2.5. Special Contracts, for example Del monte as per each agreement. Rand per Kg COD</b>										
R 5.82	4.2.2.5.1	Ceres Group Companies	15.0%	<b>R 7.09</b>	6.00%	R 7.52	6.00%	R 7.90	5.00%	R 6.17
R 9.35	4.2.2.5.2	Du Toit Vrugte	15.0%	<b>R 11.40</b>	6.00%	R 12.09	6.00%	R 12.69	5.00%	R 9.92
R 9.35	4.2.2.5.3	L O Rall	15.0%	<b>R 11.40</b>	6.00%	R 12.09	6.00%	R 12.69	5.00%	R 9.92
R 9.35	4.2.2.5.4	Bokkeveld Korrektiewe Dienste	15.0%	<b>R 11.40</b>	6.00%	R 12.09	6.00%	R 12.69	5.00%	R 9.92
R 9.35	4.2.2.5.5	Snocooleed Marketing (Edms). Bpk.	15.0%	<b>R 11.40</b>	6.00%	R 12.09	6.00%	R 12.69	5.00%	R 9.92
R 9.35	4.2.2.5.6	Ceres Fruit Growers	15.0%	<b>R 11.40</b>	6.00%	R 12.09	6.00%	R 12.69	5.00%	R 9.92
R 158.93	4.2.2.6	Informal settlements without an account (Flat rate)	0.0%	<b>R 168.46</b>	6.00%	R 178.57	6.00%	R 187.50	5.00%	R 168.46
R 434.78	4.3	Unnecessary call outs for work on customer side	15.0%	<b>R 530.00</b>	6.00%	R 561.80	6.00%	R 589.89	5.00%	R 460.87

**RATES AND TARIFFS 2021/2022 - 2023/2024**

Tariffs 2020/2021 Excluding Vat	Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
	<b>5. Water service Tariffs</b>								
	<b>5.1. Conventional Meters (All Areas)</b>								
	<b>5.1.1. Service Availability charge per month or part of it:</b>								
R 132.88	5.1.1.1 Unimproved sites	15.0%	<b>R 161.98</b>	6.00%	R 171.70	6.00%	R 182.00	6.00%	R 140.85
R 72.17	5.1.1.2 Water connection size: 0 - 25 mm	15.0%	<b>R 83.00</b>	0.00%	R 83.00	0.00%	R 83.00	0.00%	R 72.17
R 892.17	5.1.1.3 Water connection size: 26 - 50 mm	15.0%	<b>R 1 087.56</b>	6.00%	R 1 152.81	6.00%	R 1 221.98	6.00%	R 945.70
R 2 253.91	5.1.1.4 Water connection size: 51 - 80 mm	15.0%	<b>R 2 747.52</b>	6.00%	R 2 912.37	6.00%	R 3 087.11	6.00%	R 2 389.15
R 3 568.70	5.1.1.5 Water connection size: 81 - 100 mm	15.0%	<b>R 4 350.24</b>	6.00%	R 4 611.25	6.00%	R 4 887.93	6.00%	R 3 782.82
R 7 982.61	5.1.1.6 Water connection size: 101 - 150 mm	15.0%	<b>R 9 730.80</b>	6.00%	R 10 314.65	6.00%	R 10 933.53	6.00%	R 8 461.57
R 173 739.13	5.1.1.7 Consumption of more than 20,000 kl per month	15.0%	<b>R 211 788.00</b>	6.00%	R 224 495.28	6.00%	R 237 965.00	6.00%	R 184 163.48
R 262.96	5.1.1.8 Un-metered connections	15.0%	<b>R 320.54</b>	6.00%	R 339.78	6.00%	R 360.16	6.00%	R 278.73
	<b>5.1.2 Consumption per kiloliter</b>								
	<b>5.1.2.1 Block A (Aimed at residential and smaller commercial clients)</b>								
R 2.82	0-6 kl	15.0%	<b>R 3.44</b>	6.00%	R 3.61	5.00%	R 3.79	5.00%	R 2.99
R 8.15	7-30 kl	15.0%	<b>R 9.94</b>	6.00%	R 10.54	6.00%	R 11.06	5.00%	R 8.64
R 8.15	31-60 kl	15.0%	<b>R 9.94</b>	6.00%	R 10.54	6.00%	R 11.06	5.00%	R 8.64
R 8.15	61-300 kl	15.0%	<b>R 9.94</b>	6.00%	R 10.44	5.00%	R 10.96	5.00%	R 8.64
R 28.43	Above 300 kl	15.0%	<b>R 34.65</b>	6.00%	R 36.38	5.00%	R 38.20	5.00%	R 30.13
	<b>5.1.2.2 Block B (Aimed at larger commercial and smaller industrial clients)</b>								
R 9.43	0-300 kl	15.0%	<b>R 11.50</b>	6.00%	R 12.07	5.00%	R 12.68	5.00%	R 10.00
R 9.43	301-1000 kl	15.0%	<b>R 11.50</b>	6.00%	R 12.07	5.00%	R 12.68	5.00%	R 10.00
R 9.12	1001-8000 kl	15.0%	<b>R 11.50</b>	9.59%	R 12.07	5.00%	R 12.68	5.00%	R 10.00
R 9.12	Above 8000 kl	15.0%	<b>R 11.50</b>	9.59%	R 12.07	5.00%	R 12.68	5.00%	R 10.00
	<b>5.1.2.3 Block C (Aimed at larger industrial clients)</b>								
R 2.92	Consumption above 20,000 kl per month	15.0%	<b>R 3.57</b>	6.19%	R 3.82	7.10%	R 4.09	7.10%	R 3.10
	<b>5.1.2.4 Block D (Internal)</b>								
R 2.47	Departmental consumption	15.0%	<b>R 3.02</b>	6.00%	R 3.17	5.00%	R 3.33	5.00%	R 2.62
	<b>5.1.2 Consumption per kiloliter: Restrictions Level 1</b>								
	<b>5.1.2.1 Block A (Aimed at residential and smaller commercial clients)</b>								
R 2.82	0-6 kl	15.0%	<b>R 3.44</b>	6.00%	R 3.61	5.00%	R 3.79	5.00%	R 2.99
R 9.06	7-30 kl	15.0%	<b>R 11.05</b>	6.00%	R 11.60	5.00%	R 12.18	5.00%	R 9.60
R 9.06	31-60 kl	15.0%	<b>R 11.05</b>	6.00%	R 11.60	5.00%	R 12.18	5.00%	R 9.60
R 9.06	61-300 kl	15.0%	<b>R 11.05</b>	6.00%	R 11.60	5.00%	R 12.18	5.00%	R 9.60
R 34.78	Above 300 kl	15.0%	<b>R 40.00</b>	0.00%	R 42.00	5.00%	R 44.10	5.00%	R 34.78
	<b>5.1.2.2 Block B (Aimed at larger commercial and smaller industrial clients)</b>								
R 11.32	0-300 kl	15.0%	<b>R 13.80</b>	6.00%	R 14.49	5.00%	R 15.22	5.00%	R 12.00
R 11.32	301-1000 kl	15.0%	<b>R 13.80</b>	6.00%	R 14.49	5.00%	R 15.22	5.00%	R 12.00
R 10.95	1001-8000 kl	15.0%	<b>R 13.80</b>	9.59%	R 14.49	5.00%	R 15.22	5.00%	R 12.00
R 10.95	Above 8000 kl	15.0%	<b>R 13.80</b>	9.59%	R 14.49	5.00%	R 15.22	5.00%	R 12.00
	<b>5.1.2.3 Block C (Aimed at larger industrial clients)</b>								
R 3.30	Consumption above 20,000 kl per month	15.0%	<b>R 4.28</b>	12.62%	R 4.62	8.00%	R 4.99	8.00%	R 3.72
	<b>5.1.2 Consumption per kiloliter: Restrictions Level 2</b>								
	<b>5.1.2.1 Block A (Aimed at residential and smaller commercial clients)</b>								
R 2.82	0-6 kl	15.0%	<b>R 3.44</b>	6.00%	R 3.61	5.00%	R 3.79	5.00%	R 2.99
R 11.42	7-30 kl	15.0%	<b>R 13.92</b>	6.00%	R 14.62	5.00%	R 15.35	5.00%	R 12.11
R 11.42	31-60 kl	15.0%	<b>R 13.92</b>	6.00%	R 14.62	5.00%	R 15.35	5.00%	R 12.11
R 11.42	61-300 kl	15.0%	<b>R 13.92</b>	6.00%	R 14.62	5.00%	R 15.35	5.00%	R 12.11
R 39.13	Above 300 kl	15.0%	<b>R 45.00</b>	0.00%	R 47.25	5.00%	R 49.61	5.00%	R 39.13
	<b>5.1.2.2 Block B (Aimed at larger commercial and smaller industrial clients)</b>								
R 13.22	0-300 kl	15.0%	<b>R 16.11</b>	6.00%	R 16.91	5.00%	R 17.76	5.00%	R 14.01
R 13.22	301-1000 kl	15.0%	<b>R 16.11</b>	6.00%	R 16.91	5.00%	R 17.76	5.00%	R 14.01
R 12.78	1001-8000 kl	15.0%	<b>R 16.11</b>	9.59%	R 16.91	5.00%	R 17.76	5.00%	R 14.01
R 12.78	Above 8000 kl	15.0%	<b>R 16.11</b>	9.59%	R 16.91	5.00%	R 17.76	5.00%	R 14.01
	<b>5.1.2.3 Block C (Aimed at larger industrial clients)</b>								
R 3.91	Consumption above 20,000 kl per month	15.0%	<b>R 4.99</b>	10.98%	R 5.24	5.00%	R 5.51	5.00%	R 4.34
	<b>5.1.2 Consumption per kiloliter: Restrictions Level 3</b>								
	<b>5.1.2.1 Block A (Aimed at residential and smaller commercial clients)</b>								
R 2.82	0-6 kl	15.0%	<b>R 3.44</b>	6.00%	R 3.61	5.00%	R 3.79	5.00%	R 2.99
R 13.06	7-30 kl	15.0%	<b>R 15.92</b>	6.00%	R 16.71	5.00%	R 17.55	5.00%	R 13.84
R 13.06	31-60 kl	15.0%	<b>R 15.92</b>	6.00%	R 16.71	5.00%	R 17.55	5.00%	R 13.84
R 13.06	61-300 kl	15.0%	<b>R 15.92</b>	6.00%	R 16.71	5.00%	R 17.55	5.00%	R 13.84
R 43.48	Above 300 kl	15.0%	<b>R 50.00</b>	0.00%	R 52.50	5.00%	R 55.13	5.00%	R 43.48
	<b>5.1.2.2 Block B (Aimed at larger commercial and smaller industrial clients)</b>								
R 15.11	0-300 kl	15.0%	<b>R 18.41</b>	6.00%	R 19.34	5.00%	R 20.30	5.00%	R 16.01
R 15.11	301-1000 kl	15.0%	<b>R 18.41</b>	6.00%	R 19.34	5.00%	R 20.30	5.00%	R 16.01
R 14.61	1001-8000 kl	15.0%	<b>R 18.41</b>	9.59%	R 19.34	5.00%	R 20.30	5.00%	R 16.01
R 14.61	Above 8000 kl	15.0%	<b>R 18.41</b>	9.59%	R 19.34	5.00%	R 20.30	5.00%	R 16.01
	<b>5.1.2.3 Block C (Aimed at larger industrial clients)</b>								
R 4.38	Consumption above 20,000 kl per month	15.0%	<b>R 5.71</b>	13.27%	R 5.99	5.00%	R 6.29	5.00%	R 4.96
	<b>5.1.2 Consumption per kiloliter: Restrictions Level 4</b>								
	<b>5.1.2.1 Block A (Aimed at residential and smaller commercial clients)</b>								
R 2.82	0-6 kl	15.0%	<b>R 3.44</b>	6.00%	R 3.61	5.00%	R 3.79	5.00%	R 2.99
R 14.69	7-30 kl	15.0%	<b>R 17.91</b>	6.00%	R 18.81	5.00%	R 19.75	5.00%	R 15.57
R 14.69	31-60 kl	15.0%	<b>R 17.91</b>	6.00%	R 18.81	5.00%	R 19.75	5.00%	R 15.57
R 14.69	61-300 kl	15.0%	<b>R 17.91</b>	6.00%	R 18.81	5.00%	R 19.75	5.00%	R 15.57
R 47.83	Above 300 kl	15.0%	<b>R 55.00</b>	0.00%	R 57.75	5.00%	R 60.64	5.00%	R 47.83
	<b>5.1.2.2 Block B (Aimed at larger commercial and smaller industrial clients)</b>								
R 17.00	0-300 kl	15.0%	<b>R 20.72</b>	6.00%	R 21.76	5.00%	R 22.84	5.00%	R 18.02
R 17.00	301-1000 kl	15.0%	<b>R 20.72</b>	6.00%	R 21.76	5.00%	R 22.84	5.00%	R 18.02
R 16.44	1001-8000 kl	15.0%	<b>R 20.72</b>	9.59%	R 21.76	5.00%	R 22.84	5.00%	R 18.02
R 16.44	Above 8000 kl	15.0%	<b>R 20.72</b>	9.59%	R 21.76	5.00%	R 22.84	5.00%	R 18.02
	<b>5.1.2.3 Block C (Aimed at larger industrial clients)</b>								
R 5.22	Consumption above 20,000 kl per month	15.0%	<b>R 6.42</b>	7.06%	R 6.74	5.00%	R 7.08	5.00%	R 5.59

## RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
	<b>5.1.2</b>	<b>Consumption per kiloliter: Restrictions Level 5</b>								
	<b>5.1.2.1</b>	<b>Block A (Aimed at residential and smaller commercial clients)</b>								
R 2.82		0-6 kl	15.0%	<b>R 3.44</b>	6.00%	R 3.61	5.00%	R 3.79	5.0%	R 2.99
R 16.32		7-30 kl	15.0%	<b>R 19.89</b>	6.00%	R 20.89	5.00%	R 21.93	5.0%	R 17.30
R 16.32		31-60 kl	15.0%	<b>R 19.89</b>	6.00%	R 20.89	5.00%	R 21.93	5.0%	R 17.30
R 16.32		61-300 kl	15.0%	<b>R 19.89</b>	6.00%	R 20.89	5.00%	R 21.93	5.0%	R 17.30
R 52.17		Above 300 kl	15.0%	<b>R 60.00</b>	0.00%	R 63.00	5.00%	R 66.15	5.0%	R 52.17
	<b>5.1.2.2</b>	<b>Block B (Aimed at larger commercial and smaller industrial clients)</b>								
R 18.88		0-300 kl	15.0%	<b>R 23.01</b>	6.00%	R 24.16	5.00%	R 25.37	5.0%	R 20.01
R 18.88		301-1000 kl	15.0%	<b>R 23.01</b>	6.00%	R 24.16	5.00%	R 25.37	5.0%	R 20.01
R 18.26		1001-8000 kl	15.0%	<b>R 23.01</b>	9.59%	R 24.16	5.00%	R 25.37	5.0%	R 20.01
R 18.26		Above 8000 kl	15.0%	<b>R 23.01</b>	9.59%	R 24.16	5.00%	R 25.37	5.0%	R 20.01
	<b>5.1.2.3</b>	<b>Block C (Aimed at larger industrial clients)</b>								
R 5.61		Consumption above 20,000 kl per month	15.0%	<b>R 7.13</b>	10.61%	R 7.49	5.00%	R 7.87	5.0%	R 6.20
	<b>5.2.</b>	<b>Prepaid Meters (All Areas)</b>								
	<b>5.2.1.</b>	<b>Water connection on site (Consumption per kiloliter)</b>								
R 5.04		0-6 kl	15.0%	<b>R 6.15</b>	6.00%	R 6.45	5.00%	R 6.78	5.00%	R 5.34
R 9.69		Bo 6 kl	15.0%	<b>R 11.81</b>	6.00%	R 12.40	5.00%	R 13.02	5.00%	R 10.27
		<b>Consumption per kiloliter: Restrictions Level 1</b>								
R 5.97		0-6 kl	15.0%	<b>R 7.22</b>	5.07%	R 7.58	5.00%	R 7.96	5.00%	R 6.27
R 11.48		Bo 6 kl	15.0%	<b>R 13.87</b>	5.06%	R 14.56	5.00%	R 15.29	5.00%	R 12.06
		<b>Consumption per kiloliter: Restrictions Level 2</b>								
R 6.90		0-6 kl	15.0%	<b>R 8.29</b>	4.38%	R 8.70	5.00%	R 9.14	5.00%	R 7.21
R 13.27		Bo 6 kl	15.0%	<b>R 15.93</b>	4.38%	R 16.72	5.00%	R 17.56	5.00%	R 13.85
		<b>Consumption per kiloliter: Restrictions Level 3</b>								
R 7.83		0-6 kl	15.0%	<b>R 9.36</b>	3.86%	R 9.82	5.00%	R 10.32	5.00%	R 8.14
R 15.06		Bo 6 kl	15.0%	<b>R 17.99</b>	3.86%	R 18.89	5.00%	R 19.83	5.00%	R 15.64
		<b>Consumption per kiloliter: Restrictions Level 4</b>								
R 8.76		0-6 kl	15.0%	<b>R 10.43</b>	3.45%	R 10.95	5.00%	R 11.49	5.00%	R 9.07
R 16.85		Bo 6 kl	15.0%	<b>R 20.05</b>	3.45%	R 21.05	5.00%	R 22.10	5.00%	R 17.43
		<b>Consumption per kiloliter: Restrictions Level 5</b>								
R 10.08		0-6 kl	15.0%	<b>R 12.29</b>	6.00%	R 12.91	5.00%	R 13.55	5.00%	R 10.69
R 19.37		Bo 6 kl	15.0%	<b>R 23.62</b>	6.00%	R 24.80	5.00%	R 26.04	5.00%	R 20.54
		<b>Pensioners may qualify for 6 Kl of water free of charge per month in terms of councils policy.</b>								
R 853.10	<b>5.3.</b>	<b>"Leiwatour beurte" (In Urban areas per month)</b>	15.0%	<b>R 1 030.12</b>	5.00%	R 1 081.63	5.00%	R 1 135.71	5.00%	R 895.76
R 88.30	<b>5.4.</b>	<b>Informal settlements without an account (Flat rate)</b>	15.0%	<b>R 106.63</b>	5.00%	R 111.96	5.00%	R 117.55	5.00%	R 92.72
	<b>5.5.</b>	<b>Mobile Water provision</b>								
	<b>5.5.1</b>	Humanitarian purposes		<b>Free</b>		<b>Free</b>		<b>Free</b>		
R 246.52	<b>5.5.2</b>	All non Residential per trip	15.0%	<b>R 297.68</b>	5.00%	R 312.56	5.00%	R 328.19	5.00%	R 258.85
R 493.04	<b>5.6</b>	Unnecessary call outs for work on customer side	15.0%	<b>R 595.35</b>	5.00%	R 625.12	5.00%	R 656.37	5.00%	R 517.70

## RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
R 0.2500	5.7 5.7.1	<b>Greywater</b> Per Cubic Meter (m3)	15.0%	<b>R 0.30</b>	5.00%	R 0.32	5.00%	R 0.33	5.00%	R 0.26
R 0.4400	5.8 5.81	<b>Raw Water for Agricultural use</b> Per kiloliter water	15.0%	<b>R 0.69</b>	36.36%	R 0.72	5.00%	R 0.76	5.00%	R 0.60
	<b>6.</b>	<b>Other tariffs and charges</b>								
	<b>6.1.</b>	<b>CORPORATE SERVICES</b>								
R 554.78	6.1.1	Erection of banners ( per application)	15.0%	<b>R 669.00</b>	4.86%	R 702.00	4.93%	R 737.00	4.99%	R 581.74
R 426.09	6.1.2	Erection of placards (deposit)	15.0%	<b>R 514.00</b>	4.90%	R 539.00	4.86%	R 565.00	4.82%	R 446.96
R 866.09	6.1.3	Cancellation of purchase agreement (Admin fee)	15.0%	<b>R 1 045.00</b>	4.92%	R 1 097.00	4.98%	R 1 151.00	4.92%	R 908.70
	6.1.4	Agenda and minutes of Council meetings								
R 141.74		001-400 g	15.0%	<b>R 171.00</b>	4.91%	R 179.00	4.68%	R 187.00	4.47%	R 148.70
R 157.39		401-500 g	15.0%	<b>R 190.00</b>	4.97%	R 199.00	4.74%	R 208.00	4.52%	R 165.22
R 186.09		501-600 g	15.0%	<b>R 224.00</b>	4.67%	R 235.00	4.91%	R 246.00	4.68%	R 194.78
R 200.87		601-700 g	15.0%	<b>R 242.00</b>	4.76%	R 254.00	4.96%	R 266.00	4.72%	R 210.43
R 247.83		701+ g	15.0%	<b>R 299.00</b>	4.91%	R 313.00	4.68%	R 328.00	4.79%	R 260.00
R 385.22	6.1.6	Translation service (Per hour or part of it)	15.0%	<b>R 465.00</b>	4.97%	R 488.00	4.95%	R 512.00	4.92%	R 404.35
	6.1.7	Access to information								
R 102.61	6.1.7.1	Fee payable when information is requested	15.0%	<b>R 123.00</b>	4.24%	R 129.00	4.88%	R 135.00	4.65%	R 106.96
	6.1.7.2	Reproduction fees:								
R 1.30		Photocopies (A4 or part of it) per page	15.0%	<b>R 1.50</b>	0.00%	R 1.60	6.67%	R 1.70	6.25%	R 1.30
R 0.87		Print outs per copy	15.0%	<b>R 1.00</b>	0.00%	R 1.10	10.00%	R 1.20	9.09%	R 0.87
R 20.00		Information on a memory stick	15.0%	<b>R 25.00</b>	8.70%	R 27.00	8.00%	R 29.00	7.41%	R 21.74
R 115.65		Information on a CD	15.0%	<b>R 139.00</b>	4.51%	R 145.00	4.32%	R 152.00	4.83%	R 120.87
R 64.35		Transcription of visual image (A4 page) per page	15.0%	<b>R 77.00</b>	4.05%	R 80.00	3.90%	R 84.00	5.00%	R 66.96
R 170.43		Copy of a visual image (A4 page) per page	15.0%	<b>R 205.00</b>	4.59%	R 215.00	4.88%	R 225.00	4.65%	R 178.26
R 34.78		Transcription of an audio record (A4 page) per page	15.0%	<b>R 42.00</b>	5.00%	R 44.00	4.76%	R 46.00	4.55%	R 36.52
R 46.96		Copy of audio record	15.0%	<b>R 56.00</b>	3.70%	R 58.00	3.57%	R 60.00	3.45%	R 48.70
	6.1.7.3	Investigation fee								
R 42.61		To search for record and to prepare it for release -- per hour, first hour excluded	15.0%	<b>R 51.00</b>	4.08%	R 53.00	3.92%	R 55.00	3.77%	R 44.35
	6.1.7.4	Postage								
		If record should be posted to applicant	15.0%	<b>Actual cost plus 20% plus VAT</b>						
R 3 621.74	6.1.8	Application for extension of trading hours to sell Liquor	15.0%	<b>R 4 373.00</b>	4.99%	R 4 591.00	4.99%	R 4 820.00	4.99%	R 3 802.61
	<b>6.2.</b>	<b>COMMUNITY SERVICES</b>								
	<b>6.2.1</b>	<b>Libraries</b>								
	6.2.1.1	Hall rental (per session or part thereof)								
		<b>NOTE:</b> a session is from								
R 129.57		08:00 - 13:00	15.0%	<b>R 156.00</b>	4.70%	R 163.00	4.49%	R 171.00	4.91%	R 135.65
R 141.74		13:00 - 18:00	15.0%	<b>R 171.00</b>	4.91%	R 179.00	4.68%	R 187.00	4.47%	R 148.70
R 157.39		18:00 - 00:00	15.0%	<b>R 190.00</b>	4.97%	R 199.00	4.74%	R 208.00	4.52%	R 165.22
		<b>NB:</b> The amenities are available without charge to youth-, service-,charity-community-,sport-, educational-, and governmental institutions, as well as for meetings of local political parties								
R 348.70	6.2.1.2	Kitchen rental (per session or part thereof)	15.0%	<b>R 421.00</b>	4.99%	R 442.00	4.99%	R 464.00	4.98%	R 366.09
		Deposit for kitchen rental	Exempt	<b>R 184.00</b>	4.55%	R 193.00	4.89%	R 202.00	4.66%	
	<b>6.2.2</b>	<b>Traffic Services</b>								
	<b>6.2.2.1</b>	<b>Assistance: Escorting and Traffic assistance or Any Other Special Event</b>								
		(Section 111 (3) (C) of the Road Traffic Act 1989, Act 29 of 1989, in conjunction with Section 22 of the Standard Regulation Re: Roads, Provincial Notice 562 of October 1987.								
	6.2.2.1.1	Profit Organisations: (per gathering/march)								
R 559.13		(a) First hour per officer (normal working hours)	15.0%	<b>R 675.00</b>	4.98%	R 708.00	4.89%	R 743.00	4.94%	R 586.96
R 200.87		(b) Subsequent hourly tariff within normal working hours	15.0%	<b>R 242.00</b>	4.76%	R 254.00	4.96%	R 266.00	4.72%	R 210.43
R 704.35		(c) First hour per officer ( after hours & weekends)	15.0%	<b>R 850.00</b>	4.94%	R 892.00	4.94%	R 936.00	4.93%	R 739.13
R 277.39		(d) Subsequent hourly tariff after hours & weekends	15.0%	<b>R 334.00</b>	4.70%	R 350.00	4.79%	R 367.00	4.86%	R 290.43
R 1 447.83		(e) Per officer ( Sundays per 4 hour bracket)	15.0%	<b>R 1 748.00</b>	4.98%	R 1 835.00	4.98%	R 1 926.00	4.96%	R 1 520.00
R 170.43		(f) Per vehicle (less than 15 km)	15.0%	<b>R 205.00</b>	4.59%	R 215.00	4.88%	R 225.00	4.65%	R 178.26
R 8.35		(g) Per kilometre tariff thereafter	15.0%	<b>R 10.40</b>	8.33%	R 11.00	5.77%	R 11.50	4.55%	R 9.04
R 170.43		(h) Hiring of road signs and equipment	15.0%	<b>R 205.00</b>	4.59%	R 215.00	4.88%	R 225.00	4.65%	R 178.26
R 715.65		(i) Mega phone per day	15.0%	<b>R 864.00</b>	4.98%	R 907.00	4.98%	R 952.00	4.96%	R 751.30
	6.2.2.1.2	Non-Profit Organisations: (per gathering/march)								
R 200.87		(a) First hour per officer (normal working hours)	15.0%	<b>R 242.00</b>	4.76%	R 254.00	4.96%	R 266.00	4.72%	R 210.43
R 102.61		(b) Subsequent hourly tariff within normal working hours	15.0%	<b>R 123.00</b>	4.24%	R 129.00	4.88%	R 135.00	4.65%	R 106.96
R 263.48		(c) First hour per officer ( after hours & weekends)	15.0%	<b>R 318.00</b>	4.95%	R 333.00	4.72%	R 349.00	4.80%	R 276.52
R 157.39		(d) Subsequent hourly tariff after hours & weekends	15.0%	<b>R 190.00</b>	4.97%	R 199.00	4.74%	R 208.00	4.52%	R 165.22
R 722.61		(e) Per officer ( Sundays per 4 hour bracket)	15.0%	<b>R 872.00</b>	4.93%	R 915.00	4.93%	R 960.00	4.92%	R 758.26
R 102.61		(f) Per vehicle (less than 15 km)	15.0%	<b>R 123.00</b>	4.24%	R 129.00	4.88%	R 135.00	4.65%	R 106.96
R 8.35		(g) Per kilometre tariff thereafter	15.0%	<b>R 10.40</b>	8.33%	R 11.00	5.77%	R 11.50	4.55%	R 9.04
R 76.52		(h) Hiring of road signs and equipment	15.0%	<b>R 92.00</b>	4.55%	R 96.00	4.35%	R 100.00	4.17%	R 80.00
R 354.78		(i) Mega phone per day	15.0%	<b>R 428.00</b>	4.90%	R 449.00	4.91%	R 471.00	4.90%	R 372.17
	<b>6.2.2.2</b>	<b>Dog Tax Tariffs</b>								
R 213.04	6.2.2.2.1	Male dog: per year or part thereof	15.0%	<b>R 257.00</b>	4.90%	R 269.00	4.67%	R 282.00	4.83%	R 223.48
R 428.70	6.2.2.2.2	Bitch: per year or part thereof	15.0%	<b>R 517.00</b>	4.87%	R 542.00	4.84%	R 569.00	4.98%	R 449.57
R 105.22	6.2.2.2.3	Sterilised/castrated ( proof)	15.0%	<b>R 127.00</b>	4.96%	R 133.00	4.72%	R 139.00	4.51%	R 110.43
R 169.57	6.2.2.3	<b>Executing of warrants of arrest</b>	15.0%	<b>R 204.00</b>	4.62%	R 214.00	4.90%	R 224.00	4.67%	R 177.39

## RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
	6.2.3	<b>Fire Brigade Service</b> (In terms of Provincial Notice 396 of 11 June 1982) No accounts will be render to informal areas								
R 2 534.78	6.2.3.1	Call-outs (per call) (excluding residential) This includes all fire fighting vehicles, all manpower water supply and (Per hour or part thereof)	15.0%	<b>R 3 060.00</b>	4.97%	R 3 213.00	5.00%	R 3 373.00	4.98%	R 2 660.87
	6.2.3.2	Additional services (such as pumping, cleaning roads, decontamination) and consumables								
		a) Call-out per hour or part thereof	15.0%	<b>R 510.00</b>	New	R 535.00	4.90%	R 561.00	4.86%	R 443.48
		b) Absorbent per kilogram	15.0%	<b>R 45.00</b>	New	R 47.00	4.45%	R 49.00	4.26%	R 39.13
		c) Foam per litre	15.0%	<b>R 48.00</b>	New	R 50.00	4.16%	R 52.00	4.00%	R 41.74
		d) Handheld extinguisher	15.0%	<b>R 450.00</b>	New	R 472.00	4.89%	R 495.00	4.87%	R 391.30
		e) Decontamination concentrate	15.0%	<b>R 104.00</b>	New	R 109.00	4.81%	R 114.00	4.59%	R 90.43
R 1 689.57	6.2.3.3	Special Standby Services at Events								
		a) First hour	15.0%	<b>R 2 040.00</b>	4.99%	R 2 142.00	5.00%	R 2 249.00	5.00%	R 1 773.91
		b) Per hour or part thereof, thereafter	15.0%	<b>R 513.00</b>	New	R 538.00	4.87%	R 564.00	4.83%	R 446.09
	6.2.3.4	Controlled Burns	15.0%	<b>R 2 501.00</b>	New	R 2 626.00	5.00%	R 2 757.00	4.99%	R 2 174.78
	6.2.3.5	Clearing of overgrown properties (residential areas) and clearing of fire	15.0%	<b>R 650.00</b>	New	R 682.00	4.92%	R 716.00	4.99%	R 565.22
	6.2.3.6	Flammable Liquid Certificates:								
		(a) Domestic installations	15.0%	<b>R 120.00</b>	New	R 126.00	5.00%	R 132.00	4.76%	R 104.35
		(b) Commercial installations	15.0%	<b>R 460.00</b>	New	R 483.00	5.00%	R 507.00	4.97%	R 400.00
		(c) Industrial Installations	15.0%	<b>R 520.00</b>	New	R 545.00	4.81%	R 572.00	4.95%	R 452.17
		(d) LPG Suppliers	15.0%	<b>R 460.00</b>	New	R 483.00	5.00%	R 507.00	4.97%	R 400.00
		(e) Spray paint rooms	15.0%	<b>R 460.00</b>	New	R 483.00	5.00%	R 507.00	4.97%	R 400.00
	6.2.3.7	Fire Safety Certification								
		a) New Building plan or alterations	15.0%	<b>R 355.00</b>	New	R 372.00	4.79%	R 390.00	4.84%	R 308.70
		b) Educational and old age facilities	15.0%	<b>R 120.00</b>	New	R 126.00	5.00%	R 132.00	4.76%	R 104.35
		c) New business licence application	15.0%	<b>R 355.00</b>	New	R 372.00	4.79%	R 390.00	4.84%	R 308.70
		d) Commercial/Industrial Facility	15.0%	<b>R 460.00</b>	New	R 483.00	5.00%	R 507.00	4.97%	R 400.00
	6.2.3.8	Dangerous Goods Transport Permit (Annual)								
		a) Light Delivery vehicle up to 3500 kg	15.0%	<b>R 305.00</b>	New	R 320.00	4.92%	R 336.00	5.00%	R 265.22
		b) Light Delivery vehicle above 3500 kg	15.0%	<b>R 385.00</b>	New	R 404.00	4.94%	R 424.00	4.95%	R 334.78
		c) Rigid tankers and flat beds up to 20 000 litres	15.0%	<b>R 755.00</b>	New	R 792.00	4.90%	R 831.00	4.92%	R 656.52
		d) Rigid tankers and flat beds above 20 000 litres	15.0%	<b>R 1 130.00</b>	New	R 1 186.00	4.96%	R 1 245.00	4.97%	R 982.61
		e) Articulated vehicles up to 20 000 litres								
		1) Horse	15.0%	<b>R 305.00</b>	New	R 320.00	4.92%	R 336.00	5.00%	R 265.22
		2) Per unit or tanker thereafter	15.0%	<b>R 755.00</b>	New	R 792.00	4.90%	R 831.00	4.92%	R 656.52
		f) Articulated vehicles above 20 000 litres								
		1) Horse	15.0%	<b>R 305.00</b>	New	R 320.00	4.92%	R 336.00	5.00%	R 265.22
		2) Per unit or tanker thereafter	15.0%	<b>R 1 130.00</b>	New	R 1 186.00	4.96%	R 1 245.00	4.97%	R 982.61
		g) Transfer of certificate	15.0%	<b>R 170.00</b>	New	R 178.00	4.70%	R 186.00	4.49%	R 147.83
	6.2.3.9	Event application								
		a) Below 500 attendees	15.0%	<b>R 170.00</b>	New	R 178.00	4.70%	R 186.00	4.49%	R 147.83
		b) Between 500 and 1000 attendees	15.0%	<b>R 340.00</b>	New	R 356.00	4.71%	R 373.00	4.78%	R 295.65
		c) More than 1000 attendees	15.0%	<b>R 685.00</b>	New	R 719.00	4.96%	R 754.00	4.87%	R 595.65
	6.2.3.10	Training per person								
		Industrial and Commercial Basic Firefighting – 3 days	15.0%	<b>R 360.00</b>	New	R 377.00	4.72%	R 395.00	4.77%	R 313.04
		Industrial and Commercial Advanced– 5 days	15.0%	<b>R 600.00</b>	New	R 630.00	5.00%	R 661.00	4.92%	R 521.74
		Portable Fire Extinguisher course – 4 hours (excluding consumables)	15.0%	<b>R 120.00</b>	New	R 126.00	5.00%	R 132.00	4.76%	R 104.35

## RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
R 2 608.70	6.2.4	Filling of swimming pools (per pool)	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
	6.2.5	Permits (per permit)								
R 239.13		(a) Gas	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 239.13		(b) Liquid Fuel	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 262.61		(c) Inspection of Vehicles for Hazardous contents transport (HAZCHEM):	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 526.09		(d) Spray-paint rooms	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
	6.2.6	Refuse tariffs moved to Civil Services								
	6.2.7	Licensing and Regulating: Hiring and Sundry								
R 716.52	6.2.7.1	Vendor stalls (uncovered)	15.0%	R 865.00	4.98%	R 908.00	4.97%	R 953.00	4.96%	R 752.17
R 1 160.00	6.2.7.2	Vendor stalls -- under cover (per annum)	15.0%	R 1 400.00	4.95%	R 1 470.00	5.00%	R 1 543.00	4.97%	R 1 217.39
	6.2.7.3	Clean-up of premises (cost recoverable from owner)								
	6.2.8	Holiday Resorts								
		Deposit for hiring C & D types Chalets at Pine Forest ( <i>Dennebos</i> )	Exempt	R 655.00	4.97%	R 687.00	4.89%	R 721.00	4.95%	
		Deposit for hiring of other	Exempt	R 509.00	4.95%	R 534.00	4.91%	R 560.00	4.87%	
	6.2.8.1	Pine Forest ( <i>Dennebos</i> )								
	6.2.8.1.1	Administrative levy for cancellation of booking (% of rental amount, no maximum)	15.0%	25.00%	0.00%	25.00%	0.00%	25.00%	0.00%	R 0.22
	6.2.8.1.2	Camping ( per stand per night )								
R 342.61		High season	15.0%	R 413.00	4.82%	R 433.00	4.84%	R 454.00	4.85%	R 359.13
R 222.61		In season	15.0%	R 268.00	4.69%	R 281.00	4.85%	R 295.00	4.98%	R 233.04
R 135.65		Out of season	15.0%	R 163.00	4.49%	R 171.00	4.91%	R 179.00	4.68%	R 141.74
		Deposit	Exempt	R 509.00	4.95%	R 534.00	4.91%	R 560.00	4.87%	
	6.2.8.1.3	Annual Booking Fee								
R 17 220.00		A-type - caravan premises	15.0%	R 20 793.00	5.00%	R 21 832.00	5.00%	R 22 923.00	5.00%	R 18 080.87
R 13 539.13		B-type - caravan premises	15.0%	R 16 348.00	5.00%	R 17 165.00	5.00%	R 18 023.00	5.00%	R 14 215.65
R 12 596.52		C-type - caravan premises	15.0%	R 15 210.00	5.00%	R 15 970.00	5.00%	R 16 768.00	5.00%	R 13 226.09
R 17 220.00		Log Cabins	15.0%	R 20 793.00	5.00%	R 21 832.00	5.00%	R 22 923.00	5.00%	R 18 080.87
R 13 222.61		A-type - Lost City	15.0%	R 15 966.00	5.00%	R 16 764.00	5.00%	R 17 602.00	5.00%	R 13 883.48
R 11 089.57		B-type - Lost City	15.0%	R 13 390.00	4.99%	R 14 059.00	5.00%	R 14 761.00	4.99%	R 11 643.48
		Deposit	Exempt							
	6.2.8.1.4	Chalets (per unit per night)								
	6.2.8.1.4.1	A - Type								
		High season (24 December to 9 January & Easter weekend)	15.0%	R 504.00	5.00%	R 529.00	4.96%	R 555.00	4.91%	R 438.26
R 417.39		In season	15.0%	R 449.00	4.91%	R 471.00	4.90%	R 494.00	4.88%	R 390.43
R 303.48		Out of season	15.0%	R 366.00	4.87%	R 384.00	4.92%	R 403.00	4.95%	R 318.26
	6.2.8.1.4.2	B - Type								
		High season (24 December to 9 January & Easter weekend)	15.0%	R 821.00	4.99%	R 862.00	4.99%	R 905.00	4.99%	R 713.91
R 680.00		In season	15.0%	R 668.00	4.87%	R 701.00	4.94%	R 736.00	4.99%	R 580.87
R 553.91		Out of season	15.0%	R 516.00	4.88%	R 541.00	4.84%	R 568.00	4.99%	R 448.70
R 427.83		Deposit	Exempt							
	6.2.8.1.4.3	C - Type								
		High season (24 December to 9 January & Easter weekend)	15.0%	R 1 177.00	5.00%	R 1 235.00	4.93%	R 1 296.00	4.94%	R 1 023.48
R 974.78		In season	15.0%	R 1 124.00	4.95%	R 1 180.00	4.98%	R 1 239.00	5.00%	R 977.39
R 931.30		Out of season	15.0%	R 619.00	4.92%	R 649.00	4.85%	R 681.00	4.93%	R 538.26
R 513.04		Deposit	Exempt							
	6.2.8.1.4.4	D - Type								
		High season (24 December to 9 January & Easter weekend)	15.0%	R 1 065.00	4.93%	R 1 118.00	4.98%	R 1 173.00	4.92%	R 926.09
R 882.61		In season	15.0%	R 893.00	4.94%	R 937.00	4.93%	R 983.00	4.91%	R 776.52
R 740.00		Out of season	15.0%	R 564.00	4.83%	R 592.00	4.96%	R 621.00	4.90%	R 490.43
R 467.83		Deposit	Exempt							
	6.2.8.1.4.5	E - Type								
		High season (24 December to 9 January & Easter weekend)	15.0%	R 773.00	4.88%	R 811.00	4.92%	R 851.00	4.93%	R 672.17
R 640.87		In season	15.0%	R 716.00	4.99%	R 751.00	4.89%	R 788.00	4.93%	R 622.61
R 593.04		Out of season	15.0%	R 459.00	4.79%	R 481.00	4.79%	R 505.00	4.99%	R 399.13
R 380.87		Deposit	Exempt							
	6.2.8.1.4.6	F - Type								
		High season (24 December to 9 January & Easter weekend)	15.0%	R 504.00	5.00%	R 529.00	4.96%	R 555.00	4.91%	R 438.26
R 417.39		In season	15.0%	R 449.00	4.91%	R 471.00	4.90%	R 494.00	4.88%	R 390.43
R 372.17		Out of season	15.0%	R 366.00	4.87%	R 384.00	4.92%	R 403.00	4.95%	R 318.26
R 303.48		Deposit	Exempt							
	6.2.8.1.4.7	G - Type								
		High season (24 December to 9 January & Easter weekend)	15.0%	R 1 183.00	4.97%	R 1 242.00	4.99%	R 1 304.00	4.99%	R 1 028.70
R 980.00		In season	15.0%	R 942.00	4.90%	R 989.00	4.99%	R 1 038.00	4.95%	R 819.13
R 780.87		Out of season	15.0%	R 584.00	4.85%	R 613.00	4.97%	R 643.00	4.89%	R 507.83
R 484.35		Deposit	Exempt							
	6.2.8.1.4.8	Long-term monthly rentals are based on the weekend tariff multiplied by four (4) plus 20 percent.								
	6.2.8.1.5	Day Visitors - Entrance								
R 67.83		Per person per day	15.0%	R 81.00	3.85%	R 85.00	4.94%	R 89.00	4.71%	R 70.43
R 63.48		Per vehicle per day	15.0%	R 76.00	4.11%	R 79.00	3.95%	R 82.00	3.80%	R 66.09

## RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Excluding Vat	Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
<b>6.2.8.1.6 Sundry Tariffs</b>									
	Conference Hall (deposit)	Exempt	R 800.00	0.00%	R 840.00	5.00%	R 882.00	5.00%	
	Conference Hall hire: per session								
R 492.17	08:00 – 13:00	15.0%	R 594.00	4.95%	R 623.00	4.88%	R 654.00	4.98%	R 516.52
R 492.17	13:00 – 18:00	15.0%	R 594.00	4.95%	R 623.00	4.88%	R 654.00	4.98%	R 516.52
R 658.26	18:00 – 24:00	15.0%	R 794.00	4.89%	R 833.00	4.91%	R 874.00	4.92%	R 690.43
R 1 260.00	Conference Hall hire: per day	15.0%	R 1 521.00	4.97%	R 1 597.00	5.00%	R 1 676.00	4.95%	R 1 322.61
	Renting of Recreational Halls to sports clubs (local):								
	Deposit	Exempt	R 350.00	0.00%	R 367.00	4.86%	R 385.00	4.90%	
R 1 566.96	Annual tariff	15.0%	R 1 892.00	4.99%	R 1 986.00	4.97%	R 2 085.00	4.98%	R 1 645.22
R 73.04	Bedding hiring: per set per week (chalets)	15.0%	R 88.00	4.76%	R 92.00	4.55%	R 96.00	4.35%	R 76.52
	Entrance (Local Residents)								
R 160.87	Clip cards - Local residence in Witzenberg area entrance (5 Visits)	15.0%	R 194.00	4.86%	R 203.00	4.64%	R 213.00	4.93%	R 168.70
	Local residence in Witzenberg annual tickets (per ticket)								
R 372.17	Adults	15.0%	R 449.00	4.91%	R 471.00	4.90%	R 494.00	4.88%	R 390.43
R 273.04	Children	15.0%	R 329.00	4.78%	R 345.00	4.86%	R 362.00	4.93%	R 286.09
R 255.65	Vehicles	15.0%	R 308.00	4.76%	R 323.00	4.87%	R 339.00	4.95%	R 267.83
R 57.39	Clip cards - Recreational facilities 5 clips per ticket	15.0%	R 69.00	4.55%	R 72.00	4.35%	R 75.00	4.17%	R 60.00
	Laundromat facilities								
R 46.09	Per 8kg, excluding washing powder	15.0%	R 55.00	3.77%	R 57.00	3.64%	R 59.00	3.51%	R 47.83
<b>6.2.8.2 Klipriver Park (Closed)</b>									
<b>6.2.8.2.1 Chalets (per unit per night)</b>									
<b>A - Type</b>									
	High season (15 December to 16 January & Easter weekend)	15.0%	R 436.00	4.81%	R 457.00	4.82%	R 479.00	4.81%	R 379.13
R 361.74	In season	15.0%	R 385.00	4.87%	R 384.00	4.92%	R 403.00	4.95%	R 318.26
R 303.48	Out of season	15.0%	R 257.00	4.90%	R 269.00	4.67%	R 282.00	4.83%	R 223.48
R 213.04	High season (15 December to 16 January & Easter weekend)	15.0%	R 484.00	4.99%	R 508.00	4.96%	R 533.00	4.92%	R 420.87
R 400.87	In season	15.0%	R 385.00	4.90%	R 404.00	4.94%	R 424.00	4.95%	R 334.78
R 319.13	Out of season	15.0%	R 263.00	4.78%	R 276.00	4.94%	R 289.00	4.71%	R 228.70
R 218.26	High season (15 December to 16 January & Easter weekend)	15.0%	R 484.00	4.99%	R 508.00	4.96%	R 533.00	4.92%	R 420.87
R 400.87	In season	15.0%	R 385.00	4.90%	R 404.00	4.94%	R 424.00	4.95%	R 334.78
R 319.13	Out of season	15.0%	R 263.00	4.78%	R 276.00	4.94%	R 289.00	4.71%	R 228.70
R 218.26	High season (15 December to 16 January & Easter weekend)	15.0%	R 484.00	4.99%	R 508.00	4.96%	R 533.00	4.92%	R 420.87
R 400.87	In season	15.0%	R 385.00	4.90%	R 404.00	4.94%	R 424.00	4.95%	R 334.78
R 319.13	Out of season	15.0%	R 263.00	4.78%	R 276.00	4.94%	R 289.00	4.71%	R 228.70
<b>6.2.8.2.2 Camping (per stand per night)</b>									
	High season	15.0%	R 214.00	4.90%	R 224.00	4.67%	R 235.00	4.91%	R 186.09
R 177.39	In season	15.0%	R 151.00	4.86%	R 158.00	4.64%	R 165.00	4.43%	R 131.30
R 125.22	Out of season	15.0%	R 87.00	4.82%	R 91.00	4.60%	R 95.00	4.40%	R 75.65
R 72.17	High season (15 December to 16 January & Easter weekend)	15.0%	R 484.00	4.99%	R 508.00	4.96%	R 533.00	4.92%	R 420.87
R 400.87	In season	15.0%	R 385.00	4.90%	R 404.00	4.94%	R 424.00	4.95%	R 334.78
R 319.13	Out of season	15.0%	R 263.00	4.78%	R 276.00	4.94%	R 289.00	4.71%	R 228.70
R 218.26	High season (15 December to 16 January & Easter weekend)	15.0%	R 484.00	4.99%	R 508.00	4.96%	R 533.00	4.92%	R 420.87
R 400.87	In season	15.0%	R 385.00	4.90%	R 404.00	4.94%	R 424.00	4.95%	R 334.78
R 319.13	Out of season	15.0%	R 263.00	4.78%	R 276.00	4.94%	R 289.00	4.71%	R 228.70
<b>6.2.8.2.3 Day Visitors</b>									
R 62.61	Per person per day	15.0%	R 75.00	4.17%	R 78.00	4.00%	R 81.00	3.85%	R 65.22
R 62.61	Per vehicle per day	15.0%	R 75.00	4.17%	R 78.00	4.00%	R 81.00	3.85%	R 65.22
<b>6.2.8.3 Discounts - Both Resorts</b>									
The following discounts will be allowed on booking by:									
Pensioners - less 50% during off-season and midweek periods out of peak season									
Registered Caravan Clubs and Club members - less 10% in periods out of peak season									
Midweek in- and off season - less 25%									
Students accompanied by parents - less 12% on day visitor fee									
<b>6.2.9 Swimming Pools</b>									
All swimming pools in Witzenberg									
R 9.57	Entrance: Adults	15.0%	R 11.00	0.00%	R 11.00	0.00%	R 11.00	0.00%	R 9.57
R 2.17	Children (school-going)	15.0%	R 2.50	0.0%	R 2.50	0.00%	R 2.50	0.00%	R 2.17
R 130.43	Season tickets	15.0%	R 150.00	0.00%	R 150.00	0.00%	R 150.00	0.00%	R 130.43
R 521.74	Annual fee per School (Only for School activities)	15.0%	R 600.00	0.0%	R 600.00	0.00%	R 600.00	0.00%	R 521.74
R 956.52	Annual fee per Service providers for Swimming training/lessons (Allow all trainees entrv free)	15.0%	R 1 100.00	0.00%	R 1 100.00	0.00%	R 1 100.00	0.00%	R 956.52
<b>6.2.1 Sports grounds</b>									
<b>6.2.10.1 All sports grounds in Witzenberg</b>									
R 67.83	School practices (per practice) max 2/week @3hours / occasion	15.0%	R 81.00	3.85%	R 85.00	4.94%	R 89.00	4.71%	R 70.43
	If the school book the practices at the beginning of year and pay in full for all practices. (per practice) No refunds	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 60.00	School matches (per match)	15.0%	R 174.00	4.82%	R 182.00	4.60%	R 191.00	4.95%	R 151.30
R 144.35	Sports clubs (per practice) max 2/week @3hours / occasion	15.0%	R 174.00	4.82%	R 182.00	4.60%	R 191.00	4.95%	R 151.30
R 144.35	If the sport club book the practices at the beginning of year and pay in full for all practices. (per practice) No refunds	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 106.96	Sports clubs (per match) with no entrance fees	15.0%	R 500.00	New	R 525.00	5.00%	R 551.00	4.95%	R 434.78
R 313.91	Sports clubs (per match) with entrance/ gate fees	15.0%	R 1 000.00	New	R 1 050.00	5.00%	R 1 102.00	4.95%	R 869.57
R 342.61	Other events	15.0%	R 1 500.00	280.71%	R 1 575.00	5.00%	R 1 653.00	4.95%	R 1 304.35
	Tournaments / day	15.0%	R 1 500.00	New	R 1 575.00	5.00%	R 1 653.00	4.95%	R 1 304.35
R 931.30	Festivals and Carnivals (per day)	15.0%	R 1 500.00	40.06%	R 1 575.00	5.00%	R 1 653.00	4.95%	R 1 304.35
<b>6.2.10.2 Deposit per event</b>									
	No standing deposits will be accepted. Each booking stand alone	Exempt	R 2 500.00	482.75%	R 2 625.00	5.00%	R 2 756.00	4.99%	R 2 500.00
<b>6.2.11 Community Halls and Town Halls</b>									
No discos or dances in any facility									
ALL community Halls:									
Sessions: morning: 8h00-13h00									
afternoon: 13h00-18h00									
evening: 18h00-12h00									
PENALTY : LATE OUT : 50% of deposit									
<b>6.2.11.1 Non-local and Outside Organisations</b>									

**RATES AND TARIFFS 2021/2022 - 2023/2024**

Tariffs 2020/2021 Excluding Vat	Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
<b>6.2.11.1.1 Tulbagh Community Hall</b>									
R 1 156.52	Concerts, Theatre productions and Film Shows Non-local Associations	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 164.35	Conferences, Meetings, Gatherings, Church Services and Non-local Associations (per session)	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 1 411.30	Dances, Dinners, Birthdays, Celebrations, Receptions and Disco's Non-local Associations	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 1 156.52	Shows, Exhibitions and Auctions Non-local Associations	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 1 156.52	Performances, Mannequin Parades, Cooking demo's and Debutant	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 1 156.52	Non-local Associations	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 806.96	Deposit for all the above	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 99.13	Preparation of hall per hour	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
<b>6.2.11.1.2 Tulbagh Town Hall</b>									
R 1 308.70	Concerts, Theatre productions and Film Shows Non-local Associations	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 1 606.00	Deposit for above	Exempt	REMOVED		REMOVED		REMOVED		REMOVED
<b>Local Organisations/Individuals</b>									
<b>6.2.11.1.3 Town Hall - Ceres</b>									
<b>Hall, stage and main toilets</b>									
R 331.30	Morning	15.0%	R 400.00	4.99%	R 420.00	5.00%	R 441.00	5.00%	R 347.83
R 331.30	Afternoon	15.0%	R 400.00	4.99%	R 420.00	5.00%	R 441.00	5.00%	R 347.83
R 409.57	Evening	15.0%	R 494.00	4.88%	R 518.00	4.86%	R 543.00	4.83%	R 429.57
<b>Kitchen</b>									
R 215.65	Morning	15.0%	R 260.00	4.84%	R 273.00	5.00%	R 286.00	4.76%	R 226.09
R 215.65	Afternoon	15.0%	R 260.00	4.84%	R 273.00	5.00%	R 286.00	4.76%	R 226.09
R 280.00	Evening	15.0%	R 287.00	-10.87%	R 301.00	4.88%	R 316.00	4.98%	R 249.57
<b>Banqueting Hall: (only when not used in conjunction with</b>									
R 203.48	Morning	15.0%	R 245.00	4.70%	R 257.00	4.90%	R 269.00	4.67%	R 213.04
R 203.48	Afternoon	15.0%	R 245.00	4.70%	R 257.00	4.90%	R 269.00	4.67%	R 213.04
R 231.30	Evening	15.0%	R 279.00	4.89%	R 292.00	4.66%	R 306.00	4.79%	R 242.61
R 806.96	<b>Tariff 2: Public dances per session</b> Hall, stage and toilets	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 1 606.00	<b>Tariff 3: Guarantee deposit</b> Per function	Exempt	R 2 000.00	24.53%	R 2 099.00	4.95%	R 2 203.00	4.95%	R 1 739.13
R 29.57	<b>Tariff 4: equipment per occasion</b> Hiring of table cloths (each, per day)	15.0%	R 35.00	2.94%	R 36.00	2.86%	R 37.00	2.78%	R 30.43
R 20.00	Hiring of tables (each, per day)	15.0%	R 24.00	4.35%	R 25.00	4.17%	R 26.00	4.00%	R 20.87
R 18.26	Hiring of cutlery (per dozen, per day)	15.0%	R 22.00	4.76%	R 23.00	4.55%	R 24.00	4.35%	R 19.13
<b>Tariff 5: reduced rates</b> 50% discount to organisations that qualify									
<b>Tariff 6: Levy in respect of exceeding the vacating time</b> In the event of the hirer failing to vacate the hired premises within the applicable period, or by 13:00 of the following work day provided official authorisation thereto has been granted, an amount of R50 per hour will be levied until such time that the premises have been fully vacated									
<b>Tariff 7: Pianos per function ( currently not available)</b>									
R 192.17	Piano organ	15.0%	R 232.00	4.98%	R 243.00	4.74%	R 255.00	4.94%	R 201.74
R 215.65	Grand piano	15.0%	R 260.00	4.84%	R 273.00	5.00%	R 286.00	4.76%	R 226.09
<b>Tariff 8: Rehearsals (per rehearsal)</b> In respect of hall and stage only									
R 135.65	Morning: 10:00 - 12:00 (per rehearsal)	15.0%	R 163.00	4.49%	R 171.00	4.91%	R 179.00	4.68%	R 141.74
R 151.30	Evening: 18:00 - 20:00 (per rehearsal)	15.0%	R 182.00	4.60%	R 191.00	4.95%	R 200.00	4.71%	R 158.26
<b>Tariff 9: Changes to Bookings -- per booking</b> If notice of a change to a booking is given less than 30 days prior --- excepting when the change is occasioned by a request from Council --- a levy will be charged									
R 111.30	Levy	15.0%	R 134.00	4.69%	R 140.00	4.48%	R 147.00	5.00%	R 116.52
R 231.30	<b>Sound system for Town Hall (per occasion)</b>	15.0%	R 279.00	4.89%	R 292.00	4.66%	R 306.00	4.79%	R 242.61
<b>6.2.11.1.4 Bella Vista Community Hall</b>									
All traditional church services ( through the night) X2 the 24hour tariff									
Deposit for above									
Exempt									
<b>Tariff 1: Basic charges per session</b>									
<b>Hall, stage and main toilets</b>									
R 238.26	Morning	15.0%	R 287.00	4.74%	R 301.00	4.88%	R 316.00	4.98%	R 249.57
R 238.26	Afternoon	15.0%	R 287.00	4.74%	R 301.00	4.88%	R 316.00	4.98%	R 249.57
R 358.26	Evening	15.0%	R 432.00	4.85%	R 453.00	4.86%	R 475.00	4.86%	R 375.65
<b>Kitchen</b>									
R 215.65	Morning	15.0%	R 260.00	4.84%	R 273.00	5.00%	R 286.00	4.76%	R 226.09
R 215.65	Afternoon	15.0%	R 260.00	4.84%	R 273.00	5.00%	R 286.00	4.76%	R 226.09
R 238.26	Evening	15.0%	R 287.00	4.74%	R 301.00	4.88%	R 316.00	4.98%	R 249.57
<b>Change rooms (excluding main toilets)</b>									
R 61.74	Morning	15.0%	R 74.00	4.23%	R 77.00	4.05%	R 80.00	3.90%	R 64.35
R 61.74	Afternoon	15.0%	R 74.00	4.23%	R 77.00	4.05%	R 80.00	3.90%	R 64.35
R 124.35	Evening	15.0%	R 150.00	4.90%	R 157.00	4.67%	R 164.00	4.46%	R 130.43
R 821.74	<b>Tariff 2: Public dances per session</b> Hall, stage and toilets	15.0%	R 992.00	4.97%	R 1 041.00	4.94%	R 1 093.00	5.00%	R 862.61
R 343.48	<b>Tariff 3: Guarantee deposit</b> Per function --- excluding kitchen	15.0%	R 500.00	26.58%	R 525.00	5.00%	R 551.00	4.95%	R 434.78
R 1 396.52	Per function --- including kitchen	15.0%	R 2 000.00	24.53%	R 2 099.00	4.95%	R 2 203.00	4.95%	R 1 739.13
<b>Tariff 4: equipment per occasion</b>									
R 29.57	Hiring of table cloths (each, per day)	15.0%	R 35.00	2.94%	R 36.00	2.86%	R 37.00	2.78%	R 30.43
R 15.57	Hiring of tables (each, per day)	15.0%	R 24.00	34.08%	R 25.20	5.00%	R 26.50	5.16%	R 20.87
R 14.43	Hiring of cutlery (per dozen, per day)	15.0%	R 17.40	4.82%	R 18.30	5.17%	R 19.20	4.92%	R 15.13
<b>Tariff 5: Reduced rates</b> 50% discount to organisations that qualify									
<b>Tariff 6: Levy in respect of exceeding the vacating time</b> In the event of the hirer failing to vacate the hired premises within the applicable period, or by 13:00 of the following work day provided official authorisation thereto has been granted, an amount of R50 per hour will be levied until such time that the premises have been fully vacated									
<b>Tariff 7: Pianos</b>									
			REMOVED		REMOVED		REMOVED		REMOVED



## RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Excluding Vat	Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
	<b>Tariff 8: Rehearsals (per rehearsal)</b>								
	In respect of hall and stage only								
R 86.96	Morning: 10:00 - 12:00 (per rehearsal)	15.0%	R 105.00	5.00%	R 110.00	4.76%	R 115.00	4.55%	R 91.30
R 124.35	Evening: 18:00 - 20:00 (per rehearsal)	15.0%	R 150.00	4.90%	R 157.00	4.67%	R 164.00	4.46%	R 130.43
	<b>Tariff 9: Changes to Bookings -- per booking</b>								
	If notice of a change to a booking is given less than 30 days prior --- excepting when the change is occasioned by a request from Council --- a levy will be charged								
R 99.13	Levy	15.0%	R 119.00	4.39%	R 124.00	4.20%	R 130.00	4.84%	R 103.48
	<b>6.2.11.1.5 Dreyer Hall (currently on lease contract)</b>								
	<b>Tariff 1: Basic charges per session</b>								
	<b>Hall, stage and main toilets</b>								
R 206.96	Morning	15.0%	R 249.00	4.62%	R 261.00	4.82%	R 274.00	4.98%	R 216.52
R 206.96	Afternoon	15.0%	R 249.00	4.62%	R 261.00	4.82%	R 274.00	4.98%	R 216.52
R 283.48	Evening	15.0%	R 342.00	4.91%	R 359.00	4.97%	R 376.00	4.74%	R 297.39
	<b>Kitchen</b>								
R 69.57	Morning	15.0%	R 84.00	5.00%	R 88.00	4.76%	R 92.00	4.55%	R 73.04
R 69.57	Afternoon	15.0%	R 84.00	5.00%	R 88.00	4.76%	R 92.00	4.55%	R 73.04
R 83.48	Evening	15.0%	R 100.00	4.17%	R 105.00	5.00%	R 110.00	4.76%	R 86.96
	<b>Change rooms (excluding main toilets)</b>								
R 60.00	Morning	15.0%	R 72.00	4.35%	R 75.00	4.17%	R 78.00	4.00%	R 62.61
R 60.00	Afternoon	15.0%	R 72.00	4.35%	R 75.00	4.17%	R 78.00	4.00%	R 62.61
R 131.30	Evening	15.0%	R 158.00	4.64%	R 165.00	4.43%	R 173.00	4.85%	R 137.39
	<b>Tariff 2: Public dances per session</b>								
R 790.43	Hall, stage and toilets	15.0%	R 954.00	4.95%	R 1 001.00	4.93%	R 1 051.00	5.00%	R 829.57
R 346.00	<b>Tariff 3: Guarantee deposit per function</b>	Exempt	R 363.00	4.91%	R 381.00	4.96%	R 400.00	4.99%	R 363.00
	<b>Tariff 4: Equipment</b>								
	<b>Tariff 5: Reduced rates</b>								
	50% discount to organisations that qualify								
	<b>Tariff 6: Levy in respect of exceeding the vacating time</b>								
	In the event of the hirer failing to vacate the hired premises within the applicable period, or by 13:00 of the following work day provided official authorisation thereto has been granted, an amount of R10 per hour will be levied until such time that the premises have been fully vacated								
	<b>Tariff 7: Pianos</b>								
	<b>Tariff 8: Rehearsals (per rehearsal)</b>								
	In respect of hall and stage only								
R 60.00	Morning: 10:00 - 12:00 (per rehearsal)	15.0%	R 72.00	4.35%	R 75.00	4.17%	R 78.00	4.00%	R 62.61
R 95.65	Evening: 18:00 - 20:00 (per rehearsal)	15.0%	R 115.00	4.55%	R 120.00	4.35%	R 126.00	5.00%	R 100.00
	<b>Tariff 9: Changes to Bookings -- per booking</b>								
	If notice of a change to a booking is given less than 30 days prior --- excepting when the change is occasioned by a request from Council --- a levy will be charged								
R 95.65	Levy	15.0%	R 115.00	4.55%	R 120.00	4.35%	R 126.00	5.00%	R 100.00
	<b>6.2.11.1.6 Bella Vista Youth Centre and Polo cross Hall N'duli</b>								
	<b>Tariff 1: Basic charges per session</b>								
	<b>Hall, stage and main toilets</b>								
R 215.65	Morning	15.0%	R 260.00	4.84%	R 273.00	5.00%	R 286.00	4.76%	R 226.09
R 215.65	Afternoon	15.0%	R 260.00	4.84%	R 273.00	5.00%	R 286.00	4.76%	R 226.09
R 295.65	Evening	15.0%	R 357.00	5.00%	R 374.00	4.76%	R 392.00	4.81%	R 310.43
	<b>Tariff 2: Public dances per session</b>								
R 821.74	Hall, stage and toilets	15.0%	R 992.00	4.97%	R 1 041.00	4.94%	R 1 093.00	5.00%	R 862.61
R 360.00	<b>Tariff 3: Guarantee deposit per function</b>	Exempt	R 378.00	5.00%	R 396.00	4.76%	R 415.00	4.80%	R 378.00
	<b>Tariff 4: Reduced rates</b>								
	50% discount to organisations that qualify								
	<b>Tariff 5: Levy in respect of exceeding the vacating time</b>								
	In the event of the lessee failing to vacate the hired premises within the applicable period, or by 13:00 of the following work day provided official authorisation thereto has been granted, an amount of R10 per hour will be levied until such time that the premises have been fully vacated								
	<b>Tariff 6: Rehearsals (per rehearsal)</b>								
	In respect of hall and stage only								
R 61.74	Morning: 10:00 - 12:00 (per rehearsal)	15.0%	R 74.00	4.23%	R 77.00	4.05%	R 80.00	3.90%	R 64.35
R 99.13	Evening: 18:00 - 20:00 (per rehearsal)	15.0%	R 119.00	4.39%	R 124.00	4.20%	R 130.00	4.84%	R 103.48
	<b>Tariff 7: Changes to bookings -- per booking</b>								
	If notice of a change to a booking is given less than 30 days prior --- excepting when the change is occasioned by a request from Council --- a levy will be charged								
R 111.30	Levy	15.0%	R 134.00	4.69%	R 140.00	4.48%	R 147.00	5.00%	R 116.52
	<b>6.2.11.1.7 N'duli New Hall</b>								
	All traditional church services ( through the night) X2 the 24 hour tariff								
	Deposit for above	Exempt	R 2 500.00	New	R 2 625.00	5.00%	R 2 756.00	4.99%	R 2 500.00
	<b>Tariff 1: Basic charges per session</b>								
	<b>Hall, stage and main toilets</b>								
R 253.04	Morning	15.0%	R 287.00	-1.37%	R 301.00	4.88%	R 316.00	4.98%	R 249.57
R 253.04	Afternoon	15.0%	R 287.00	-1.37%	R 301.00	4.88%	R 316.00	4.98%	R 249.57
R 358.26	Evening	15.0%	R 432.00	4.85%	R 453.00	4.86%	R 475.00	4.86%	R 375.65
	<b>Kitchen</b>								
R 111.30	Morning	15.0%	R 134.00	4.69%	R 140.00	4.48%	R 147.00	5.00%	R 116.52
R 111.30	Afternoon	15.0%	R 134.00	4.69%	R 140.00	4.48%	R 147.00	5.00%	R 116.52
R 164.35	Evening	15.0%	R 198.00	4.76%	R 207.00	4.55%	R 217.00	4.83%	R 172.17
	<b>Change rooms (excluding main toilets)</b>								
R 46.96	Morning	15.0%	R 56.00	3.70%	R 58.00	3.57%	R 60.00	3.45%	R 48.70
R 46.96	Afternoon	15.0%	R 56.00	3.70%	R 58.00	3.57%	R 60.00	3.45%	R 48.70
R 73.04	Evening	15.0%	R 88.00	4.76%	R 92.00	4.55%	R 96.00	4.35%	R 76.52
	<b>Tariff 2: Public dances per session</b>								
R 872.17	Hall, stage and toilets	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 518.00	<b>Tariff 3: Guarantee deposit per function</b>	Exempt	REMOVED		REMOVED		REMOVED		REMOVED
	Deposit per function- excluding kitchen	Exempt	R 500.00	New	R 525.00	5.00%	R 551.00	4.95%	R 500.00
	Deposit per function- including kitchen	Exempt	R 2 000.00	New	R 2 100.00	5.00%	R 2 205.00	5.00%	R 2 000.00
	<b>Tariff 4: Equipment</b>								
	<b>Hiring of tables (each, per day)</b>	15.0%	R 24.00	New	R 25.00	4.17%	R 26.00	4.00%	R 20.87
	<b>Tariff 5: Reduced rates</b>								
	50% discount to organisations that qualify								
	<b>Tariff 6: Levy in respect of exceeding the vacating time</b>								
	In the event of the hirer failing to vacate the hired premises within the applicable period, or by 13:00 of the following work day provided official authorisation thereto has been granted, an amount of R50 per hour will be levied until such time that the premises have been fully vacated								

## RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Excluding Vat	Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
	<b>Tariff 7: Rehearsals (per rehearsal)</b>								
	In respect of hall and stage only								
R 99.13	Morning: 10:00 - 12:00 (per rehearsal)	15.0%	R 119.00	4.39%	R 124.00	4.20%	R 130.00	4.84%	R 103.48
R 124.35	Evening: 18:00 - 20:00 (per rehearsal)	15.0%	R 150.00	4.90%	R 157.00	4.67%	R 164.00	4.46%	R 130.43
	<b>Tariff 8: Changes to bookings --- per booking</b>								
	If notice of a change to a booking is given less than 30 days prior --- excepting when the change is occasioned by a request from Council --- a levy will be charged								
R 99.13	Levy	15.0%	R 119.00	4.39%	R 124.00	4.20%	R 130.00	4.84%	R 103.48
	<b>6.2.11.1.8 Prince Alfred's Hamlet Town Hall</b>								
	All traditional church services ( through the night) X2 the 24 hour tariff								
	Deposit for above	Exempt	R 2 500.00	New	R 2 625.00	5.00%	R 2 756.00	4.99%	R 2 500.00
R 46.96	<b>Tariff 1: Information sessions</b>	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
	<b>Tariff 2: Welfare Functions</b>								
	<b>Tariff 3: Meetings per session (included council chamber for councillors)</b>								
R 61.74	Hire	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 228.00	Deposit	Exempt	REMOVED		REMOVED		REMOVED		REMOVED
	<b>Tariff 4: All functions not covered under other tariffs (e.g Weddings, dinners, receptions and all dances/ birthdays)</b>								
R 872.17	Hire	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 1 139.00	Deposit	Exempt	REMOVED		REMOVED		REMOVED		REMOVED
	<b>Tariff 5: Church services ( per service) and fundraisings</b>								
R 448.70	Hire	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 725.00	Deposit	Exempt	REMOVED		REMOVED		REMOVED		REMOVED
	<b>Tariff 6: Sport practices ( per session)</b>								
R 203.48	Hire	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 413.00	Deposit	Exempt	REMOVED		REMOVED		REMOVED		REMOVED
	<b>Tariff 1: Basic charges per session</b>								
	<b>Hall, stage and main toilets</b>								
	Morning	15.0%	R 287.00	New	R 301.00	4.88%	R 316.00	4.98%	R 249.57
	Afternoon	15.0%	R 287.00	New	R 301.00	4.88%	R 316.00	4.98%	R 249.57
	Evening	15.0%	R 432.00	New	R 453.00	4.86%	R 475.00	4.86%	R 375.65
	<b>Kitchen</b>								
	Morning	15.0%	R 134.00	New	R 140.00	4.48%	R 147.00	5.00%	R 116.52
	Afternoon	15.0%	R 134.00	New	R 140.00	4.48%	R 147.00	5.00%	R 116.52
	Evening	15.0%	R 198.00	New	R 207.00	4.55%	R 217.00	4.83%	R 172.17
	<b>Tariff 3: Guarantee deposit</b>								
	Per function --- excluding kitchen	15.0%	R 500.00	New	R 525.00	5.00%	R 551.00	4.95%	R 434.78
	Per function --- including kitchen	15.0%	R 2 000.00	New	R 2 100.00	5.00%	R 2 205.00	5.00%	R 1 739.13
	<b>Tariff 4: equipment per occasion</b>								
	Hiring of tables (each, per day)	15.0%	R 24.00	New	R 25.00	4.17%	R 26.00	4.00%	R 20.87
	<b>Tariff 5: Reduced rates</b>								
	50% discount to organisations that qualify								
	<b>Tariff 6: Levy in respect of exceeding the vacating time</b>								
	In the event of the hirer failing to vacate the hired premises within the applicable period, or by 13:00 of the following work day provided official authorisation thereto has been granted, an amount of R50 per hour will be levied until such time that the premises have been fully vacated								
	<b>Tariff 8: Rehearsals (per rehearsal)</b>								
	Morning: 10:00 - 12:00 (per rehearsal)	15.0%	R 105.00	New	R 110.00	4.76%	R 115.00	4.55%	R 91.30
	Evening: 18:00 - 20:00 (per rehearsal)	15.0%	R 150.00	New	R 157.00	4.67%	R 164.00	4.46%	R 130.43
	<b>Tariff 9: Changes to Bookings -- per booking</b>								
	If notice of a change to a booking is given less than 30 days prior --- excepting when the change is occasioned by a request from Council --- a levy will be charged								
	Levy	15.0%	R 119.00	New	R 124.00	4.20%	R 130.00	4.84%	R 103.48
	<b>6.2.11.1.9 Prince Alfred's Hamlet Community Hall</b>								
	All traditional church services ( through the night) X2 the 24 hour tariff								
	Deposit for above	Exempt	R 2 500.00	New	R 2 625.00	5.00%	R 2 756.00	4.99%	R 2 500.00
R 46.96	<b>Tariff 1: Information sessions</b>	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
	<b>Tariff 2: Welfare Functions</b>								
	<b>Tariff 3: Meetings ( per session)</b>								
R 61.74	Hire	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 179.00	Deposit	Exempt	REMOVED		REMOVED		REMOVED		REMOVED
	<b>Tariff 4: All functions not covered under other tariffs (e.g Weddings, dinners, receptions and all dances/ birthdays)</b>								
R 834.78	Hire	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 1 035.00	Deposit	Exempt	REMOVED		REMOVED		REMOVED		REMOVED
	<b>Tariff 5: Church services ( per service) and fundraisings</b>								
R 448.70	Hire	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 725.00	Deposit	Exempt	REMOVED		REMOVED		REMOVED		REMOVED
	<b>Tariff 6: Sport practices</b>								
R 99.13	Hire	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 569.00	Deposit	Exempt	REMOVED		REMOVED		REMOVED		REMOVED
	<b>Tariff 1: Basic charges per session</b>								
	<b>Hall, stage and main toilets</b>								
	Morning	15.0%	R 287.00	New	R 301.00	4.88%	R 316.00	4.98%	R 249.57
	Afternoon	15.0%	R 287.00	New	R 301.00	4.88%	R 316.00	4.98%	R 249.57
	Evening	15.0%	R 432.00	New	R 453.00	4.86%	R 475.00	4.86%	R 375.65
	<b>Kitchen</b>								
	Morning	15.0%	R 134.00	New	R 140.00	4.48%	R 147.00	5.00%	R 116.52
	Afternoon	15.0%	R 134.00	New	R 140.00	4.48%	R 147.00	5.00%	R 116.52
	Evening	15.0%	R 198.00	New	R 207.00	4.55%	R 217.00	4.83%	R 172.17
	<b>Tariff 3: Guarantee deposit</b>								
	Per function --- excluding kitchen	15.0%	R 500.00	New	R 525.00	5.00%	R 551.00	4.95%	R 434.78
	Per function --- including kitchen	15.0%	R 2 000.00	New	R 2 100.00	5.00%	R 2 205.00	5.00%	R 1 739.13
	<b>Tariff 4: equipment per occasion</b>								
	Hiring of tables (each, per day)	15.0%	R 24.00	New	R 25.00	4.17%	R 26.00	4.00%	R 20.87
	<b>Tariff 5: Reduced rates</b>								
	50% discount to organisations that qualify								
	<b>Tariff 6: Levy in respect of exceeding the vacating time</b>								
	In the event of the hirer failing to vacate the hired premises within the applicable period, or by 13:00 of the following work day provided official authorisation thereto has been								

## RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Excluding Vat	Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
	<b>Tariff 8: Rehearsals (per rehearsal)</b>								
	Morning: 10:00 - 12:00 (per rehearsal)	15.0%	R 105.00	New	R 110.00	4.76%	R 115.00	4.55%	R 91.30
	Evening: 18:00 - 20:00 (per rehearsal)	15.0%	R 150.00	New	R 157.00	4.67%	R 164.00	4.46%	R 130.43
	<b>Tariff 9: Changes to Bookings -- per booking</b>								
	If notice of a change to a booking is given less than 30 days prior --- excepting when the change is occasioned by a request from Council --- a levy will be charged								
	Levy	15.0%	R 119.00	New	R 124.00	4.20%	R 130.00	4.84%	R 103.48
	<b>6.2.11.1.10 Tulbagh Community Hall</b>								
	All traditional church services ( through the night) X2 the 24 hour tariff								
	Deposit for above	Exempt	R 2 500.00	New	R 2 625.00	5.00%	R 2 756.00	4.99%	R 2 500.00
	<b>Indoor Sport</b>								
R 1 671.30	Professional	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 961.74	Amateur	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 124.35	Practices -- per hour	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 774.00	Deposit	Exempt	REMOVED		REMOVED		REMOVED		REMOVED
	<b>Concerts, Theatre productions and Film Shows</b>								
R 679.13	Local Associations	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 1 671.30	Professional / Private	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 774.00	Deposit	Exempt	REMOVED		REMOVED		REMOVED		REMOVED
	<b>Conferences, Meetings, Gatherings, Church Services and Bazaars</b>								
R 135.65	Local Associations	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 646.00	Deposit	Exempt	REMOVED		REMOVED		REMOVED		REMOVED
	<b>Dances, Dinners, Birthdays, Celebrations, Receptions and Disco's</b>								
R 1 080.00	Local Associations	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 1 631.30	Private	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 774.00	Deposit	Exempt	REMOVED		REMOVED		REMOVED		REMOVED
	<b>Shows, Exhibitions and Auctions</b>								
R 1 156.52	Non-local Associations	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
	Local Associations								
R 854.00	Deposit	Exempt	REMOVED		REMOVED		REMOVED		REMOVED
	<b>Performances, Mannequin Parades, Cooking demo's and Debutant</b>								
R 973.91	Non-local Associations	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 679.13	Local Associations	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 1 423.00	Deposit	Exempt	REMOVED		REMOVED		REMOVED		REMOVED
R 99.13	Preparation of hall per hour	15.0%	R 119.00	4.39%	R 124.00	4.20%	R 130.00	4.84%	R 103.48
	<b>Tariff 1: Basic charges per session</b>								
	<b>Hall, stage and main toilets</b>								
	Morning	15.0%	R 287.00	New	R 301.00	4.88%	R 316.00	4.98%	R 249.57
	Afternoon	15.0%	R 287.00	New	R 301.00	4.88%	R 316.00	4.98%	R 249.57
	Evening	15.0%	R 432.00	New	R 453.00	4.86%	R 475.00	4.86%	R 375.65
	<b>Kitchen</b>								
	Morning	15.0%	R 134.00	New	R 140.00	4.48%	R 147.00	5.00%	R 116.52
	Afternoon	15.0%	R 134.00	New	R 140.00	4.48%	R 147.00	5.00%	R 116.52
	Evening	15.0%	R 198.00	New	R 207.00	4.55%	R 217.00	4.83%	R 172.17
	<b>Tariff 3: Guarantee deposit</b>								
	Per function --- excluding kitchen	15.0%	R 500.00	New	R 525.00	5.00%	R 551.00	4.95%	R 434.78
	Per function --- including kitchen	15.0%	R 2 000.00	New	R 2 100.00	5.00%	R 2 205.00	5.00%	R 1 739.13
	<b>Tariff 4: equipment per occasion</b>								
	Hiring of tables (each, per day)	15.0%	R 24.00	New	R 25.00	4.17%	R 26.00	4.00%	R 20.87
	<b>Tariff 5: Reduced rates</b>								
	50% discount to organisations that qualify								
	<b>Tariff 6: Levy in respect of exceeding the vacating time</b>								
	In the event of the hirer failing to vacate the hired premises within the applicable period, or by 13:00 of the following work day provided official authorisation thereto has been								
	<b>Tariff 8: Rehearsals (per rehearsal)</b>								
	Morning: 10:00 - 12:00 (per rehearsal)	15.0%	R 105.00	New	R 110.00	4.76%	R 115.00	4.55%	R 91.30
	Evening: 18:00 - 20:00 (per rehearsal)	15.0%	R 150.00	New	R 157.00	4.67%	R 164.00	4.46%	R 130.43
	<b>Tariff 9: Changes to Bookings -- per booking</b>								
	If notice of a change to a booking is given less than 30 days prior --- excepting when the change is occasioned by a request from Council --- a levy will be charged								
	Levy	15.0%	R 119.00	New	R 124.00	4.20%	R 130.00	4.84%	R 103.48

**RATES AND TARIFFS 2021/2022 - 2023/2024**

Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
	6.2.11.2	<b>Local Organisations</b>								
	6.2.11.2.1	<b>Tulbagh Town Hall</b>								
		All traditional church services ( through the night) X2 the 24 hour tariff								
		Deposit for above	Exempt	<b>R 2 500.00</b>	New	R 2 625.00	5.00%	R 2 756.00	4.99%	R 2 500.00
		<b>Deposit</b>								
R 1 423.00		Main hall	Exempt	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 453.00		Banqueting hall	Exempt	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 453.00		Auditorium	Exempt	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 245.00		Kitchen	Exempt	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 426.00		Tables	Exempt	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
		<b>Hire:</b>								
		<b>Indoor Sport</b>								
R 1 799.13		Professional	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 961.74		Amateur	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 253.04		Kitchen	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
		<b>Concerts, Theatre productions and Film Shows</b>								
R 588.70		Local Associations	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 1 671.30		Professional / Private	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 253.04		Kitchen	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
		<b>Conferences, Meetings, Gatherings, Church Services and Bazaars</b>								
R 588.70		Main hall	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 253.04		Banqueting hall	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 409.57		Auditorium	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 263.48		Kitchen	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
		<b>Dances, Dinners, Birthdays, Celebrations, Receptions and Disco's</b>								
R 1 540.87		Main hall	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 689.57		Banqueting hall	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 331.30		Kitchen	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
		<b>Shows, Exhibitions and Auctions</b>								
R 1 411.30		Main hall	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 679.13		Banqueting hall	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 331.30		Kitchen	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
		<b>Performances, Mannequin Parades, Cooking demo's and Debutant</b>								
R 1 411.30		Main hall	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 1 411.30		Banqueting hall	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
		<b>Tariff 1: Basic charges per session</b>								
		<b>Hall, stage and main toilets</b>								
		Morning	15.0%	<b>R 400.00</b>	New	R 420.00	5.00%	R 441.00	5.00%	<b>R 347.83</b>
		Afternoon	15.0%	<b>R 400.00</b>	New	R 420.00	5.00%	R 441.00	5.00%	<b>R 347.83</b>
		Evening	15.0%	<b>R 494.00</b>	New	R 518.00	4.86%	R 543.00	4.83%	<b>R 429.57</b>
		<b>Kitchen</b>								
		Morning	15.0%	<b>R 260.00</b>	New	R 273.00	5.00%	R 286.00	4.76%	<b>R 226.09</b>
		Afternoon	15.0%	<b>R 260.00</b>	New	R 273.00	5.00%	R 286.00	4.76%	<b>R 226.09</b>
		Evening	15.0%	<b>R 287.00</b>	New	R 301.00	4.88%	R 316.00	4.98%	<b>R 249.57</b>
		<b>Banqueting Hall: (only when not used in conjunction with kitchen) per session</b>								
		Morning	15.0%	<b>R 245.00</b>	New	R 257.00	4.90%	R 269.00	4.67%	<b>R 213.04</b>
		Afternoon	15.0%	<b>R 245.00</b>	New	R 257.00	4.90%	R 269.00	4.67%	<b>R 213.04</b>
		Evening	15.0%	<b>R 279.00</b>	New	R 292.00	4.66%	R 306.00	4.79%	<b>R 242.61</b>
		<b>Tariff 3: Guarantee deposit</b>								
		Per function	15.0%	<b>R 2 000.00</b>	New	R 2 100.00	5.00%	R 2 205.00	5.00%	<b>R 1 739.13</b>
		<b>Tariff 4: equipment per occasion</b>								
		Hiring of tables (each, per day)	15.0%	<b>R 24.00</b>	New	R 25.00	4.17%	R 26.00	4.00%	<b>R 20.87</b>
		<b>Tariff 5: Reduced rates</b>								
		50% discount to organisations that qualify								
		<b>Tariff 6: Levy in respect of exceeding the vacating time</b>								
		In the event of the hirer failing to vacate the hired premises within the applicable period, or by 13:00 of the following work day provided official authorisation thereto has been granted, an amount of R50 per hour will be levied until such time that the premises have been fully vacated								
		<b>Tariff 8: Rehearsals (per rehearsal)</b>								
		In respect of hall and stage only								
		Morning: 10:00 - 12:00 (per rehearsal)	15.0%	<b>R 163.00</b>	New	R 171.00	4.91%	R 179.00	4.88%	<b>R 141.74</b>
		Evening: 18:00 - 20:00 (per rehearsal)	15.0%	<b>R 182.00</b>	New	R 191.00	4.95%	R 200.00	4.71%	<b>R 158.26</b>
		<b>Tariff 9: Changes to Bookings -- per booking</b>								
		If notice of a change to a booking is given less than 30 days prior --- excepting when the change is occasioned by a request from Council --- a levy will be charged								
		Levy	15.0%	<b>R 134.00</b>	New	R 140.00	4.48%	R 147.00	5.00%	<b>R 116.52</b>
R 124.35		<b>Preparation of hall per hour</b>	15.0%	<b>R 150.00</b>	4.90%	R 157.00	4.67%	R 164.00	4.46%	<b>R 130.43</b>
R 21.74		<b>Tables: per table to maximum of R110.00</b>	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
	6.2.11.2.2	<b>Drostdy hall</b>								
R 433.04		Hire	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 426.00		Deposit	Exempt	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
	6.2.11.2.3	<b>Montana Community Hall</b>								
		All traditional church services ( through the night) X2 the 24 hour tariff								
		Deposit for above	Exempt	<b>R 2 500.00</b>	New	R 2 625.00	5.00%	R 2 756.00	4.99%	R 2 500.00
		<b>Concerts and stage performances</b>								
R 723.00		Hire	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 631.00		Deposit	Exempt	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
		<b>Disco's and Dances</b>								
R 1 167.00		Hire	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 774.00		Deposit	Exempt	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
		<b>Film shows, Wedding receptions and birthdays</b>								
R 487.83		Hire	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 631.00		Deposit	Exempt	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 0.00		<b>Meetings</b>								
R 266.00		Hire	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 386.00		Deposit	Exempt	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>

## RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Excluding Vat	Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
0	<b>Senior citizens' meetings and gatherings; Schools and Churches (Special Occasions) per session</b>								
R 0.00	<b>Performances</b>								
R 471.00	Hire	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 518.00	Deposit	Exempt	REMOVED		REMOVED		REMOVED		REMOVED
R 0.00	<b>Exhibitions</b>								
R 471.00	Hire	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 413.00	Deposit	Exempt	REMOVED		REMOVED		REMOVED		REMOVED
R 0.00	<b>Bazaars</b>								
R 291.00	Hire: Churches and Schools	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 516.00	Hire: Other	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 594.00	Deposit	Exempt	REMOVED		REMOVED		REMOVED		REMOVED
R 100.00	<b>Kitchen</b>	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
	<b>Tariff 1: Basic charges per session</b>								
	<b>Hall, stage and main toilets</b>								
	Morning	15.0%	R 287.00	New	R 301.00	4.88%	R 316.00	4.98%	R 249.57
	Afternoon	15.0%	R 287.00	New	R 301.00	4.88%	R 316.00	4.98%	R 249.57
	Evening	15.0%	R 432.00	New	R 453.00	4.86%	R 475.00	4.86%	R 375.65
	<b>Kitchen</b>								
	Morning	15.0%	R 260.00	New	R 273.00	5.00%	R 286.00	4.76%	R 226.09
	Afternoon	15.0%	R 260.00	New	R 273.00	5.00%	R 286.00	4.76%	R 226.09
	Evening	15.0%	R 287.00	New	R 301.00	4.88%	R 316.00	4.98%	R 249.57
	<b>Change rooms (excluding main toilets)</b>								
	Morning	15.0%	R 74.00	New	R 77.00	4.05%	R 80.00	3.90%	R 64.35
	Afternoon	15.0%	R 74.00	New	R 77.00	4.05%	R 80.00	3.90%	R 64.35
	Evening	15.0%	R 150.00	New	R 157.00	4.67%	R 164.00	4.46%	R 130.43
	<b>Tariff 3: Guarantee deposit</b>								
	Per function --- excluding kitchen	15.0%	R 500.00	New	R 525.00	5.00%	R 551.00	4.95%	R 434.78
	Per function --- including kitchen	15.0%	R 2 000.00	New	R 2 100.00	5.00%	R 2 205.00	5.00%	R 1 739.13
	<b>Tariff 4: equipment per occasion</b>								
	Hiring of tables (each, per day)	15.0%	R 24.00	New	R 25.00	4.17%	R 26.00	4.00%	R 20.87
	<b>Tariff 5: Reduced rates</b>								
	50% discount to organisations that qualify								
	<b>Tariff 6: Levy in respect of exceeding the vacating time</b>								
	In the event of the hirer failing to vacate the hired premises within the applicable period, or by 13:00 of the following work day provided official authorisation thereto has been granted, an amount of R50 per hour will be levied until such time that the premises have been fully vacated								
	<b>Tariff 8: Rehearsals (per rehearsal)</b>								
	Morning: 10:00 - 12:00 (per rehearsal)	15.0%	R 105.00	New	R 110.00	4.76%	R 115.00	4.55%	R 91.30
	Evening: 18:00 - 20:00 (per rehearsal)	15.0%	R 150.00	New	R 157.00	4.67%	R 164.00	4.46%	R 130.43
	<b>Tariff 9: Changes to Bookings – per booking</b>								
	If notice of a change to a booking is given less than 30 days prior --- excepting when the change is occasioned by a request from Council --- a levy will be charged								
	Levy	15.0%	R 119.00	New	R 124.00	4.20%	R 130.00	4.84%	R 103.48
R 128.00	<b>Montana Library Hall</b> : Per occasion ( No Church Services)	15.0%	R 134.00	4.69%	R 140.00	4.48%	R 147.00	5.00%	R 116.52
R 156.00	<b>Stamper Street Hall</b> : (per occasion)	15.0%	R 163.00	4.49%	R 171.00	4.91%	R 179.00	4.68%	R 141.74
R 0.00									

## RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
R 0.00	6.2.11.2.4	<b>Pine Valley Community Hall</b>								
		All traditional church services ( through the night) X2 the 24 hour tariff								
		Deposit for above	Exempt	<b>R 2 500.00</b>	New	R 2 625.00	5.00%	R 2 756.00	4.99%	R 2 500.00
R 0.00		<b>Concerts and stage performances</b>								
R 723.00		Hire	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 631.00		Deposit	Exempt	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 0.00		<b>Disco's and Dances</b>								R 0.00
R 1 167.00		Hire	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 774.00		Deposit	Exempt	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
		<b>Film shows, Wedding receptions and birthdays</b>								
R 487.83		Hire	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 631.00		Deposit	Exempt	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 0.00		<b>Meetings</b>								R 0.00
R 266.00		Hire	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 386.00		Deposit	Exempt	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
		<b>Senior citizens' meetings and gatherings; Schools and Churches (Special Occasions)</b>								
		<b>Performances</b>								
R 409.57		Hire	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 518.00		Deposit	Exempt	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
		<b>Exhibitions</b>								
R 471.00		Hire	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 413.00		Deposit	Exempt	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
		<b>Bazaars</b>								
R 291.00		Hire: Churches and Schools	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 516.00		Hire: Other	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 594.00		Deposit	Exempt	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 86.96		<b>Kitchen</b>	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
		<b>Tariff 1: Basic charges per session</b>								
		<b>Hall, stage and main toilets</b>								
		Morning	15.0%	<b>R 287.00</b>	New	R 301.00	4.88%	R 316.00	4.98%	<b>R 249.57</b>
		Afternoon	15.0%	<b>R 287.00</b>	New	R 301.00	4.88%	R 316.00	4.98%	<b>R 249.57</b>
		Evening	15.0%	<b>R 432.00</b>	New	R 453.00	4.86%	R 475.00	4.86%	<b>R 375.65</b>
		<b>Kitchen</b>								
		Morning	15.0%	<b>R 260.00</b>	New	R 273.00	5.00%	R 286.00	4.76%	<b>R 226.09</b>
		Afternoon	15.0%	<b>R 260.00</b>	New	R 273.00	5.00%	R 286.00	4.76%	<b>R 226.09</b>
		Evening	15.0%	<b>R 287.00</b>	New	R 301.00	4.88%	R 316.00	4.98%	<b>R 249.57</b>
		<b>Change rooms (excluding main toilets)</b>								
		Morning	15.0%	<b>R 74.00</b>	New	R 77.00	4.05%	R 80.00	3.90%	<b>R 64.35</b>
		Afternoon	15.0%	<b>R 74.00</b>	New	R 77.00	4.05%	R 80.00	3.90%	<b>R 64.35</b>
		Evening	15.0%	<b>R 150.00</b>	New	R 157.00	4.67%	R 164.00	4.46%	<b>R 130.43</b>
		<b>Tariff 3: Guarantee deposit</b>								
		Per function --- excluding kitchen	15.0%	<b>R 500.00</b>	New	R 525.00	5.00%	R 551.00	4.95%	<b>R 434.78</b>
		Per function --- including kitchen	15.0%	<b>R 2 000.00</b>	New	R 2 100.00	5.00%	R 2 205.00	5.00%	<b>R 1 739.13</b>
		<b>Tariff 4: equipment per occasion</b>								
		Hiring of tables (each, per day)	15.0%	<b>R 24.00</b>	New	R 25.00	4.17%	R 26.00	4.00%	<b>R 20.87</b>
		<b>Tariff 5: Reduced rates</b>								
		50% discount to organisations that qualify								
		<b>Tariff 6: Levy in respect of exceeding the vacating time</b>								
		In the event of the hirer failing to vacate the hired premises within the applicable period, or by 13:00 of the following work day provided official authorisation thereto has been								
		<b>Tariff 8: Rehearsals (per rehearsal)</b>								
		Morning: 10:00 - 12:00 (per rehearsal)	15.0%	<b>R 105.00</b>	New	R 110.00	4.76%	R 115.00	4.55%	<b>R 91.30</b>
		Evening: 18:00 - 20:00 (per rehearsal)	15.0%	<b>R 150.00</b>	New	R 157.00	4.67%	R 164.00	4.46%	<b>R 130.43</b>
		<b>Tariff 9: Changes to Bookings -- per booking</b>								
		If notice of a change to a booking is given less than 30 days prior --- excepting when the change is occasioned by a request from Council --- a levy will be charged								
		Levy	15.0%	<b>R 119.00</b>	New	R 124.00	4.20%	R 130.00	4.84%	<b>R 103.48</b>
		<b>NB:</b> Once in a quarter the hall may be utilised, without charge, by political parties that are represented in Council, for their political meetings with the community. The political party concerned must however present its intent to the Municipal Manager, and consent is subject to the availability of the facility. Priority will be given to the order in which applications are received.								
		<b>NB:</b> The Municipal Manager may use his discretion to offer a hall free of any charge to Youth-, Service-, Charity-, Community-, Sport-, Educational- and State Institutions, and Senior Citizens.								
	6.2.11.2.5	<b>Op-Die-Berg Community Hall</b>								
		All traditional church services ( through the night) X2 the 24 hour tariff								
		Deposit for above	Exempt	<b>R 2 500.00</b>	New	R 2 625.00	5.00%	R 2 756.00	4.99%	R 2 500.00
		<b>Concerts and stage performances</b>								
R 628.70		Hire	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 631.00		Deposit	Exempt	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
		<b>Disco's and Dances</b>								
R 1 167.00		Hire	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 774.00		Deposit	Exempt	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
		<b>Film shows, Wedding receptions and birthdays</b>								
R 487.83		Hire	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 631.00		Deposit	Exempt	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 0.00		<b>Meetings</b>								R 0.00
R 266.00		Hire	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 386.00		Deposit	Exempt	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
		<b>Senior citizens' meetings and gatherings; Schools and Churches (Special Occasions)</b>								

## RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Excluding Vat	Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
	<b>Performances</b>								
R 409.57	Hire	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 518.00	Deposit	Exempt	REMOVED		REMOVED		REMOVED		REMOVED
R 0.00	<b>Exhibitions</b>								R 0.00
R 471.00	Hire	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 413.00	Deposit	Exempt	REMOVED		REMOVED		REMOVED		REMOVED
R 0.00	<b>Bazaars</b>								R 0.00
R 291.00	Hire: Churches and Schools	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 516.00	Hire: Other	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
R 594.00	Deposit	Exempt	REMOVED		REMOVED		REMOVED		REMOVED
R 86.96	<b>Kitchen</b>	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
	<b>Tariff 1: Basic charges per session</b>								
	<b>Hall, stage and main toilets</b>								
	Morning	15.0%	R 287.00	New	R 301.00	4.88%	R 316.00	4.98%	R 249.57
	Afternoon	15.0%	R 287.00	New	R 301.00	4.88%	R 316.00	4.98%	R 249.57
	Evening	15.0%	R 432.00	New	R 453.00	4.86%	R 475.00	4.86%	R 375.65
	<b>Kitchen</b>								
	Morning	15.0%	R 260.00	New	R 273.00	5.00%	R 286.00	4.76%	R 226.09
	Afternoon	15.0%	R 260.00	New	R 273.00	5.00%	R 286.00	4.76%	R 226.09
	Evening	15.0%	R 287.00	New	R 301.00	4.88%	R 316.00	4.98%	R 249.57
	<b>Change rooms (excluding main toilets)</b>								
	Morning	15.0%	R 74.00	New	R 77.00	4.05%	R 80.00	3.90%	R 64.35
	Afternoon	15.0%	R 74.00	New	R 77.00	4.05%	R 80.00	3.90%	R 64.35
	Evening	15.0%	R 150.00	New	R 157.00	4.67%	R 164.00	4.46%	R 130.43
	<b>Tariff 3: Guarantee deposit</b>								
	Per function --- excluding kitchen	15.0%	R 500.00	New	R 525.00	5.00%	R 551.00	4.95%	R 434.78
	Per function --- including kitchen	15.0%	R 2 000.00	New	R 2 100.00	5.00%	R 2 205.00	5.00%	R 1 739.13
	<b>Tariff 4: equipment per occasion</b>								
	Hiring of tables (each, per day)	15.0%	R 24.00	New	R 25.00	4.17%	R 26.00	4.00%	R 20.87
	<b>Tariff 5: Reduced rates</b>								
	50% discount to organisations that qualify								
	<b>Tariff 6: Levy in respect of exceeding the vacating time</b>								
	In the event of the hirer failing to vacate the hired premises within the applicable period, or by 13:00 of the following work day provided official authorisation thereto has been								
	<b>Tariff 8: Rehearsals (per rehearsal)</b>								
	Morning: 10:00 - 12:00 (per rehearsal)	15.0%	R 105.00	New	R 110.00	4.76%	R 115.00	4.55%	R 91.30
	Evening: 18:00 - 20:00 (per rehearsal)	15.0%	R 150.00	New	R 157.00	4.67%	R 164.00	4.46%	R 130.43
	<b>Tariff 9: Changes to Bookings -- per booking</b>								
	If notice of a change to a booking is given less than 30 days prior --- excepting when the change is occasioned by a request from Council --- a levy will be charged								
	Levy	15.0%	R 119.00	New	R 124.00	4.20%	R 130.00	4.84%	R 103.48

**NB:** Once in a quarter the hall may be utilised, without charge, by political parties that are represented in Council, for their political meetings with the community. The political party concerned must however present its intent to the Municipal Manager, and consent is subject to the availability of the facility. Priority will be given to the order in which applications are received.

**NB:** The Municipal Manager may use his discretion to offer a hall free of any charge to Youth-, Service-, Charity-, Community-, Sport-, Educational- and State Institutions, and Senior Citizens.

## RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Excluding Vat	Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
	<b>6.2.12 Cemeteries Tariffs</b>								
	<b>6.2.12.1 Non-local residents</b>								
	All persons that were resident outside the Witzenberg Municipal jurisdiction.								
R 3 553.04	6 ft excavation: plot included	15.0%	<b>R 4 290.00</b>	4.99%	R 4 504.00	4.99%	R 4 729.00	5.00%	R 3 730.43
R 4 220.00	8 ft excavation: plot included	15.0%	<b>R 5 095.00</b>	4.99%	R 5 349.00	4.99%	R 5 616.00	4.99%	R 4 430.43
R 1 062.61	Re-burials: opening and closing of graves	15.0%	<b>R 1 283.00</b>	4.99%	R 1 347.00	4.99%	R 1 414.00	4.97%	R 1 115.65
R 357.39	Memorial plaque	15.0%	<b>R 431.00</b>	4.87%	R 452.00	4.87%	R 474.00	4.87%	R 374.78
	<b>6.2.12.2 Local residents</b>								
	All persons that were resident inside the Witzenberg Municipal jurisdiction.								
	<b>6.2.12.2.1 Indigent cases</b>								
	<b>Town residents</b>								
	<b>Definition:</b>								
	At the time of death the deceased had to be part of a household that was approved as an indigent case, also noted as such in the Financial system.								
	<b>Rural residents</b>								
	<b>Definition:</b>								
	At the time of death the deceased had to be part of a household of which the combined income did not exceed twice the State's Old-age Pension allowance, and that the deceased had resided in the house at that time.								
	<b>Plots for indigent cases are free of charge, being funded from the Indigent Allocation at non-local tariffs.</b>								
	<b>6.2.12.2.2 Local Residents and all other cases</b>								
R 395.65	Plot	15.0%	<b>R 477.00</b>	4.84%	R 500.00	4.82%	R 525.00	5.00%	R 414.78
R 1 267.83	6 ft excavation	15.0%	<b>R 1 530.00</b>	4.94%	R 1 606.00	4.97%	R 1 686.00	4.98%	R 1 330.43
R 1 359.13	8 ft excavation	15.0%	<b>R 1 641.00</b>	4.99%	R 1 723.00	5.00%	R 1 809.00	4.99%	R 1 426.96
R 609.57	Re-burials: opening and closing of graves	15.0%	<b>R 736.00</b>	4.99%	R 772.00	4.89%	R 810.00	4.92%	R 640.00
R 342.61	Memorial plaque	15.0%	<b>R 413.00</b>	4.82%	R 433.00	4.84%	R 454.00	4.85%	R 359.13
	<b>6.2.13 Dept. Parks -- private works -- equipment -- tariff per hour</b>								
R 64.35	Lawnmower: 450 mm (small) per hour	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 115.65	Lawnmower: 750 mm (large) per hour	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 91.30	Forest cutters (per hour)	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 91.30	Chain saws (per hour)	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 186.09	Bush cutters (per hour)	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 186.09	Trailers (per hour)	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 211.30	Spray pumps: Mechanical and triangular ( per hour)	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>



## RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
	<b>6.3.</b>	<b>FINANCIAL SERVICES</b>								
	<b>6.3.1</b>	<b>Administrative fees</b>								
R 129.57	6.3.1.1	Furnishing of evaluation- and / or clearance certificates in accordance with Section 96 of Ordinance 20 of 1974: per certificate:	15.0%	<b>R 156.00</b>	4.70%	R 163.00	4.49%	R 171.00	4.91%	R 135.65
	6.3.1.2	Valuations & deed search								
R 232.17	6.3.1.2.1	Re-evaluation of properties (per application)	15.0%	<b>R 280.00</b>	4.87%	R 294.00	5.00%	R 308.00	4.76%	R 243.48
R 1 133.91		- Residential properties	15.0%	<b>R 1 369.00</b>	4.98%	R 1 437.00	4.97%	R 1 508.00	4.94%	R 1 190.43
R 1 409.57		- Business properties	15.0%	<b>R 1 702.00</b>	5.00%	R 1 787.00	4.99%	R 1 876.00	4.98%	R 1 480.00
R 1 267.83		- Agricultural properties	15.0%	<b>R 1 530.00</b>	4.94%	R 1 606.00	4.97%	R 1 686.00	4.98%	R 1 330.43
R 114.78		- State owned properties	15.0%	<b>R 138.00</b>	4.55%	R 144.00	4.35%	R 151.00	4.86%	R 120.00
R 232.17		- Urban vacant land	15.0%	<b>R 280.00</b>	4.87%	R 294.00	5.00%	R 308.00	4.76%	R 243.48
R 50.43	6.3.1.2.2	- Other not specified above	15.0%	<b>R 60.00</b>	3.45%	R 63.00	5.00%	R 66.00	4.76%	R 52.17
R 909.57	6.3.1.2.3	Deeds office search per erf	15.0%	<b>R 1 098.00</b>	4.97%	R 1 152.00	4.92%	R 1 209.00	4.95%	R 954.78
R 49.57	6.3.1.3	Request for valuation detail per erf	15.0%	<b>R 59.00</b>	3.51%	R 61.00	3.39%	R 64.00	4.92%	R 51.30
R 49.57	6.3.1.3	Tracing of any information older than six months. (per hour or part thereof)	15.0%	<b>R 59.00</b>	3.51%	R 61.00	3.39%	R 64.00	4.92%	R 51.30
R 49.57	6.3.1.4	Issuing of accounts' duplicates (per account)	15.0%	<b>R 61.00</b>	4.98%	R 64.00	4.91%	R 67.00	4.99%	R 531.30
R 506.09	6.3.1.5	Furnishing of name- and address list (per list) (per town)	15.0%	<b>R 123.00</b>	4.24%	R 129.00	4.88%	R 135.00	4.65%	R 106.96
R 102.61	6.3.1.6	Surcharge on <i>Refer to Drawer</i> cheques (per cheque)	15.0%	<b>R 40.00</b>	2.56%	R 42.00	5.00%	R 44.00	4.76%	R 34.78
R 33.91	6.3.1.7	Excess	15.0%	<b>R 40.00</b>	2.56%	R 42.00	5.00%	R 44.00	4.76%	R 34.78
	6.3.1.8	Recovery costs								
	6.3.1.8.1	Tariffs for processes and the serving of documentation by the Municipality								
R 37.39	6.3.1.8.1.1	Serving of a registered reminder (per reminder)	15.0%	<b>R 45.00</b>	4.65%	R 47.00	4.44%	R 49.00	4.26%	R 39.13
R 55.65	6.3.1.8.1.2	Stamp costs (per summonses)	15.0%	<b>R 67.00</b>	4.69%	R 70.00	4.48%	R 73.00	4.29%	R 58.26
	6.3.1.8.1.3	Serving of summonses and/or writs (per serving)								
R 157.39		Inside the Witzenberg jurisdiction	15.0%	<b>R 190.00</b>	4.97%	R 199.00	4.74%	R 208.00	4.52%	R 165.22
R 385.22		Outside the Witzenberg jurisdiction	15.0%	<b>R 465.00</b>	4.97%	R 488.00	4.95%	R 512.00	4.92%	R 404.35
	6.3.1.8.2	Levying of any legal costs								
	<b>6.3.2</b>	<b>Water</b>								
		Re-connection of suspended supply on request by consumer per connection								
R 115.65	6.3.2.1	(a) Urban areas	15.0%	<b>R 139.00</b>	4.51%	R 145.00	4.32%	R 152.00	4.83%	R 120.87
R 141.74	6.3.2.1	(b) Rural areas	15.0%	<b>R 171.00</b>	4.91%	R 179.00	4.68%	R 187.00	4.47%	R 148.70
	6.3.2.2	Re-connection after non-payment per suspension list - per connection								
R 45.22		(a) Urban areas	15.0%	<b>R 54.00</b>	3.85%	R 56.00	3.70%	R 58.00	3.57%	R 46.96
R 66.96		(b) Rural areas	15.0%	<b>R 80.00</b>	3.90%	R 84.00	5.00%	R 88.00	4.76%	R 69.57
	6.3.2.3	Special meter reading per reading per meter								
R 170.43		(a) Urban areas	15.0%	<b>R 205.00</b>	4.59%	R 215.00	4.88%	R 225.00	4.65%	R 178.26
R 263.48		(b) Rural areas	15.0%	<b>R 318.00</b>	4.95%	R 333.00	4.72%	R 349.00	4.80%	R 276.52

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	6.3.2.5	<b>Tampering with meter connection</b>								
R 1 133.91		(a) In the event where a consumer's water supply has been cut and sealed with a cap and key, and such seal had been removed without the consent of the Municipality, the following charges for tampering will be levied against the consumer, no re-connection will be made unless the prescribed payment plus the cost of a Water demand device (if not yet installed) has been received.	15.0%	<b>R 1 369.00</b>	4.98%	R 1 437.00	4.97%	R 1 508.00	4.94%	R 1 190.43
		(b) Where a consumer had made an illegal water connection in front of the meter, the supply will be disconnected immediately, and one of the following options will be exercised, depending on the consumer's choice:								
		(i) A criminal charge to be laid by the SAPS, or								
R 2 270.43		(ii) An admission of guilt (see tariff attached) plus the cost of the damage and possible consumption be paid.	15.0%	<b>R 2 741.00</b>	4.98%	R 2 878.00	5.00%	R 3 021.00	4.97%	R 2 383.48
		(c) Where a consumer is guilty of a second offence in terms of an illegal water connection, the connection will be summarily removed and the matter will be handed to the SAPS.								
R 869.57		Gaining Access to water services without approval from the municipality	15.0%	<b>R 1 000.00</b>	0.00%	R 1 050.00	5.00%	R 1 102.00	4.95%	R 869.57
R 869.57		Gain Acces to water services without agreement with the Municipality	15.0%	<b>R 1 000.00</b>	0.00%	R 1 050.00	5.00%	R 1 102.00	4.95%	R 869.57
R 869.57		Refuse to give access required by the municipality in terms of section 19	15.0%	<b>R 1 000.00</b>	0.00%	R 1 050.00	5.00%	R 1 102.00	4.95%	R 869.57
R 434.78		Fail to comply with a notice served upon him/her in terms of bylaws relating to water, sanitation services and industrial effluent	15.0%	<b>R 500.00</b>	0.00%	R 525.00	5.00%	R 551.00	4.95%	R 434.78
R 869.57		Disconnect a measuring device and its associated apparatus from the pipe in which they are installed	15.0%	<b>R 1 000.00</b>	0.00%	R 1 050.00	5.00%	R 1 102.00	4.95%	R 869.57
R 434.78		Break a seal which the municipality has placed on a water meter	15.0%	<b>R 500.00</b>	0.00%	R 525.00	5.00%	R 551.00	4.95%	R 434.78
R 434.78		Interfere with a measuring device and its associated apparatus	15.0%	<b>R 500.00</b>	0.00%	R 525.00	5.00%	R 551.00	4.95%	R 434.78
R 1 739.13		Owner fail to provide and maintain approved measures to prevent the entry of substance which may be a danger to health or adversely affect water potability	15.0%	<b>R 2 000.00</b>	0.00%	R 2 100.00	5.00%	R 2 205.00	5.00%	R 1 739.13
R 434.78		Disregard any water restrictions imposed by the municipality	15.0%	<b>R 500.00</b>	0.00%	R 525.00	5.00%	R 551.00	4.95%	R 434.78
R 434.78		Permit wasteful discharge of water from the terminal fittings	15.0%	<b>R 500.00</b>	0.00%	R 525.00	5.00%	R 551.00	4.95%	R 434.78
R 434.78		Permit an overflow of water to persist	15.0%	<b>R 500.00</b>	0.00%	R 525.00	5.00%	R 551.00	4.95%	R 434.78
	<b>6.3.3</b>	<b>Electricity</b>								
	6.3.3.1	Re-connections of cut supplies of Pre-Paid, per re-connection:								
R 42.61		(a) Urban areas	15.0%	<b>R 51.00</b>	4.08%	R 53.00	3.92%	R 55.00	3.77%	R 44.35
R 42.61		(b) Rural areas	15.0%	<b>R 51.00</b>	4.08%	R 53.00	3.92%	R 55.00	3.77%	R 44.35
	6.3.3.2	Re-connections of cut supplies on request of consumers of Conventional Meters, per re-connection:								
R 113.04		(a) Urban areas	15.0%	<b>R 136.00</b>	4.62%	R 142.00	4.41%	R 149.00	4.93%	R 118.26
R 141.74		(b) Rural areas	15.0%	<b>R 171.00</b>	4.91%	R 179.00	4.68%	R 187.00	4.47%	R 148.70
R 201.74		(c) All areas after hours	15.0%	<b>R 243.00</b>	4.74%	R 255.00	4.94%	R 267.00	4.71%	R 211.30
	6.3.3.3	Special meter reading as per Article 52(3) per reading per meter								
R 170.43		(a) Urban areas	15.0%	<b>R 205.00</b>	4.59%	R 215.00	4.88%	R 225.00	4.65%	R 178.26
R 263.48		(b) Rural areas	15.0%	<b>R 318.00</b>	4.95%	R 333.00	4.72%	R 349.00	4.80%	R 276.52
R 14.78	6.3.3.4	Duplicate Identification Card: Pre-Paid electricity, per card.	15.0%	<b>R 18.00</b>	5.88%	R 15.00	-16.67%	R 15.00	0.00%	R 15.65
R 260.87	6.3.3.5	Switching Fee (Any call out for private purposes)	15.0%	<b>R 300.00</b>	New	R 315.00	5.00%	R 330.00	4.76%	R 260.87
	<b>6.3.4</b>	<b>Deposits - new buildings</b>								
R 2 287.00		Businesses	Exempt	<b>R 2 401.00</b>	4.98%	R 2 521.00	5.00%	R 2 647.00	5.00%	R 2 401.00
		Industries (Estimated on consumption)	Exempt							
		<b>Residential clients</b>								
R 333.00		With pre-paid electricity and water meter	Exempt	<b>R 349.00</b>	4.80%	R 366.00	4.87%	R 384.00	4.92%	R 349.00
R 538.00		With only a pre-paid electricity meter	Exempt	<b>R 564.00</b>	4.83%	R 592.00	4.96%	R 621.00	4.90%	R 564.00
R 1 278.00		All other residential clients	Exempt	<b>R 1 341.00</b>	4.93%	R 1 408.00	5.00%	R 1 478.00	4.97%	R 1 341.00

## RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
	<b>6.4.</b>	<b>TECHNICAL SERVICES</b>								
	<b>6.4.1.</b>	<b>CIVIL SERVICES</b>								
	<b>6.4.1.1</b>	<b>Building Plan</b>								
R 20.87	<b>6.4.1.1.1</b>	Calculate on the gross covered area, to the nearest square meter - tariff per building plan per m <sup>2</sup> (Subject to the stipulation at 4.1.1.2 hereunder) Industrial/commercial tariff per building plan per m <sup>2</sup> (Subject to the stipulation at 4.1.1.2 hereunder)	15.0%	<b>R 26.00</b>	8.33%	R 28.00	7.69%	R 30.00	7.14%	R 22.61
R 250.43		With a minimum building plan tariff Building deposit	15.0%	<b>R 302.00</b>	4.86%	R 317.00	4.97%	R 332.00	4.73%	R 262.61
R 136.52		In the event of illegal building operations without an approved plan, a charge of <u>three</u> times the above building plan fees plus the following tariff per day that the plan is outstanding, will apply:	15.0%	<b>R 164.00</b>	4.46%	R 172.00	4.88%	R 180.00	4.65%	R 142.61
R 420.87	<b>6.4.1.1.2</b>	Swimming pools - per application, irrespective of the size of the pool. Fixed tariff per swimming pool.	15.0%	<b>R 508.00</b>	4.96%	R 533.00	4.92%	R 559.00	4.88%	R 441.74
	<b>6.4.1.1.3</b>	<b>Advertising signs application</b>								
R 2 022.61		Permitted third party advertising sign (<2,0m <sup>2</sup> ) per board	15.0%	<b>R 2 442.00</b>	4.99%	R 2 564.00	5.00%	R 2 692.00	4.99%	R 2 123.48
R 3 372.17		Permitted third party advertising sign (>2,0m <sup>2</sup> ) per board	15.0%	<b>R 4 071.00</b>	4.98%	R 4 274.00	4.99%	R 4 487.00	4.98%	R 3 540.00
R 266.09		Advertising sign, direction indicator or name sign on building (<1,0m <sup>2</sup> ) per sign	15.0%	<b>R 321.00</b>	4.90%	R 337.00	4.98%	R 353.00	4.75%	R 279.13
R 940.00		Advertising sign, direction indicator or name sign on building (<5,0m <sup>2</sup> ) per sign	15.0%	<b>R 1 135.00</b>	5.00%	R 1 191.00	4.93%	R 1 250.00	4.95%	R 986.96
R 2 022.61		Advertising sign, direction indicator or name sign on building (>5,0m <sup>2</sup> ) per sign	15.0%	<b>R 2 442.00</b>	4.99%	R 2 564.00	5.00%	R 2 692.00	4.99%	R 2 123.48
R 399.13		Advertising sign, direction indicator or name sign, Free-standing or on Refuse bin (<1,0m <sup>2</sup> ) per board	15.0%	<b>R 481.00</b>	4.79%	R 505.00	4.99%	R 530.00	4.95%	R 418.26
R 1 413.04		Advertising sign, direction indicator or name sign, Free-standing or on Refuse bin (<5,0m <sup>2</sup> ) per board	15.0%	<b>R 1 706.00</b>	4.98%	R 1 791.00	4.98%	R 1 880.00	4.97%	R 1 483.48
R 2 695.65		Advertising sign, direction indicator or name sign, Free-standing or on Refuse bin (>5,0m <sup>2</sup> ) per board	15.0%	<b>R 3 255.00</b>	5.00%	R 3 417.00	4.98%	R 3 587.00	4.98%	R 2 830.43
R 869.57		Removal of illegal signs or advertisements	15.0%	<b>R 1 000.00</b>	new	R 1 050.00	5.00%	R 1 102.00	4.95%	R 869.57
R 613.04	<b>6.4.1.1.4</b>	Internal Changes (All Buildings)	15.0%	<b>R 740.00</b>	4.96%	R 777.00	5.00%	R 815.00	4.89%	R 643.48
R 1 735.65	<b>6.4.1.1.5</b>	Major Hazard Installations	15.0%	<b>R 2 095.00</b>	4.96%	R 2 199.00	4.96%	R 2 308.00	4.96%	R 1 821.74
R 1 393.91	<b>6.4.1.1.6</b>	LPG Installations	15.0%	<b>R 1 683.00</b>	4.99%	R 1 767.00	4.99%	R 1 855.00	4.98%	R 1 463.48
R 2 406.09	<b>6.4.1.1.7</b>	Cellphone Mast	15.0%	<b>R 2 905.00</b>	4.99%	R 3 050.00	4.99%	R 3 202.00	4.98%	R 2 526.09
R 819.13	<b>6.4.1.1.8</b>	Extension of approved building plan (for consideration of extending plan validity. Extension must be applied to prior to lapse date of plan)	15.0%	<b>R 989.00</b>	4.99%	R 1 038.00	4.95%	R 1 089.00	4.91%	R 860.00
R 1 025.22	<b>6.4.1.1.9</b>	Demolition certificate	15.0%	<b>R 1 237.00</b>	4.92%	R 1 298.00	4.93%	R 1 362.00	4.93%	R 1 075.65
R 2 052.17	<b>6.4.1.1.10</b>	Temporary commencement of building work in terms of Article 7(6) NBR (Not refundable)	15.0%	<b>R 2 478.00</b>	5.00%	R 2 601.00	4.96%	R 2 731.00	5.00%	R 2 154.78
R 395.65	<b>6.4.1.1.11</b>	Minimum building fee	15.0%	<b>R 477.00</b>	4.84%	R 500.00	4.82%	R 525.00	5.00%	R 414.78
R 8 695.65	<b>6.4.1.1.12</b>	Penalty Fee for moving into house without occupation certificate	15.0%	<b>R 10 000.00</b>	New	R 10 499.00	4.99%	R 11 023.00	4.99%	R 8 695.65
	<b>6.4.1.2</b>	<b>Sewerage</b>								
R 5 826.96		Sewerage connection, per connection	15.0%	<b>R 7 036.00</b>	5.00%	R 7 387.00	4.99%	R 7 756.00	5.00%	R 6 118.26
R 5 840.00		150 mm - connection to the maximum of 10 m in length	15.0%	<b>R 7 051.00</b>	4.99%	R 7 403.00	4.99%	R 7 773.00	5.00%	R 6 131.30
R 300.87		> 10 m lengths (per meter)	15.0%	<b>R 363.00</b>	4.91%	R 381.00	4.96%	R 400.00	4.99%	R 315.65
		Sewerage blockages: per blockage	15.0%							
R 548.70		Week days	15.0%	<b>R 662.00</b>	4.91%	R 695.00	4.98%	R 729.00	4.89%	R 575.65
R 968.70		Weekends and Public Holidays - per call-out	15.0%	<b>R 1 169.00</b>	4.94%	R 1 227.00	4.96%	R 1 288.00	4.97%	R 1 016.52
		Sewerage Connection (Per Connections) > 10 m lengths (per meter) - <b>Actual Cost</b>								
		Illegally installing a connecting sewer without the necessary authority or approval	15.0%	<b>R 2 500.00</b>	New	R 2 624.00	4.96%	R 2 755.00	4.99%	R 2 173.91
		Failure to provide for a grease trap of an approved type, size and capacity on a premises that discharge sewage to on-site sanitation systems and that discharge industrial and commercial effluent which contain oil, fat or inorganic solid matter	15.0%	<b>R 1 500.00</b>	New	R 1 575.00	5.00%	R 1 653.00	4.95%	R 1 304.35
		Causing or permitting an accumulation of oil, fat, inorganic solid matter, or any other substance in any trap, tank or chamber that may cause the blockage or ineffective operation of a grease trap	15.0%	<b>R 1 000.00</b>	New	R 1 049.00	4.90%	R 1 101.00	4.96%	R 869.57
		Discharging or causing the discharge of or permit industrial effluent to be discharged into the municipal sanitation system, without the approval of the Municipality . Charged per incident or calendar day	15.0%	<b>R 5 000.00</b>	New	R 5 249.00	4.98%	R 5 511.00	4.99%	R 4 347.83
		Delivering sewage by road haulage to sewage treatment plant and discharging the sewage concerned into a municipal sewage treatment plant, without the approval of the Municipality. Charged per incident	15.0%	<b>R 1 500.00</b>	New	R 1 575.00	5.00%	R 1 653.00	4.95%	R 1 304.35
		Discharging or causing the discharge of sewage or industrial effluent transported by road haulage at an unauthorised discharge point other than the point authorised for discharge by the Municipality. Charged per incident	15.0%	<b>R 2 500.00</b>	New	R 2 624.00	4.96%	R 2 755.00	4.99%	R 2 173.91
		Unlawfully and unauthorized discharging or causing or permitting sewage or industrial effluent directly or indirectly into a storm water drain, a river or a natural watercourse or artificial watercourse or any open field. Charged per incident or calendar day	15.0%	<b>R 2 500.00</b>	New	R 2 624.00	4.96%	R 2 755.00	4.99%	R 2 173.91
	<b>6.4.1.3</b>	<b>Water</b>								
	<b>6.4.1.3.1</b>	Water connection (per connection)								
R 2 872.17		Size: To 25 mm	15.0%	<b>R 3 468.00</b>	5.00%	R 3 641.00	4.99%	R 3 823.00	5.00%	R 3 015.65
R 3 667.83		32 mm	15.0%	<b>R 4 428.00</b>	4.98%	R 4 649.00	4.99%	R 4 881.00	4.99%	R 3 850.43
R 4 181.74		40 mm	15.0%	<b>R 5 049.00</b>	4.99%	R 5 301.00	4.99%	R 5 566.00	5.00%	R 4 390.43
R 8 565.22		50 mm	15.0%	<b>R 10 342.00</b>	4.99%	R 10 859.00	5.00%	R 11 401.00	4.99%	R 8 993.04
R 9 606.09		80 mm	15.0%	<b>R 11 599.00</b>	5.00%	R 12 178.00	4.99%	R 12 786.00	4.99%	R 10 086.09
R 11 063.48		100 mm	15.0%	<b>R 13 359.00</b>	5.00%	R 14 026.00	4.99%	R 14 727.00	5.00%	R 11 616.52
R 21 325.22		150 mm	15.0%	<b>R 25 750.00</b>	5.00%	R 27 037.00	5.00%	R 28 388.00	5.00%	R 22 391.30

## RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
	6.4.1.3.2	Smart Meter Connection (per connection)								
R 4 907.83		15 mm	15.0%	<b>R 5 926.00</b>	5.00%	R 6 222.00	4.99%	R 6 533.00	5.00%	R 5 153.04
R 4 999.13		20 mm	15.0%	<b>R 6 036.00</b>	4.99%	R 6 337.00	4.99%	R 6 653.00	4.99%	R 5 248.70
R 23 997.39		50 mm	15.0%	<b>R 28 976.00</b>	5.00%	R 30 424.00	5.00%	R 31 945.00	5.00%	R 25 196.52
	6.4.1.3.3	Testing of water meters (per test per water meter)	15.0%							
R 300.87		Size: To 205 mm	15.0%	<b>REMOVE</b>		<b>REMOVE</b>		<b>REMOVE</b>		<b>REMOVE</b>
R 300.87		32	15.0%	<b>REMOVE</b>		<b>REMOVE</b>		<b>REMOVE</b>		<b>REMOVE</b>
R 2 569.57		40	15.0%	<b>REMOVE</b>		<b>REMOVE</b>		<b>REMOVE</b>		<b>REMOVE</b>
R 4 786.96		50	15.0%	<b>REMOVE</b>		<b>REMOVE</b>		<b>REMOVE</b>		<b>REMOVE</b>
R 7 952.17		80	15.0%	<b>REMOVE</b>		<b>REMOVE</b>		<b>REMOVE</b>		<b>REMOVE</b>
		Refundable where meter is found to be faulty.								
	<b>6.4.1.4</b>	<b>Civil</b>								
		Motor driveways								
R 1 938.26		Single driveways (3,5m max) each	15.0%	<b>R 2 340.00</b>	4.98%	R 2 457.00	5.00%	R 2 579.00	4.97%	R 2 034.78
R 3 504.35		Double driveways (7,0m max) each	15.0%	<b>R 4 231.00</b>	4.99%	R 4 442.00	4.99%	R 4 664.00	5.00%	R 3 679.13
R 644.35		Placement of bridging/kerbing (each)	15.0%	<b>R 778.00</b>	4.99%	R 816.00	4.88%	R 856.00	4.90%	R 676.52
		Private tarring								
REMOVED		Double sealing, including preparation, per square meter	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
REMOVED		Pre-mix, including preparation, per square meter	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
REMOVED		Float seal on covered areas, per square meter	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
		Any other private word (per quotation): Actual cost + 20 %	15.0%							
		<b>Private work forms to be completed in all cases</b>								
	<b>6.4.1.5</b>	<b>Plans: copies</b>								
R 91.30		Copies of plans per square meter size of plan	15.0%	<b>R 110.00</b>	4.76%	R 115.00	4.55%	R 120.00	4.35%	R 95.65
R 226.09		Copies: Septa, per copy	15.0%	<b>R 273.00</b>	5.00%	R 286.00	4.76%	R 300.00	4.90%	R 237.39
R 266.09		Copies: Durester, per copy	15.0%	<b>R 321.00</b>	4.90%	R 337.00	4.98%	R 353.00	4.75%	R 279.13
R 10.43		A3 or A4 , per copy	15.0%	<b>R 13.00</b>	8.33%	R 14.00	7.69%	R 15.00	7.14%	R 11.30
	<b>6.4.1.6</b>	<b>Town Planning costs</b>								
		(In terms of Ordinance on Land Use Planning)								
R 1 455.65	6.4.1.6.1	Concessionary use, per application	15.0%	<b>R 1 757.00</b>	4.96%	R 1 844.00	4.95%	R 1 936.00	4.99%	R 1 527.83
R 1 455.65	6.4.1.6.2	Re-zoning, per property	15.0%	<b>R 1 757.00</b>	4.96%	R 1 844.00	4.95%	R 1 936.00	4.99%	R 1 527.83
	6.4.1.6.3	Departure Art 15(1)(a)(i)								
R 300.87		Erven <500m <sup>2</sup> per application	15.0%	<b>R 363.00</b>	4.91%	R 381.00	4.96%	R 400.00	4.99%	R 315.65
R 605.22		Erven 500m <sup>2</sup> - 750m <sup>2</sup> per application	15.0%	<b>R 730.00</b>	4.89%	R 766.00	4.93%	R 804.00	4.96%	R 634.78
R 1 455.65		Erven > 750m <sup>2</sup> per application	15.0%	<b>R 1 757.00</b>	4.96%	R 1 844.00	4.95%	R 1 936.00	4.99%	R 1 527.83
R 1 455.65		Section 15(1)(a)(ii)(temporary) per application	15.0%	<b>R 1 757.00</b>	4.96%	R 1 844.00	4.95%	R 1 936.00	4.99%	R 1 527.83
	6.4.1.6.4	Sub-divisions: per application								
R 1 455.65		Up to 20 erven	15.0%	<b>R 1 757.00</b>	4.96%	R 1 844.00	4.95%	R 1 936.00	4.99%	R 1 527.83
R 64.35		More than 20 erven (Tariff 4.6.4.1 plus tariff per erven)	15.0%	<b>R 77.00</b>	4.05%	R 80.00	3.90%	R 84.00	5.00%	R 66.96
	6.4.1.6.5	Contribution to external services - New Developments (bulk services per site)	15.0%							
R 24 913.04		Tulbagh (Town area)	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 26 299.13		Tulbagh (Agricultural area, outside town area)	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 26 342.61		P A Hamlet	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 18 174.78		Other areas	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
	6.4.1.6.6	Contribution to external services - Applications for second unit on single plot (bulk services per site)								
	6.4.1.6.6.1	Tulbagh								
R 2 489.57		2nd unit smaller than 50 m <sup>2</sup>	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 12 455.65		2nd unit 50 m <sup>2</sup> - 120 m <sup>2</sup>	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 24 913.04		2nd unit larger than 120 m <sup>2</sup>	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
	6.4.1.6.6.2	PA Hamlet								
R 2 631.30		2nd unit smaller than 50 m <sup>2</sup>	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 13 170.43		2nd unit 50 m <sup>2</sup> - 120 m <sup>2</sup>	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 26 342.61		2nd unit larger than 120 m <sup>2</sup>	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
	6.4.1.6.6.3	All other areas								
R 1 814.78		2nd unit smaller than 50 m <sup>2</sup>	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 9 086.09		2nd unit 50 m <sup>2</sup> - 120 m <sup>2</sup>	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 18 174.78		2nd unit larger than 120 m <sup>2</sup>	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 6 521.74	6.4.1.6.6.4	Buyout of parking	15.0%	<b>R 7 500.00</b>		R 7 875.00	5.00%	R 8 268.00	4.99%	R 6 521.74
	6.4.1.6.7	Town Planning costs: (In terms of the Land Use Planning By-law)								
R 1 455.65	6.4.1.6.7.1	Public place closure	15.0%	<b>R 1 757.00</b>	4.96%	R 1 844.00	4.95%	R 1 936.00	4.99%	R 1 527.83
R 1 455.65	6.4.1.6.7.2	Restrictive condition	15.0%	<b>R 1 757.00</b>	4.96%	R 1 844.00	4.95%	R 1 936.00	4.99%	R 1 527.83
R 1 455.65	6.4.1.6.7.3	Deemed zoning	15.0%	<b>R 1 757.00</b>	4.96%	R 1 844.00	4.95%	R 1 936.00	4.99%	R 1 527.83
R 1 455.65	6.4.1.6.7.4	Amendment/cancellation of subdivision	15.0%	<b>R 1 757.00</b>	4.96%	R 1 844.00	4.95%	R 1 936.00	4.99%	R 1 527.83
R 1 455.65	6.4.1.6.7.5	Consolidation	15.0%	<b>R 1 757.00</b>	4.96%	R 1 844.00	4.95%	R 1 936.00	4.99%	R 1 527.83
R 1 455.65	6.4.1.6.7.6	Amendment of Condition	15.0%	<b>R 1 757.00</b>	4.96%	R 1 844.00	4.95%	R 1 936.00	4.99%	R 1 527.83
R 1 455.65	6.4.1.6.7.7	Extension of validity period	15.0%	<b>R 1 757.00</b>	4.96%	R 1 844.00	4.95%	R 1 936.00	4.99%	R 1 527.83
R 1 455.65	6.4.1.6.7.8	Lease area	15.0%	<b>R 1 757.00</b>	4.96%	R 1 844.00	4.95%	R 1 936.00	4.99%	R 1 527.83
R 1 455.65	6.4.1.6.7.9	Transfer certificate	15.0%	<b>R 1 757.00</b>	4.96%	R 1 844.00	4.95%	R 1 936.00	4.99%	R 1 527.83
R 11 500.87	6.4.1.6.7.10	SDF amendment	15.0%	<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>		<b>REMOVED</b>
R 5 749.57		Strategic/High impact developments (incl. renewable energy & rezonings exceeding 10ha)	15.0%	<b>R 6 942.00</b>	4.99%	R 7 289.00	5.00%	R 7 653.00	4.99%	R 6 036.52
	<b>6.4.1.7</b>	<b>Industrial effluent</b>								
		<b>Industries that dispose via the normal network</b>								
		Industries that dispose directly into the sewage treatment works	15.0%		As per contractual agreements					
		Industries that exceed with disposal	15.0%		Penalty rate calculated as per contractual agreement					

## RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Excluding Vat	Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
<b>6.4.1.8 Refuse removal</b>									
R 131.30	Receipt and processing of private dumping at dumping site, per cubic meter	15.0%	R 158.00	4.64%	R 165.00	4.43%	R 173.00	4.85%	R 137.39
R 265.22	Abattoir waste at dumping site, per cubic meter	15.0%	R 320.00	4.92%	R 336.00	5.00%	R 352.00	4.76%	R 278.26
R 20.00	Refuse bags (Black), per package of 25 bags	15.0%	R 23.00	0.00%	R 24.00	4.35%	R 25.00	4.17%	R 20.00
R 25.61	Refuse bags (Green), per package of 25 bags	15.0%	R 29.45	0.00%	R 30.00	1.87%	R 31.00	3.33%	R 25.61
R 7.83	Provision of refuse bins for special events - per bin per occasion	15.0%	R 9.50	5.56%	R 10.00	5.26%	R 10.50	5.00%	R 8.26
R 585.22	Advertisements on street refuse bins. Per advertisement per bin p/a	15.0%	R 706.00	4.90%	R 741.00	4.96%	R 778.00	4.99%	R 613.91
R 426.09	Refuse removal: special events (Festivals & Carnivals)	15.0%	R 514.00	4.90%	R 539.00	4.86%	R 565.00	4.82%	R 446.96
R 811.30	Hire of 6m skip for Garden refuse per day	15.0%	R 979.00	4.93%	R 1 027.00	4.90%	R 1 078.00	4.97%	R 851.30
R 65.22	Additional day (Skip)	15.0%	R 78.00	4.00%	R 81.00	3.85%	R 85.00	4.94%	R 67.83
R 1 014.78	Special Garden Refuse removal per load. Approved manageable garden Refuse will be removed if it can be loaded onto truck after payment of an account is issued by Cleansing Department (Quotation)	15.0%	R 1 225.00	4.97%	R 1 286.00	4.98%	R 1 350.00	4.98%	R 1 065.22
<b>6.4.1.9 Development Charges</b>									
<b>6.4.1.9.1 Ceres (Zone 1)</b>									
R 4 353.04	6.4.1.9.1.1 Water: Unit of measurement R/kl/day	15.0%	R 5 256.00	4.99%	R 5 518.00	4.98%	R 5 793.00	4.98%	R 4 570.43
R 2 905.22	6.4.1.9.1.2 Sewer: Unit of measurement R/kl/day	15.0%	R 3 508.00	5.00%	R 3 683.00	4.99%	R 3 867.00	5.00%	R 3 050.43
R 608.70	6.4.1.9.1.3 Roads: Unit of measurement R/trips/day	15.0%	R 735.00	5.00%	R 771.00	4.90%	R 809.00	4.93%	R 639.13
R 84 514.78	6.4.1.9.1.4 Storm water: Unit of measurement R/trips/day	15.0%	R 102 051.00	5.00%	R 107 153.00	5.00%	R 112 510.00	5.00%	R 88 740.00
R 1 216.52	6.4.1.9.1.5 Solid Waste: Unit of measurement R/kg/day	15.0%	R 1 468.00	4.93%	R 1 541.00	4.97%	R 1 618.00	5.00%	R 1 276.52
R 1 239.13	6.4.1.9.1.6 Electricity: Unit of measurement R/kVA	15.0%	R 1 496.00	4.98%	R 1 570.00	4.95%	R 1 648.00	4.97%	R 1 300.87
<b>6.4.1.9.2 ODB (Zone 2)</b>									
R 4 353.04	6.4.1.9.2.1 Water: Unit of measurement R/kl/day	15.0%	R 5 256.00	4.99%	R 5 518.00	4.98%	R 5 793.00	4.98%	R 4 570.43
R 2 905.22	6.4.1.9.2.2 Sewer: Unit of measurement R/kl/day	15.0%	R 3 508.00	5.00%	R 3 683.00	4.99%	R 3 867.00	5.00%	R 3 050.43
R 608.70	6.4.1.9.2.3 Roads: Unit of measurement R/trips/day	15.0%	R 735.00	5.00%	R 771.00	4.90%	R 809.00	4.93%	R 639.13
R 84 514.78	6.4.1.9.2.4 Storm water: Unit of measurement R/trips/day	15.0%	R 102 051.00	5.00%	R 107 153.00	5.00%	R 112 510.00	5.00%	R 88 740.00
R 1 216.52	6.4.1.9.2.5 Solid Waste: Unit of measurement R/kg/day	15.0%	R 1 468.00	4.93%	R 1 541.00	4.97%	R 1 618.00	5.00%	R 1 276.52
R 1 239.13	6.4.1.9.2.6 Electricity: Unit of measurement R/kVA	15.0%	R 1 496.00	4.98%	R 1 570.00	4.95%	R 1 648.00	4.97%	R 1 300.87
<b>6.4.1.9.3 PAH (Zone 3)</b>									
R 4 353.04	6.4.1.9.3.1 Water: Unit of measurement R/kl/day	15.0%	R 5 256.00	4.99%	R 5 518.00	4.98%	R 5 793.00	4.98%	R 4 570.43
R 2 905.22	6.4.1.9.3.2 Sewer: Unit of measurement R/kl/day	15.0%	R 3 508.00	5.00%	R 3 683.00	4.99%	R 3 867.00	5.00%	R 3 050.43
R 608.70	6.4.1.9.3.3 Roads: Unit of measurement R/trips/day	15.0%	R 735.00	5.00%	R 771.00	4.90%	R 809.00	4.93%	R 639.13
R 84 514.78	6.4.1.9.3.4 Storm water: Unit of measurement R/trips/day	15.0%	R 102 051.00	5.00%	R 107 153.00	5.00%	R 112 510.00	5.00%	R 88 740.00
R 1 216.52	6.4.1.9.3.5 Solid Waste: Unit of measurement R/kg/day	15.0%	R 1 468.00	4.93%	R 1 541.00	4.97%	R 1 618.00	5.00%	R 1 276.52
R 1 239.13	6.4.1.9.3.6 Electricity: Unit of measurement R/kVA	15.0%	R 1 496.00	4.98%	R 1 570.00	4.95%	R 1 648.00	4.97%	R 1 300.87
<b>6.4.1.9.4 Wolseley (Zone 4)</b>									
R 4 353.04	6.4.1.9.4.1 Water: Unit of measurement R/kl/day	15.0%	R 5 256.00	4.99%	R 5 518.00	4.98%	R 5 793.00	4.98%	R 4 570.43
R 2 905.22	6.4.1.9.4.2 Sewer: Unit of measurement R/kl/day	15.0%	R 3 508.00	5.00%	R 3 683.00	4.99%	R 3 867.00	5.00%	R 3 050.43
R 608.70	6.4.1.9.4.3 Roads: Unit of measurement R/trips/day	15.0%	R 735.00	5.00%	R 771.00	4.90%	R 809.00	4.93%	R 639.13
R 84 514.78	6.4.1.9.4.4 Storm water: Unit of measurement R/trips/day	15.0%	R 102 051.00	5.00%	R 107 153.00	5.00%	R 112 510.00	5.00%	R 88 740.00
R 1 216.52	6.4.1.9.4.5 Solid Waste: Unit of measurement R/kg/day	15.0%	R 1 468.00	4.93%	R 1 541.00	4.97%	R 1 618.00	5.00%	R 1 276.52
R 1 239.13	6.4.1.9.4.6 Electricity: Unit of measurement R/kVA	15.0%	R 1 496.00	4.98%	R 1 570.00	4.95%	R 1 648.00	4.97%	R 1 300.87
<b>6.4.1.9.5 Tulbagh (Zone 5)</b>									
R 4 353.04	6.4.1.9.5.1 Water: Unit of measurement R/kl/day	15.0%	R 5 256.00	4.99%	R 5 518.00	4.98%	R 5 793.00	4.98%	R 4 570.43
R 2 905.22	6.4.1.9.5.2 Sewer: Unit of measurement R/kl/day	15.0%	R 3 508.00	5.00%	R 3 683.00	4.99%	R 3 867.00	5.00%	R 3 050.43
R 608.70	6.4.1.9.5.3 Roads: Unit of measurement R/trips/day	15.0%	R 735.00	5.00%	R 771.00	4.90%	R 809.00	4.93%	R 639.13
R 84 514.78	6.4.1.9.5.4 Storm water: Unit of measurement R/trips/day	15.0%	R 102 051.00	5.00%	R 107 153.00	5.00%	R 112 510.00	5.00%	R 88 740.00
R 1 216.52	6.4.1.9.5.5 Solid Waste: Unit of measurement R/kg/day	15.0%	R 1 468.00	4.93%	R 1 541.00	4.97%	R 1 618.00	5.00%	R 1 276.52
R 1 239.13	6.4.1.9.5.6 Electricity: Unit of measurement R/kVA	15.0%	R 1 496.00	4.98%	R 1 570.00	4.95%	R 1 648.00	4.97%	R 1 300.87
<b>6.4.1.10 Wayleaves for the installation of services in the road reserve</b>									
<b>6.4.1.10.1 Administration and Supervision (Per Application)</b>									
R 469.57	6.4.1.10.1.1 Administration fee for a miscellaneous wayleave to use the road reserve for a period of one month or less other than to install an underground service	15.0%	R 540.00	New	R 567.00	5.00%	R 595.00	4.94%	R 469.57
R 1 596.52	6.4.1.10.1.2 Administration fee for awayleave or permit to use the road reserve to install an underground service	15.0%	R 1 836.00	New	R 1 927.00	4.96%	R 2 023.00	4.98%	R 1 596.52
R 4 226.09	6.4.1.10.1.3 Supervision fee for a wayleave to install an underground service	15.0%	R 4 860.00	New	R 5 103.00	5.00%	R 5 358.00	5.00%	R 4 226.09
revision fees			<b>200% of above admin &amp; supervision fees</b>	New	200% of above admin & supervision fees		200% of above admin & supervision fees		200% of above admin & supervision fees
	6.4.1.10.1.4 Unauthorised commencement of use of the road reserve	15.0%		New					
<b>6.4.1.10.2 Refundable deposit</b>									
R 1 600.00	6.4.1.10.2.1 Trenches in roadways measured per m <sup>2</sup>	15.0%	R 1 840.00	New	R 1 932.00	5.00%	R 2 028.00	4.97%	R 1 600.00
R 713.91	6.4.1.10.2.2 Trenches in surfaced sidewalks measured m <sup>2</sup>	15.0%	R 821.00	New	R 862.00	4.99%	R 905.00	4.99%	R 713.91
R 140.87	6.4.1.10.2.3 Trenches in natural or grass sidewalks measured per m <sup>2</sup>	15.0%	R 162.00	New	R 170.00	4.94%	R 178.00	4.71%	R 140.87
R 6 573.91	6.4.1.10.2.4 Use of the road reserve for storage or in conjunction with construction or maintenance per application	15.0%	R 7 560.00	New	R 7 938.00	5.00%	R 8 334.00	4.99%	R 6 573.91
<b>6.4.1.10.3 Roadway Open Trench Fee</b>									
R 5 259.13	6.4.1.10.3.1 Tariff for authorised trenching across a municipal roadway (per m measured from 0.5m behind the kerb or road edge)	15.0%	R 6 048.00	New	R 6 350.00	4.99%	R 6 667.00	4.99%	R 5 259.13
R 1 126.96	6.4.1.10.3.2 Micro trenching (per m measured from 0.5m behind the kerb or road edge)	15.0%	R 1 296.00	New	R 1 360.00	4.94%	R 1 428.00	5.00%	R 1 126.96
10% of the above	6.4.1.10.3.3 Tariff for unauthorised trenching across a municipal roadway (per m measured from 0.5m behind the kerb or road edge)	15.0%	<b>200% of the above</b>	New	<b>200% of the above</b>		<b>200% of the above</b>		<b>200% of the above</b>
	6.4.1.10.3.4 Fee for laying Electronic Communication network in the public road reserve. Charged per kilometer per annum	15.0%	R 220.00	New	R 230.00	4.55%	R 241.00	4.78%	R 191.30

## RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Excluding Vat	Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
	<b>6.4.2. ELECTRICAL SERVICES</b>								
	<b>6.4.2.1 Re-connection after tampering with meters</b>								
	In terms of Section 14 of the Supply Regulations, per meter								
	Per re-connection								
R 1 534.78	First offence	15.0%	<b>R 1 853.00</b>	4.99%	R 1 945.00	4.96%	R 2 042.00	4.99%	R 1 611.30
R 3 073.04	Second offence	15.0%	<b>R 3 710.00</b>	4.98%	R 3 895.00	4.99%	R 4 089.00	4.98%	R 3 226.09
	<b>6.4.2.2 Repair to supply</b>								
	In terms of Section 22 of the Supply Regulations								
	Per repair to supply								
R 315.65	Urban areas	15.0%	<b>R 381.00</b>	4.96%	R 400.00	4.99%	R 420.00	5.00%	R 331.30
R 357.39	Rural areas	15.0%	<b>R 431.00</b>	4.87%	R 452.00	4.87%	R 474.00	4.87%	R 374.78
	In terms of Section 28 of the Supply Regulations								
	Per re-connection (Section 28(1))								
R 150.43	Urban areas	15.0%	<b>R 181.00</b>	4.62%	R 190.00	4.97%	R 199.00	4.74%	R 157.39
R 189.57	Rural areas	15.0%	<b>R 228.00</b>	4.59%	R 239.00	4.82%	R 250.00	4.60%	R 198.26
	<b>6.4.2.3 Verification and Testing of electricity meter</b>								
	In terms of Section 51 (3)								
	Per testing of meter								
	Urban areas								
R 560.00	(i) Test Single Phase electro-mechanical, per meter	15.0%	<b>R 676.00</b>	4.97%	R 709.00	4.88%	R 744.00	4.94%	R 587.83
R 733.04	(ii) Test Three Phase electro-mechanical, per meter	15.0%	<b>R 885.00</b>	4.98%	R 929.00	4.97%	R 975.00	4.95%	R 769.57
R 543.48	(iii) Test Single phase pre-paid meter, per meter	15.0%	<b>R 656.00</b>	4.96%	R 688.00	4.88%	R 722.00	4.94%	R 570.43
R 716.52	(iv) Test Three phase pre-paid meter, per meter	15.0%	<b>R 865.00</b>	4.98%	R 908.00	4.97%	R 953.00	4.96%	R 752.17
R 837.39	(v) Test KVA / kWh meter, per meter	15.0%	<b>R 1 011.00</b>	4.98%	R 1 061.00	4.95%	R 1 114.00	5.00%	R 879.13
R 239.13	(vi) Meter verifying	15.0%	<b>R 400.00</b>	45.45%	R 419.00	4.75%	R 439.00	4.77%	R 347.83
	Rural areas								
R 609.57	(i) Test Single phase electro-mechanical, per meter	15.0%	<b>R 736.00</b>	4.99%	R 772.00	4.89%	R 810.00	4.92%	R 640.00
R 783.48	(ii) Test Three phase electro-mechanical, per meter	15.0%	<b>R 946.00</b>	4.99%	R 993.00	4.97%	R 1 042.00	4.93%	R 822.61
R 598.26	(iii) Test Single Phase pre-paid meter, per meter	15.0%	<b>R 722.00</b>	4.94%	R 758.00	4.99%	R 795.00	4.88%	R 627.83
R 771.30	(iv) Test Three phase pre-paid meter per meter	15.0%	<b>R 931.00</b>	4.96%	R 977.00	4.94%	R 1 025.00	4.91%	R 809.57
R 890.43	(v) Test KVA / kWh meter per meter	15.0%	<b>R 1 075.00</b>	4.98%	R 1 128.00	4.93%	R 1 184.00	4.96%	R 934.78
R 286.96	(vi) Meter verifying	15.0%	<b>R 550.00</b>	66.67%	R 577.00	4.91%	R 605.00	4.85%	R 478.26
	<b>6.4.2.4 Single phase connection</b>								
R 12 483.48	Single phase connection with underground cable and electro-mechanical meter, per connection	15.0%	<b>R 15 073.00</b>	4.99%	R 15 826.00	5.00%	R 16 617.00	5.00%	R 13 106.96
R 12 483.48	Single phase connection with underground cable and pre-paid meter, per connection	15.0%	<b>R 15 073.00</b>	4.99%	R 15 826.00	5.00%	R 16 617.00	5.00%	R 13 106.96
R 8 683.48	Single phase connection with overhead cable and electro-mechanical meter, per connection	15.0%	<b>R 10 485.00</b>	5.00%	R 11 009.00	5.00%	R 11 559.00	5.00%	R 9 117.39
R 8 683.48	Single phase connection with overhead cable and pre-paid meter, per connection	15.0%	<b>R 10 485.00</b>	5.00%	R 11 009.00	5.00%	R 11 559.00	5.00%	R 9 117.39
R 9 767.83	Informal Single phase overhead connection with pre-paid meter and ready board	15.0%	<b>R 11 794.00</b>	4.99%	R 12 383.00	4.99%	R 13 002.00	5.00%	R 10 255.65
R 826.09	Change from electro-mechanical meter to automat meter, per change	15.0%	<b>R 997.00</b>	4.95%	R 1 046.00	4.91%	R 1 098.00	4.97%	R 866.96
	<b>6.4.2.5 Temporary connection</b>								
	Temporary connections are supplied at the tariffs mentioned in 4.2.4 for a single phase connection, and at actual cost for a three phase connection. The cost or tariff payment is deemed as a deposit. On termination of the account, the deposit is refunded after the cost of consumption, any damage to the equipment, and a 20 % administrative charge have been recovered. The connection is supplied in accordance with the Municipality's Electricity by-laws, as amended.								
R 7 820.87	<b>6.4.2.6</b> Government-subsidised housing - (20 % admin. Charges not included)	15.0%	<b>R 9 443.00</b>	4.99%	R 9 915.00	5.00%	R 10 410.00	4.99%	R 8 211.30











## Municipal Budget Circular for the 2021/22 MTREF

### CONTENTS

<b>1. THE SOUTH AFRICAN ECONOMY AND INFLATION TARGETS.....</b>	<b>2</b>
<b>2. KEY FOCUS AREAS FOR THE 2021/22 BUDGET PROCESS .....</b>	<b>3</b>
2.1 LOCAL GOVERNMENT CONDITIONAL GRANTS ALLOCATIONS .....	3
<b>3. 2021 LOCAL GOVERNMENT ELECTIONS AND THE BUDGET PROCESS.....</b>	<b>4</b>
<b>4. MUNICIPAL STANDARD CHART OF ACCOUNTS (MSCOA) .....</b>	<b>6</b>
4.1 RELEASE OF VERSION 6.5 OF THE CHART.....	6
4.2 BUDGETING AND REPORTING FOR THE COVID-19 PANDEMIC AND WATER INVENTORY .....	6
4.3 REVISED MUNICIPAL PROPERTY RATES ACT CATEGORIES .....	7
4.4 FORBIDDEN ACTIVITIES .....	7
4.5 INDEPENDENT AUDITS ON MUNICIPAL FINANCIAL SYSTEMS.....	8
4.6 REGULATION OF MINIMUM BUSINESS PROCESSES AND MSCOA SYSTEM SPECIFICATIONS .....	8
4.7 NON-COMPLIANCE WITH MSCOA REQUIREMENTS .....	9
4.8 EXTENSION AND PROCURING OF SERVICE LEVEL AGREEMENTS (SLA) FOR FINANCIAL SYSTEMS ..	10
4.9 CASH FLOW RECONCILIATION .....	10
4.10 MSCOA CALENDAR FOR 2021/22.....	10
<b>5. THE REVENUE BUDGET .....</b>	<b>11</b>
5.1 MAXIMISING THE REVENUE GENERATION OF THE MUNICIPAL REVENUE BASE.....	11
5.2 SETTING COST-REFLECTIVE TARIFFS.....	12
5.3 BULK ACCOUNT PAYMENTS - ESKOM CONCESSIONS .....	12
5.4 TIMEOUS ALLOCATIONS AND CLEARING OF THE CONTROL ACCOUNTS.....	13
5.5 ESKOM BULK TARIFF INCREASES.....	13
<b>6. FUNDING CHOICES AND MANAGEMENT ISSUES.....</b>	<b>13</b>
6.1 EMPLOYEE RELATED COSTS .....	13
6.2 REMUNERATION OF COUNCILLORS.....	14
<b>7. CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES.....</b>	<b>14</b>
7.1 NON-COMPLIANCE OF IN-YEAR MONITORING.....	14
<b>8. THE MUNICIPAL BUDGET AND REPORTING REGULATIONS.....</b>	<b>15</b>
8.1 ENSURING MUNICIPAL SUSTAINABILITY THROUGH A FUNDED BUDGET .....	15
8.2 BUDGETING FOR INDIRECT GRANT ALLOCATIONS .....	15
8.3 MONTHLY REPORTING OF DEBTORS .....	15
8.4 SCHEDULE A - VERSION TO BE USED FOR THE 2021/22 MTREF .....	16
8.5 ASSISTANCE WITH THE COMPILATION OF BUDGETS .....	17
8.6 ASSESSING THE 2021/22 MTREF BUDGET.....	17
<b>9. BUDGET PROCESS AND SUBMISSIONS FOR THE 2021/22 MTREF .....</b>	<b>18</b>
9.1 SUBMITTING BUDGET DOCUMENTATION AND A1 SCHEDULES FOR 2021/22 MTREF .....	18
9.2 EXPECTED SUBMISSIONS FOR 2021/22 MTREF .....	19
9.3 PUBLICATION OF BUDGETS ON MUNICIPAL WEBSITES .....	20
9.4 COMMUNICATION BY MUNICIPAL ENTITIES TO NATIONAL TREASURY .....	20

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## Introduction

The purpose of the annual budget circular is to guide municipalities with their compilation of the 2021/22 Medium Term Revenue and Expenditure Framework (MTREF). This circular is linked to the Municipal Budget and Reporting Regulations (MBRR) and the municipal Standard Chart of Accounts (*mSCOA*); and strives to support municipalities' budget preparation processes so that the minimum requirements are achieved.

Among the objectives of this budget circular is to demonstrate how municipalities should undertake annual budget preparation in accordance with the budget and financial reform agenda by focussing on key "game changers". These game-changers include ensuring that municipal budgets are funded, revenue management is optimised, assets are managed efficiently, supply chain management processes are adhered to, *mSCOA* is implemented correctly and that audit findings are addressed.

Municipalities are reminded to refer to the annual budget circulars of the previous years for guidance on budget preparation that is not covered in this circular.

### 1. The South African economy and inflation targets

The National Treasury projects real economic growth of 3.3 per cent in 2021, following an expected contraction of 7.8 per cent in 2020. Real GDP growth is expected to moderate to 1.7 per cent in 2022 and 1.5 per cent in 2023, averaging 2.1 per cent over the medium term.

South Africa experienced its largest recorded decline in economic output in the second quarter of 2020 due to the strict COVID-19 lockdown. Real GDP fell by 17.1 per cent relative to the previous quarter (or 51 per cent on a seasonally adjusted and annualised basis), with all major sectors except agriculture declining. The second-quarter results were weaker than expected in the June 2020 special adjustments budget, which projected a contraction of 7.2 per cent in 2020.

High-frequency data for the third quarter – such as the volume of electricity distributed, mining and manufacturing output, business confidence and the Absa Purchasing Managers' Index (PMI) – shows evidence of a limited economic rebound. Although growth rates are likely to improve quickly as restrictions are removed, based on current projections, output is only expected to return to pre-pandemic levels in 2024.

The main risks to the economic outlook are weaker-than-expected growth, continued deterioration in the public finances and a failure to implement structural reforms. A second wave of COVID-19 infections, accompanied by new restrictions on economic activity, would have significant implications for the outlook. Government's fiscal position is a risk to growth: higher long-term borrowing costs and risk premiums have started to affect the broader economy.

In addition, recovery efforts will fail unless structural constraints (including in energy, infrastructure and competitiveness) are urgently addressed. While the reforms required in these areas do not immediately affect growth, they are critical for market confidence and investment.

Electricity remains a binding constraint on economic recovery, with power interruptions expected to continue into 2021. Private generation will only be able to plug the electricity gap to a limited extent over the next year.

Job creation is a top priority of the economic recovery plan that will guide policy actions over the medium term, supported by new infrastructure investment and large-scale public

employment programmes. In addition, targeted skills development will improve productivity and employment prospects.

Headline inflation is at the lower end of the 3 to 6 per cent target range. Goods and services inflation has broadly declined due to weak demand and falling oil prices. Inflation is forecast to fluctuate around the 4.5 per cent midpoint over the medium term in line with moderating inflation expectations.

In summary, the country's tax collection targets have not been met and this means that the fiscus has less funds available to allocate across the various spheres of government. There are measures in place to reduce expenditure to narrow the deficits.

The following macro-economic forecasts must be considered when preparing the 2021/22 MTREF municipal budgets.

**Table 1: Macroeconomic performance and projections, 2016 - 2020**

Fiscal year	2019/20	2020/21	2021/22	2022/23	2023/24
	Actual	Estimate	Forecast		
CPI Inflation	4.1%	3.2%	4.1%	4.4%	4.5%

Source: Medium Term Budget Policy Statement 2020.

Note: the fiscal year referred to is the national fiscal year (April to March) which is more closely aligned to the municipal fiscal year (July to June) than the calendar year inflation.

## 2. Key focus areas for the 2021/22 budget process

### 2.1 Local government conditional grants allocations

Transfers to local government will be reduced by R17.7 billion, including R14.5 billion from the local government equitable share, R2.7 billion from the general fuel levy and R569 million in direct conditional grants over the 2021 MTEF period. The local government equitable share formula has been updated to account for projected household growth, inflation and estimated increases in bulk water and electricity costs over the MTEF period.

Government will revisit underperforming programmes. For example, some cities receiving the Public Transport Network Grant (PTNG) have not launched their integrated public transport networks. Over the MTEF period, government will suspend at least two more poorly performing cities from this grant and the remaining cities will be required to reduce costs and demonstrate their effectiveness to remain funded.

The annual Division of Revenue Bill will be published in February 2021 after the Minister of Finance's budget speech. The Bill will specify grant allocations and municipalities must reconcile their budgets to the numbers published herein.

Municipalities are advised to use the indicative numbers presented in the 2020 Division of Revenue Act to compile their 2021/22 MTREF. In terms of the outer year allocations (2023/24 financial year), it is proposed that municipalities conservatively limit funding allocations to the indicative numbers as presented in the 2020 Division of Revenue Act for 2020/21. The DoRA is available at

<http://www.treasury.gov.za/documents/national%20budget/2020/default.aspx>

## ***Division of Revenue Second Amendment Bill, 2020: changes to local government allocations***

**Roll-over of funds** - R390 million is rolled over in the Urban Settlement Development Grant (USDG) to fund commitments for bulk infrastructure related projects in Nelson Mandela Bay Metropolitan Municipality. R98 million is rolled over in the PTNG to continue with the rollout of the integrated public transport network (IPTN) for public and non-motorised infrastructure in Nelson Mandela Bay Metropolitan Municipality.

R307 million is rolled over in the Regional Bulk Infrastructure Grant (RBIG) for drought and COVID-19 water and sanitation interventions nation-wide.

**Water Services Infrastructure Grant (WSIG)** - R12 million has been reprioritised from the Department of Water Affairs' budget into the indirect component of WSIG for the implementation of various water services interventions.

### ***Reductions to municipal conditional grants***

In the Medium-Term Policy Budget Statement, the Minister of Finance indicated that R10.5 billion is required for the rescue plan for the South African Airways. Therefore, R613 million has been proportionately reduced across municipalities in respect of conditional grants while no reductions were made to the local government equitable share for the 2020/21 financial year.

These changes are shown in Schedule 4, Part B; Schedule 5, Part B and Schedule 6, Part B of the Bill.

### ***Additional instruments to finance infrastructure in municipalities***

Municipalities can access other instruments to finance the development of infrastructure that boosts economic growth beyond infrastructure grants. Reforms over the medium term will enhance the ability of municipalities to raise revenue to invest in their own development. An update on development charges and borrowing reforms is summarised below:

- **Development charges** - Municipalities earn revenue from charging developers to connect new developments to municipal services. The draft Municipal Fiscal Powers and Functions Amendment Bill proposes new, uniform regulations in respect of these development charges, thereby strengthening the revenue-raising framework of municipalities. After processing comments, the National Treasury will submit the Bill to Cabinet and Parliament for consideration in 2021; and
- **Borrowing** - Creditworthy municipalities can also borrow in capital markets. The National Treasury has updated the original municipal borrowing policy framework, which guides this borrowing, and will shortly submit it to Cabinet for approval. The proposed changes aim to increase the term maturity of borrowing improve the secondary market for the trade of municipal debt instruments and define the role of development finance institutions to avoid crowding out the private sector.

## **3. 2021 Local Government Elections and the budget process**

Local government elections are scheduled to take place in 2021, and the proposed date is yet to be determined. Elections are important events as we reaffirm our commitment to democratic and accountable government by choosing representatives of the people who will guide the work of local government for the next five years.

The following four risks need to be explicitly managed:

1. In terms of section 13 of the Municipal Property Rates Act, 2004 (Act No 6 of 2004)(MPRA) and sections 24 and 42 of the Municipal Finance Management Act, 2003 (Act No 56 of 2003)(MFMA), new tariffs for property rates, electricity, water and any other taxes and similar tariffs may only be implemented from the start of the municipal financial year (1 July). This means that the municipal council must approve the relevant tariffs as part of the MTREF budget before the commencement of the financial year on 1 July. Failure to obtain council approval for the annual tariff increases would most likely cause an immediate financial crisis that may lead to the provincial executive intervening in the municipality in terms of section 139 of the Constitution. Therefore, if the elections take place after the start of the financial year, the outgoing council will be responsible for approving tariffs for the 2021/22 MTREF and the newly elected council for the implementation thereof as section 28(6) of the MFMA does not allow the increase of tariffs in-year;
2. In terms of section 16 of the MFMA, a municipal council must approve the annual budget for the municipality before the start of the financial year, and should a municipal council fail to do so, section 26 of the MFMA prescribes that the provincial executive **must** intervene. This provincial intervention may include dissolving the municipal council and appointing an administrator to run the municipality. Therefore, the outgoing council must ensure that they comply with the timeframes for approval of the budget;
3. The outgoing council may be tempted to prepare an 'election friendly budget' with unrealistically low tariff increases and an over-ambitious capital expenditure programme. The outcome of this approach will undoubtedly be an unfunded municipal budget that threatens their respective municipality's financial sustainability and service delivery; and
4. Given that the timing of election campaigning may coincide with the municipal public budget consultations, there is a risk that these consultations may be neglected or used to serve the narrow interests of political parties. It is reiterated that transparency and public participation is an integral part of our constitutional democracy, hence municipalities must ensure that public and stakeholder consultation processes are adhered to as required by the legislative framework.

In the build-up to the 2021 local government elections, the financial sustainability of the municipality should be protected. Now, more than ever before, it is paramount for sound municipal decision-making so that the long-term sustainability of municipal finances and service delivery is achieved beyond the election period.

Finances of some municipalities have been unstable for many years, and this was exacerbated by the financial impact of the COVID-19 pandemic. Therefore, there is severe pressure to maintain healthy cash flows and increase cost containment measures while sustaining efficient service delivery levels. It is therefore imperative that municipalities refrain from suspending credit control and debt collection efforts. Municipalities are also reminded of the regulatory framework set out in the Municipal Cost Containment Regulations insofar as it relates to the use of municipal funds to fund election campaigns and other non-priority issues as this might further impact the financial sustainability of municipalities.

Furthermore, as the current municipal leadership will be responsible for the compilation of the 2022/23 MTREF budgets, councils are advised to prioritise expenditure appropriations aligned to the policy intent as described in the integrated development plans (IDPs). Infrastructure provisioning for water, sanitation, roads and electricity remain key priorities.

In addition, the outgoing council is advised to critically consider the financial implications before entering into new long-term contracts that are not of priority to the municipality and avoid if possible, committing the incoming council. Municipalities should refrain from filling non-critical positions, purchasing cars, procuring new financial systems and from incurring any other expenditure at this stage that will financially burden the incoming council.

During this time of transition, all stakeholders should work together to ensure that municipalities continue to perform their functions efficiently and effectively. The Mayor and municipal manager should now be engaging in the process of the annual review of the fifth and last year of the IDP in terms of section 34 of the Municipal Systems Act (MSA) and the 2022/23 budget preparation process in terms of section 21 of the MFMA. It is particularly important to ensure that arrangements for the review of IDPs and preparation of budgets continue seamlessly as these processes cannot be delayed in anticipation of the announcement of an election date.

In deciding on the schedule for the 2022/23 budget process, the Mayor and municipal manager must also note that the MFMA, read together with the Municipal Budget and Reporting Regulations, only allows for a 'main adjustments budget' to be tabled after the mid-year budget and performance assessment has been tabled in council, i.e. after 25 January 2022. In addition, the permitted scope of an adjustments budget is quite limited in that taxes and tariffs may not be increased (refer to section 28(6) of the MFMA) and any additional revenues may only be appropriated to programmes and projects already budgeted for (refer to section 28 of the MFMA). Therefore, the idea of the current council passing a 'holding budget' which the new council will change substantially through an adjustments budget soon after the start of the municipal financial year is not legally permitted.

Though an IDP is a five-year strategic document of council, municipalities should note that when a new council takes office after a local government election, the norm has been that the new council implements the last adopted IDP during the first year of office. It is normally only in the second year of office that the newly elected council adopts a new IDP after thorough interrogation, extensive consultation and finalisation of a new five-year strategy.

In the absence of detailed information on the 2021 Local Government Elections, National Treasury will provide further guidance in the follow-up MFMA Budget Circular to be issued in March 2021.

## **4. Municipal Standard Chart of Accounts (*m*SCOA)**

### **4.1 Release of Version 6.5 of the Chart**

On an annual basis, the *m*SCOA chart is reviewed to address implementation challenges and correct chart related errors. Towards this end, Version 6.5 is released with this circular.

Version 6.5 of the chart will be effective from 2021/22 and must be used to compile the 2021/22 MTREF and is available on the link below:

<http://mfma.treasury.gov.za/RegulationsandGazettes/MunicipalRegulationsOnAStandardChartOfAccountsFinal/Pages/default.aspx>

### **4.2 Budgeting and Reporting for the COVID-19 pandemic and water inventory**

In terms of the Annexure to MFMA Circular No. 99, *m*SCOA Circular No. 9, and GRAP 12, municipalities were advised to:

1. Record and ringfence all funding and expenditure pertaining to the COVID-19 pandemic for the 2020/21 MTREF when budgeting and transacting; and

2. Budget and account for bulk water purchases as inventory as per GRAP 12 (paragraph 07).

It is evident from the snapshots that were drawn from the Local Government Database based on the *m*SCOA data strings that were submitted by municipalities in terms of the monthly Section 71 reporting, that most municipalities have not budgeted or reported on COVID-19 related allocations and expenditure, nor bulk water inventory as per the guidance provided.

Although the regulated A1 Schedule will only be amended from the 2021/22 MTREF to align to GRAP 12 (as per MFMA Circular No. 98), municipalities should already record water inventory in the *m*SCOA chart. ***Municipalities must budget for water as inventory in the 2021/22 MTREF.*** This means that municipalities will no longer be able to budget for water bulk purchases as an expense on table A4. Municipalities must use bulk water purchases i.e. system input volume on table A6: inventory. This provides for three different water sources i.e. water treatment works, bulk purchases and natural sources. When water is issued through the billing/ distribution, the cost should be expensed through table A4: inventory consumed with the corresponding accounting transaction in the inventory account on table A6: current assets: water: authorised consumption.

Municipalities that did not adjust their 2020/21 MTREF budgets by 30 September 2020 to respond to the COVID-19 pandemic or budget for bulk water inventory are reminded to do so in the main adjustments budget process in February 2021.

It should also be noted that the National Treasury's reporting on COVID-19 will be drawn as per *m*SCOA Circular No. 9 and we will not be able to identify COVID-19 allocations and expenditure that have been ringfenced in another manner.

Municipalities must submit the adjustments budget and revised project list for 2020/21 in the format of a *m*SCOA data strings (ADJB and PRAR) uploaded to the Local Government (LG) Upload Portal within 10 working days after Council has adopted the adjustments.

#### 4.3 Revised Municipal Property Rates Act Categories

By now all municipalities should be aware that section 8 of the Municipal Property Rates Act on the determination of categories of **rateable** properties has been revised through the Local Government Municipal Property Rates Amendment Act, 2014 ("the Amendment Act"). The new rateable property categorisation framework based on use (provided these property categories exist within the municipality) and consequently, all property categories that are based on ownership, geographic location or any other basis fall away.

Municipalities must implement the new property categorisation framework by not later than 1 July 2021. The *m*SCOA chart Version 6.5 makes provision for the new and the old framework. However, the old framework will be retired in the next version of the chart and municipalities are advised to implement the new property categorisation framework as legislated. Therefore, municipalities cannot use both frameworks to avoid duplication and overstatement of revenue from property rates.

#### 4.4 Forbidden activities

The Item Assets segment of the *m*SCOA chart currently includes items such as staff loans as non-current receivables from non-exchange transactions. This is in contravention with Section 164(1)(c) of the MFMA that stipulates that a municipality may not make loans to councillors or officials of the municipality; directors or officials of the entity; or members of the public. Therefore, municipalities are advised not to use these items when budgeting as National Treasury may retire these items in the next version of the chart.



#### 4.5 Independent Audits on Municipal Financial Systems

All municipalities and municipal entities had to comply with the *mSCOA* Regulations by 1 July 2017. MFMA Circular No. 80 provided guidance on the minimum business processes and system specifications for all categories of municipality (A, B and C). The Request for Proposal (RFP) issued on 4 March 2016 for the appointment of service providers for an integrated financial management and internal control system for local government (RT25-2016 published in Tender Bulletin No. 2906), provided further guidance on the requirements applicable to a specific category of municipality.

The National Treasury will conduct independent audits on all municipal financial systems in 2021 to determine to what extent the financial systems that are currently being used by municipalities comply with the minimum business processes and system specifications required in terms of *mSCOA*. These audits were initially planned for 2020, but due to restrictions on procurement processes and travel in terms of the COVID-19 pandemic it was postponed to 2021. The results of the audits will also inform the new transversal tender for the procurement of municipal financial and internal control systems in 2022. **Until these audits have been concluded, and the results have been released, municipalities should exercise caution when changing their financial system to avoid purchasing a system that does not comply with the necessary *mSCOA* functionality requirements.** However, should a municipality need to procure a new financial system, they must follow the processes set out in the MFMA read together with the Municipal Supply Chain Management Regulations and MFMA Budget Circulars No. 93, 98 and *mSCOA* Circulars No 5 and 6. In addition, National Treasury has not accredited any of the municipal financial systems available in the market and this should therefore not be advertised as a requirement in municipal tender documents.

It should be emphasised that the onus to ensure compliance with the *mSCOA* Regulations and minimum system specifications as per MFMA Circular No. 80 and its Annexure B rests with the municipality and not the system vendor. Municipalities must properly manage Service level agreements (SLA) with system vendors. Penalties, including the termination of the SLA in cases of persistent non-compliance, should be imposed if the system vendor does not meet the agreed upon milestones. Likewise, if a system vendor has delivered on the services agreed upon in the SLA, then the municipality should pay all money owing to the system vendor within 30 days of receiving the relevant invoice or statement, as per the requirements of Section 65(2)(e) of the MFMA. Lastly, municipalities must agree on the services that are to be provided by the system vendors and costs thereof in the SLA that is signed by the municipality and system vendor. Municipalities should consider the financial implications thereof and negotiate more favourable terms with the system vendor if necessary before signing the SLA. Once signed, the SLA is legally binding.

#### 4.6 Regulation of Minimum Business Processes and *mSCOA* System Specifications

National and Provincial Treasuries held extensive engagements with key system providers during which the system functionality on the following were demonstrated: IDP and budget, supply chain management (SCM), asset management, annual financial statements, revenue management, cash flow and period control. These engagements provided National and Provincial Treasuries with an understanding of what functionality is available on each system and what the key system related challenges are.

It was evident from the engagements that municipalities are not using their financial systems optimally. Some of the challenges that were identified in this regard include the following:

- Some municipalities have not purchased all the modules of the core financial system or have not upgraded to the Enterprise Resource Planning (ERP) (*mSCOA* enabling) version of their financial systems;

- A few municipalities are not paying for the required licences to use system solutions and they are not upgrading and maintaining their servers, hardware and software to become and remain *mSCOA* compliant and to protect their data;
- Several municipalities are still transacting on their legacy systems that are not *mSCOA* enabling or they are using excel spreadsheets that are not incorporated in the functionality of their financial systems, while they are paying for maintenance and support for the *mSCOA* enabling system that was procured. This constitutes fruitless and wasteful expenditure; and
- Other municipalities are not using all the modules of the core financial system (using 3rd party systems) while they have procured these modules. This is once again fruitless and wasteful expenditure.

Municipalities should include the cost of the above in their 2021/22 MTREF budgets.

One of the key objectives of the *mSCOA* reform is to ensure that municipalities are budgeting, transacting and reporting directly on and from integrated ERP systems to have one version of the truth in terms of the reported financial performance. The manual correction of data strings by municipal officials or system vendors are not allowed in terms of the *mSCOA* Regulations.

National Treasury will expand and regulate the business processes and system specifications communicated in MFMA Circular No. 80 and its Annexure B in the 2021/22 MTREF to ensure that municipalities are using the functionality available on their financial systems. MFMA Circular No. 80 was issued in 2016, and several Regulations and best practises as per the MFMA Circulars have been introduced since then. The expansion of the requirements will accommodate these new developments.

#### **4.7 Non-compliance with *mSCOA* requirements**

If your municipality has not yet achieved the required level of *mSCOA* implementation, then it must provide a detailed action plan (road map) to the National and the respective provincial treasury to indicate how the municipality will fast track the implementation of *mSCOA*. The action plan should include the following priority areas, as applicable to the municipality:

- The functionality of the financial system, including the minimum system functionality and business process as per MFMA Circular No. 80 and Annexure B and functionality required in terms of Regulations and MFMA Circulars that was issued after 08 March 2016 (the date on which MFMA Circular No. 80 was issued);
- Integration of 3rd party sub-systems with the *mSCOA* enabling financial system as required in terms of MFMA Circular No. 80 and Annexure B;
- Change management initiatives to ensure that *mSCOA* is institutionalised as an organisational reform and not only a financial reform; and
- Training initiatives to ensure that all officials in the organisation are familiar with the *mSCOA* chart, basic accounting, balance sheet budgeting and movement accounting and the use of the *mSCOA* enabling financial system.

Importantly, the action plan must be drafted by the municipality and not the system vendor and the progress against it should be carefully monitored by the municipality's *mSCOA* Project Steering Committee (chaired by the Accounting Officer). Municipalities must present progress against the action plan at the 2020/21 Mid-Year Budget and Performance visits and Budget and Benchmark engagements with the National and the respective provincial treasury.

#### 4.8 Extension and Procuring of Service Level Agreements (SLA) for Financial Systems

At least six (6) months prior to the expiry of the SLA for the support and maintenance of the financial system, the municipality should either:

- Extend the existing SLA with the same system vendor subject to the provisions of Section 33 and 116(3) of the MFMA (read in conjunction with MFMA Circular No. 62); or
- Approach the market to procure services for the support and maintenance of the financial system consistent with the Municipal Supply Chain Management Regulations and municipality's Supply Chain Management Policy.

Importantly, once the SLA has expired, it cannot be extended, and the municipality will have to embark on a new procurement process. In addition, when the contract for the support and maintenance of the financial system comes to an end, it does not mean that the municipality must procure a new financial system. It is only support and maintenance services pertaining to the financial system that needs to be procured. Municipalities need to properly document their systems and the system language used to ensure that system support can be procured in the local market when required.

#### 4.9 Cash flow reconciliation

The population of the cash flow reconciliation in tables A7, B7 and C7 of the MBRR formats using *m*SCOA data strings has been a challenge in previous financial years. The main contributing factors to this were that:

- Municipalities were not using the *m*SCOA segments correctly to populate their cash flow information;
- A number of municipalities did not use the movement accounts correctly in the *m*SCOA chart which distorts the figures reported in the cash flow tables;
- Some municipalities did not budget, transact or report directly in or from their financial systems; and
- There were errors in the linkages of the MBRR cash flow tables to the *m*SCOA data strings in the segment item: asset and liabilities on the Local Government Database.

It is critical that municipalities undertake balance sheet and cash flow budgeting to provide accurate cash flow information. National Treasury has provided guidance in this regard in MFMA Circular No. 98 and *m*SCOA Circular No. 10 and have also corrected the errors in the linkages of the MBRR cash flow tables to the *m*SCOA data strings. This has resulted in improvements in the section 71 cash flow data that were published at the end of quarter 1 of the 2020/21 MTREF. Further guidance on the application of the funding segment has also been issued in *m*SCOA Circular No. 11 on 4 December 2020.

#### 4.10 *m*SCOA Calendar for 2021/22

Important dates pertaining to *m*SCOA related activities for the 2020/21 financial year is summarised below for planning purposes:

Activity		Time Frames
1.	Independent System Audits	February to December 2021
2.	Regulation of Minimum Business Processes and System Specifications	For comments and testing: October 2021
3.	<i>m</i> SCOA Virtual Training Sessions (various topics)	Monthly
4.	Roll out of eLearning <i>m</i> SCOA course through	July 2020

	National School of Governance	
5.	Issue proposed <i>m</i> SCOA chart changes for version 6.6	October 2021
6.	Annual <i>m</i> SCOA CIGFARO Budgeting Workshop	November 2021
7.	Issuing of transversal contract for provision of financial systems	March 2022

## 5. The revenue budget

Similar to the rest of government, municipalities face a difficult fiscal environment. Even as demand for services rises, weak economic growth has put stress on consumers' ability to pay for services, while transfers from national government are growing more slowly than in the past. Some municipalities have managed these challenges well, but others have fallen into financial distress and face liquidity problems. These include municipalities that are unable to meet their payment obligations to Eskom, water boards and other creditors. There is a need for municipalities to focus on collecting revenues owed to them and eliminate wasteful and non-core spending. Municipal budgets will be scrutinised to ensure that municipalities adequately provide for the servicing of their debt obligations. Municipalities must ensure that expenditure is limited to the maximum revenue collected and not spend on money that they do not have.

Municipalities are reminded that the local government equitable share allocation is mainly to fund the costs of free basic services and to subsidise the administrative costs of the smaller and more rural municipalities. The increasing unemployment and growth in the number of persons per household means that the revenue foregone in respect of free basic services will likely increase, and it will become even more difficult to collect revenue. Household budgets are becoming increasingly under more pressure, and trade-offs might be applied when it becomes unaffordable to pay all household expenses on a monthly basis.

National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the financial sustainability of the municipality. The Consumer Price Index (CPI) inflation is forecasted to be within the lower limit of the 3 to 6 per cent target band; therefore, municipalities are required to **justify all increases in excess of the projected inflation target for 2021/22** in their budget narratives and pay careful attention to tariff increases across all consumer groups. In addition, municipalities should include a detail of their revenue growth assumptions for the different service charges in the budget narrative.

### 5.1 Maximising the revenue generation of the municipal revenue base

Reference is made to MFMA Circular No. 93, paragraph 3.1 and No. 98, paragraph 4.1. The emphasis is on municipalities to comply with Section 18 of the MFMA and ensure that they fund their 2021/22 MTREF budgets from realistically anticipated revenues to be collected. Municipalities are cautioned against assuming collection rates that are unrealistic and unattainable as this has been identified as a fundamental reason for municipalities not attaining their desired collection rates.

It is therefore essential that municipalities pay attention to reconciling the valuation roll data to that of the billing system to ensure that revenue anticipated from property rates are accurate. Municipalities are encouraged to undertake this exercise as a routine practice. The list of exceptions derived from this reconciliation will indicate where the municipality may be compromising its revenue generation in respect of property rates. A further test would be to reconcile this with the Deeds Office registry. In accordance with the MFMA Circular No. 93,

municipalities are once more requested to submit the reconciliation of the valuation roll to the financial system to the National Treasury by no later than **05 February 2021**.

The above information must be emailed to [linda.kruger@treasury.gov.za](mailto:linda.kruger@treasury.gov.za) or must be uploaded by approved registered users using the LG Upload Portal at: <https://lguploadportal.treasury.gov.za/>.

## 5.2 Setting cost-reflective tariffs

Reference is made to MFMA Circular No. 98, paragraph 4.2. The setting of cost-reflective tariffs is a requirement of Section 74(2) of the Municipal Systems Act which is meant to ensure that municipalities set tariffs that enable them to recover the full cost of rendering the service. This forms the basis of compiling a credible budget. A credible budget is one that ensures the funding of all approved items and is anchored in sound, timely and reliable information on expenditure and service delivery (FFC, 2011). Credible budgets are critical for local government to fulfil its mandate and to ensure its financial sustainability.

A credible expenditure budget reflects the costs necessary to provide a service efficiently and effectively, namely:

- An effective budget is one that is adequate to deliver a service of the necessary quality on a sustainable basis; and
- An efficient budget is one that delivers services at the lowest possible cost.

Municipalities are encouraged to utilise the tariff setting tool referenced in MFMA Circular 98, item 4.2. This tool will assist in setting tariffs that are cost-reflective and would enable municipalities to recover costs to fulfil its mandate. The National Treasury Municipal Costing Guide is also available on the link below on the National Treasury website.

<http://mfma.treasury.gov.za/Guidelines/Documents/Forms/AllItems.aspx?RootFolder=%2fGuidelines%2fDocuments%2fMunicipal%20Costing%20Guide&FolderCTID=0x0120004720FD2D0551AE409361D6CB3E122A08>

## 5.3 Bulk Account Payments - Eskom Concessions

During 2018/19, intense work had been undertaken to resolve systemic and structural issues pertaining to the electricity function in municipalities. Core to this work was addressing the escalating Eskom debt that threatened the sustainability of Eskom as well as that of municipalities.

During the process, Eskom was engaged on providing relieve in certain areas. Municipalities must be made aware that the following concessions were agreed upon:

- Reducing the interest rate charged on overdue municipal bulk accounts from prime plus 5 per cent to prime plus 2.5 per cent;
- Payment terms being extended from 15 days to 30 days for municipal bulk accounts; and
- Payments received from municipalities will be allocated to capital first and then the interest.

These concessions are aligned to the MFMA and are meant to curb the growing debt levels by allowing municipalities a more conducive payment regime than what was previously employed. In addition, municipalities are encouraged to budget for bulk services and honour their current account payments religiously to avoid stringent application of the bulk suppliers' credit control policy.

#### 5.4 Timeous allocations and clearing of the control accounts

Municipalities are encouraged to clear the control accounts on a monthly basis and to allocate trade and other receivable payments in these suspense accounts to the relevant debtor accounts regularly before the monthly submissions as required by the MFMA. Implementing and enforcing the credit control policy of the municipality whilst payments are not cleared in the control account is negligent and irresponsible. Municipalities are warned against this bad practice, and this must be avoided at all costs.

#### 5.5 Eskom Bulk Tariff increases

The National Energy Regulator of South Africa (NERSA) is responsible for price determination of the bulk costs for electricity. In March NERSA approved a municipal tariff increase of 6.9 per cent effective 1 July 2020 (1.2 per cent lower than the tariff increase in Multi-Year Price Determination (MYPD) 4 period due to differences in municipal and national financial years).

Municipalities are advised to use the tariff increases previously (March 2019) approved by the Regulator of 5.2 per cent 2021/22, 8.9 per cent for 2022/23 and 8.9 per cent in 2023/24 (*for 2023/24, an average annual tariff increase is used for the National Energy Regulator of South Africa's multi-year price determination period of 1 April 2019 to 31 March 2022*). The outer year is anticipated to be the first year of the MYPD 5 period, which is yet to be published.

### 6. Funding choices and management issues

Municipalities are under pressure to generate revenue as a result of the economic landscape, the COVID-19 pandemic, weak tariff setting and increases in key cost drivers to provide basic municipal services. The ability of customers to pay for services is declining and this means that less revenue will be collected. Therefore, municipalities must consider the following when compiling their 2021/22 MTREF budgets:

- Improving the effectiveness of revenue management processes and procedures;
- Cost containment measures to, amongst other things, control unnecessary spending on nice-to-have items and non-essential activities as highlighted in the Municipal Cost Containment Regulations read with MFMA Circular No. 82;
- Ensuring value for money through the procurement process;
- The affordability of providing free basic services to all households;
- Not taking on unfunded mandates; and
- Curbing the consumption of water and electricity by the indigents to ensure that they do not exceed their allocation.

Accounting officers are reminded of their responsibility in terms of section 62(1)(a) of the MFMA to use the resources of the municipality effectively, efficiently and economically. Failure to do this will result in the accounting officer committing an act of financial misconduct which will trigger the application of chapter 15 of the MFMA, read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.

#### 6.1 Employee related costs

The *Salary and Wage Collective Agreement* for the period 01 July 2018 to 31 June 2020 has come to an end and a new agreement is under consultation, which we hope will take into account the current fiscal constraints faced by government. Therefore, in the absence of any information in this regard from the South African Local Government Bargaining Council (SALGBC), municipalities are advised to take into account their financial sustainability when considering salary increases. It has been observed over the previous years that salary

increases were above inflation. In addition, municipalities that could not afford such increases did not apply for exemption as provided by SALGBC. Given the current economic condition exacerbated by the COVID-19 pandemic, municipalities are urged to consider projecting increases to wage that would reflect their affordability as many municipalities that are already not in a position to afford the current wage cost would indeed have to apply no more than zero per cent increase in the 2021/22 MTREF and to exercise the option for exemption for any negotiated increase above the level of their affordability.

## **6.2 Remuneration of councillors**

Municipalities are advised to budget for the actual costs approved in accordance with the Government Gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils published annually between December and January by the Department of Cooperative Governance. It is anticipated that this salary determination will also take into account the fiscal constraints. Municipalities should also consider guidance provided above on salary increases for municipal officials during this process.

## **7. Conditional Grant Transfers to Municipalities**

### **7.1 Non-compliance of in-year monitoring**

In terms of Section 74(1) of the MFMA, municipalities must submit to the transferring officers, National and Provincial treasuries documents and monthly grant reports as may be prescribed or required. The *m*SCOA Regulations requires the uniform recording and classification of municipal budget and financial information at a transaction level in the form of a *m*SCOA data string that must be submitted to the LG Upload portal. Most municipalities are still not reporting on conditional grants as per the *m*SCOA requirements. As per MFMA Circular No 93, the National Treasury has only used *m*SCOA data strings as the source of data for publications on municipal financial performance from 1 July 2019. The *m*SCOA data strings will also be the main source of data that will be used to monitor the performance against grants and to inform decisions on the stopping and reallocation of conditional grants funding in the 2021/22 MTREF. The credibility of the *m*SCOA data strings reporting on grants will be closely monitored going forward.

Furthermore, section 12(2) of the Division of Revenue Act, 2020 (Act No. 4 of 2020) (DoRA) states that the municipality, as part of the report required in terms of section 71 of the MFMA, report on the matters referred to in subsection (4) and submit a copy of that report to the relevant provincial treasury, the National Treasury and the relevant Transferring Officer.

Some municipalities have not been complying with the reporting requirements as stipulated above. Municipalities are reminded that the non-submission of monthly reports translates to non-compliance with the MFMA and DoRA. The National Treasury and Transferring Officer will be implementing stringent measures to municipalities that do not comply with the prescripts. This includes, but is not limited to, the stopping and reallocation of conditional grants funding of non-compliant municipalities. Municipalities are encouraged to comply with the reporting requirements to avoid withholding or stopping of an allocation.

In terms of performance reporting on conditional grants, municipalities and Transferring Officers are urged to pay particular attention to the contents of money spent against conditional grants. Government is not realising full value for money against the substantial investments it makes through grants.

## 8. The Municipal Budget and Reporting Regulations

### 8.1 Ensuring municipal sustainability through a funded budget

A budget is funded from realistically anticipated revenues to be collected, cash backed accumulated funds from the previous year as well as borrowed funds to be utilised for capital projects. A budget is realistic if it takes into account projected revenue for the current year based on the collection levels to date and actual revenue collected in the previous financial year. Municipal budgets must be prepared on this basis. The economic climate and the impact of COVID-19 pandemic had an effect on the ability of municipalities to collect arrear debt during levels 5, 4 and 3 of the national lockdown. This inability to exercise credit control measures during this period had decreased the collection rate in many municipalities.

Municipalities need to be proactive in exercising credit control measures to ensure that arrear debt is collected. Whilst collection rates decreased during the period mentioned above, municipalities must implement efforts to collect arrear debt and return collection rates to pre-COVID-19 levels. Whilst this unprecedented COVID-19 period is the exception, collection rates need to be maintained at 95 per cent in order to ensure the financial sustainability of municipalities. If collection rates have decreased, prudent financial management requires expenditure to be adjusted downward accordingly. This is to ensure that deficits are not realised and that realistically anticipated revenue based on projected collection rates funds expenditure. This will also ensure financial sustainability and avoid situations of financial distress in municipalities.

The Municipal Systems Act states that a municipal council must adopt, maintain and implement a credit control and debt collection policy that would be utilised for the collection of money that is due and payable to it. The municipal Councillors therefore are the custodians of the policy and responsible for its implementation. As a result, Councillors are required to encourage consumers in their municipal jurisdiction to pay for municipal services and to ensure that such debt that is due and payable to the municipality is collected. This would ensure compliance with the Act and ensure that a culture of payment is implemented in the municipal area. Council needs to play an active role in implementing their adopted policies to increase collection rates and ensure that funds are received to render services to the people.

Municipalities are reminded to develop a credible funding plan where the budget is unfunded. This plan must be tabled in and adopted by Council with the 2021/22 MTREF budget and submitted to the National and provincial treasuries when they submit their tabled and adopted budget in terms of Section 22(b)(i) and 24 (3) of the MFMA. Failure to approve a credible plan will result in the invoking of Section 216(2) of the Constitution.

### 8.2 Budgeting for indirect grant allocations

Some municipalities continue to budget for allocations not directly allocated to them as revenue in the Statement of Financial Performance. This results in revenue being overstated. Therefore, municipalities must refrain from budgeting for indirect grant allocations. A municipality must only budget for the allocations that are directly allocated and transferred to them.

### 8.3 Monthly reporting of debtors

National Treasury has observed through in-year monitoring that most municipalities are overstating debtors as they report on gross debtors instead of net. The format of the monthly debtors' data strings provides for a column to disclose provision for impairment as per council policy. Therefore, municipalities are urged to always reflect the provision for impairment in the column as indicated above for National Treasury to be able to reconcile the net debtors.



#### 8.4 Schedule A - version to be used for the 2021/22 MTREF

National Treasury has released Version 6.5 of the Schedule A1 (the Excel Formats) which is aligned to Version 6.5 of the *m*SCOA classification framework and must be used when compiling the 2021/22 MTREF budget.

It is imperative that all municipalities prepare their 2021/22 MTREF budgets in their financial systems and that the Schedule A1 be produced directly from their financial system. Vendors have demonstrated their budget modules to the National Treasury and provincial treasuries. All financial systems have this functionality to assist and prepare budgets and to generate the prescribed Schedule A1 directly from the financial system. Therefore, there is no reason why the 2021/22 MTREF budget must be done manually. National Treasury has protected the A1 schedule version 6.5, therefore manual population will not be allowed as the schedule must be extracted from the financial system.

**ALL** municipalities **MUST** prepare their 2021/22 MTREF tabled and adopted budgets using the A1 schedule version 6.5.

Municipalities must start early enough to capture their tabled budget (and later the adopted budget) in the budget module provided and must ensure that they produce their Schedule A1 directly out of the budget module. **Manual capturing on A1 schedule version 6.5 is not allowed** in terms of the *m*SCOA Regulations.

The National Treasury has indicated in MFMA Circular No. 93 that municipalities must submit all A1 Schedules in PDF format only from the 2019/20 MTREF. Given the fact that the *m*SCOA classification framework makes it possible to generate the financial data required in the A1 schedule directly from the data strings and that additional data needed must be obtained from sub-systems that integrate with the financial system, the National Treasury will only accept the prescribed data string containing the supporting data, populated and uploaded by each municipality. National Treasury published the layout for the data string on the website in MFMA Budget Circular No. 98 and an amended version to be used for the 2021/22 MTREF forms part of this circular. The publication in the 2020/21 MTREF of non-financial data will be done using the supporting data uploaded from these data strings.

The National Treasury **will no longer gather supporting data from the MBRR A1 Schedules** but will expect each municipality to **submit the prescribed supporting data strings** containing the required data using the LG Upload Portal.

The budget, adjustments budget and Section 71 monthly reporting Schedules that have been regulated in terms of the MBRR have also been aligned to the *m*SCOA chart version 6.5 changes. The revised MBRR Schedules for the 2021/22 MTREF and its linkages to the data string are available on the link below:

<http://cenvappsp10:31200/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Documents/Forms/AllItems.aspx?RootFolder=%2fRegulationsandGazettes%2fMunicipal%20Budget%20and%20Reporting%20Regulations%2fDocuments%2f2020%2d21&FolderCTID=0x0120001860D4A2BD7AD042BF8427FC3BB59F67>

The Municipal Budget and Reporting Regulations, formats and associated guides are available on National Treasury's website at:

<http://mfma.treasury.gov.za/RegulationsandGazettes/Pages/default.aspx>

## 8.5 Assistance with the compilation of budgets

If municipalities require advice with the compilation of their respective budgets, specifically the budget documents or Schedule A1, they should direct their enquiries to their respective provincial treasuries or to the following National Treasury officials:

Province	Responsible NT officials	Tel. No.	Email
Eastern Cape	Matjatji Mashoeshoe	012-315 5553	<a href="mailto:Matjatji.Mashoeshoe@treasury.gov.za">Matjatji.Mashoeshoe@treasury.gov.za</a>
Buffalo City	Mandla Gilimani	012-315 5807	<a href="mailto:Mandla.Gilimani@treasury.gov.za">Mandla.Gilimani@treasury.gov.za</a>
Free State	Cethekile Moshane	012-315 5079	<a href="mailto:Cethekile.moshane@treasury.gov.za">Cethekile.moshane@treasury.gov.za</a>
Gauteng	Kgomotso Baloyi	012-315 5866	<a href="mailto:Kgomotso.Baloyi@treasury.gov.za">Kgomotso.Baloyi@treasury.gov.za</a>
Johannesburg and Tshwane	Kevin Bell	012-315 5725	<a href="mailto:Kevin.Bell@treasury.gov.za">Kevin.Bell@treasury.gov.za</a>
	Willem Voigt	012-315 5830	<a href="mailto:WillemCordes.Voigt@treasury.gov.za">WillemCordes.Voigt@treasury.gov.za</a>
KwaZulu-Natal	Kgomotso Baloyi	012-315 5866	<a href="mailto:Kgomotso.Baloyi@treasury.gov.za">Kgomotso.Baloyi@treasury.gov.za</a>
eThekweni	Mpati Rakgwale	012-315 5700	<a href="mailto:Mpati.Rakgwale@treasury.gov.za">Mpati.Rakgwale@treasury.gov.za</a>
	Una Rautenbach		<a href="mailto:Una.Rautenbach@treasury.gov.za">Una.Rautenbach@treasury.gov.za</a>
	Abigail Maila		<a href="mailto:Abigail.Maila@treasury.gov.za">Abigail.Maila@treasury.gov.za</a>
Limpopo	Willem Voigt	012-315 5830	<a href="mailto:WillemCordes.Voigt@treasury.gov.za">WillemCordes.Voigt@treasury.gov.za</a>
	Sifiso Mabaso	012-315 5952	<a href="mailto:Sifiso.Mabaso@treasury.gov.za">Sifiso.Mabaso@treasury.gov.za</a>
Mpumalanga	Mandla Gilimani	012-315 5807	<a href="mailto:Mandla.Gilimani@treasury.gov.za">Mandla.Gilimani@treasury.gov.za</a>
	Stanley Malele		<a href="mailto:Stanley.Malele@treasury.gov.za">Stanley.Malele@treasury.gov.za</a>
Northern Cape	Mandla Gilimani	012-315 5807	<a href="mailto:Mandla.Gilimani@treasury.gov.za">Mandla.Gilimani@treasury.gov.za</a>
	Phumelele Gulukunqu	012 315 5539	<a href="mailto:Phumelele.Gulukunqu@treasury.gov.za">Phumelele.Gulukunqu@treasury.gov.za</a>
North West	Willem Voigt	012-315 5830	<a href="mailto:WillemCordes.Voigt@treasury.gov.za">WillemCordes.Voigt@treasury.gov.za</a>
	Makgabo Mabotja	012-315 5156	<a href="mailto:Makgabo.Mabotja@treasury.gov.za">Makgabo.Mabotja@treasury.gov.za</a>
Cape Town George	Kgomotso Baloyi	012-315 5866	<a href="mailto:Kgomotso.Baloyi@treasury.gov.za">Kgomotso.Baloyi@treasury.gov.za</a>
	Willem Voigt and	012-315 5830	<a href="mailto:WillemCordes.Voigt@treasury.gov.za">WillemCordes.Voigt@treasury.gov.za</a>
	Mandla Gilimani	012-315 5807	<a href="mailto:Mandla.Gilimani@treasury.gov.za">Mandla.Gilimani@treasury.gov.za</a>
Technical issues with Excel formats	Elsabe Rossouw	012-315 5534	<a href="mailto:Igdataqueries@treasury.gov.za">Igdataqueries@treasury.gov.za</a>

National and provincial treasuries will analyse the credibility of the data string submissions.

## 8.6 Assessing the 2021/22 MTREF budget

National and provincial treasuries will assess the 2021/22 MTREF budgets to determine if it is complete, funded and complies with the *m*SCOA requirements. The *m*SCOA data strings for the tabled (TABB) and adopted (ORGB) budgets will be used for this assessment.

The **assessment period** of all municipal budget will therefore be from **31 May to 30 June**. In this one-month period, the National and provincial treasuries will evaluate all municipal budgets for completeness and for being fully funded. Any adjustment that need to be made must be done before the start of the municipal financial year on 1 July.

Importantly, in order to generate an adopted budget (ORGB) data string, the budget must be locked on the financial system by the 10<sup>th</sup> working day of July each year. Therefore, once the ORGB data string has been generated, errors in the ORGB can only be corrected via an adjustments budget in February of each year. In terms of the design principles of *m*SCOA, municipalities are not allowed to open the budget on the system for corrections after it has been locked. This means that the tabled budget data string (TABB) should in fact be verified and errors in the TABB should be corrected in the ORGB **before the adopted budget is locked on the financial system and the ORGB data string is generated**.

The previous verification process and timeframes (i.e. July to September) can no longer be applied as municipalities are already transacting against the adopted and locked budget from 01 July 2020.

Amending an unfunded, incomplete and erroneous budget through an adjusted budget is also not encouraged as the National Treasury only considers an adjusted budget in the third and fourth quarter of the financial year for analysis and publication purposes. This will result in overspending and unauthorised expenditure not been monitored in the first six months of the financial year.

Municipal managers are reminded that the annual budget must be accompanied by a quality certificate and council resolution, as well as a budget locking certificate (in the case of the adopted budgets) in accordance with the format specified in Regulation 31 of Schedule A of the MBRR. The A1 schedule must be included as part of the budget documentation in pdf format.

The National Treasury would like to emphasise that ***where municipalities have adopted an unfunded budget without a credible funding plan, they will be required to correct the budget and go back to the Municipal Council to ensure they adopt and implement a funded budget as required in terms of Section 18 of the MFMA.***

Municipalities with municipal entities are once again reminded to prepare consolidated budgets and in-year monitoring reports for both the parent municipality and its entity or entities. The following must be compiled:

- An annual budget, adjustments budget and monthly financial reports for the parent municipality in the relevant formats;
- An annual budget, adjustments budget and monthly financial reports for the entity in the relevant formats; and
- A consolidated annual budget, adjustments budget and monthly financial reports for the parent municipality and all its municipal entities in the relevant formats.

The budget and data strings that the municipality submits to National Treasury must be a consolidated budget for the municipality (including entities). The budget of each entity must be submitted on the D schedule in pdf format.

In the past it was noted that municipalities have challenges to align the audited outcomes on the financial system to A1 Schedule. Municipalities must ensure that the audited figures and adjusted budget figures captured on the A1 Schedule aligns to the annual financial statements and Schedule B respectively.

## **9. Budget process and submissions for the 2021/22 MTREF**

### **9.1 Submitting budget documentation and A1 schedules for 2021/22 MTREF**

To facilitate oversight of compliance with the Municipal Budget and Reporting Regulations, accounting officers are reminded that:

- Section 22(b)(i) of the MFMA requires that, ***immediately*** after an annual budget is tabled in a municipal council, it must be submitted to the National Treasury and the relevant provincial treasury in electronic formats. If the annual budget is tabled to council on **31 March 2021**, the final date of submission of the electronic budget documents and corresponding mSCOA data strings is **Thursday, 01 April 2021**.

Section 24(3) of the MFMA, read together with regulation 20(1) of the MBRR, requires that municipalities must submit the approved annual budget to both National Treasury and the relevant provincial treasury **within ten working days** after the council has approved the annual budget. E.g. if the council approves the annual budget on **31 May 2021**, given the new timeframe for the evaluation of the municipal budgets, the adopted budget data strings and documentation must be submitted by the latest **Monday, 14 June 2020**.

**Municipalities are no longer expected to submit hard copies of all required documents including budget-related, Annual Financial Statements and Annual Reports to National Treasury via post or courier services. Hard copies must be submitted in pdf format to the LG Upload portal.**

## 9.2 Expected submissions for 2021/22 MTREF

- The budget documentation as set out in the MBRR. The budget document must include the main A1 Schedule Tables (A1 - A10);
- The non-financial supporting tables (A10, SA9, SA11, SA12, SA13, SA24 and any other information not contained in the financial data string) in the A1 in the prescribed mSCOA data string in the format published with Version 6.5 of the A1 schedule;
- The draft and final service delivery and budget implementation plan (SDBIP) in electronic PDF format;
- The draft and final IDP;
- The council resolution for the tabled and adopted budgets;
- Signed Quality Certificate as prescribed in the MBRR for the tabled and adopted budgets;
- D Schedules specific for the entities; and
- A budget locking certificate immediately at the start of the new municipal financial year on 1 July.

Budget-related documents and schedules must be uploaded by approved registered users using the LG Upload Portal at: <https://lguploadportal.treasury.gov.za/>. It should be emphasised that municipalities should submit all required documents to the LG Upload portal and not to [lgdocuments@treasury.gov.za](mailto:lgdocuments@treasury.gov.za). National Treasury will retire [lgdocuments@treasury.gov.za](mailto:lgdocuments@treasury.gov.za) on 1 July 2021 to ensure that there is a single collection point of municipal financial data.

Also note that the LG Upload Portal does not have the same size restrictions encountered with [lgdocuments@treasury.gov.za](mailto:lgdocuments@treasury.gov.za), but requires all documents to:

1. Be in PDF format only; and
2. Each PDF file must NOT contain multiple document e.g. council resolution and quality certificate within the budget document. Each document type must be identified clearly and uploaded separately.

Any problems experienced with the submission of documents can be addressed with Elsabe Rossouw at [Elsabe.Rossouw@treasury.gov.za](mailto:Elsabe.Rossouw@treasury.gov.za).

The 2020/21 MTREF and the preliminary Quarter 1 Section 71 results for the 2020/21 financial year that has recently been published, have indicated that the credibility of the mSCOA data strings is still a concern although we have observed a marked improvement in some areas. At the core of the problem is:

- The incorrect use of the *m*SCOA chart and segments, balance sheet budgeting, movement accounting and basic municipal accounting practices by municipalities;
- Some municipalities are not budgeting, transacting and reporting directly in/from their core financial systems; and
- Municipalities are not locking their adopted budgets and their financial systems at month-end to ensure prudent financial management. To enforce municipalities to lock their budgets and close their financial system at month-end in 2020/21, the Local Government Database and Reporting System will lock all submission periods within the reporting period at the end of each quarter. The published period will NOT be opened again to ensure consistency between publications. System vendors were also requested to build this functionality into their municipal financial systems.

To improve the credibility of these data string, National and provincial treasuries are analysing the accuracy of the data strings and the use of the six regulated segments. The National Treasury has developed tools to analyse the segment/chart use and trained budget analysts from both National and provincial treasuries on the use thereof. To date, the analysis has highlighted that municipalities are not using the FUND, REGION and COSTING segments correctly. In many instances, these segments are simply defaulted which impedes the multi-dimensional reporting power of the *m*SCOA classification framework. Another common area of concern is that total capital expenditure do not balance to total funding. Currently, the expenditure is much higher than the available funding reported.

It needs to be noted that the single source for all analysis and publications will be the data strings submitted by the municipalities for the 2020/21 municipal financial year. It is therefore imperative that municipalities ensure the credibility and accuracy of the data strings before submission.

### **9.3 Publication of budgets on municipal websites**

In terms of section 75 of the MFMA, all municipalities are required to publish their tabled budgets, adopted budgets, annual reports (containing audited annual financial statements) and other relevant information on the municipality's website. This will aid in promoting public accountability and good governance.

All relevant documents mentioned in this circular are available on the National Treasury website, <http://mfma.treasury.gov.za/Pages/Default.aspx>. Municipalities are encouraged to visit it regularly as documents are regularly added / updated on the website.

### **9.4 Communication by municipal entities to National Treasury**

Municipal entities should not request meetings directly from National Treasury. National Treasury will only engage the entities through the parent municipalities. This includes all communications apart from the legislative reporting requirements.

## Contact



**national treasury**

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National Treasury  
REPUBLIC OF SOUTH AFRICA

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**JH Hattingh**  
**Chief Director: Local Government Budget Analysis**  
**04 December 2020**



## **Municipal Budget Circular for the 2021/22 MTREF**

### **CONTENTS**

<b>1. THE SOUTH AFRICAN ECONOMY AND INFLATION TARGETS.....</b>	<b>2</b>
<b>2. KEY FOCUS AREAS FOR THE 2021/22 BUDGET PROCESS .....</b>	<b>3</b>
2.1 CHANGES TO LOCAL GOVERNMENT ALLOCATIONS.....	3
<b>3. 2021 LOCAL GOVERNMENT ELECTIONS AND THE BUDGET PROCESS.....</b>	<b>4</b>
3.1 TRANSITIONAL PROCESSES - DEVELOPMENT AND ADOPTION OF IDPs DURING THE 2021 ELECTION YEAR 4	
3.2 HAND-OVER REPORTS FOR THE NEWLY ELECTED COUNCILS.....	4
<b>4. MUNICIPAL STANDARD CHART OF ACCOUNTS (MSCOA) .....</b>	<b>5</b>
4.1 OPENING BALANCES .....	5
4.2 SURPLUS OR DEFICIT JOURNALS.....	5
4.3 ROLLOVERS AND REPAYMENT OF UNSPENT GRANTS .....	5
<b>5. THE REVENUE BUDGET .....</b>	<b>6</b>
5.1 ESKOM BULK TARIFF INCREASES.....	6
<b>6. FUNDING CHOICES AND MANAGEMENT ISSUES.....</b>	<b>6</b>
6.1 EMPLOYEE RELATED COSTS .....	7
6.2 REMUNERATION OF COUNCILLORS.....	7
6.3 PAYMENT OF DANGER ALLOWANCE TO THE EMPLOYEES.....	7
6.4 MAYOR'S DISCRETIONARY FUNDS AND SIMILAR DISCRETIONARY BUDGET ALLOCATIONS .....	8
<b>7. CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES.....</b>	<b>9</b>
7.1 CRITERIA FOR THE ROLLOVER OF CONDITIONAL GRANT FUNDS .....	9
7.2 ROLLOVER REQUEST AGAINST THE COVID-19 ALLOCATED THROUGH THE EQUITABLE SHARE.....	10
7.3 UNSPENT CONDITIONAL GRANT FUNDS FOR 2020/21 .....	11
7.4 IMPORTANCE OF SECTION 17 OF THE DIVISION OF REVENUE ACT .....	12
<b>8. THE MUNICIPAL BUDGET AND REPORTING REGULATIONS.....</b>	<b>13</b>
8.1 SERVICE LEVEL STANDARDS .....	13
8.2 ASSISTANCE WITH THE COMPILATION OF BUDGETS .....	13
<b>9. BUDGET PROCESS AND SUBMISSIONS FOR THE 2021/22 MTREF .....</b>	<b>14</b>
9.1 SUBMITTING BUDGET DOCUMENTATION AND A1 SCHEDULES FOR 2021/22 MTREF .....	14
9.2 CONSOLIDATED BUDGETS AND REPORTS .....	14
9.3 SUBMISSION USING LG UPLOAD PORTAL .....	15
9.4 PUBLICATION OF BUDGETS ON MUNICIPAL WEBSITES .....	15
<b>ANNEXURE A: TREATMENT OF ROLLOVERS AND REPAYMENT OF UNSPENT GRANTS IN MSCOA .....</b>	<b>16</b>

## Introduction

This budget circular is a follow-up to the one issued in December 2020. It guides municipalities with their preparation of the 2021/22 Medium Term Revenue and Expenditure Framework (MTREF) and, as with previous annual budget circulars, it should be read within this context. This Circular is linked to the Municipal Budget and Reporting Regulations (MBRR) and the municipal Standard Chart of Accounts (*mSCOA*); and strives to support municipalities' budget preparation processes so that the minimum requirements are achieved. The key focus of this Circular is the grant allocations per the 2021 Budget Review and the 2021 Division of Revenue Bill.

Municipalities are reminded to refer to the previous years' annual budget circulars for guidance on budget preparation that is not covered in this circular.

### 1. The South African economy and inflation targets

The South African economy contracted by an estimated 7.2 per cent in 2020 compared with the 7.8 per cent contraction projected in the 2020 Medium Term Budget Policy Statement (MTBPS). The revised estimate results from easing lockdown restrictions in the third quarter and a faster-than-expected resumption of global growth, especially in China. The National Treasury projects real economic growth of 3.3 per cent in 2021, following an estimated contraction of 7.2 per cent in 2020. Real GDP growth is expected to moderate to 1.9 per cent in 2022 and 2023.

The outlook remains highly uncertain, and the economic effects of the pandemic are far-reaching. There were 1.7 million fewer jobs by the third quarter of 2020 compared to the same period in 2019. Rising unemployment and income losses have entrenched existing inequalities. GDP is only expected to recover to pre-pandemic levels in late 2023. High-frequency data for the third quarter, such as the volume of electricity distributed, mining and manufacturing output, business confidence and the ABSA Purchasing Managers' Index (PMI) shows evidence of a limited economic rebound.

Although growth rates are likely to improve quickly as restrictions are removed, based on current projections, the output is only expected to return to pre-pandemic levels in 2024. Given South Africa's structural constraints, its recovery will be slower than many of its developing-country peers. Industrial sectors (which include mining, manufacturing, construction and utilities) lagged substantially, undermined by structural constraints including unreliable electricity supply and weak public investment that preceded the pandemic. Over the next several years, the country requires the implementation of long-standing structural reforms to sustainably move to a higher growth path.

These economic challenges will continue to exert pressure on municipal revenue generation and collection levels; hence a conservative approach is advised for revenue projections.

The following macro-economic forecasts must be considered when preparing the 2021/22 MTREF municipal budgets.

**Table 1: Macroeconomic performance and projections, 2019 - 2023**

Fiscal year	2019/20	2020/21	2021/22	2022/23	2023/24
	Actual	Estimate	Forecast		
CPI Inflation	4.1%	3.3%	3.9%	4.2%	4.4%

Source: 2021 Budget Review.

Note: the fiscal year referred to is the national fiscal year (April to March) which is more closely aligned to the municipal fiscal year (July to June) than the calendar year inflation.



## 2. Key focus areas for the 2021/22 budget process

### 2.1 Changes to local government allocations

Over the next three years, municipalities will have to adjust to significant changes in expenditure plans while improving accountability. The 2021 Budget protects transfers that focus on infrastructure, service delivery and COVID-19 spending while reducing those spent less effectively. The 2021 Budget includes funding for initiatives to improve municipal revenue collection and support financially distressed municipalities.

Transfers to local government over the medium-term account for **9.4 per cent** of nationally raised funds after providing for debt-service costs, the contingency reserve and provisional allocations. Local government's share of revenue has risen in relative terms because reductions to the public-service wage bill affect only national and provincial government. Local government transfers grow by an annual average of 5.2 per cent over the MTEF; the equitable share declines by 4.4 per cent and conditional grants grow by 7.3 per cent. As part of government's fiscal consolidation policies over the medium term, transfers to local government are reduced by R19.4 billion, including R14.7 billion from the local government equitable share, R2.7 billion from the general fuel levy and R2 billion in direct conditional grants.

#### **Conditional grants**

The reduction to direct conditional grants includes R329 million from the *municipal infrastructure grant* and R21 million from the *integrated urban development grant*. These amounts have been reprioritised from underspending grants to fund a once-off councillor gratuity for non-returning councillors. The largest proportional reduction of R1.3 billion to local government grants has been made in the *public transport network grant*, because only six of the 13 cities receiving the grant have successfully launched public transport systems. Indirect conditional grants are reduced by R286 million over the period.

Government continues to reform the system of conditional grant transfers to local government based on the principles set out in the 2019 Budget Review. In 2021, government will expand the scope of the *municipal infrastructure grant* to allow municipalities to use up to 5 per cent of their allocation to develop infrastructure asset management plans. This change addresses poor asset management in municipalities.

In 2020, the *integrated city development grant* was repurposed to assist cities to build internal capacity or obtain technical support to prepare and package key infrastructure projects. This will continue in 2021 and private sector participation will be encouraged in these projects.

Two standalone *informal settlement upgrading grants* for provinces and municipalities will be introduced from 2021/22. These grants are made up of components previously within the *human settlements development grant* and the *urban settlements development grant* for provinces and municipalities respectively. In addition, the Municipal Systems Improvement Grant scope is extended to fund comprehensive institutional diagnostic assessments of the 21 district areas where the district municipality is a water service authority and the development of institutional improvement/ support plans that will inform all future capacity development programmes and municipal support initiatives to enhance the continued rollout of the rollout of the District Development Model (DDM).

Municipalities are reminded that all allocations included in their budgets must correspond to the allocations listed in the Division of Revenue Bill. All the budget documentation can be accessed from the National Treasury website by clicking on the link below:  
<http://www.treasury.gov.za/documents/national%20budget/2021/>

### 3. 2021 Local Government Elections and the budget process

Municipalities are advised to refer to MFMA Circular No. 107 on risks related to the Local Government elections and issues to be considered in compiling the 2021/22 MTREF in addition to the information provided below.

#### 3.1 Transitional processes - development and adoption of IDPs during the 2021 election year

The 2020/21 municipal financial year represents the last year of the current municipal councils' electoral term. Therefore, the next municipal election to usher in new councils is expected to take place between August and November 2021 in terms of the Section 24 (2) of the Municipal Structures Act, 2000 (Act No. 32 of 2000) (MSA).

It is acknowledged that the period within which the coming election's date is expected takes place after the start of a new financial year. This particular scenario poses a latent challenge in so far as adherence to legislated timeframes with regard to the adoption of the 5-year Integrated Development Plan (IDP) and the subsequent implementation.

Given the fact that the IDP and budget would need to be reviewed and adopted by 30 June 2021, the current council has an obligation to ensure that these stipulations are complied with. In this regard, the current council will be expected to continue reviewing the IDP and ensuring that it is adopted within the legislated timeframe.

Section 25 (3) of the MSA does allow the municipal council to adopt the IDP of the preceding council. However, should the incoming councils be unhappy with the priorities set out by the current council, in this case, municipal councils are advised to consider the existing adopted IDP and resolve to initiate or not to initiate an amendment procedure as guided by the MSA and the Municipal Performance and Planning Regulations (2001).

The Department of Cooperative Governance (DCoG), through the Chief Directorate: Development Planning, is rolling out the revised IDP guidelines to municipalities. These guidelines are aimed to, amongst others, guide municipalities with regards to the adoption of IDPs during an election year.

#### 3.2 Hand-over reports for the newly elected councils

Each municipal manager, working together with the CFO and senior managers, is encouraged to prepare a hand-over report that can be tabled at the first meeting of the newly elected council. This hand-over report aims to provide the new councils important orientation information regarding the municipality, the state of its finances, service delivery and capital programme, as well as key issues that need to be addressed.

It is proposed that the hand-over report should include:

- An overview of the demographic and socio-economic characteristics of the municipality;
- An overview of the organisational structure of the municipality, with the names and numbers of senior managers;
- An overview of key municipal policies that councillors need to be aware of and where they can obtain the full text of such policies;
- An overview of issues that still need to be addressed in relation to the municipality's turnaround strategy;
- An overview of the municipality's financial health, with specific reference to:
  - Its cash and investments, and its funding of commitments (Table A8);
  - Cash coverage of normal operations (see Supporting Table SA10);

- Creditors outstanding for more than 30 days, along with reasons for delayed settlement;
- Current collection levels and debtors outstanding for more than 30 days; and
- Extent of existing loans and associated finance and redemption payments.
- The municipality's 2019/20 audit outcome and its strategy to address audit issues;
- An overview of the provision of basic services, including plans to address backlogs;
- An overview of the state of the municipality's assets, with particular reference to the asset management plan, and repairs and maintenance requirements;
- A list of the main infrastructure projects planned for the 2021/22 budget and MTREF;
- A list of key processes requiring council input over the next six months, e.g. revision of the IDP, approval of specific policies etc. and
- Any other information deemed to be important.

In addition to the hand-over report, each new councillor should be given the municipalities' revised IDP, the adopted 2021/22 MTREF budget, the mid-year budget and performance assessment report for 2020/21, and the latest monthly financial statement, and the annual report for 2019/20.

Municipal managers should submit their municipality's hand-over report to the relevant provincial department responsible for local government, to the Department of Co-operative Governance (DCoG) and National and Provincial Treasuries.

## 4. Municipal Standard Chart of Accounts (*m*SCOA)

### 4.1 Opening balances

It was noted that some municipalities are not transferring their opening balances consistently to the current year of transacting. Opening balances for the previous year must be transferred in the first month (M01) of the current year, and all adjustments made during the preparation of the annual financial statements in period 14 and 15 must be transferred through journals to the opening balances of the current year in the month that it becomes apparent. When municipalities are not doing this correctly and consistently, it compromises the credibility of the *m*SCOA data strings submitted.

Importantly, journals may only be passed in the core financial system and not in 3<sup>rd</sup> party sub-systems.

### 4.2 Surplus or deficit journals

The Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) and MBRR require that municipalities perform their month-end reconciliations at the end of every month before they submit their financial performance information to the National Treasury. Surplus or deficit journals must be passed monthly before a data string is generated to ensure that the financial system remains in balance. The monthly data strings reflected in the Statement of Financial position (table C6 of the regulated C Schedules) will not be in balance for those municipalities that are not doing this, and their *m*SCOA data strings will therefore not be accurate.

Municipalities must also reconcile their creditors and debtors and all month-end processes **before** they submit their monthly data strings to ensure that the data submitted to the National Treasury Local Government Database is credible.

### 4.3 Rollovers and repayment of unspent grants

Municipalities are required to use the correct posting levels and movement accounting when conditional grants are being receipted, recognised, rolled over, and unspent grants are repaid. The accounting for grants should be done in accordance with GRAP 23: Revenue from

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exchange transactions (Taxes and Transfers). Refer to **Annexure A** of this Circular on the correct treatment of rollovers and repayment of unspent grants in *mSCOA*.

## 5. The revenue budget

National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the municipality's financial sustainability. The Consumer Price Index (CPI) is forecasted to be within the lower limit of the 3 to 6 per cent target band; therefore, municipalities are required **to justify all increases in excess of the projected inflation target for 2021/22 MTREF** in their budget narratives and pay careful attention to the differential incidence of tariff increases across all consumer groups. It is noted that the tariff increases by Eskom and Water Boards are above inflation and should be considered as such while determining cost-reflective tariffs. In addition, municipalities should include a detail of their revenue growth assumptions for the different service charges in the budget narrative.

Local government also confronts tough fiscal choices in the face of financial and institutional problems that result in service-delivery breakdowns and unpaid bills. Municipalities can offset these trends by improving its own revenue collection, working more efficiently and implementing cost-containment measures.

### 5.1 Eskom Bulk Tariff increases

The National Energy Regulator of South Africa (NERSA) is responsible for price determination of the bulk costs for electricity. In March, NERSA approved a municipal tariff increase of 6.9 per cent effective 1 July 2020 (1.2 per cent lower than the tariff increase in Multi-Year Price Determination (MYPD) 4 period due to differences in municipal and national financial years).

The equitable share formula uses the 9.9 per cent bulk tariff increase used when National Treasury calculated the baseline for this year in the 2020 MTEF period. Other (non-bulk) electricity costs are updated based on the National Treasury's inflation projections in the 2020 MTBPS. This is due to fiscal constraints and the fact that the court had not pronounced on the Eskom matter at the time that the budget was finalised.

The additional R10 billion that the courts have allowed Eskom to recover in the 2021/22 national financial year translates to a 15.6 per cent bulk increase over the national financial year. However, given that the increase only comes into effect in July for municipalities, NERSA typically allows a higher percentage increase so that Eskom can recover the additional allowable revenue from municipalities over 9 months before the national financial year ends. Therefore, the increase should be expected to be between 16 to 20 per cent. Municipalities can mitigate the negative impact of this increase by improving efficiencies on both the revenue collections and the spending side.

The outer two years of the 2021 MTEF use 8.9 per cent, which is an average annual tariff increase used for the NERSA's multi-year price determination period of 1 April 2019 to 31 March 2022. Moreover, the outer year is anticipated to be the first year of the MYPD 5 period, yet to be published.

## 6. Funding choices and management issues

Municipalities are under pressure to generate revenue as a result of the economic landscape, the COVID-19 pandemic, weak tariff setting and increases in key cost drivers to provide basic municipal services. Customers' ability to pay for services is declining, which means that less revenue will be collected.

In order to achieve financial sustainability, municipalities must demonstrate the political will to implement the changes required to improve their performance. Where municipalities consistently fail to deliver their mandates, the Constitution provides for provincial and/or national government to intervene.

### **6.1 Employee related costs**

The *Salary and Wage Collective Agreement* for the period 01 July 2018 to 31 June 2020 has come to an end and a new agreement is under consultation, which we hope will take into account the current fiscal constraints faced by government. Therefore, in the absence of any information in this regard from the South African Local Government Bargaining Council (SALGBC), municipalities are advised to take into account their financial sustainability when considering salary increases. It has been observed over the previous years that salary increases were above inflation. In addition, municipalities that could not afford such increases did not apply for exemption as provided by SALGBC.

Given the current economic condition exacerbated by the COVID-19 pandemic, municipalities are urged to consider projecting increases to wage that would reflect their affordability. Some municipalities are already not able to afford the current wage cost and would indeed have to apply no more than a zero per cent increase in the 2021/22 MTREF and exercise the option for exemption for any negotiated increase above the level of their affordability.

Therefore, should accounting officers fail to consider salary increases within the ambit of the municipality's available resources and financial position, such failure will constitute an act of financial misconduct as defined in section 171 of the MFMA read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.

### **6.2 Remuneration of councillors**

Municipalities are advised to budget for the actual costs approved in accordance with the Government Gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils published annually between December and January by the Department of Cooperative Governance. It is anticipated that this salary determination will also take into account the fiscal constraints. Municipalities should also consider guidance provided above on salary increases for municipal officials during this process.

### **6.3 Payment of danger allowance to the employees**

The work undertaken by the frontline staff in rendering services to communities must be appreciated whilst understanding the country's economic situation and the world resulting from the impact of COVID-19 pandemic. The SALGBC Circular No. 5 of 2020 provides advice to municipalities about the payment of danger allowance to employees working at the frontline to fight the COVID-19 pandemic.

The Circular provides that the council of the municipality must have an approved policy that should guide how the danger allowance should be paid, based on the affordability of the municipality. During this difficult financial situation posed by the COVID-19 pandemic, municipalities must consider the following:

1. Determine whether or not the municipality will afford the percentage increase in order to accommodate the Danger Allowance;
2. Assess the current status of the Employee Related Costs that form part of the municipality's budget in order to ascertain whether or not the inclusion of such allowance will not place the municipality's financial position in jeopardy in terms of the total Employee Related Costs as a percentage of the total expenditure;
3. Determine the credible funding source for the payment of Danger Allowance;

4. In this case the municipality must subject that change to “public participation processes” when dealing with the 2021/2022 MTREF based on the funding source; and
5. The municipality must also have a policy that operationalise the implementation of this kind of an allowance, only based on the determination/ assessment as per the aforementioned points.

#### 6.4 Mayor’s discretionary funds and similar discretionary budget allocations

It has been observed that many municipal budgets contain sub-votes or allocations to “Mayoral Discretionary Funds”, “Special Projects”, “Special Events” or similar discretionary type funds. Municipalities must refer to section 12 of the MFMA in relation to setting up a relief, charitable, trust or other funds.

National Treasury regards these types of allocations as a bad practice because:

- It is not clear how they are aligned to the constitutional requirement that municipalities structure their budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community (see section 153(a) of the Constitution);
- They do not provide for the appropriation of funds for the purposes of a department or functional area of the municipality (see the definition of ‘vote’ in section 1 of the MFMA);
- They undermine the budget consultation processes since the intended use of the funds is not transparently reflected in the tabled budget; and
- There is a risk that they may be abused for personal gain or to improperly benefit another person or organisation.

Therefore, National Treasury discourages allocations of this nature. Good budget practice requires that a municipal budget should transparently indicate the purposes and areas where municipal funds (i.e. public funds) are to be allocated. These kinds of discretionary funds immediately raise public suspicions of impropriety and corruption. In terms of section 52(a) of the MFMA the Mayor “must provide general political guidance over the fiscal and financial affairs of the municipality”. The Mayor, therefore, provides direct input into the budget. If this is the case, why does the Mayor require a ‘discretionary / personal slush fund’?

Section 17(3)(b) of the MFMA requires that when an annual budget is tabled it must be accompanied by “measurable performance objectives ... for each vote in the budget”. What measurable performance objectives can be set in relation to these funds given that their use is at the discretion of the Mayor? This means the transparent and effective use of these funds cannot be monitored and assessed by the council and the public.

National Treasury notes that section 17(3)(j) of the MFMA requires that when an annual budget is tabled it must be accompanied by “particulars of any proposed allocations or grants by the municipality to ... (iv) any organisations or bodies referred to in section 67(1)”. The aim of this provision is to ensure that all proposed allocations or grants are presented transparently in the budget documentation that is tabled for public consultation and council approval, as well as for budget management and monitoring purposes. *Any allocations or grants made to organisations or bodies that are not reflected in a municipality’s budget or adjustments budget must be regarded as unauthorised expenditure because they are “(f) a grant by the municipality otherwise than in accordance with this Act”* (see definition of unauthorised expenditure in section 1 of the MFMA).

National Treasury further notes that section 67 of the MFMA only allows funds to be transferred to ‘an organisation or body’ and not to an individual. Any allocations or grants to individuals, *other than in terms of the municipality’s indigent policy or bursary scheme, must be regarded as*

*irregular expenditure because they are expenditures not in accordance with a requirement of the MFMA.*

National Treasury and provincial treasuries will exercise close oversight of all discretionary type allocations in municipal budgets. If there are any concerns about the use of these funds, section 74 of the MFMA will be used to request information in this regard and analyse it for consistency with the MFMA legal framework.

## 7. Conditional Grant Transfers to Municipalities

The annual Division of Revenue Act requires that municipalities must request for a rollover approval against any unspent conditional grants that were allocated through the Act, therefore this section provides guidance to municipalities with regard to the preparation for the 2020/21 unspent conditional grant and rollover process and should be referenced against previous annual budget circulars.

### 7.1 Criteria for the rollover of conditional grant funds

In terms of Section 22 of the Division of Revenue Act, 2020 (Act No.4 of 2020) (DoRA) in conjunction with the Division of Revenue Amendment Act, 2020 (Act No. 10 of 2020) (DoRAA) and the Division of Revenue Second Amendment Act, 2020 (Act No. 20 of 2020), the Act requires that any conditional allocation or a portion thereof that is not spent at the end of the 2020/21 financial year reverts to the National Revenue Fund, unless the rollover of the allocation is approved in terms of subsection (2). Furthermore, the receiving officer, provincial treasury and national transferring officer is required to prove to National Treasury that the unspent allocation is committed to identifiable projects, in which case the funds may be rolled over.

When requesting a rollover in terms of section 22(2) of the 2020 DoRA, municipalities must include the following information with their submission to National Treasury:

1. A formal letter, signed by the accounting officer addressed to the National Treasury requesting the rollover of unspent conditional grants in terms of section 22(2) of the 2020 DoRA;
2. A list of all the projects that are linked to the unspent conditional grants and a breakdown of how much was allocated and spent per project;
3. The following evidence indicating that work on each of the projects has commenced, as applicable to the specific rollover(s):
  - a) Proof that a contractor or service provider was appointed for delivery of the project before 31 March; or
  - b) Proof of project tender and tender submissions published and closed before 31 March with the appointment of contractor or service provider for delivery of service before 30 June in cases where additional funding was allocated during the course of the final year of the project;
  - c) Incorporation of the Appropriation Statement;
  - d) Evidence that all projects linked to an allocation will be fully utilised by 30 June 2022 (attach cash flow projection for the applicable grant).
4. A progress report (also in percentages) on the status of each project's implementation that includes an attached **legible implementation plan**);
5. The value of the committed project funding and the conditional allocation from the funding source;
6. Reasons why the grants were not fully spent during the year of original allocation per the DoRA;

7. Rollover of rollovers will not be considered therefore municipalities must not include previous year's unspent conditional grants as rollover request;
8. An indication of the time period within which the funds are to be spent if the rollover is approved; and
9. Proof that the Municipal Manager and Chief Financial Officer are permanently appointed.

No rollover requests will be considered for municipalities with vacant or acting Chief Financial Officers and Municipal Managers for a period exceeding 6 months from the date of vacancy; this also includes acting appointments as a result of suspensions of either MM or CFO that are more than 12 months.

**If any of the above information is not provided or the application is received by National Treasury (Intergovernmental Relations Division) after 31 August 2021, the application will be declined.**

In addition, National Treasury will also consider the following information when assessing rollover applications; and reserves the right to decline an application should there be non-performance by the municipality in any of these areas:

1. Compliance with the in-year reporting requirements in terms of sections 71 and 72 of the MFMA and section 12 of the 2020 DoRA, **including the municipal manager and chief financial officer signing-off on the information** sent to National Treasury;
2. Submission of the pre-audited Annual Financial Statements to National Treasury by 31 August 2021;
3. Accurate disclosure of grant performance in the 2020/21 pre-audited Annual Financial Statements, (i.e. correct disclosure of grant receipts and spending in the notes to the AFS);
4. Despite the fact local government is required to comply to different norms and standards prescribed by different legislations, municipalities are expected to fully comply with the provisions of DoRA that relates to rollover processes and disclose conditional grant performance in the 2020/21 pre-audited Annual Financial Statements in order to verify grant expenditure; and
5. Cash available in the bank (net position including short term investments) as at 30 June 2021 is equivalent to the unspent amount at the end of the financial year. If the amount that is requested for rollover **is not entirely cash-backed**, such a rollover will not be approved. National Treasury will also not approve portions of rollover requests.

It should be noted that under no circumstances will the National Treasury consider requests to rollover:

1. The entire 2020/21 allocation to the municipality, in cases whereby the rollover request is more than 50 per cent of the total allocation, National Treasury will approve the rollover amount up to 50 per cent of the 2020/21 allocation;
2. Rollover request of the same grant for the third consecutive time;
3. Funding for projects constituted through Regulation 32 of the Municipal Supply Chain Management Regulations (Gazette No.27636). Projects linked to additional funding and disasters are exempted; and
4. A portion of an allocation where the proof of commitment for the rollover application is linked to invoices that were issued before or on 31 May 2021.

## **7.2 Rollover request against the Covid-19 allocated through the Equitable Share**

The Division of Revenue Amendment Act, 2020 (Act No 10 of 2020) made available to Local government an amount of R11 billion following the President's speech on 20 April 2020. The President pronounced that R20 billion would be made available to municipalities in order to provide emergency water supply, increase sanitation of public transport facilities, and provide



food and shelter for the homeless. The R20 billion consisted of an additional allocation of R11 billion, which was transferred through the Equitable Share, and the R9 billion was funded from the repurposed spending within conditional grants allocated to municipalities. This increased the 2020/21 municipal Equitable Share allocation from R74.7 billion to R85.7 billion.

The R11 billion added to the local government Equitable Share allowed municipalities to maintain existing services despite a temporary decline in revenue collections and also cover some additional expenses incurred in response to the pandemic, including the provision of temporary shelter for homeless people during the lockdown.

Although the R11 billion was allocated through an unconditional grant (Equitable Share), these are committed funds in response to the Covid-19 pandemic. Consequently, the municipalities are required to request a rollover from National Treasury of any unspent committed Covid-19 allocation to be rolled over into the 2021/22 financial year.

Municipalities are therefore required to provide the following information to National Treasury in order to prove that the unspent funds are committed and also provide approval to allow the unspent funds to be spent in the 2021/22 financial year.

1. Provide the contracts that are linked to the response of the Covid-19 pandemic in line with the provisions made in the 2020 DoRAA;
2. Reasons why the funds were not fully spent during the year of original allocation per the DoRAA;
3. Accurate disclosure of Covid-19 allocation expenditure in the 2020/21 pre-audited Annual Financial Statements, (i.e. correct disclosure of grant receipts and spending in the notes to the AFS); and
4. Any expenditure incurred against the unspent Covid-19 funds that was not approved for the rollover will be regarded as unauthorized expenditure.

### **7.3 Unspent conditional grant funds for 2020/21**

The process to ensure the return of unspent conditional grants for the 2020/21 financial year will be managed in accordance with section 22 of the DoRA. In addition to the previous MFMA Circulars, the following practical arrangements will apply:

- Step 1: Municipalities must submit their June 2021 conditional grant expenditure reports according to section 71 of the MFMA reflecting all accrued expenditure on conditional grants and further ensure that expenditure reported to both National Treasury and national transferring officers reconcile;
- Step 2: When preparing the Annual Financial Statements, a municipality must determine the portion of each national conditional grant allocation that remained unspent as at 30 June 2021. These amounts MUST exclude all interest earned on conditional grants, retentions and VAT related to conditional grant spending that has been reclaimed from SARS, which must be disclosed separately; and
- Step 3: If the receiving officer wants to motivate in terms of section 22(2) of the 2020 DoRA that the unspent funds are committed to identifiable projects, the rollover application pack must be submitted to National Treasury by no later than 31 August 2021.

***National Treasury will not consider any rollover requests that are incomplete or received after this deadline.***

- Step 4: National Treasury will confirm in writing whether or not the municipality may retain any of the unspent funds as a rollover based on criteria outlined above by 22 October 2021;

- Step 5: National Treasury will communicate the unspent conditional grants amount by 08 November 2021. A municipality must return the remaining unspent conditional grant funds that are not subject to a specific repayment arrangement to the National Revenue Fund by 19 November 2021; and
- Step 6: Any unspent conditional grant funds that should have, but has not been repaid to the National Revenue Fund by 19 November 2021, and for which a municipality has not requested a repayment arrangement, will be offset against the municipality's 07 December 2021 equitable share allocation.

*All other issues pertaining to Appropriation Statement and reporting on approved rollovers are addressed in the Annexure to MFMA Circular No. 86.*

#### **7.4 Importance of section 17 of the Division of Revenue Act**

The purpose of this section is to provide further clarity on section 17 of DoRA in relation to the transfer of funds to the organ of state in order to implement projects on behalf of the municipalities.

Section 17 (3) of DoRA states that a receiving officer may not allocate any portion of a schedule 5 allocation to any other organ of state for the performance of a function, unless the receiving officer and the organ of the state agree on the obligation of both parties and a payment schedule, the receiving officer has notified the transferring officer, the relevant provincial treasury and National Treasury of the agreed payment schedule and:

- a. The allocation
  - i) Is approved in the budget for the receiving provincial department or municipality; or
  - ii) If not already approved;
    - aa) the receiving officer notifies the National Treasury that the purpose of the allocation is not to artificially inflate the expenditure estimates of the relevant municipality and indicates the reasons for the allocation; and
    - bb) the National Treasury approves the allocation; or
- b. The allocation is for the payment for goods or services procured in accordance with the procurement prescripts applicable to the relevant province or municipality and, if it is an advance payment, paragraph (a) (ii) applies with the necessary changes.

Further, section 17 (4) states that the receiving officer must submit a copy of the agreement envisaged in subsection (3) to the transferring officer and the National Treasury before payment is made.

This section requires municipalities to comply with section 17 (3) before any DoRA allocated funds are allocated to any organ of state, and the municipality should first seek approval from National Treasury.

Note that National Treasury considers the following when assessing the request from the municipality for approval:

1. If the municipality is benefitting and utilising from the five per cent from capital grants that may be utilised for Project Management Unit (PMU). In terms of the capital grant framework (i.e. MIG and IUDG and three per cent for the USDG), municipalities are allowed to utilise a certain per cent of the grant for PMU or capacity support in order to implement capital projects. Therefore, if municipalities are benefitting from this initiative, the PMU should be capacitated enough to implement capital project;
2. Municipalities that are benefitting from the added technical support from Municipal Infrastructure Support Agent (MISA) will not be granted approval because MISA would assist with providing support and develop technical capacity towards sustained

- accelerated municipal and service delivery. This implies that the municipality would be capacitated and be in a better position to implement capital project; and
3. If the request does not comply with the grant conditions, framework and if the transfer artificially inflates the expenditure estimates.

The following information must be submitted to National Treasury before approval is granted to municipalities to transfer funds to organs of the state:

1. In consultation with the relevant transferring officer municipalities must submit their request to National Treasury for approval;
2. Provide the time frames regarding the duration of this arrangement between the municipality and the organ of the state;
3. Provide the Service Level Agreement between the municipality and the organ of the state in consultation with the relevant transferring officer;
4. Provide the agreed payment schedule reflecting the disbursement of the funds;
5. Must provide the reasons why the municipality has taken such a decision;
7. If amongst the reasons for the request is related to capacity challenges, the municipality must therefore prove beyond reasonable doubt that there are capacity challenges and the reasons thereof; and
8. Upon approval, the municipality must submit the approved budget that includes the allocation.

Note that once the allocation has been approved, the payment for goods or services must be procured in accordance with or in compliance with the procurement prescripts applicable to the relevant municipality. If there is an agreement for an advancement, subsection (a) (ii) will apply in order to determine if the payment does not artificially inflate the expenditure estimates. Further, before funds are transferred, the national transferring officer and National Treasury must agree on the payment schedule.

Therefore, if any expenditure incurred which emanates from such an arrangement while there was non-compliance with section 17, grant conditions and framework, such expenditure will not be recognised by both National Treasury and relevant transferring officer and will be classified as unauthorised expenditure.

## 8. The Municipal Budget and Reporting Regulations

### 8.1 Service Level Standards

Municipalities are reminded to update the service level standards which must form part of their 2021/22 MTREF tabled budget documentation. A broad framework on the minimum service standards was issued with MFMA Circular No. 75. Therefore, the outline must be used as a guideline and be amended accordingly to align to the municipality's specific circumstances.

### 8.2 Assistance with the compilation of budgets

If municipalities require advice with the compilation of their respective budgets, specifically the budget documents or Schedule A1, they should direct their enquiries to their respective provincial treasuries or to the following National Treasury officials:

Province	Responsible NT officials	Tel. No.	Email
Eastern Cape	Matjatji Mashoeshoe	012-315 5553	<a href="mailto:Matjatji.Mashoeshoe@treasury.gov.za">Matjatji.Mashoeshoe@treasury.gov.za</a>
Buffalo City	Mandla Gilimani	012-315 5807	<a href="mailto:Mandla.Gilimani@treasury.gov.za">Mandla.Gilimani@treasury.gov.za</a>
Free State	Cethekile Moshane	012-315 5079	<a href="mailto:Cethekile.moshane@treasury.gov.za">Cethekile.moshane@treasury.gov.za</a>

Gauteng	Kgomotso Baloyi	012-315 5866	<a href="mailto:Kgomotso.Baloyi@treasury.gov.za">Kgomotso.Baloyi@treasury.gov.za</a>
Johannesburg and Tshwane	Kevin Bell	012-315 5725	<a href="mailto:Kevin.Bell@treasury.gov.za">Kevin.Bell@treasury.gov.za</a>
	Willem Voigt	012-315 5830	<a href="mailto:WillemCordes.Voigt@treasury.gov.za">WillemCordes.Voigt@treasury.gov.za</a>
			<a href="mailto:Sifiso.Mabaso@treasury.gov.za">Sifiso.Mabaso@treasury.gov.za</a>
KwaZulu-Natal	Kgomotso Baloyi	012-315 5866	<a href="mailto:Kgomotso.Baloyi@treasury.gov.za">Kgomotso.Baloyi@treasury.gov.za</a>
eThekweni	Mpati Rakgwale		<a href="mailto:Mpati.Rakgwale@treasury.gov.za">Mpati.Rakgwale@treasury.gov.za</a>
	Una Rautenbach	012-315 5700	<a href="mailto:Una.Rautenbach@treasury.gov.za">Una.Rautenbach@treasury.gov.za</a>
	Abigail Maila		<a href="mailto:Abigail.Maila@treasury.gov.za">Abigail.Maila@treasury.gov.za</a>
Limpopo	Willem Voigt	012-315 5830	<a href="mailto:WillemCordes.Voigt@treasury.gov.za">WillemCordes.Voigt@treasury.gov.za</a>
	Sifiso Mabaso	012-315 5952	<a href="mailto:Sifiso.Mabaso@treasury.gov.za">Sifiso.Mabaso@treasury.gov.za</a>
Mpumalanga	Mandla Gilimani	012-315 5807	<a href="mailto:Mandla.Gilimani@treasury.gov.za">Mandla.Gilimani@treasury.gov.za</a>
Northern Cape	Mandla Gilimani	012-315 5807	<a href="mailto:Mandla.Gilimani@treasury.gov.za">Mandla.Gilimani@treasury.gov.za</a>
	Phumelele Gulukunqu	012 315 5539	<a href="mailto:Phumelele.Gulukunqu@treasury.gov.za">Phumelele.Gulukunqu@treasury.gov.za</a>
North West	Willem Voigt	012-315 5830	<a href="mailto:WillemCordes.Voigt@treasury.gov.za">WillemCordes.Voigt@treasury.gov.za</a>
	Makgabo Mabotja	012-315 5156	<a href="mailto:Makgabo.Mabotja@treasury.gov.za">Makgabo.Mabotja@treasury.gov.za</a>
Cape Town	Kgomotso Baloyi	012-315 5866	<a href="mailto:Kgomotso.Baloyi@treasury.gov.za">Kgomotso.Baloyi@treasury.gov.za</a>
George	Willem Voigt and	012-315 5830	<a href="mailto:WillemCordes.Voigt@treasury.gov.za">WillemCordes.Voigt@treasury.gov.za</a>
	Mandla Gilimani	012-315 5807	<a href="mailto:Mandla.Gilimani@treasury.gov.za">Mandla.Gilimani@treasury.gov.za</a>
Technical issues with Excel formats	Kgomotoso Baloyi	012-315 5866	<a href="mailto:Kgomotso.Baloyi@treasury.gov.za">Kgomotso.Baloyi@treasury.gov.za</a>

## 9. Budget process and submissions for the 2021/22 MTREF

### 9.1 Submitting budget documentation and A1 schedules for 2021/22 MTREF

To facilitate oversight of compliance with the MBRR, accounting officers are reminded that:

- Section 22(b)(i) of the MFMA requires that **immediately** after an annual budget is tabled in a municipal council, it must be submitted to the National Treasury and the relevant provincial treasury in electronic formats. If the annual budget is tabled to council on **31 March 2021**, the final date of submission of the electronic budget documents and corresponding *m*SCOA data strings is **Thursday, 01 April 2021**.

Section 24(3) of the MFMA, read together with regulation 20(1) of the MBRR, requires that municipalities must submit the approved annual budget to both National Treasury and the relevant provincial treasury **within ten working days** after the council has approved the annual budget. E.g. if the council approves the annual budget on **31 May 2021**, given the new timeframe for the evaluation of the municipal budgets, the adopted budget data strings and documentation must be submitted by the latest **Monday, 14 June 2020**.

**Municipalities are no longer expected to submit hard copies of all required documents including budget-related, Integrated Development Plan, Service Delivery Budget and Implementation Plan, Annual Financial Statements and Annual Reports to National Treasury via post or courier services. Electronic copies must be submitted in pdf format to the LG Upload portal or [lgdocuments@treasury.gov.za](mailto:lgdocuments@treasury.gov.za).**

### 9.2 Consolidated budgets and reports

Municipalities with entities are reminded that they must prepare and submit MTREF budgets, section 71 reports, annual financial statements and annual reports for both the parent municipalities and consolidated documents that incorporates the entity information in terms of the MBRR.

### 9.3 Submission using LG Upload Portal

In MFMA Budget Circular No 107, it was indicated that budget-related documents and schedules must be uploaded by approved registered users using the LG Upload Portal at: <https://lguploadportal.treasury.gov.za/> and that National Treasury was planning to retire [lgdocuments@treasury.gov.za](mailto:lgdocuments@treasury.gov.za) from 01 July 2021 to ensure that there is a single collection point of municipal financial data. However, based on workflow licensing challenges on the LG Upload Portal, data string submissions will shortly be shifted to the Open Portal GoMuni while documents must still be submitted using [lgdocuments@treasury.gov.za](mailto:lgdocuments@treasury.gov.za). The document submissions will also be shifted to GoMuni as soon as possible.

All municipalities and their entities had to prepare their MTREF budget directly on the mSCOA financial systems from 01 July 2017. Therefore, all MBRR schedule submissions must be submitted in **PDF format only**.

### 9.4 Publication of budgets on municipal websites

In terms of section 75 of the MFMA, all municipalities are required to publish their tabled budgets, adopted budgets, annual reports (containing audited annual financial statements) and other relevant information on the municipality's website. This will aid in promoting public accountability and good governance.

All relevant documents mentioned in this circular are available on the National Treasury website, <http://mfma.treasury.gov.za/Pages/Default.aspx>. Municipalities are encouraged to visit it regularly as documents are regularly added/ updated on the website.

## Contact



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA

**Post** Private Bag X115, Pretoria 0001

**Phone** 012 315 5009

**Fax** 012 395 6553

**Website** <http://www.treasury.gov.za/default.aspx>

**JH Hattingh**  
**Chief Director: Local Government Budget Analysis**  
**08 March 2021**

## Annexure A: Treatment of Rollovers and repayment of unspent grants in mSCOA

### *Cash receipting of a conditional grant*

The receiving of grants must be accounted for against (Dt) Bank and (Cr) Item Liabilities: Unspent grants: Capital: Monetary: Municipal Infrastructure Grant: Receipts as shown below:

---

– Municipal Infrastructure Grant(IL-001-007-002-001-002-005-002)

---

Opening Balance(IL-001-007-002-001-002-005-002-001)

---

Receipts(IL-001-007-002-001-002-005-002-002)

---

### *Recognising the revenue when the grant is spent*

When the grant is spent in accordance with the conditions of the grant, a transaction must be passed against the (Dt) Item Liabilities: Transferred to Revenue/ Capital Expenditure and (Cr) Item Revenue: Non-Exchange Transactions: Transfers and subsidies: Capital: Monetary allocations: National Government: Municipal Infrastructure Grant as shown below:

Debit Item Liability: posting level

---

– Municipal Infrastructure Grant(IL-001-007-002-001-002-005-002)

---

Opening Balance(IL-001-007-002-001-002-005-002-001)

---

Receipts(IL-001-007-002-001-002-005-002-002)

---

Transferred to Revenue/Capital Expenditure(IL-001-007-002-001-002-005-002-003)

---

Credit revenue recognised: posting level

---

– Transfers and Subsidies(IR-003-005)

---

– Capital(IR-003-005-001)

---

+ Allocations In-kind(IR-003-005-001-001)

---

– Monetary Allocations(IR-003-005-001-002)

---

+ Departmental Agencies and Accounts(IR-003-005-001-002-001)

---

+ District Municipalities(IR-003-005-001-002-002)

---

+ Foreign Government and International Organisations(IR-003-005-001-002-003)

---

+ Households(IR-003-005-001-002-004)

---

– National Government(IR-003-005-001-002-005)

---

Integrated National Electrification Programme Grant(IR-003-005-001-002-005-001)

---

Municipal Infrastructure Grant(IR-003-005-001-002-005-002)

---

## Rollovers

In the event that the full grant was not spent at the end of the financial year, the municipality must apply for a rollover as per the process stipulated in the Division of Revenue Act (DoRA). Until such approval has been granted by the National Treasury, a municipality may not continue to incur expenditure against the unspent conditional grant allocation. This does not mean that the municipality should stop or cancel ongoing projects, but Council approval must be obtained to fund the spending from own funding sources until rollover approval is granted by the National Treasury. Once the rollover has been approved by the National Treasury, the amount of the rollover must be ratified through an adjustments budget. The *mSCOA* chart makes provision for all the required transactions in this regard.

### *Roll over not approved/ Offset against Equitable share*

In the event that the rollover is not approved by the National Treasury, the unspent grant funding must be paid back to the National Revenue Fund or alternatively be offset against the Equitable Share and the Liability must be reduced by:

- 1) Debiting Unspent Grant (Repayment) to reduce the liability that was still outstanding; and
- 2) Crediting Item Revenue Equitable Share to adjust the revenue in line with DoRA.

This is further illustrated below:

- 1) Debit Liability: posting level

■ Municipal Infrastructure Grant(IL-001-007-002-001-002-005-002)

Opening Balance(IL-001-007-002-001-002-005-002-001)

Receipts(IL-001-007-002-001-002-005-002-002)

Transferred to Revenue/Capital Expenditure(IL-001-007-002-001-002-005-002-003)

🏛️ (Retired) Closing Balance(IL-001-007-002-001-002-005-002-004)

Re-payment of Unspent Grant(IL-001-007-002-001-002-005-002-005)

- 2) Credit Revenue: posting level

■ National Revenue Fund(IR-003-005-002-002-006)

Fuel Levy (RSC Replacement Grant)(IR-003-005-002-002-006-001)

Equitable Share(IR-003-005-002-002-006-002)

### *Unauthorised, Irregular, Fruitless and Wasteful (UIFW) expenditure*

If the municipality continues to spend against the conditional grant allocation, but rollover approval has not been granted by the National Treasury, this expenditure will be viewed as unauthorised expenditure.



Reference number: RCS/C.5

Private Bag X9165  
CAPE TOWN  
8000

## TREASURY MUNICIPAL CIRCULAR MUN NO. 20/2020

THE MAYOR, CITY OF CAPE TOWN: MR D PLATO  
THE MAYOR, WEST COAST DISTRICT MUNICIPALITY: MR JH CLEOPHAS  
THE MAYOR, MATZIKAMA MUNICIPALITY: MS M BAINS  
THE MAYOR, CEDERBERG MUNICIPALITY: MS S QUANTA  
THE MAYOR, BERGRIVIER MUNICIPALITY: MR R VAN ROOY  
THE MAYOR, SALDANHA BAY MUNICIPALITY: MR M KOEN  
THE MAYOR, SWARTLAND MUNICIPALITY: MR T VAN ESSEN  
THE MAYOR, CAPE WINELANDS DISTRICT MUNICIPALITY: DR H VON SCHLICHT  
THE MAYOR, WITZENBERG MUNICIPALITY: MR BC KLAASEN  
THE MAYOR, DRAKENSTEIN MUNICIPALITY: MR CJ POOLE  
THE MAYOR, STELLENBOSCH MUNICIPALITY: ADV. G VAN DEVENTER  
THE MAYOR, BREEDE VALLEY MUNICIPALITY: MS A STEYN  
THE MAYOR, LANGEBERG MUNICIPALITY: MR S VAN EEDEN  
THE MAYOR, OVERBERG DISTRICT MUNICIPALITY: MR A FRANKEN  
THE MAYOR, THEEWATERSKLOOF MUNICIPALITY: MS CJM VOSLOO  
THE MAYOR, OVERSTRAND MUNICIPALITY: MR D COETZEE  
THE MAYOR, CAPE AGULHAS MUNICIPALITY: MR PJ SWART  
THE MAYOR, SWELLENDAM MUNICIPALITY: MR NG MYBURGH  
THE MAYOR, GARDEN ROUTE DISTRICT MUNICIPALITY: MR M BOOYSEN  
THE DEPUTY MAYOR, KANNALAND MUNICIPALITY: MR P ANTONIE (ACTING)  
THE MAYOR, HESSEQUA MUNICIPALITY: MR G RIDDLES  
THE DEPUTY MAYOR, MOSSEL BAY MUNICIPALITY: MR D KOTZE (ACTING)  
THE MAYOR, GEORGE MUNICIPALITY: MR L VAN WYK  
THE MAYOR, OUDTSHOORN MUNICIPALITY: MR C MACPHERSON  
THE MAYOR, BITOU MUNICIPALITY: MR MP LOBESE  
THE MAYOR, KNYSNA MUNICIPALITY: MR E VAN ASWEGEN  
THE MAYOR, CENTRAL KAROO DISTRICT MUNICIPALITY: MR I WINDVOGEL  
THE MAYOR, LAINGSBURG MUNICIPALITY: MR M GOUWS  
THE MAYOR, PRINCE ALBERT MUNICIPALITY: MR G LOTTERING  
THE MAYOR, BEAUFORT WEST MUNICIPALITY: MR N CONSTABLE

THE MUNICIPAL MANAGER, CITY OF CAPE TOWN: MR L MBANDAZAYO  
THE MUNICIPAL MANAGER, WEST COAST DISTRICT MUNICIPALITY: MR D JOUBERT  
THE MUNICIPAL MANAGER, MATZIKAMA MUNICIPALITY: MR A HENDRICKS  
THE MUNICIPAL MANAGER, CEDERBERG MUNICIPALITY: MR H SLIMMERT  
THE MUNICIPAL MANAGER, BERGRIVIER MUNICIPALITY: ADV H LINDE  
THE MUNICIPAL MANAGER, SALDANHA BAY MUNICIPALITY: MR H METTLER  
THE MUNICIPAL MANAGER, SWARTLAND MUNICIPALITY: MR J SCHOLTZ  
THE MUNICIPAL MANAGER, CAPE WINELANDS DISTRICT MUNICIPALITY: MR H PRINS  
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 THE CHIEF DIRECTOR: MFMA IMPLEMENTATION – NATIONAL TREASURY (MR TV PILLAY)

## CONTENTS

1. PURPOSE .....	3
2. LEGISLATIVE CONTEXT.....	3
3. STRATEGIC CONTEXT.....	3
4. NATIONAL TREASURY AND PROVINCIAL TREASURY GUIDELINES.....	5
5. 2021 LOCAL GOVERNMENT ELECTIONS AND THE BUDGET PROCESS.....	10
6. KEY DATES OF THE 2021/22 INTEGRATED PLANNING AND BUDGETING PROCESS.....	10
7. CONCLUSION .....	11

# MUNICIPAL BUDGET CIRCULAR FOR THE 2021/22 MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK

## 1. PURPOSE

The purpose of this circular is to:

- provide the economic and fiscal context that should be considered by municipalities in compiling the 2021/22 Medium Term Revenue and Expenditure Framework (MTREF); and
- provide guidance to municipalities with the finalisation of the 2021/22 MTREF Budgets and accompanied budget documentation.

## 2. LEGISLATIVE CONTEXT

The Western Cape Provincial Government has institutionalised the Strategic Integrated Municipal Engagements (SIME; previously referred to as LGMTEC) process in fulfilment of its obligations under:

- Sections 5, 22 and 23 of the Local Government: Municipal Finance Management Act (MFMA), Act No. 56 of 2003;
- Chapter 5 of the Local Government: Municipal Systems Act (Act No. 32 of 2000) [MSA];
- Chapter 3 of the National Environmental Management Act (Act No. 107 of 1998) (NEMA); and
- Chapter 4 of the Spatial Planning and Land Use Management Act (Act No. 16 of 2013) (SPLUMA).

The 2021 SIME process will give effect to the “Integrated Work Plan” agreed to in 2017. It builds on the 2020 integrated municipal and provincial processes in order to strengthen alignment between municipal and provincial planning and budgeting and driving the theme of “**Integrated service delivery**”, specifically as municipalities are preparing for the final year of the current Integrated Development Planning Cycle.

## 3. STRATEGIC CONTEXT

### 3.1 Economic and Fiscal Environment

The 2021 SIME process will take place amid difficult domestic conditions. The National Treasury projects a real economic growth rate of 3.3 per cent in the country for 2021, subsequent to an estimated 7.8 per cent contraction in 2020. Strict lock down measures in the second quarter of 2020 resulted in a 17.1 per cent decline from the first quarter. All major sectors showed declines in output, except for agriculture. Growth is however expected to be positive, albeit sluggish over the medium term with 1.7 per cent growth estimated in 2022 and 1.5 per cent in 2023. With growth averaging 2.1 per cent from 2021 to 2023, GDP can only be expected to reach pre-pandemic levels by 2024.

The Western Cape economy mirrors the national trends. The Western Cape economy is expected to contract by a significant 6.9 per cent in 2020, and rebound by 3.8 per cent in 2021 based on a resurgence in the global and national economy after COVID-19. The main sectors driving growth in the Western Cape include agriculture, forestry and fishing, finance, insurance, real estate and business services and general government. The outlook for the tourism sector remains a concern as bans on travel, especially international travel existed for most of 2020.

The main risks to the economic-outlook include deterioration in the public finances and a failure to implement structural reforms, a resurgence in COVID-19 requiring economic restrictions, electricity and infrastructure constraints, as well as low business and consumer confidence.

Headline inflation is expected to fluctuate within the lower end of the 3 - 6 per cent band with 3.2 per cent estimated for 2020/21, 4.1 per cent for 2021/22, 4.4 per cent for 2022/23 and finally 4.5 per cent for 2023/24. A succession of rate cuts by the South African Reserve Bank (SARB) has brought interest rates to a record low of 7 per cent, which aims to boost spending and credit uptake.

Aside from the bleak macro-economic outlook, the Western Cape also faces challenges of poverty, inequality and unemployment, which have a negative impact on municipal revenue. Furthermore, accelerated Western Cape population growth of 1.8 per cent per annum from 2020 to 2024 (higher in urban areas such as the City of Cape Town due to in-migration) will place additional strain on already limited municipal resources.

National Government will reduce transfers to local government by R17.7 billion, including R14.5 billion from the local government equitable share, R2.7 billion from the general fuel levy and R569 million in direct conditional grants over the 2021 MTEF period. The annual Division of Revenue Bill will be published in February 2021 with the Minister of Finance's budget speech. The Bill will specify grant allocations and municipalities must reconcile their budgets to the numbers published therein. Municipalities therefore have to address existing service delivery backlogs, keep pace with the demand for new basic services and maintain current service delivery standards, all while being faced with reductions in transfers to local government.

Role-players in the 2021 SIME process should make conscious efforts to maximize service delivery given these economic and fiscal challenges. Local government also has a vital role to play in the Province's Recovery Plan. Fiscal prudence in budgetary planning and preparation should be emphasized, improvement of governance and financial management to support service delivery and the implementation of the municipal standard chart of accounts are critical measures to respond to fiscal constraints.

### 3.2 Budgetary response to the Western Cape Recovery Plan

The current economic climate places greater demand on the Western Cape Government (WCG), with reduced funding to meet such demands. It therefore requires prioritisation of those key activities which will have the greatest impact in terms of the Western Cape's recovery. The Western Cape Government remains committed to the 2019-2024 Provincial Strategic Plan's vision of 'A safe Western Cape where everyone prospers', implemented through its five Vision Inspired Priorities. These will be used as the basis for the Western Cape Recovery Plan which will focus on creating **jobs**, making the province **safer** and promoting dignity and **wellbeing** for all our residents.

Given the current context of a substantial reduction in available resources, the WCG's budget policy response reflects a strong commitment to a holistic recovery through supporting the resumption of economic activity and social service delivery, maintaining fiscal sustainability and carefully managing persistent public health and service delivery risks. Fiscal sustainability requires a repositioning of public expenditures, through improved, more efficient and streamlined service delivery models.

The Western Cape's Medium Term Budget Policy Statement (WC MTBPS) of 2020, is a budget to bounce back in the Western Cape. The WCG is expected to spend R71.342 billion in 2021/22, R72.583 billion in 2022/23 and R73.051 billion in 2023/24 in the Western Cape. The 2020 MTBPS is available at: <https://www.westerncape.gov.za/provincial-treasury/files/atoms/files/Medium%20Term%20Budget%20Policy%20Statement%202020.pdf>.

The WCG has mobilised a combined R1.4 billion support package for "Jobs", "Safety" and "Wellbeing" in this financial year. These funds have been broken down as allocations for small business support, fencing of schools, the employ of safety ambassadors, improved data collection

at emergency centres and ECD support, amongst others. Additional National Government funding for the employ of education assistants, the supplementary funding of ECD staff and the provision of food relief will further drive the Western Cape Recovery Plan. Frontline departments such as the Department of Health and Transport and Public Works will also be provided with financial support to respond to the resurgence of the COVID-19 pandemic in the Western Cape.

The Western Cape's 2020/21 Second Adjustment Budget also serves to drive recovery. The objectives of the 2020 Second Adjustment Budget are to:

- Enable reprioritisation and additional funding to support the immediate financing requirements of the Western Cape Recovery Plan;
- Achieve fiscal sustainability in-year, while setting a base for fiscal consolidation over the 2021 MTEF, in the context of significant changes in national allocations; and
- Enable the WCG to continue to respond to COVID-19.

The 2020/21 Second Adjustment Budget makes provision for a net reduction for the 2020/21 financial year amounting to R1.239 billion, which is largely due to a significant reduction in compensation costs.

The Western Cape Government has as part of the 2020/21 Second Adjusted Budget also made changes to the local government grant allocation. These are reflected in the Western Cape Provincial Treasury: Division of Revenue Act (Act 4 of 2020): Additional and Amended Allocations to Municipalities available from: [https://www.westerncape.gov.za/provincial-treasury/files/atoms/files/Prov-gaz-extra-2020-ag\\_8358-ex-ord-consolidated-2nd.pdf](https://www.westerncape.gov.za/provincial-treasury/files/atoms/files/Prov-gaz-extra-2020-ag_8358-ex-ord-consolidated-2nd.pdf).

The Premier signed the Western Cape Second Adjustments Appropriation Act (Act 5 of 2020) on 10 December through which additional revenues were allocated or transferred to municipalities. It was published in the Provincial Gazette (Provincial Notice 137 of 2020: Publication of the Western Cape Second Adjustments Appropriation Act, 2020, in the Provincial Gazette Extraordinary 8368, dated 14 December 2020.) In terms of regulation 23(3) of the Municipal Budget and Reporting Regulations (MBRR), the mayor of a municipality must at the next available council meeting, but within 60 days of the approval of the relevant national or provincial adjustment budget referred to in section 28(2)(b) of the MFMA, appropriate the additional revenues.

## **4. NATIONAL TREASURY AND PROVINCIAL TREASURY GUIDELINES**

### **4.1 Context**

- Municipalities are advised to consult the latest Budget Circular, MFMA Circular 107 released on 4 December 2020.
- Municipalities MUST include the National and Provincial Treasury Budget Circulars as part of the source documents consulted in the preparation of the 2021/22 MTREF Budget documents and to table it as part of the budget documentation in the Municipal Council.
- The Western Cape Provincial Treasury will in due course issue a follow-up circular in which the budget process, submission, assessments and SIME engagements will be outlined.

## 4.2 Ensuring Municipal Sustainability through a funded budget

In the current economic and fiscal environment, where demand for basic and free basic services rises, household incomes falls impacting on consumer's ability to pay their municipal bills, and transfers from national government rise at a slow pace, it is evident that municipalities are more likely to face financial strain.

As per section 18 of the MFMA, municipalities should nevertheless ensure that their budget is funded from realistically anticipated revenue to be collected, cash backed accumulated funds from the previous year as well as borrowed funds to be utilised for capital projects.

In order to ensure financial sustainability each Municipality must consider the following when compiling their 2021/22 MTREF budgets:

- Improving the effectiveness of revenue management processes and procedures;
- Cost containment measures to, amongst other things, control unnecessary spending on nice-to-have items and non-essential activities as highlighted in the Municipal Cost Containment Regulations read with MFMA Circular No. 82;
- Ensuring value for money through the procurement process;
- The affordability of providing free basic services to all households;
- Not taking on unfunded mandates;
- Curbing the consumption of water and electricity by the indigents to ensure that they do not exceed their allocation;
- Budget adequately to support the servicing of debt obligations; and
- Maintain collection rates of at least 95 per cent and ensure that arrear debt is collected.

The following sections contain additional guidelines regarding revenue and expenditure in an effort to ensure credible and sustainable budgeting.

### 4.2.1 Revenue

- a) Municipalities should comply with Section 74(2) of the MSA by setting cost-reflective tariffs. This ensures that municipalities set tariffs that enable the recovery of the full cost of providing the service. Municipalities are encouraged to utilise the tariff setting tool referenced in MFMA Circular 98, item 4.2. Municipalities should also maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the financial sustainability of the municipality. The inflation rates have been provided in section 3.1. Municipalities must justify any increases in excess of the projected inflation rate for 2021/22 and include a detail of their revenue growth assumptions for the different service charges within the 2021/22 budget narrative.
- b) In March 2020, the National Energy Regulator of South Africa (NERSA) approved a municipal tariff increase of 6.9 per cent effective 1 July 2020 (1.2 per cent lower than the tariff increase in Multi-Year Price Determination (MYPD) 4 period due to differences in municipal and national financial years). Municipalities are advised to use the tariff increases previously approved by NERSA of 5.2 per cent for 2021/22, 8.9 per cent for 2022/23 and 8.9 per cent for 2023/24.

- c) Municipalities should comply with Section 18 of the MFMA by ensuring that the 2021/22 MTREF budget is funded from realistically anticipated revenues. Some municipalities struggle to attain desired collection rates. While this may be due to governance matters or consumer's inability to pay their municipal bills, a fundamental reason for this has been identified as an inability to set realistic and attainable collection rates. It is therefore essential that municipalities pay attention to reconciling the valuation roll data to that of the billing system to ensure that revenue anticipated from property rates are accurate. See MFMA Circular 93, 98 and 107 for guidance in this regard. Note that Municipalities are requested to submit the reconciliation of the valuation roll to the financial system to the National Treasury by no later than 05 February 2021 via email to [linda.kruger@treasury.gov.za](mailto:linda.kruger@treasury.gov.za) or upload to the LG Upload Portal at: <https://lguploadportal.treasury.gov.za/>. Municipalities must also account for the impact of COVID-19 and the subsequent economic decline on their collection rates. Each municipality should assess the likely impact of this for the 2021/22 MTREF period based on the impact observed in the first two quarters of the 2020/21 municipal financial year.
- d) Municipalities must refrain from budgeting for indirect grant allocations as this results in revenue being overstated. Ensure that the Municipality only budgets for the allocations that are directly allocated and transferred to it.

#### 4.2.2 Expenditure

- a) The Municipality's expenditure budget should be adequate to deliver quality services in a sustainable manner at the lowest possible cost.
- b) Municipalities are encouraged to budget for bulk services and honour their current account payments (inclusive of Eskom) religiously to avoid stringent application of the bulk suppliers' credit control policy. Note that Eskom's payment terms have been extended to 30 days and the interest on overdue accounts is set at 2.5 per cent plus prime.
- c) Municipalities are encouraged to clear the control accounts on a monthly basis and to allocate trade and other receivable payments in these suspense accounts to the relevant debtor accounts regularly before the monthly submissions as required by the MFMA.
- d) Given the current economic condition, municipalities are urged to consider projecting increases to wages that would reflect their affordability in 2021/22. The costs of remuneration of councillors as approved within the Government Gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries, Allowances and Benefits should be considered in the 2021/22 MTREF. Should any negotiated increase in remuneration for employees or councillors be above the level of the Municipality's affordability the Municipality is advised exercise the option for exemption as provided by the South African Local Government Bargaining Council. Given the uncertainty on outcomes of the wage negotiations, municipalities may want to consider budgeting for an affordable level of total compensation of employee spending and noting that if higher salary increases are agreed to, then the number of employees may have to be reduced (through attrition and other measures).

#### 4.2.3 Addressing Unfunded Budgets

- a) Municipalities are reminded to develop a credible funding plan in cases where the budget is unfunded. This plan must be tabled and adopted by Council with the 2021/22 MTREF budget and be submitted to National and Provincial Treasury when it is tabled and adopted budget in terms of Section 22(b)(i) and 24 (3) of the MFMA. The Provincial Treasury is available to review and provide guidance on the credibility of draft Budget Funding Plans. Failure to approve a credible plan may result in the invoking of Section 216(2) of the Constitution to withhold equitable share transfers.

- b) Where municipalities have adopted an unfunded budget without a credible funding plan, they will be required to correct the budget and go back to the Municipal Council to ensure they adopt and implement a funded budget as required in terms of Section 18 of the MFMA.

### **4.3 Municipal Standard Chart of Accounts**

#### **4.3.1 Release of Version 6.5 of the chart**

On an annual basis, the Municipal Standard Chart of Accounts (mSCOA) chart is reviewed to address implementation challenges and correct chart related errors. To this end, Version 6.5 was released with MFMA Circular No. 107. The main budget, adjustments budget and Section 71 monthly reporting schedules that have been regulated in terms of the MBRR have been aligned to the mSCOA chart version 6.5 changes.

Version 6.5 of the chart must be used to compile the 2021/22 MTREF budget. As per the mSCOA regulations, manual population of the A1 schedule version 6.5 is not allowed and should be generated directly from the Municipality's financial system. The National Treasury will no longer gather supporting data from the MBRR A1 Schedules but will expect each municipality to submit the prescribed supporting data strings containing the required data using the LG Upload Portal.

#### **4.3.2 Budgeting and Reporting through MSCOA**

- a) As per the Annexure to MFMA Circular No. 99, mSCOA Circular No. 9, and GRAP 12, municipalities were advised to record and ring-fence all funding and expenditure pertaining to the COVID-19 pandemic for the 2020/21 MTREF when budgeting and transacting; and to budget and account for all bulk water purchases as inventory. This has not been adhered to by all municipalities. It is hereby reiterated that municipalities must budget for water as inventory and appropriately record COVID-19 expenditure in the 2021/22 MTREF as well as the main adjustments budget process in February 2021.
- b) Municipalities must implement the new property categorisation framework as revised through the Local Government Municipal Property Rates Amendment Act, 2014 by no later than July 2021. The mSCOA chart Version 6.5 makes provision for the new and the old framework. The Municipalities are advised to use the new framework since the old framework will be retired in the next version of the chart.
- c) Section 164(1)(c) of the MFMA stipulates that a municipality may not make loans to councillors or officials of the municipality; directors or officials of the entity; or members of the public. Therefore, municipalities are advised not to use these items in the Item Assets segment of the mSCOA chart when budgeting. National Treasury may retire these items in the next version of the chart.
- d) The population of the cash flow reconciliation in tables A7, B7 and C7 of the MBRR formats using mSCOA data strings has been a challenge in previous financial years. It is critical that municipalities undertake balance sheet and cash flow budgeting to provide accurate cash flow information. National Treasury has provided guidance in this regard in MFMA Circular No. 98 and mSCOA Circular No. 10 and 11 and have also corrected the errors in the linkages of the MBRR cash flow tables to the mSCOA data strings.

- e) In terms of performance reporting on conditional grants, municipalities and Transferring Officers are urged to pay attention to the contents of money spent against conditional grants. Most municipalities in the country are still not reporting on conditional grants as per the mSCOA requirements. The mSCOA data strings will be the main source of data that will be used to monitor the performance against grants and to inform decisions on the stopping and reallocation of conditional grants funding in the 2021/22 MTREF. The credibility of the mSCOA data strings reporting on grants will therefore be closely monitored going forward.

### **4.3.3 Municipal Financial Systems**

- a) National Treasury and the Western Cape Provincial Treasury held extensive engagements with key system providers during which the municipal financial system functionalities were demonstrated. The engagements provided these departments with an understanding of what functionality is available on each system and what the key system related challenges are. Municipalities should address the challenges and include the cost thereof in the 2021/22 MTREF budgets. As part of the key objectives of the mSCOA reform we want to ensure that municipalities are budgeting, transacting and reporting directly via integrated ERP systems to have one version of the truth in terms of the reported financial performance. Hence, the manual correction of data strings by municipal officials or system vendors are not allowed in terms of the mSCOA Regulations.
- b) All municipalities and municipal entities had to comply with the mSCOA Regulations by 1 July 2017. The National Treasury will therefore conduct independent audits on all municipal financial systems in 2021 (postponed from 2020 due to travel bans) to determine to what extent the financial systems that are currently being used by municipalities comply with the minimum business processes and system specifications required in terms of mSCOA. The results of the audits will inform the new transversal tender for the procurement of municipal financial and internal control systems in 2022. Until these audits have been concluded, and the results have been released, municipalities should exercise caution when changing their financial system to avoid purchasing a system that does not comply with the necessary mSCOA functionality requirements. However, should a municipality need to procure a new financial system, they must follow the processes set out in the MFMA read together with the Municipal Supply Chain Management Regulations and MFMA Budget Circulars No. 93, 98 and mSCOA Circulars No 5 and 6.
- c) It is important to note that once the service level agreement (SLA) for the support and maintenance of the financial system has expired, it cannot be extended, and the municipality will have to embark on a new procurement process. Therefore, it is advised that at least six months prior to the expiry of the SLA, the municipality should either extend the existing SLA or approach the market to procure the service. Also, when the contract for the support and maintenance of the financial system comes to an end, the municipal need not procure a new financial system, but only the support and maintenance services for the financial system.

### **4.3.4 Non-compliance with MSCOA Requirements**

National Treasury and the Western Cape Provincial Treasury will analyse the credibility of the data string submissions. If your municipality has not yet achieved the required level of mSCOA implementation, then it must provide a detailed action plan (road map) to the National and the Western Cape Provincial Treasury to indicate how the municipality will fast track the implementation of mSCOA. The action plan must be drafted by the municipality and not the system vendor and the progress against it should be carefully monitored by the municipality's mSCOA Project Steering Committee (chaired by the Accounting Officer). Municipalities must present progress against the action plan at the 2020/21 Mid-Year Budget and Performance visits and the SIME engagement. The



Municipality should consult MFMA Circular No. 107 for further detail regarding what should be included in the action plan.

## **5. 2021 LOCAL GOVERNMENT ELECTIONS AND THE BUDGET PROCESS**

The Local government elections are scheduled to take place in 2021, although the proposed date is yet to be determined. Municipalities are urged to do the following to ensure that the elections do not hamper the budget process:

- a) If elections take place after the start of the financial year, the outgoing council will be responsible for approving tariffs for the 2021/22 MTREF and the newly elected council for the implementation thereof, since section 28(6) of the MFMA does not allow the increase of tariffs during the financial year;
- b) If elections take place after the start of the financial year, the outgoing council must ensure that they comply with the timeframes for approval of the budget;
- c) Municipalities must ensure that public and stakeholder consultation processes are adhered to as required by the legislative framework provided by section 23 of the MFMA and Chapter 4 of the MSA, and that these are not neglected or used to serve the interest of political parties;
- d) Employ sound municipal decision-making so that the long-term sustainability of municipal finances and service delivery is achieved beyond the election period;
- e) Consider the regulatory framework set out in the Municipal Cost Containment Regulations insofar as it relates to the use of municipal funds to fund election campaigns and other non-priority issues, which may further impact the financial sustainability of municipalities;
- f) Councils are advised to prioritise expenditure appropriations aligned to the policy intent as described in the IDP;
- g) The outgoing council is advised to critically consider the financial implications before entering into new long-term contracts that are not of priority to the municipality and avoid if possible, committing the incoming council to any non-priority long-term contracts;
- h) The Mayor and municipal manager of the municipality should ensure the seamless preparation of the IDP and 2021/22 budget as these processes cannot be delayed in anticipation of the announcement of an election date;
- i) As is the norm, the newly elected council should implement the last adopted IDP during their first year of office, and adopt a new IDP in its second year of office, after thorough interrogation and extensive consultation with the citizens of the municipality; and

In the absence of detailed information on the 2021 Local Government Elections, National Treasury and the Western Cape Provincial Treasury will provide further guidance in the follow-up MFMA Budget Circular to be issued in March 2021.

## **6. KEY DATES OF THE 2021/22 INTEGRATED PLANNING AND BUDGETING PROCESS**

Municipalities are urged to consult MFMA Circular 107 for information regarding the budget process and submissions. The Western Cape Provincial Treasury will issue a follow-up circular in which the budgeting process and submission, as well as the LGMTEC assessments and SIME engagements will be outlined.

The following key dates should be considered by the Municipality in the 2021/22 Integrated Development Planning and budgeting process.

Dates	Budget Process
January 2021	Mid-year Budget and Performance Assessment
February 2021	Municipal Main Adjustments Budget
February 2021	National Budget Day
March 2021	Provincial Budget Day
Latest 31 March 2020	Municipal Draft Budget Tabling Day
Provisionally 26 April – 12 May 2021	SIME Engagements

If municipalities require advice with the compilation of their respective budgets, specifically the budget documents or Schedule A1, they should direct their enquiries to the following WC Provincial Treasury officials:

Directorate	Official	Tel. No.	Email
<b>Public Finance</b>	Chris Mapeyi	021 483 6100	Christopher.Mapeyi@westerncape.gov.za
	Elizabeth de Lange	021 483 4540	Elizabeth.deLange@westerncape.gov.za
<b>Budget Office</b>	Malcolm Booysen	021 483 3386	Malcolm.Booyesen@westerncape.gov.za
	Nadia Rinqwest	021 483 8692	Nadia.Rinqwest@westerncape.gov.za
	Kim Engel	021 483 8459	Kim.Engel@westerncape.gov.za
<b>Fiscal Policy</b>	Dr Ndodana Nleya	021 483 6707	Ndodana.Nleya@westerncape.gov.za

Municipalities may also contact the following officials at National Treasury:

	Responsible official	Tel. No.	Email
<b>Cape Town</b>	Kgomotso Baloyi	(021) 315 5866	Kgomotso.Baloyi@treasury.gov.za
<b>George</b>	Willem Voigt	(012) 315 5830	WillemCordes.Voigt@treasury.gov.za
	Mandla Gilimani	(012) 315 5807	Mandla.Gilimani@treasury.gov.za
<b>Technical issues with Excel formats</b>	Elsabe Rossouw	(012) 315 5534	lgdataqueries@treasury.gov.za

## 7. CONCLUSION

Municipalities are encouraged to take into account and apply the contents on this budget circular in the 2021/22 planning and budgeting process.

Please direct any queries regarding this circular to: Malcolm Booysen at [Malcolm.Booyesen@westerncape.gov.za](mailto:Malcolm.Booyesen@westerncape.gov.za)



**MALCOLM BOOYSEN**

**pp HEAD OFFICIAL: PROVINCIAL TREASURY**

**DATE:** 18 December 2020